

A G E N D A

REGULAR MEETING OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD

TUESDAY, APRIL 19, 2022, 8:30 AM

Below is a link for the zoom

<https://us06web.zoom.us/j/86918730503?pwd=Uno0aEYwT0QvdnZ5Rk16KzNMMTlQT09>

HON. BRIAN PROBOLSKY

Chairman

HON. STEVE JONES

Vice Chairman

CHARLES BARFIELD

Board Member

STEVE FRANKS

Board Member

ANIL KUKREJA

Board Member

DEAN WEST, CPA

Board Member

HON. PHILLIP E. YARBROUGH

Board Member

Staff

Hon. Frank Davies, CPA, Auditor-Controller
Kathy Tavoularis
Chris Nguyen

Counsel

Patrick K. Bobko

Clerk of the Board

Kathy Tavoularis

The Orange Countywide Oversight Board welcomes you to this meeting. This agenda contains a brief general description of each item to be considered. The Board encourages your participation. If you wish to speak on an item contained in the agenda, please complete a Speaker Form identifying the item(s) and deposit it in the Speaker Form Return box located next to the Clerk. If you wish to speak on a matter which does not appear on the agenda, you may do so during the Public Comment period at the close of the meeting. Except as otherwise provided by law, no action shall be taken on any item not appearing in the agenda. Speaker Forms are located next to the Speaker Form Return box. When addressing the Board, please state your name for the record prior to providing your comments.

In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the Clerk of the Board 72 hours prior to the meeting at (714) 834-2458

The Orange Countywide Oversight Board encourages the public to participate by submitting emails at kathy.tavoularis@ac.ocgov.com by 7:30 AM the day of the meeting, or calling (714) 834-2458 and leaving a message before 7:30 AM the day of the meeting, if you want to provide comments on agenda items or other subject matters within the Orange Countywide Oversight Board's jurisdiction. The Orange Countywide Oversight Board and Staff thank you in advance for taking all precautions to prevent spreading COVID-19. If you have any questions, please contact the Orange County Auditor-Controller's Office at (714) 834-2458.

All supporting documentation is available for public review online at <http://ocauditor.com/ob/> or in person in the office of the Auditor-Controller located at 1770 North Broadway, Santa Ana, California 92706 during regular business hours, 8:00 a.m. - 5:00 p.m., Monday through Friday

A G E N D A

REGULAR MEETING OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD

8:30 A.M.

DISCUSSION ITEMS:

1. Call to Order
2. Pledge of Allegiance
3. Adopt Resolution Concerning Teleconferenced Meetings During State of Emergency
4. Approval of the Minutes from February 23, 2022 Special Meeting
5. Adopt Amendment to Existing Enforceable Obligation
 - a. Placentia

CLOSED SESSION:

- CS-1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – INITIATION OF LITIGATION – Pursuant to Government Code Section 54956.9(d)(4):
Number of Cases: One Case

DISCUSSION ITEM:

6. Adopt Resolution Regarding Long-Range Property Management Plan (LRPMP) and Agency Parcel and Issue Further Direction Concerning Agency Parcel
 - a. La Habra

COMMENTS & ADJOURNMENT:

PUBLIC COMMENTS:

At this time members of the public may address the Board on any matter not on the agenda but within the jurisdiction of the Board. The Board may limit the length of time each individual may have to address the Board.

STAFF COMMENTS:

- Next Meeting: July 19, 2022

BOARD COMMENTS:

CLOSED SESSION:

- CS-2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – INITIATION OF LITIGATION – Pursuant to Government Code Section 54956.9(d)(4):
Number of Cases: One Case

ADJOURNMENT

NEXT MEETING:

Regular Meeting July 19, 2022 – 8:30 AM

Orange Countywide Oversight Board

Date: 4/19/2022

Agenda Item No. 3

From: Staff to the Orange Countywide Oversight Board

Subject: Resolution of the Countywide Oversight Board Approving Teleconference Meetings During a Proclaimed State of Emergency

Recommended Action:

Approve resolution for continuing teleconference meetings during a proclaimed state of emergency.

On September 16, 2021, Governor Gavin Newsom signed Assembly Bill 361 (“AB 361”) into law, amending the Ralph M. Brown Act (Gov. Code, § 54950 et seq.) (the “Brown Act”). AB 361 codified certain modified requirements for teleconference meetings held by public agencies, similar to those previously authorized and extended by executive order during the COVID-19 State of Emergency.

AB 361 was introduced to provide a longer-term solution for teleconference meetings during states of emergency, effective until January 1, 2024. AB 361 amends Section 54953 of the Government Code to allow the legislative body of a local agency to meet remotely without complying with the normal teleconference rules for agenda posting, physical location access, or quorum rules. To do so, one of three scenarios must exist, all of which require that the Governor has proclaimed a State of Emergency pursuant to Government Code section 8625:

- A. State or local officials have imposed or recommended measures to promote social distancing;
- B. The agency is holding a meeting for the purpose of determining whether meeting in person would present imminent risks to the health or safety of attendees; or
- C. The agency is holding a meeting and has determined that meeting in person would present imminent risks to the health or safety of attendees.

(Gov. Code, § 54953(e)(1).)

An agency and any committee that is required to comply with the Brown Act, that holds a meeting under either of the three scenarios must continue to post its agenda in the time required by the Brown Act and ensure that the public is able to address the board directly through teleconference means. (Gov. Code, § 54953(e)(2)). If a disruption prevents the agency or committee from broadcasting the meeting or receiving public comments in real time, the agency or committee cannot take further action until those functions are restored; any actions taken during such a disruption are subject to legal challenge. (Gov. Code, § 54953(e)(2)).

Assuming the State of Emergency remains in effect, if the Countywide Oversight Board for the County of Orange (the “Oversight Board”) wishes to continue meeting under the modified rules, then the Oversight Board must adopt an initial resolution within 30 days of the first teleconference meeting, and then must adopt an extension resolution at least every 30 days thereafter. (Gov. Code, § 54953(e)(3)). The resolution must contain findings stating the Oversight Board reconsidered the circumstances of the State of Emergency and either: (1) the State of Emergency continues to directly impact the ability of the Oversight Board’s members to meet safely in person; or (2) State or local officials continue to impose or recommend measures to promote social distancing. (Gov. Code, § 54953(e)(3)).

Where consecutive regular meetings fall outside the 30-day time frame, the Oversight Board should hold a special “AB 361” remote meeting within the 30-day window simply to re-authorize the AB 361 exceptions.

Without the AB 361 exceptions, the Oversight Board will be required to return to normal in-person meetings or provide public access at each remote location under the traditional teleconference rules, as of October 1,

2021. Therefore, if the AB 361 authorization lapses and the Oversight Board wishes to hold a teleconference meeting, it will be required to post agendas and provide public access at each remote location, identify those locations in the agenda, and maintain a quorum of the board within agency boundaries. If a meeting is not held in conformity with AB 361, board members may not teleconference from their residences or other locations which are not open and accessible to the public.

Impact on Taxing Entities

None.

Attachment

Resolution

RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD
RESOLUTION NO. _____

RECOGNIZING A STATE OF EMERGENCY AND
AUTHORIZING TELECONFERENCED MEETINGS PURSUANT TO AB 361

WHEREAS, in response to the novel coronavirus (“COVID-19”) pandemic, Governor Newsom adopted a series of Executive Orders allowing the legislative bodies of local governments to meet remotely via teleconference, so long as other provisions of the Ralph M. Brown Act (“Brown Act”) were followed; and

WHEREAS, on September 16, 2021, Governor Newsom signed AB 361, which immediately amended the Brown Act allowing governing boards to continue holding virtual meetings outside the teleconferencing requirements of Government Code section 54953(b), if the board makes a finding that there is a proclaimed State of Emergency, and either (1) state or local officials have imposed or recommended social distancing measures, or (2) meeting in person would present imminent risks to the health or safety of attendees due to the emergency; and

WHEREAS, on March 4, 2020, Governor Newsom declared a statewide emergency arising from COVID-19 pursuant to Government Code section 8625; and

WHEREAS, the Countywide Oversight Board within the County of Orange (“Oversight Board”) believes the spread of COVID-19 poses an imminent risk to the health and safety of in person meeting attendees; and

WHEREAS, the Oversight Board is committed to open and transparent governance in compliance with the Brown Act; and

WHEREAS, the Oversight Board is conducting virtual meetings by way of telephonic and/or internet-based services as to allow members of the public to fully participate in meetings and offer public comment; and

WHEREAS, the Oversight Board adopted Resolution No. 22-008, authorizing teleconferenced meetings pursuant to AB 361; and

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD that the recitals set forth above are true and correct and fully incorporated into this Resolution by this reference; and

BE IT FURTHER RESOLVED that the Oversight Board recognizes that a State of Emergency in the State of California continues to exist due to the COVID-19 pandemic; and

BE IT FURTHER RESOLVED that the governing board recognizes that social distancing measures remain recommended by state and local officials; and

BE IT FURTHER RESOLVED that the governing board finds that holding in-person meetings would present imminent risks to the health or safety of attendees due to the cause of the State of Emergency and that the cause of the State of Emergency directly impacts the ability of the Oversight Board to meet safely in person; and

BE IT FURTHER RESOLVED, the Oversight Board continues to authorize the use of teleconferencing for all meetings in accordance with Government Code section 54953(e) and all other applicable provisions of the Brown Act, for a period of 30 days from the date of the adoption of this resolution, or such time that the Oversight Board adopts a subsequent resolution in accordance with Government Code section 54953(e)(3).

**MINUTES
SPECIAL MEETING OF THE
ORANGE COUNTYWIDE OVERSIGHT BOARD**

February 23, 2022, 8:30 a.m.

1. CALL TO ORDER

A special meeting of the Orange Countywide Oversight Board was called to order at 8:34 a.m. on February 23, 2022 via Zoom Webinar by Vice Chairman Steve Jones, presiding officer.

Present:	6	Chairman:	Brian Probolsky
		Vice Chairman:	Steve Jones
		Board Member:	Anil Kukreja
		Board Member:	Dean West
		Board Member:	Charles Barfield
		Board Member:	Steve Franks
		Board Member:	Phil Yarbrough (Arrived at Item 5)

Absent: 0

Also Present: Also present, Kathy Tavoularis, Staff and Clerk of the Board; Patrick “Kit” Bobko, Legal Counsel; Chris Nguyen, Consultant; Cameron Wessel, Consultant; Joe Sturges, Staff; Susan Kim, City of La Habra; Elizabeth Hull, City of La Habra

2. PLEDGE OF ALLEGIANCE

Vice Chairman Jones led the group in the Pledge of Allegiance.

3. ADOPT RESOLUTION CONCERNING TELECONFERENCED MEETINGS DURING STATE OF EMERGENCY

Consultant Nguyen stated that the resolution allowing the continuation of teleconference meetings would last through March 25th. Board Member West moved and Vice Chairman Jones seconded to adopt the Resolution concerning teleconferenced meetings during the state of emergency. Roll call vote:

YES – Probolsky, Jones, Barfield, Franks, Kukreja, West
NO – N/A
Absent – Yarbrough

4. APPROVAL OF THE MINUTES FROM JANUARY 25, 2022 REGULAR MEETING

Board Member Franks moved and Board Member Kukreja seconded to approve the minutes from the January 25, 2022 Regular Meeting. Roll call vote:

YES – Probolsky, Jones, Franks, Kurkreja, West
NO – N/A
Abstention – Barfield
Absent – Yarbrough

5. CONTRACT RENEWAL FOR DYNAMIC STRATEGIES

Board Member Yarbrough arrived at the start of this item.

Board Member Kukreja moved and Board Member Barfield seconded to renew the contract for consulting services to the Oversight Board by Dynamic Strategies. Roll call vote:

YES – Probolsky, Jones, Barfield, Franks, Kukreja, West, Yarbrough

NO – N/A

Absent – N/A

6. UPDATE – LA HABRA SUCCESSOR AGENCY ASSET

Consultant Nguyen stated that the La Habra City Council, acting as the board of the Successor Agency, met last night regarding the parking lot, and public information on the Successor Agency's direction was not available on the web site, but that La Habra staff were present.

La Habra Director of Community and Economic Development Susan Kim and Special Counsel Elizabeth Hull provided an update from the Successor Agency. They stated staff will be recommending that the La Habra Successor Agency transfer ownership of the parcel back to the City of La Habra. La Habra could bring the proposal to the City Council by March 21, 2022, in advance of the Oversight Board's next regular meeting in April.

Board Member West asked if redesignating the property's usage for government use would allow for the property to be able to be purchased back from the Successor Agency.

Elizabeth Hull stated the City could use it for parking without compensation for the Successor Agency.

Board Member West asked if the parking lot could be used for businesses with the usage redesignation.

Elizabeth Hull stated that it would be allowed to be used for public parking.

Chairman Probolsky asked for clarification on the definition of public in this case.

Susan Kim stated that it would be solely public parking according to the grant deed.

Board Member West noted that a revision would require an action item by the Oversight Board.

Chairman Probolsky asked if the City and the property owner could change the use limitations without action by the Oversight Board.

Elizabeth Hull stated that would be outside the zoning code.

Chairman Probolsky stated that he is concerned that the usage would change again later, allowing the land to be developed on.

Elizabeth Hull stated that the parking lot would need to remain as a parking lot as long as the shopping center adjacent to it exists.

Board Member Yarbrough stated that the City of La Habra sold the property to the redevelopment agency in 1990 for \$2.5 million. If the City is not willing to purchase the property back, then he would like to see it sold to the highest bidder. He asked if the City is interested in purchasing the property back.

Susan Kim stated that the City of La Habra is looking to transfer the property from the Successor Agency to the City without purchasing it.

Board Member Yarbrough repeated that he would like to see the property sold to the highest bidder.

Chairman Probolsky stated that since the City Council had taken some action on the property in closed session the night prior with plans to take further action in a future open session, he would be willing to wait to see what they bring to the Oversight Board in April.

Board Member Yarbrough pointed out that the City has done nothing for years on the parcel and taken no action.

Board Member West clarified there is no action item on this property today.

Board Member Franks stated he would like to obtain the Oversight Board Counsel's legal opinion about the Oversight Board's options on how to intervene on the property.

COMMENTS & ADJOURNMENT:

PUBLIC COMMENTS:

None.

STAFF COMMENTS:

Consultant Nguyen reminded the Board that each Board Member's Form 700 is due on April 1st, and should be submitted electronically via an individualized link which had been emailed to the Board Members. He further added that the next regular meeting is April 19, 2022, however a special meeting may be required by March 25, 2022 if the Oversight Board will be meeting remotely in April.

BOARD COMMENTS:

Board Member Kukreja commented on his desire to receive clarity from the La Habra Successor Agency concerning the parking lot.

Vice Chairman Jones stated his preference that the next meeting take place remotely.

Chairman Probolsky stated his support of remote meetings, but does not find that feasible after the California State of Emergency is lifted.

Board Member West stated that he sees the value of remote meetings, but if the emergency rules are lifted, he feels that meetings should take place in person.

Chairman Probolsky announced that the Board would recess to Closed Session.

CLOSED SESSION:

CS-1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION –
INITIATION OF LITIGATION – Pursuant to Government Code Section 54956.9(d)(4): Number
of Cases: One

There was no reportable action.

ADJOURNMENT

Returning from Closed Session, Vice Chairman Jones moved to adjourn the meeting at 9:05 a.m.

BRIAN PROBOLSKY
CHAIRMAN OF THE COUNTYWIDE OVERSIGHT BOARD

KATHY TAVOULARIS
CLERK OF THE BOARD

DATE

Orange Countywide Oversight Board

Agenda Item No. 5a

Date: 4/19/2022

From: Successor Agency to the Placentia Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Approving the Amendment to an Existing Enforceable Obligation by the Successor Agency to the Redevelopment Agency of the City of Placentia

Recommended Action:

Approve resolution approving the amendment to an existing Enforceable Obligation by the Successor Agency to the Redevelopment Agency of the City of Placentia.

The Successor Agency to the Redevelopment Agency of the City of Placentia ("Successor Agency") approved an amendment to the terms of a reimbursement agreement (the "Reimbursement Agreement") originally entered into by the City of Placentia ("City") and the City's former Redevelopment Agency to allow for a refinancing of \$11,145,000 City of Placentia Refunding Certificates of Participation ("COPs") 2003 currently outstanding in the amount of \$2,495,000. Under the terms of the Reimbursement Agreement, the Successor Agency reimburses the City for 87.52% of the annual debt service on the COPs. The Reimbursement Agreement is an approved item on the Successor Agency's Recognized Obligation Payments Schedule (ROPS). Refinancing the 2003 COPs generate general fund savings for all Affected Taxing Entities and will assist the City with preparing for a future financing that will need to use one of the properties (the City's Corporate Yard) currently encumbered under the 2003 COPs' Lease Agreement.

Current Refunding of the 2003 COPs

The City's previously issued \$11,145,000 of Refunding Certificates of Participation ("COPs") that were issued in 2003 to refinance a previously outstanding financing and that have an outstanding balance of \$2,495,000, are "in the money" to be refinanced for savings. This means that once the transaction is completed, annual debt service payments made from the RPTTF will be lower, generating debt service savings for all Affected Taxing Entities. The COPs have a final maturity of January 1, 2028 and had a True Interest Cost ("TIC") of 5.83% at the time of their issuance. The payment of the annual debt service on the COPs is made from RPTTF Revenues through the Reimbursement Agreement (87.52%) and the City's General Fund (12.48%).

In addition to generating savings, the City is interested in releasing one of the properties currently used in the 2003 COPs' underlying lease agreement, specifically its Corporate Yard. Releasing the Corporate Yard from the 2003 Lease Agreement will enable the City to arrange for a new lease revenue-type of financing when the City is ready to finance a proposed new Police Facility, Refinancing the 2003 COPs now while rates are still low will enable the City to regain full control of the Corporate Yard (and two other of its properties) once the 2003 COPs are defeased.

The City has received an offer from First Foundation Public Finance, a Delaware statutory trust and a wholly-owned subsidiary of First Foundation Bank, to refinance these obligations at a rate of 2.35% which would create debt service savings for all Affected Taxing Entities by replacing the 2003 COP's debt service payments with the lower payments to be made on the 2022 Lease Agreement. The 2.35% interest rate is "locked in" until June 7, 2022. The final maturity on this 2022 refinancing will be January 1, 2027, one (1) year sooner than the 2003 COPs' maturity date. This Lease Agreement may also be prepaid without penalty three years after the closing, or 2025.

Fiscal Impact

The Gross Savings have been estimated by the City's Municipal Advisor, Kosmont Transactions Services, to be estimated to be approximately \$21,853 per year to be shared by all the Affected Taxing Entities, including the City, with estimated Net Present Value savings of approximately \$98,369, or NPV savings of approximately 4% of the currently outstanding balance, plus fully retire the COPs, and therefore the Reimbursement agreement on the ROPS, one (1) year earlier than the current final maturity.

Agency Contact

Dan Massiello
City Staff Consultant
Kosmont Transactions Services
Phone: (858) 220-3445
Email: dmassiello@kosmont.com

Jeannette Ortega
Assistant to the City Administrator
City of Placentia
Phone: (714) 993-8264
Email: jortega@placentia.org

Attachments

- Attachment No. 1: Oversight Board Resolution Approving an Amendment to an Existing Enforceable Obligation
- Attachment No. 2: Approved Placentia Successor Agency Resolution No. RSA-2022-02 for Approving the Form of and Authorizing the Execution and Delivery of a Site Lease Agreement and Amendment to Amended and Restate Reimbursement Agreement

RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD
RESOLUTION NO. _____

A RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD WITH
OVERSIGHT OF THE SUCCESSOR AGENCY TO THE CITY OF PLACENTIA
APPROVING THE AMENDMENT TO AN EXISTING ENFORCEABLE
OBLIGATION BY THE SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY
OF THE CITY OF PLACENTIA

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, all Section references hereinafter being to such Code), the Redevelopment Agency of the City of Placentia (the “Former Agency”) has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173, the Successor Agency to Redevelopment Agency of the City of Placentia (the “Successor Agency”) has become the successor entity to the Former Agency;

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency entered into that certain Amended and Restated Reimbursement Agreement, dated as of November 1, 2003 (the “Reimbursement Agreement”), by and between the City of Placentia (the “City”) and the Former Agency, pursuant to which the Former Agency pledged tax increment revenues to reimburse the City for lease payment made by the City under a Lease Agreement, dated as of November 1, 2003, related to the City’s Certificates of Participation (2003 Refunding and Improvement Project);

WHEREAS, Section 34177.5 authorizes the Successor Agency to amend existing enforceable obligations for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(3) (the “Savings Parameters”);

WHEREAS, to determine compliance with the Savings Parameters, the Successor Agency has prepared an analysis of the potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the amendment to the Reimbursement Agreement (the “Independent Municipal Advisor’s Debt Service Analysis”);

WHEREAS, the Successor Agency has adopted Resolution No. _____ on April 12, 2022 (the “Successor Agency Resolution”), approving the amendment to the Reimbursement Agreement and the form of and authorize the execution and delivery of the Amendment to Amended and Restated Reimbursement Agreement (the “Amendment”), by and between the Successor Agency and the City;

WHEREAS, pursuant to Section 34177.5(f) and Section 34180(b), the amendment to the Reimbursement Agreement is subject to the approval of the Orange Countywide Oversight Board (the “Oversight Board”);

WHEREAS, this Oversight Board desires to approve all matters relating to the amendment to the Reimbursement Agreement as required by Sections 34177.5(f), 34179(j) and 34180 of the California Health and Safety Code.

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

Section 2. The Oversight Board hereby approves the Successor Agency Resolution. The amendment to the Reimbursement Agreement pursuant to the Amendment, and the pledge of property tax revenues to the reimbursement obligations of the Successor Agency under the Reimbursement Agreement, as amended pursuant to the Amendment in the form submitted herewith, is hereby approved.

Section 3. The Successor Agency is authorized and directed to prepare, approve and execute such other documents and any additional agreements as may be required to carry out the purposes hereof and of the Successor Agency Resolution approving the amendment to the Reimbursement Agreement and related documents without the need for any further approval from the Oversight Board.

Section 4. The Chairman of the Oversight Board and the other officers and members of staff having responsibility for the affairs of the Oversight Board are hereby authorized and directed to execute such documents and certificates as they determine are necessary or appropriate to assist the Successor Agency in the amendment to the Reimbursement Agreement. Every act and matter approved herein is subject to full compliance by the Successor Agency with California Health and Safety Code Section 34177.5 and any and all other applicable law.

Section 5. The Successor Agency is authorized to recover its related costs in connection with the transaction approved hereby.

Section 6. The Clerk of the Board shall certify to the adoption of this Resolution.

RESOLUTION NO. R-2022-18

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA APPROVING THE TERMS OF A PRIVATE PLACEMENT, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SITE LEASE, A LEASE AGREEMENT, AMENDMENT TO AMENDED AND RESTATED REIMBURSEMENT AGREEMENT AND AN ESCROW DEPOSIT AND TRUST AGREEMENT, AND AUTHORIZING OTHER MATTERS RELATING THERETO

WHEREAS, the City of Placentia (the "City") is a municipal corporation and a charter city duly organized and existing under and pursuant to the Constitution and laws of the State of California; and

WHEREAS, it has been proposed that Municipal Finance Corporation, a corporation duly organized and validly existing under and by virtue of the laws of the State of California (the "Corporation") assist the City in refinancing the Certificates of Participation (2003 Refunding and Improvement Project) (the "2003 COPs"); and

WHEREAS, the City has received, and desires to accept, a bid for a private placement with First Foundation Public Finance, a Delaware statutory trust and a wholly-owned subsidiary of First Foundation Bank ("First Foundation"); and

WHEREAS, in connection therewith, the City Council of the City (the "City Council") wishes to proceed with a lease financing in the manner set forth in that certain Lease Agreement described below; and

WHEREAS, the City will lease to the Corporation certain real property (the "Leased Property") pursuant to a Site Lease (the "Site Lease") and the Corporation, concurrently with the execution of the Site Lease, will sublease the Leased Property back to the City pursuant to a Lease Agreement (the "Lease Agreement") in consideration for rental payments and assign certain rights and the rental payments under the Lease Agreement to First Foundation;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA FINDS, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The City Council finds that all of the facts set forth in the Recitals are true and correct, and are incorporated herein by reference.

Section 2. The City Council hereby approves an aggregate principal amount of lease payments under the Lease Agreement not to exceed \$2,500,000.

Section 3. The City Council hereby accepts the First Foundation interest rate of 2.35% (assuming no default) for the proposed private placement, subject to the

authorizations and limitations set forth herein and final delivery of the documents authorized hereby.

Section 4. the City Council hereby acknowledges receipt of the good faith estimates of certain information required by Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) as set forth in Exhibit A attached hereto.

Section 5. The City Council hereby approves the form of Site Lease, substantially in the form presented to the City Council and on file with the City Clerk, with such revisions, amendments and completions as shall be approved by the Mayor, the City Administrator, the Finance Director and any of their respective designees (each a "Responsible Officer"), with the advice of special counsel to the City, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The City Council hereby approves the form of Lease Agreement, substantially in the form presented to the City Council and on file with the City Clerk, with such revisions, amendments and completions as shall be approved by a Responsible Officer, with the advice of special counsel to the City, such approval to be conclusively evidenced by the execution and delivery thereof

Section 7. The City Council hereby approves the form of Escrow Deposit and Trust Agreement, substantially in the form presented to the City Council and on file with the City Clerk, with such revisions, amendments and completions as shall be approved by a Responsible Officer, with the advice of special counsel to the City, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. The City Council hereby approves the form of Amendment to Amended and Restated Reimbursement Agreement, substantially in the form presented to the City Council and on file with the City Clerk, with such revisions, amendments and completions as shall be approved by a Responsible Officer, with the advice of special counsel to the City, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 9. In connection with the private placement, the City Council hereby approves the appointment of Nixon Peabody LLP to perform special counsel services, Kosmont Transactions Services, Inc., to perform Municipal Advisor services. Any Responsible Officer is hereby authorized and directed to enter into professional services agreements with each of the foregoing.

Section 10. Each Responsible Officer and other officers of the City are hereby authorized and directed, jointly and severally, for and in the name on behalf of the City, to execute and deliver a placement agent agreement, and any and all other agreements, assignments, documents, certificates and other instruments, and to do any and all things and take any and all actions which may be necessary or advisable in their discretion, to carry out and give effect to the actions which the City has approved in this Resolution.

Section 11. All actions heretofore taken by any Responsible Officer or any officer, employee or agent of the City in connection with or related to any of the agreements referred to herein, are hereby approved, confirmed and ratified.

Section 12. This Resolution may be executed with electronic signatures in accordance with the Government Code of the State of California, Section 16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

Section 13. This Resolution becomes effective immediately upon adoption.

PASSED, APPROVED, AND ADOPTED this 12th Day of April 2022.



Rhonda Shader, Mayor

Attest:



Robert S. McKinnell, City Clerk



STATE OF CALIFORNIA
COUNTY OF ORANGE

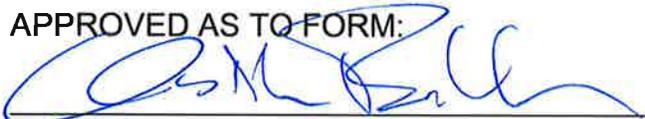
I, Robert S. McKinnell, City Clerk of the City of Placentia, do hereby certify that the foregoing Resolution was adopted at a Special meeting of the City Council of the City of Placentia, held on the 12th day of April 2022 by the following vote:

AYES:	Councilmember:	Green, Smith, Yamaguchi, Shader
NOES:	Councilmember:	None
ABSENT:	Councilmember:	Wanke
ABSTAIN:	Councilmember:	None



Robert S. McKinnell, City Clerk

APPROVED AS TO FORM:



Christian L. Bettenhausen, City Attorney

EXHIBIT A

Good Faith Estimates

The following information was obtained from Kosmont Transactions Services, Inc., serving as municipal advisor to the City, and is provided in compliance with Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) with respect to the Lease Agreement:

1. True Interest Cost of the Lease Agreement. A good faith estimate of the true interest cost of the Lease Agreement, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Lease Agreement, is 2.3501%.

2. Finance Charge of the Lease Agreement. A good faith estimate of the finance charge of the Lease Agreement, which means the sum of all fees and charges paid to third parties, is \$123,500.00.

3. Amount of Proceeds to be Received. A good faith estimate of the amount of proceeds expected to be received for sale of the Lease Agreement less the finance charge of the Lease Agreement described in 2 above and any reserves or capitalized interest paid or funded with proceeds of the Lease Agreement, is \$2,017,677.97

4. Total Payment Amount. A good faith estimate of the total payment amount, which means the sum total of all payments the City will make to pay debt service on the Lease Agreement plus the finance charge of the Lease Agreement described in paragraph 2 above not paid with the proceeds of the Lease Agreement, calculated to the final maturity of the Lease Agreement, is \$2,270,216.37

RESOLUTION NO. RSA-2022-02

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PLACENTIA APPROVING AN AMENDMENT TO AN EXISTING ENFORCEABLE OBLIGATION, REQUESTING OVERSIGHT BOARD APPROVAL OF THE AMENDMENT TO AN EXISTING ENFORCEABLE OBLIGATION, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, all Section references hereinafter being to such Code), the Redevelopment Agency of the City of Placentia (the "Former Agency") has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173, the Successor Agency to Redevelopment Agency of the City of Placentia (the "Successor Agency") has become the successor entity to the Former Agency;

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency entered into that certain Amended and Restated Reimbursement Agreement, dated as of November 1, 2003 (the "Reimbursement Agreement"), by and between the City of Placentia (the "City") and the Former Agency, pursuant to which the Former Agency pledged tax increment revenues to reimburse the City for lease payment made by the City under a Lease Agreement, dated as of November 1, 2003, related to the City's Certificates of Participation (2003 Refunding and Improvement Project);

WHEREAS, Section 34177.5 authorizes the Successor Agency to amend existing enforceable obligations for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(3) (the "Savings Parameters");

WHEREAS, to determine compliance with the Savings Parameters, the Successor Agency has prepared an analysis of the potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the amendment to the Reimbursement Agreement (the "Independent Municipal Advisor's Debt Service Analysis");

WHEREAS, the Successor Agency desires at this time to approve the amendment to the Reimbursement Agreement and to approve the form of and authorize the execution and delivery of the amendment to the Reimbursement Agreement;

WHEREAS, pursuant to Section 34177.5(f) and Section 34180(b), the amendment to the Reimbursement Agreement is subject to the approval of the Orange Countywide Oversight Board (the "Oversight Board");

NOW, THEREFORE, the Successor Agency to Redevelopment Agency of the City of Placentia **RESOLVES** as follows:

1. Determination of Savings. The Successor Agency has determined that there are potential savings available to the Successor Agency and to applicable taxing entities in compliance with the Savings Parameters by the amendment to the Reimbursement Agreement, all as evidenced by the Independent Municipal Advisor's Debt Service Analysis on file with the Secretary of the Successor Agency, which Independent Municipal Advisor's Debt Service Analysis is hereby approved.

2. Approval of Amendment to the Reimbursement Agreement. The Successor Agency hereby approves the Amendment to the Reimbursement Agreement. Each of the Mayor of the City, as the Chairman and presiding officer of the Successor Agency, the City Administrator of the City, as the Executive Director of the Successor Agency, and the Finance Director of the City, as the Finance Director of the Successor Agency, on behalf of the Successor Agency (each, an "Authorized Officer"), is hereby authorized and directed to execute and deliver, and the City Clerk of the City, as the Secretary of the Successor Agency, on behalf of the Successor Agency, is hereby authorized and directed to attest to, the Amendment to the Reimbursement Agreement for and in the name and on behalf of the Successor Agency, in substantially the form on file with the Successor Agency, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Amendment to the Reimbursement Agreement.

3. Oversight Board Approval of the Amendment to the Reimbursement Agreement. The Successor Agency hereby requests the Oversight Board, as authorized by Section 34177.5(f) and Section 34180 to approve the amendment to the Reimbursement Agreement pursuant to Section 34177.5(a)(3) and this Resolution.

4. Filing of Independent Municipal Advisor's Debt Service Analysis and Resolution. The Successor Agency is hereby authorized and directed to file the Independent Municipal Advisor's Debt Service Analysis, together with a copy of this Resolution, with the Oversight Board, and, as provided in Section 34180(j) with the Orange County Administrative Officer, the Orange County Auditor-Controller and the California Department of Finance.

5. Official Actions. The Authorized Officers and any and all other officers of the Successor Agency are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable in obtaining the requested approvals by the Oversight Board and the California Department of Finance and in the amendment to the Reimbursement Agreement. Whenever in this Resolution any officer of the Successor Agency is directed to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer

by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

6. Effective Date. This Resolution shall take effect from and after the date of approval and adoption thereof.

PASSED, APPROVED AND ADOPTED by the Successor Agency to Redevelopment Agency of the City of Placentia at a special meeting held on the 12th day of April, 2022, by the following vote:

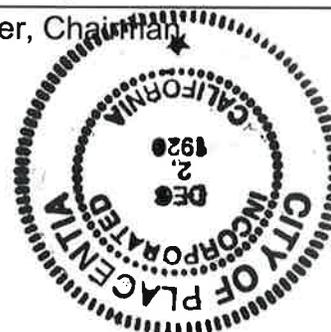


Rhonda Shader, Chairman

Attest:

By: 

Robert S. McKinnell, Secretary



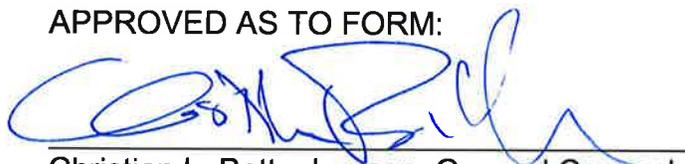
I, Robert McKinnell, Secretary of the Successor Agency to the Redevelopment Agency of the City of Placentia do hereby certify that the foregoing Resolution No. RSA-2022-021 was adopted at a Special meeting of the City Council acting as the Successor Agency to the Redevelopment Agency of the City of Placentia held on the 12th day of April 2022 by the following vote:

AYES:	Councilmembers:	Green, Smith, Yamaguchi, Shader
NOES:	Councilmembers:	None
ABSENT:	Councilmembers:	Wanke
ABSTAIN:	Councilmembers:	None



Robert McKinnell, Agency Secretary

APPROVED AS TO FORM:



Christian L. Bettenhausen, General Counsel

**AMENDMENT TO
AMENDED AND RESTATED
REIMBURSEMENT AGREEMENT**

by and between

CITY OF PLACENTIA

and

**SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY
OF THE CITY OF PLACENTIA**

Dated as of _____ 1, 2022

TABLE OF CONTENTS

Page

**PART 1
PARTICULAR AMENDMENTS**

Part 1.1 Amendment to Section 1..... 1
Part 1.2 Amendment to Section 2..... 2
Part 1.3 Amendment to Exhibit A..... 2

**PART 2
MISCELLANEOUS**

Part 2.1 Effect of Amendment..... 2
Part 2.2 Execution in Counterparts..... 2
Part 2.3 Effective Date 2

EXHIBIT A – AMOUNTS TO BE REIMBURSED..... A-1

**AMENDMENT TO
AMENDED AND RESTATED REIMBURSEMENT AGREEMENT**

THIS AMENDMENT TO AMENDED AND RESTATED REIMBURSEMENT AGREEMENT (this “Amendment”) executed and entered into as of _____ 1, 2022, is by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PLACENTIA, a successor agency to the Redevelopment Agency of the City of Placentia (the “Successor Agency”), and the CITY OF PLACENTIA, a charter city organized and existing under and by virtue of the laws of the State of California (the “City”).

RECITALS

WHEREAS, the City and the Redevelopment Agency of the City of Placentia (the “Former Agency”) previously entered into that certain Amended and Restated Reimbursement Agreement, dated as November 1, 2003 (the “Reimbursement Agreement”), pursuant to which the Former Agency pledged tax increment revenues to reimburse the City for all lease payments made by the City under the Lease Agreement, dated as of November 1, 2003 (the “2003 Lease”), by and between the City and the Former Agency, related to the City’s Certificates of Participation (2003 Refunding and Improvement Project) (the “2003 COPs”); and

WHEREAS, the City intends to refinance the 2003 COPs to lower the lease payments payable under the 2003 Lease; and

WHEREAS, in connection with the refinancing of the 2003 COPs, the City and Municipal Finance Corporation will enter into a Lease Agreement (the “2022 Lease Agreement”);

WHEREAS, the City and the Successor Agency desire to amend the Reimbursement Agreement to allow for continued reimbursement of lease payments payable under the 2022 Lease Agreement; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Amendment do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Amendment;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties hereto agree as follows:

PART 1

PARTICULAR AMENDMENTS

Part 1.1 Amendment to Section 1. Section 1 of the Reimbursement Agreement is hereby amended to include the following definition:

“2022 Lease Agreement” means that Lease Agreement, by and between the City and Municipal Finance Corporation, recorded on _____, 2022 as Instrument No. _____ in the official records of the County of Orange.

Part 1.2 Amendment to Section 2. All references to November 2003 Lease shall be changed to 2022 Lease Agreement.

Part 1.3 Amendment to Exhibit A. Exhibit A of the Reimbursement Agreement is hereby replaced with Exhibit A of this Amendment.

PART 2

MISCELLANEOUS

Part 2.1 Effect of Amendment. This Amendment and all of the terms and provisions herein contained shall form part of the Reimbursement Agreement as fully and with the same effect as if all such terms and provisions had been set forth in the Reimbursement Agreement. The Reimbursement Agreement is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as heretofore amended and supplemented, and as amended and supplemented hereby. If there shall be any conflict between the terms of this Amendment and the terms of the Reimbursement Agreement (as in effect on the day prior to the effective date of this Amendment), the terms of this Amendment shall prevail.

Part 2.2 Execution in Counterparts. This First Amendment may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Part 2.3 Effective Date. This Amendment shall become effective upon the effective date of the 2022 Lease Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Successor Agency and the City have caused this Amendment to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY OF PLACENTIA**

By: _____
Executive Director

CITY OF PLACENTIA

By: _____
City Administrator

EXHIBIT A
AMOUNTS TO BE REIMBURSED

Orange Countywide Oversight Board

Agenda Item No. 6a

Date: 4/19/2022

From: Successor Agency to the La Habra Redevelopment Agency

Subject: Resolution of the Countywide Oversight Board Approving redesignation of certain property in the Long-Range Property Management Plan from “future sale” to “governmental use” property.

Recommended Action:

Approve resolution to for the redesignation of certain property in the Long-Range Property Management Plan from “future sale” to governmental use” property.

The La Habra Successor Agency requests approval of redesignation of certain property in the Long-Range Property Management Plan from “future sale” to “governmental use” property.

AB X126 (The "Dissolution Act") was enacted in June 2011 as part of the Fiscal Year 2011-2021 State budget package. Under the Dissolution Act, all redevelopment agencies in the State of California were dissolved as of February 1, 2012. The Successor Agency to the La Habra Redevelopment Agency assumed the duties of unwinding the affairs of the City's Redevelopment Agency.

The Successor Agency was required by AB X126 to prepare a Long-Range Property Management Plan (LRPMP) that addressed the disposition and use of the properties of the former Redevelopment Agency. Pursuant to Health and Safety Code 34191.5, the LRPMP is required to be reviewed for approval by the Successor Agency, and once approved, submitted to the Oversight Board for their approval and forwarded to the Department of Finance (DOF).

- On July 15, 2013, the Successor Agency approved submittal of its initial LRPMP to the Oversight Board. On August 1, 2013, the Oversight Board approved submittal of the draft LRPMP to the DOF.
- On October 20, 2014, the Successor Agency considered the first revision to the LRPMP, and recommended Oversight Board approval of the modified LRPMP for submittal to the DOF. On October 30, 2014, the Oversight Board concurred with the action of the Successor Agency and approved the first revision of the LRPMP, which was then submitted to the DOF.
- On July 20, 2015, the Successor Agency considered the second revision to the LRPMP, and recommended Oversight Board approval of the modified LRPMP for submittal to the DOF. On July 30, 2015, the Oversight Board concurred with the action of the Successor Agency and approved the first revision of the LRPMP, which was then submitted to the DOF.

All properties within the LRPMP have now been transferred or sold, with the sole exception of a remaining surface parking lot that is part of the larger parking lot for the La Habra Marketplace. The permissible use of this property is identified in the LRPMP as "Sale of Property"; however, staff has determined that the sale of this property is not feasible due to restrictions in the grant deed

that limit its use solely as parking for the La Habra Marketplace.

Owner Participation Agreement Obligation:

Additionally, the entitlements for the shopping center require the parking lot parcel to be used as parking for the shopping center. Entered into at the time of the entitlement of the shopping center, the RDA and the La Habra Associates entered into the attached Owner Participation Agreement (OPA) which requires the parking lot property to be irrevocably used for parking. See Section 7(v) of the OPA as excerpted below:

(v) At such time as Developer is entitled to a Certificate of Completion pursuant to paragraph 15 below, the balance of the Bond proceeds shall be applied to acquisition of the Parking Improvements and other public facilities in accordance with paragraph 5 above. The transfer of an interest in the Parking Improvements to Agency will occur concurrent with disbursement of the last installment of Bond proceeds described above. Such transfer will irrevocably dedicate the Parking Improvements to use for public parking and will, subject to applicable federal tax law requirements, provide for the termination of or the Developer's ability to extinguish such interest concurrent with repayment of the Bonds. Concurrent with transfer of the Parking

The OPA is still in full force and effect and failure to comply with this provision will potentially expose the Successor Agency to liability.

Transfer of Parking Lot:

Finally, Health and Safety Code Section 3418 (1)(1) provides "that the oversight board may instead direct the successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, **parking facilities and lots dedicated solely to public parking**, and local agency administrative buildings, to the appropriate public jurisdiction pursuant to any existing agreements relating to the construction of use of such an asset."

At the time the Original LRPMP was approved, the position of the DOF was that public parking lots owned by redevelopment agencies would not be treated as governmental use properties for purposes of provisions of the Dissolution Act, which provided that governmental use properties were eligible for transfer from successor agencies to host cities without payment of compensation

therefor, SB 107, approved in 2015, provided that if a Successor Agency's plan was previously approved it could be amended to allow for the transfer of parking lots. In addition, Section 34181 was specifically amended as highlighted above, to designate parking lots as public purpose properties. Health and Safety Code Section 34191.3 allows successor agency to amend its LRPMP once, solely to allow for retention of real properties that constitute "parking facilities and lots dedicated solely to public parking" for governmental use. The Successor Agency has not previously amended its LRPMP to address the designation of parking lots as governmental use properties.

Conclusion:

Based upon the erroneous use designation of the Property in the Original LRPMP, and pursuant to HSC § 34181 (a) (1), staff recommends that the property be re-designated from “future sale” to “public use” property and transferred to the City for continued use as a public parking lot. This modification is consistent with intent of SB 107, which allowed for the transfer of parking lots from successor agencies to cities. Failure to re-designate this property could expose the Successor Agency to potential litigation for failure to comply with the terms of OPA. If the re-designation is approved by the Successor Agency and Oversight Board the Successor Agency and City will effectuate the transfer.

The Successor Agency approved Resolution No. 2022-02 on April 2, 2022 approving and adopting the redesignation of certain property in the Long-Range Property Management Plan from ‘future sale’ to “governmental use” property.

If the Oversight Board approves the redesignation of the parcel, the parcel can be transferred to the City as a public parking lot. Taxing entities would not receive revenue from the transfer of the property, however it would allow the Successor Agency to wind down since this is the final property that has not sold per the current LRPMP.

Staff Contact(s)

Miranda Cole-Corona, Economic Development and Housing Manager
mcole@lahabracca.gov
(562) 383-4110

Attachments

Proposed Orange Countywide Oversight Board Resolution
Successor Agency Resolution including Redesignated LRPMP
Owner Participation Agreement

**RESOLUTION OF THE ORANGE COUNTYWIDE OVERSIGHT BOARD
RESOLUTION NO. _____**

**IN THE MATTER OF APPROVING A RESOLUTION OF THE ORANGE
COUNTYWIDE OVERSIGHT BOARD APPROVING REDESIGNATION OF
CERTAIN PROPERTY IN THE LONG-RANGE PROPERTY MANAGEMENT
PLAN FROM “FUTURE SALE” TO “GOVERNMENTAL USE” PROPERTY**

WHEREAS, pursuant to Health and Safety Code Section 34173(d), the City of La Habra (“Successor Agency”) elected to become the Successor Agency to the Redevelopment Agency of the City of La Habra by Resolution No. 5508 on January 12, 2012; and

WHEREAS, Health and Safety Code Section 34191.5(b) required the Successor Agency to prepare a Long-Range Property Management Plan (LRPMP) addressing the future disposition and use of all real property of the former La Habra Redevelopment Agency; and

WHEREAS, Health and Safety Code Section 34191.5(b) also requires the Successor Agency to submit the LRPMP to the Oversight Board and the State of California Department of Finance (DOF) for review and approval no later than six months following the issuance to the Successor Agency of a Finding of Completion pursuant to Health and Safety Code Section 34179.7; and

WHEREAS, on August 1, 2013, the Oversight Board approved submittal of a draft LRPMP to the DOF; and

WHEREAS, on October 20, 2014, the Successor Agency to Redevelopment Agency of the City of La Habra (Successor Agency) considered first revised LRPMP approved its submittal to the Oversight Board for approval and submission to the DOF; and

WHEREAS, Health and Safety Code Section 34191.3 allows successor agency to amend its LRPMP once, solely to allow for retention of real properties that constitute “parking facilities and lots dedicated solely to public parking” for governmental use; and

WHEREAS, the Successor Agency now desires to redesignate the La Habra Marketplace parcel as a governmental use property so it will be transferred to the City of La Habra for continued use as a parking lot. In furtherance of this staff now seeks direction from the Successor Agency to submit the request for redesignation to the Orange Countywide Oversight Board for approval; and

WHEREAS, on April 4, 2022, the Successor Agency to the Redevelopment Agency of the City of La Habra approved RESOLUTION NO. 2022-02, approving redeisgination of certain property in the Long-Range Property Management Plan from “future sale” to “governmental use” property.

NOW, THEREFORE, BE IT RESOLVED BY THE ORANGE COUNTYWIDE OVERSIGHT BOARD:

Section 1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. The Orange Countywide Oversight Board hereby approves and is hereby authorized and directed to take any action necessary to carry out the purpose of this Resolution and comply with applicable laws regarding the Long-Range Property Management Plan.

Section 3. The Orange Countywide Oversight Board authorizes transmittal of the redesignated Long-Range Property Management Plan to the Department of Finance.

Section 4. The City of La Habra's authorized designee is directed to post this Resolution, including the redesignated Long-Range Property Management Plan on the City/Successor Agency website pursuant to Dissolution Law.

Section 5. Under Section 34179(h), written notice and information about certain actions taken by the Orange Countywide Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF's choosing. The Orange Countywide Oversight Board's action shall become effective five (5) business days after notice in the manner specified by the DOF unless the DOF requests a review.

Section 6. The clerk of the Board shall certify to the adoption of this Resolution.

RESOLUTION NO. 2022-02

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LA HABRA APPROVING REDESIGNATION OF CERTAIN PROPERTY IN THE LONG-RANGE PROPERTY MANAGEMENT PLAN FROM "FUTURE SALE" TO "GOVERNMENTAL USE" PROPERTY

WHEREAS, pursuant to Health and Safety Code Section 34173(d), the City of La Habra ("Successor Agency") elected to become the Successor Agency to the Redevelopment Agency of the City of La Habra by Resolution No. 5508 on January 12, 2012; and

WHEREAS, Health and Safety Code Section 34191.5(b) required the Successor Agency to prepare a Long-Range Property Management Plan (LRPMP) addressing the future disposition and use of all real property of the former La Habra Redevelopment Agency; and

WHEREAS, Health and Safety Code Section 34191.5(b) also requires the Successor Agency to submit the LRPMP to the Oversight Board and the State of California Department of Finance (DOF) for review and approval no later than six months following the issuance to the Successor Agency of a Finding of Completion pursuant to Health and Safety Code Section 34179.7; and

WHEREAS, on August 1, 2013, the Oversight Board approved submittal of a draft LRPMP to the DOF; and

WHEREAS, on October 20, 2014, the Successor Agency to Redevelopment Agency of the City of La Habra (Successor Agency) considered first revised LRPMP approved its submittal to the Oversight Board for approval and submission to the DOF; and

WHEREAS, Health and Safety Code Section 34191.3 allows successor agency to amend its LRPMP once, solely to allow for retention of real properties that constitute "parking facilities and lots dedicated solely to public parking" for governmental use; and

WHEREAS, the successor agency now desires to redesignate the La Habra Marketplace parcel as a governmental use property so it will be transferred to the City of La Habra for continued use as a parking lot. In furtherance of this staff now seeks direction from the Successor Agency to submit the request for redesignation to the Orange Countywide Oversight Board for approval.

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LA HABRA DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. CEQA Compliance. The approval of the redesignation of the La Habra Marketplace parcel through this Resolution does not commit the Successor Agency to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act (CEQA). The Successor Agency Secretary is authorized and directed to file a Notice of Exemption in accordance with CEQA with the appropriate official of the County of Orange, California, within five (5) days following the date of adoption of this Resolution.

Section 3. Transmittal of Request for Redesignation of the La Habra Marketplace Parcel. The Successor Agency staff is hereby authorized and directed to take any action necessary to carry out the purpose of this Resolution and comply with applicable laws regarding the Long-Range Property Management Plan, including submitting the request for redesignation of the La Habra Marketplace parcel from “for sale” to “governmental use” property to the Orange Countywide Oversight Board for their approval and submittal to the State Department of Finance for review and approval and posting the Third Revised Long-Range Property Management Plan on the Successor Agency’s website.

Section 4. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without severable. The Successor Agency declares that the Successor Agency would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 5. Certification. The Successor Agency Secretary shall certify to the adoption of this Resolution.

Section 6. Effective Date. The Resolution shall be effective immediate upon approval by the Successor Agency.

PASSED, APPROVED AND ADOPTED at a regular meeting of the Successor Agency to the Redevelopment Agency of the City of La Habra on this 4th day of April 2022.



Steve Simonian
Chair

ATTEST:



Laurie Swindell, CMC
Secretary

STATE OF CALIFORNIA }
COUNTY OF ORANGE } ss
CITY OF LA HABRA }

I, Laurie Swindell, CMC, Secretary for the Successor Agency to the Redevelopment Agency of the City of La Habra, do hereby certify that the above and foregoing is a true and correct copy of Resolution No. 2022-02 introduced and adopted at a regular meeting of the Successor Agency to the Redevelopment Agency of the City of La Habra held on the 4th day of April 2022, by the following roll call vote:

AYES: DIRECTORS: Simonian, Gomez, Espinoza, Medrano, Nigsarian
NOES: DIRECTORS: None
ABSENT: DIRECTORS: None
ABSTAIN: DIRECTORS: None

Witness my hand and the official seal of the Successor Agency to the Redevelopment Agency of the City of La Habra this 4th day of April, 2022.



Laurie Swindell, CMC
Secretary

Attachment 1

Long-Range Property Management Plan

[Attached behind this cover page]

Successor Agency: City of La Habra
 County: Orange

Attachment 1 to Resolution No.

THIRD REVISED LONG-RANGE PROPERTY MANAGEMENT PLAN: PROPERTY INVENTORY DATA											
HSC 34191.5 (c)(2)				HSC 34191.5 (c)(1)(A)				SALE OF PROPERTY		HSC 34191.5 (c)(1)(B)	
No.	Property Type	Permissible Use	Permissible Use Detail	Acquisition Date	Value at Time of Purchase	Estimated Current Value	Value Basis	Date of Estimated Current Value	Proposed Sale Value	Proposed Sale Date	Purpose for which property was acquired
1	Parking Lot/Building	Governmental Use	Gov't use parking for civic center	9/20/2002	\$ 325,000	\$0	Market	Sep-02	\$0.00	transferred to city	Police Department Civic Center Parking
2	Parking Lot/Building	Governmental Use	Gov't use parking for civic center	9/20/2002	Included in above price	\$0	Market	Sep-02	\$0.00	transferred to city	Police Department Civic Center Parking
3	Parking Lot/Building	Governmental Use	Gov't use parking for civic center	9/20/2002	Included in above price	\$0	Market	Sep-02	\$0.00	transferred to city	Police Department Civic Center Parking
4	Parking Lot	Governmental Use	Public Parking Lot	5/30/1990	\$2,500.00	\$0	Letter of Value	\$0	\$0	transfer to City	Parking Lot
5	Public Building	Governmental Use	Gov't use by City for Child Dev. Center facility	4/21/2008	\$ 922,500	\$2,500,000	Market	Apr-08	\$0.00	transferred to city	Child Development Ctr.
6	Commercial	Sale of Property	Approved RDA Plan	7/23/2010	\$ 1,450,000	\$2,720.00	Appraised	Sep-14	\$2,720,000	Summer 2015	Redevelopment project area
7	Commercial	Sale of Property	Approved RDA Plan	9/11/2007	\$ 3,000,000	Included in value above	Appraised	Sep-14	Included in the parcel value above	Summer 2015	Redevelopment project area

Successor Agency: City of La Habra
 County: Orange

THIRD REVISED LONG-RANGE PROPERTY MANAGEMENT
 HSC 34191.5 (c)(2)

No.	Property Type	Permissible Use	Address	HSC 34191.5 (c)(1)(C)				HSC 34191.5 (c)(1)(D)			HSC 34191.5 (c)(1)(E)		HSC 34191.5 (c)(1)(F)	HSC 34191.5 (c)(1)(G)
				APN #	Lot Size	Current Zoning	Estimate of Current Parcel Value	Estimate of Income/Revenue	Contractual requirements for use of income/revenue	History of environmental contamination, studies, and/or remediation, and designation as a brownfield site	Description of property's potential for transit oriented development	Advancement of planning objectives of the successor agency		
1	Parking Lot/Building	Governmental Use	101 E. La Habra Blvd	022-075-27	0.18 Acres	SP-1	\$0	none	none	none	none	none	none	
2	Parking Lot/Building	Governmental Use	111 E. La Habra Blvd	022-075-10	0.06 Acres	SP-1	\$0	none	none	none	none	none	none	
3	Parking Lot/Building	Governmental Use	127 E. La Habra Blvd	022-075-09	0.07 Acres	SP-1	\$0	none	none	none	none	none	none	
4	Parking Lot	Parking Lot	n/a	018-381-64	2.84 Acres	C-2S	\$0	none	none	none	none	none	none	
5	Public Building	Governmental Use	215 N. Euclid St.	022-062-27	0.31 Acres	R-2	\$2,500,000	none	none	none	none	none	none	
6	Commercial	Sale of Property	951 E. Imperial Highway	019-111-80	0.94 Acres	C-2 PUD	\$2,720,000	\$57,600	none	none	none	none	none	
7	Commercial	Sale of Property	1001 E. Imperial Highway	019-111-60	1.10 Acres	C-2 PUD	Included in the parcel value above	Included in value above	none	none	none	none	none	

Successor Agency: City of La Habra
 County: Orange

THIRD REVISED LONG-RANGE PROPERTY MANAGEMENT
 HSC 34191.5 (c)(2)

No.	Property Type	Permissible Use	History of previous development proposals and activity
1	Parking Lot/Building	Governmental Use	parking lot
2	Parking Lot/Building	Governmental Use	parking lot
3	Parking Lot/Building	Governmental Use	parking lot
4	Parking Lot	Sale of Property	parking lot
5	Public Building	Governmental Use	public building
6	Commercial	Sale of Property	commercial building
7	Commercial	Sale of Property	commercial building

HSC 34191.5 (c)(1)(H)

*Item highlighted in yellow is the property under consideration

*City Clerk
copy*

OWNER PARTICIPATION AGREEMENT

THIS OWNER PARTICIPATION AGREEMENT (The "Agreement") is made and entered into this as of the 7th day of November, 1989, by and between

THE REDEVELOPMENT AGENCY OF THE CITY OF LA HABRA, a public body corporate and politic organized under the laws of the State of California, hereinafter referred to as "Agency", and

LA HABRA ASSOCIATES, a California general partnership, hereinafter referred to as "Developer",

RECITALS

This Agreement is entered into on the basis of the following facts, understandings and intentions of the parties hereto

1 Developer is the present fee owner of the following property

A Approximately nine hundred seventeen thousand three hundred seventy three (917,373) square feet (approximately

21 06 acres) of real property located at the northeast corner of Imperial Highway and Beach Boulevard, which is the westerly portion of the area commonly known in the past as La Habra Fashion Square This property consists of County Assessor Parcel Numbers 18-381-54 (2 34 acres), 18-381-49 (7 12 acres), 18-381-50, 18-381-51 (7 47 acres) and 18-391-14 (3 16 acres) and is more particularly described on Exhibit 1 attached hereto This property is hereinafter referred to as "Development Parcel No 1"

B Approximately 1 97 acres of real property, located at the northwest corner of Imperial Highway and Idaho Street, which is the easterly portion of the area commonly known in the past as La Habra Fashion Square This property consists of Assessor Parcel 18-391-17 and is more particularly described on Exhibit 2 attached hereto and incorporated herein This property is hereinafter referred to as "Development Parcel No 2"

2 Not owned by Developer and excluded from this Agreement is real property owned and occupied by Bullocks/R H Macys, Inc , ("Bullocks") consisting of approximately 15 39 acres, located on Imperial Highway and between Development Parcel No 1 and Development Parcel No 2 This property is hereinafter referred to as "Development Parcel No 3"

3 All real property described in paragraphs 1 and 2 is located within the City of La Habra ("City") and within the

adopted Delta One Redevelopment Project Area ("Project Area")
The purpose of this Agreement, together with that certain "Development Agreement" (as hereinafter defined) being submitted concurrently to the City for its consideration, is to implement the Redevelopment Plan for the Project Area by providing for the redevelopment of Development Parcel No 1 by construction thereon of a retail center which is more particularly described in the Development Agreement, along with associated parking, landscaping and related improvements (collectively, the "Developer Improvements") The redevelopment of Development Parcel No 1 pursuant to this Agreement is in the vital and best interests of City and Agency and is in accord with the public purposes and provisions of applicable state and local law

4 In recognition of the matters set forth above and the covenants and obligations undertaken by Developer under this Agreement, Agency wishes to facilitate and assist redevelopment of Development Parcel No 1 as more specifically provided below

AGREEMENT

NOW, THEREFORE, IN CONSIDERATION OF THE COVENANTS AND OBLIGATIONS CONTAINED IN THIS AGREEMENT, IT IS HEREBY AGREED AS FOLLOWS.

1 Developer Improvements, Scheduled Dates

In consideration of the Agency's covenants herein contained, Developer hereby agrees to construct and develop or cause to be constructed and developed on Development Parcel No 1 a retail/commercial center (the "Center") consistent with the land use entitlements to be secured by Developer under that certain "Development Agreement Concerning Redevelopment of La Habra Fashion Square", (the "Development Agreement"), to be considered by the Planning Commission of the City and the City following approval of this Agreement by Agency. In accordance with the terms of the Development Agreement, the Center will contain not less than one hundred seventy-five thousand (175,000) square feet of ground floor gross building area and not more than two hundred fourteen thousand (214,000) square feet of ground floor gross building area. The parties to this Agreement acknowledge and agree that, unless the ordinance approving the Development Agreement is adopted not later than December 20, 1989, as such date may be extended in writing by the parties, either party to this Agreement shall have the right to terminate this Agreement upon written notice to the other party.

In connection with construction of the Center, Developer agrees to meet the following deadlines:

A. On or prior to February 1, 1990, Developer shall submit to Agency and City ("Agency/City") a final design for site

layout for the redevelopment of Development Parcel No 1 Unless Agency/City approve otherwise, the final design for site layout shall conform to the "Construction Requirements" and "Applicable Laws" described in the Development Agreement (as such terms are defined in Section 2 of the Development Agreement) So long as the final design for site layout conforms to the Construction Requirements and Applicable Laws described in the Development Agreement, the City Manager/Executive Director shall be authorized to approve the final site design on behalf of the Agency/City even though such design varies from the preliminary site plan attached to the Development Agreement as Exhibit B

B On or prior to the later of (1) March 1, 1990, or (11) thirty (30) days after issuance of the Mello-Roos Bonds described in paragraph 5 below, Developer shall commence the demolition of the existing improvements on Development Parcel No 1 Such demolition shall ultimately include (1) approximately one hundred twenty thousand (120,000) square feet of building currently occupied and used for retail sales purposes by Buffums Department Store plus (11) approximately 115,440 square feet of mall shops located between the existing Buffums and Bullocks Department Stores All of said buildings which are to be demolished and removed are located within Development Parcel No 1 Said demolition and removal of buildings shall be completed on or prior to July 1, 1990, provided, that (in addition to any extension provided by paragraph 16E below) such deadline shall be extended for a period of time equal to the

numbers of days, if any, by which issuance of the Mello-Roos Bonds is delayed after its scheduled date of February 1, 1990

C On or prior to July 1, 1990, Developer shall commence construction of the Developer Improvements in accordance with the terms of the Development Agreement and this Agreement. Said construction shall be completed and available for occupancy by retail businesses on or prior to January 1, 1991. The deadline dates set forth in this paragraph 1C shall be extended (in addition to any extension provided by paragraph 16E below) for a period of time equal to the number of days, if any, by which issuance of the Mello-Roos Bonds is delayed after its scheduled date of February 1, 1990.

2 Use of the Center, Retail Sales

Following redevelopment of the Center, Developer shall, to the extent provided in this paragraph, initially convey (by lease or sale) the right to occupy the first floor of the newly constructed buildings within Development Parcel No 1 to businesses engaged primarily and substantially in retail sales. Any businesses which are primarily service businesses (i.e., not substantially retail sales businesses) shall not exceed a maximum of eight percent (8%) of the total first floor area of all buildings in Development Parcel No 1, and, correspondingly, a minimum of ninety-two (92) percent of the first floor area of all buildings in Development Parcel No 1 shall be leased or sold to

businesses that are primarily retail sales oriented and producing taxable sales Any second floor area constructed in the Center may be used for offices, service businesses, storage and any other legally permitted non-retail businesses

3 Preparation of Site for Redevelopment, Acquisition of Reciprocal Easement Agreement Interest

The parties to this Agreement acknowledge and agree that redevelopment of Development Parcel No 1 will require the extinguishment of that certain Reciprocal Easement Agreement ("REA") entered into between Bullocks (or its predecessor-in-interest) and Developer's predecessor(s)-in-interest with respect to Development Parcel No 1 and Development Parcel No 2 Developer shall use good faith efforts to first negotiate the extinguishment or necessary modification to the REA If, notwithstanding such good faith efforts, Developer is unable to reach a satisfactory resolution with respect to the REA prior to December 1, 1989, then, upon Developer's request, and subject to Agency's conducting a duly noticed public hearing pursuant to California Code of Civil Procedure Section 1245 235 and making the findings set forth in California Code of Civil Procedure Section 1240 030, based upon substantial evidence presented at said hearing and subject to the Agency's discretion, Agency shall cause to be commenced and expeditiously processed to completion the acquisition of the REA interest designated by Developer by and through the use of Agency's power of eminent domain Under

this Agreement, the Agency is under a duty to hold a noticed public hearing within thirty (30) days of Developer's request and give the matter due consideration, but is under no obligation to make any of the findings required by Code of Civil Procedure Section 1240 030. If Agency fails to timely hold such hearing or, following such hearing, elects not to adopt a resolution of necessity, either party to this Agreement may thereafter, upon written notice to the other party, terminate this Agreement. Following initiation of the condemnation process, at Developer's request, Agency shall seek an order for immediate possession of the REA interest. Agency shall not seek such an order absent such request from Developer. Any request by Developer for the use of Agency's eminent domain power with respect to the REA shall either contain Developer's selection of an appraiser and/or legal counsel to service Agency or shall request Agency to make its own such selection or selections.

Developer shall bear all of the expenses incurred by the Agency in acquiring the REA interest, which expenses shall include the cost of title reports and/or litigation guarantees, appraiser's fees and reimbursable costs, deposits necessary to Agency obtaining any final order of condemnation, any such costs paid as and for a settlement of any suit filed by Agency pursuant to this Paragraph 3, and any and all incidental expenses related to any of the foregoing items, but shall not include payment to Agency for any of Agency's own administrative expenses or legal expenses (other than payments to the attorney(s) handling any

condemnation action initiated under this Agreement) No settlement of the condemnation action shall be effected without Developer first providing to Agency Developer's written approval thereof If Developer so directs Agency in writing, Agency shall process an appeal on any judgment entered in a suit filed by Agency pursuant to this Paragraph 3 up to, and including, the United States Supreme Court level If Developer so directs Agency, without limiting Developer's obligation to pay costs as herein provided, Agency shall move to abandon any action commenced pursuant to this Agreement Upon the occurrence of any such abandonment, Developer shall bear any and all costs, expenses and/or damages related thereto, including, but not limited to, any condemnee's recoverable costs and/or recoverable attorney's fees, but excluding any of Agency's own administrative expenses or legal expenses (other than the payments to the attorney(s) handling the condemnation action initiated pursuant to this Agreement)

Upon acquiring any interest pursuant to the eminent domain action referred to above in this Paragraph 3, including, but not limited to, any right of immediate possession, Agency shall forthwith deliver and transfer such interests to Developer

4 Manner and Timing of Payment of Costs By Developer

Developer shall solely bear all costs specified in Paragraph 3 above as therein provided In that regard, other

than with respect to deposits necessary to take immediate possession, deposits reflecting verdicts and sums payable to settle suits, Agency shall on a monthly basis invoice Developer for costs incurred pursuant to Paragraph 3 above Developer shall remit the amount reflected on any such invoice within thirty (30) days of the date of receipt of that invoice Developer shall advance any and all deposits necessary to take immediate possession, deposits reflecting verdicts and sums payable to settle suits Should Developer fail to timely make any such remittance within ten (10) days after receipt of written notice that any amount previously invoiced has not been paid within thirty (30) days of receipt, Agency's obligations to commence or continue to process any action in eminent domain referred to in Paragraph 3 above shall be suspended until all amounts due are paid Any dispute between the parties concerning amounts due shall be resolved by arbitration in accordance with paragraph 16A below

In order to secure Developer's payment of all sums required by this paragraph 4, Developer shall, within three (3) business days after Agency's adoption of a resolution of necessity for condemnation of the REA (and prior to Agency undertaking any further action with respect to condemnation thereof), establish an interest-bearing account (the "Escrow Account") with an escrow holder mutually acceptable to Agency and Developer Pursuant to written instructions acceptable to both Developer and Agency, the Escrow Account shall be irrevocably committed to payment of the sums due under paragraph 4 above until the earlier

of (1) conclusion or abandonment of the condemnation proceeding with respect to the REA interest, or (11) termination of this Agreement. The amount deposited in the Escrow Account shall be equal to the greater of (1) the appraised value of the REA interest determined by a qualified appraiser acceptable to both Agency and Developer or (11) One Hundred Thousand Dollars (\$100,000), provided, that the amount deposited in the Escrow Account shall not, in any case, exceed Three Hundred Thousand Dollars (\$300,000). All amounts payable under this paragraph 4 shall be paid out of the Escrow Account until exhausted. All interest accruing on the account shall be released to Developer not less often than quarterly.

5 Mello-Roos Bond Financing

The parties to this Agreement agree that they shall take all steps necessary to establish a Mello-Roos Community Facilities District ("District") consisting of all or a portion of Development Parcel No 1, and to authorize and cause the issuance of bonds with respect to such District (the "Bonds") in an amount sufficient (1) to cover the cost of issuing said Bonds, any required reserve, and, to the extent permitted under federal law, two (2) years of prefunded interest, and (11) to generate net proceeds of two and one-half million dollars (\$2,500,000). The net proceeds of the Bonds shall be disbursed for acquisition of an improved surface parking area on Development Parcel No 1 (the "Parking Improvements") and such other public improvements

as Developer and Agency may designate. If, because of the requirements of federal law, the issuing authority is required to prefund less than two years of interest, the bond issue shall be appropriately adjusted to generate additional net proceeds equal in amount to the difference between the amount of two years of prefunded interest and the actual amount of prefunded interest (the "Additional Net Proceeds"), and such Additional Net Proceeds shall be disbursed for acquisition of additional Parking Improvements or such other public facilities as the parties may select. The Additional Net Proceeds shall be disbursed together with the initial disbursement of Bond proceeds pursuant to paragraph 7(1) below. The net Bond proceeds shall be disbursed in accordance with and at the times set forth in paragraph 7 below. The obligation to issue the Bonds shall be contingent upon the ability of the parties to conform the Bonds to the following requirements:

(1) The term of the Bonds shall not exceed thirty (30) years;

(11) The net interest cost of the Bonds shall not exceed eight and one-half percent (8.50%), and

(111) The total amount of Bonds to be issued shall not exceed the amount of Three Million Five Hundred Thousand Dollars (\$3,500,000)

The parties shall take all steps necessary to cause the Bonds to be authorized, issued and sold on or before February 1, 1990. If the Bonds are not authorized, issued and sold on or before such date, Developer shall have the right to terminate this Agreement. Such right may be exercised by delivery to the Agency, prior to the sale of the Bonds, of a written notice stating that Developer is electing to terminate this Agreement pursuant to this paragraph. If Developer does not terminate the Agreement pursuant to this paragraph, Agency shall continue to use its best efforts to cause the sale of the Bonds upon the terms set forth above at the earliest possible date.

In connection with the issuance of the Bonds, Developer shall fully cooperate with Agency by providing, in a timely manner, any and all information required by legal counsel for the Agency and bond underwriters and/or consultants. In connection with issuance of the Bonds, Developer and Agency shall reasonably cooperate with each other in preparing and processing any modifications to this Agreement or any agreement or instrument referenced herein or executed pursuant hereto to the extent necessary to enable issuance of the Bonds contemplated by this Agreement.

6 Agency Contribution to Payment of Mello-Roos Bond
Special Tax

In connection with issuance of the Bonds, Agency hereby agrees to and shall be obligated to offset or reduce the resulting Mello-Roos special tax assessment on the Center by the amounts referenced below (collectively, the "Agency Subsidy Amount")

A Property Tax Increment Contribution to Agency
Subsidy Amount

Commencing upon the date on which the Bonds are sold, and continuing thereafter until all of the Bonds (or any refunding thereof) have been paid in full (including all interest, principal and any premium thereon), or until sufficient moneys have been set aside irrevocably for that purpose, the Agency shall remit to a fiscal agent of the issuing agency for the Bonds ("Fiscal Agent"), promptly upon Agency's receipt thereof, one hundred percent (100%) of the property tax increment funds which are generated from Development Parcel No 1 and Development Parcel No 2

Also included in the above-described portion of the Agency Subsidy Amount, and payable to (or retained by) the Fiscal Agent upon the accrual thereof, shall be any interest which

accrues on the Bond proceeds prior to disbursement of all such Bond proceeds pursuant to paragraph 7 below

B Sales Tax Increment Contribution to Agency Subsidy
Amount

In addition to the amounts set forth in A above, the Agency shall remit to the Fiscal Agent, on a calendar quarter basis, an amount equal to Fifty Percent (50%) of the sales tax revenues payable to the City which

(1) Are attributable to taxable sales occurring on Development Parcel No 1 and/or Development Parcel No 2,

(11) Are attributable to taxable sales occurring during the twelve (12) month period commencing on the first day ("Commencement Date") of the first calendar quarter following the initial issuance of certificates of occupancy for seventy-five percent (75%) or more of the new improvements to be constructed pursuant to the Agreement on Development Parcel No 1, or any ensuing twelve month period,

(111) Are in excess of the "Base Amount" (defined below),

(iv) Together with all previous amounts paid to the Fiscal Agent pursuant to this paragraph 6B, do not exceed the cumulative amount of Two Million Fifty-Five Thousand Dollars ("2,055,000), and

(v) Are attributable to taxable sales occurring on or before the twelfth (12th) anniversary of the Commencement Date

If any of the funds described above in this paragraph 6 are not paid when due, the obligation to pay such funds shall thereafter bear interest, until paid, at the rate of the Bank of America, Downtown Main Branch, prime or reference rate plus two percent (2%), or the highest rate permitted by law, whichever is less

The "Base Amount" shall be One Hundred and Thirty Thousand Dollars (\$130,000) for the first twelve month period following the Commencement date For each ensuing twelve month period (a "Sales Tax Year") the "Base Amount" shall be an amount equal to the product of One Hundred and Thirty Thousand Dollars (\$130,000) times a fraction, the numerator of which is the Consumer Price Index [All Urban Consumers] (base year 1982-84 = 100) for the Los Angeles-Anaheim-Riverside CMSA published by the United States Department of Labor's Bureau of Labor Statistics ("CPI") as published for the third (3rd) month prior to the first day of the applicable Sales Tax Year and the denominator of

which is the CPI as published for the third (3rd) month prior to the Commencement Date

If the CPI is changed so that the base is changed from 1982-84 = 100, the CPI shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the CPI is discontinued or revised during the term of this Agreement, such other governmental index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the CPI had not been discontinued or revised. If there is no such replacement, then Agency and Developer shall select another price index which is satisfactory to both. If Agency and Developer cannot agree, then such index shall be selected by three arbitrators acting in accordance with the rules of the American Arbitration Association, and such determination shall be final and binding upon both Agency and Developer.

7 Timing of Release of Bond Proceeds

The proceeds of the Bonds, up to the amount of Two Million Five Hundred Thousand Dollars (\$2,500,000) shall be disbursed for application to the purpose(s) described above in paragraph 5 in accordance with the following schedule:

(1) Upon close of the sale of the Bonds, the amount of Five Hundred Thousand Dollars (\$500,000)

(11) Upon commencement of demolition of the improvements at the Center to be removed by Developer, an additional Five Hundred Thousand Dollars (\$500,000)

(111) Upon commencement of construction of the Developer Improvements, an additional Five Hundred Thousand Dollars (\$500,000)

(iv) Upon 50% completion of the required Developer Improvements an additional Five Hundred Thousand Dollars (\$500,000)

(v) At such time as Developer is entitled to a Certificate of Completion pursuant to paragraph 15 below, the balance of the Bond proceeds shall be applied to acquisition of the Parking Improvements and other public facilities in accordance with paragraph 5 above. The transfer of an interest in the Parking Improvements to Agency will occur concurrent with disbursement of the last installment of Bond proceeds described above. Such transfer will irrevocably dedicate the Parking Improvements to use for public parking and will, subject to applicable federal tax law requirements, provide for the termination of or the Developer's ability to extinguish such interest concurrent with repayment of the Bonds. Concurrent with transfer of the Parking Improvements interest to Agency, Developer and Agency shall also enter into a maintenance agreement with respect to the

Parking Improvements which obligates the Developer to manage and maintain those improvements at its expense. The maintenance agreement shall be for the maximum duration permitted by applicable federal laws.

Until all Bond proceeds are disbursed for acquisition of the Parking Improvements and other public improvements as contemplated by this Agreement, any undisbursed proceeds shall be retained and invested by the Fiscal Agent in accordance with the Fiscal Agent Agreement and all interest accruing thereon shall be retained by the Fiscal Agent for application in the same manner as the Agency Subsidy Amount.

8 Minimum Development Cost

Developer is anticipated to incur a minimum total development cost of \$27,400,000, including expenditures for land acquisition, property clearance and building demolition, construction of new structures and other costs associated with the redevelopment of Development Parcel No 1.

9 Compliance with Laws

In connection with construction of the Developer Improvements, Developer shall comply with all laws applicable to development of the Center pursuant to the terms of the Development Agreement, including all applicable provisions of the City's

Zoning Code, Building Codes, and all other codes related thereto, the City's Fire Code and Agency's Redevelopment Plan

10 Selection of Tenants

In selecting tenants for the proposed Developer Improvements to be constructed at the Center, Developer shall use its best efforts to secure tenants which will in the aggregate produce a minimum \$43,200,000 in taxable retail sales by the second year of operation including both current and new occupants located within Development Parcel Nos 1 and 2

11 Restrictions on Transfer

The qualifications and identity of Developer are of particular concern to Agency. Prior to completion of the development of the Center, Developer may not assign all or any part of the ownership of Development Parcel No 1 or Developer's responsibility pursuant to this Agreement, without prior written approval of Agency. Agency will not withhold such approval unreasonably. Following a transfer of all of its interest in the Center which is approved by Agency, Developer shall have no further liability under this Agreement. The above prohibition on transfer shall not be applicable after the completion of the Center, and, prior to that time, shall not be applicable to any of the following

A. Any entity or entities in which Developer retains, directly or indirectly, a minimum of fifty-one percent (51%) of the ownership or beneficial interest and retains management control

B Any transfer resulting from the death or mental or physical incapacity of an individual

C A transfer or assignment in trust for the benefit of a spouse, children, grandchildren, or other family members

D Any mortgage, deed of trust, sale and leaseback or other form of conveyance required in connection with any reasonable method of financing development of the Center

E A sale of the Center or any parcel thereof at foreclosure (or a conveyance thereof in lieu of a foreclosure) by a lender financing construction or operation of the Center

F. A sale or transfer of some or all of Developer's interest in the Center, or any individual parcel thereof, to a lender financing development of the Center

G The conveyance or dedication of portions of the Center to the City, or other appropriate governmental agency, or the granting of easements or permits, to facilitate the development of the Center

H The leasing of any part or parts of a building or structure for occupancy

I The transfer of any of the building pads to owner-occupants

J A transfer to an Affiliate of Developer or to a joint venture between Developer and an institutional investor or employee(s) of Developer in connection with development of the Center

12 Conformance to Redevelopment Plan

Developer covenants and agrees for itself, and its successors-in-interest to the Center or any part thereof, that during construction and thereafter Developer, such successors and such assigns, shall devote the Center to uses in conformance with the Redevelopment Plan for the Project Area. Agency agrees not to amend, modify or change the Redevelopment Plan after the date of this Agreement in a manner that would adversely affect the uses or development permitted on the Center, the restrictions or controls that apply to the Center, or any other aspect of the use and enjoyment of the Center in the manner contemplated by this Agreement, without the prior written consent of the Developer. Amendments to the Redevelopment Plan applying to other property in the Project Area shall not require the consent of Developer.

13 Non-Discrimination

A Developer covenants and agrees for itself, its assigns and every successor-in-interest to the Center or any part thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, creed, national origin, sex, ancestry, age or marital status in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Center, nor shall Developer himself or any person claiming under or through him establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Site

B Developer shall refrain from restricting the rental, sale or lease of the Center on the basis of race, color, creed, ancestry, sex, marital status, national origin or age of any person All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses

(1) In deeds "The grantee herein covenants by and for himself, his heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination or segregation of any person or group of persons on account of race, color, creed, national origin, sex, marital status, age or ancestry in the

sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed The foregoing covenants shall run with the land "

(11) In leases "The lessee herein covenants by and for himself, his heirs, executors, administrators and assigns, and all person claiming under or through him, and this lease is made and accepted upon and subject to the following conditions That there be no discrimination against or segregation of any person or group of persons, on account of age, race, color, creed, sex, marital status, national origin, or ancestry, in the leasing, subleasing, transferring, use or occupancy, tenure or enjoyment of the land herein leased nor shall the lessee himself, or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the land herein leased "

(111) In contracts, "There shall be no discrimination against or segregation of any persons, or group of

persons, on account of race, color, creed, age, national origin, sex, marital status or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee himself or any person claiming under or through him, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the land "

C The covenants contained in Paragraphs 12 and 13A and B, above, shall, without regard to technical classification and designation, be binding for the benefit and in favor of Agency, its successors and assigns, and any successor-in-interest to the Center or any part thereof The covenant contained in Paragraph 12 shall remain in effect until August 15, 2021, and the covenants contained in Paragraphs 13A and B shall remain in effect in perpetuity

14 Additional Covenants of Agency

In addition to all other obligations of Agency under this Agreement, Agency agrees that it shall be obligated to make application and that it shall cause the City to make application to the State Department of Transportation (CALTRANS), promptly following the execution of this Agreement, for permission to construct and operate a traffic signal on Imperial Highway at the

proposed main entrance to the Center (to be located approximately midway between Beach Boulevard and Idaho Street) and to construct a left turn pocket in the median on Imperial Highway in order to allow eastbound traffic to enter the Center by left turn at such proposed major entrance Agency agrees to diligently pursue and to cause the City to diligently pursue such application and, even if permission is not received to construct and operate said traffic signal, to separately request permission to construct the above described left turn pocket Promptly following approval of said application, and, in any case, within not more than six (6) months after such approval, Agency and City shall, without cost to Developer, construct, install and cause to be operated said traffic signal and left turn pocket The estimated cost of constructing said traffic signal and left turn pocket is One Hundred and Fifty Thousand Dollars (\$150,000 00)

15 Certificate of Completion

Promptly upon Developer's written request following completion of construction and development of the Developer Improvements for the Center (not including normal and customary tenant improvements inside any such structure) including all parking and landscaping improvements, Agency shall furnish Developer with a Certificate of Completion for the Center Such Certificate of Completion shall be upon such form as Developer may reasonably request and shall be executed and notarized so as to permit it to be recorded in office of the Orange County

recorder Such Certificate of Completion shall constitute, and shall state that its issuance is deemed a conclusive determination of, satisfactory completion of the construction required by this Agreement upon the Center and of full compliance by Developer with the terms hereof with respect to the Center After recordation of such Certificate of Completion, any party owning or thereafter purchasing, leasing or otherwise acquiring any of Developer's interest in the Center shall not (because of such ownership, purchase, lease or acquisition) incur any obligation or liability under this Agreement, except as to those portions of this Agreement which specifically state they are binding as to successors to the parties to this Agreement After issuance of a Certificate of Completion, neither Agency nor any other person shall have any rights, remedies or controls that it would otherwise have or be entitled to exercise under this Agreement as a result of a default or breach of any provision of this Agreement by Developer

Agency shall not unreasonably withhold any Certificate of Completion. If Agency refuses or fails to furnish a Certificate of Completion for the Center, after written request from the Developer, Agency shall, within twenty (20) days of such written request, provide Developer with a written statement of all the reasons Agency refused or failed to furnish a Certificate of Completion Any reasons for refusal by Agency not so stated shall be deemed waived by Agency The statement shall also contain a description of the action which Agency requires

Developer to take to obtain a Certificate of Completion If Agency shall have failed to provide such written statement within said twenty (20) day period, Developer shall be conclusively deemed entitled to the Certificate of Completion If the reason for Agency's refusal to issue a Certificate of Completion is confined to the immediate availability of specific items or materials for landscaping or punch list items, Agency shall issue the Certificate of Completion upon the posting of a bond or other reasonable security by Developer in an amount representing the fair value of the work not yet completed

Notwithstanding anything in this paragraph 15 which is or appears to be to the contrary, the executory obligations of Agency under this Agreement, including the obligation to fund the Agency Subsidy Amount pursuant to paragraph 6 above, shall not be terminated, limited or in any way excused by issuance or recordation of the Certificate of Completion and such obligations shall remain enforceable for the period and in accordance with their stated terms

16 General Provisions

A Dispute Resolution It is the desire and intention of the parties hereto to agree upon a mechanism and procedure under which any disputes or disagreements under this Agreement will be resolved in a prompt and expeditious manner Accordingly, any controversy or dispute between the parties arising

out of this Agreement or relating to the interpretation of any term or provision of this Agreement shall be heard in Los Angeles County by a reference pursuant to the provisions of the California Code of Civil Procedure §§ 638 to 645 1, inclusive Each of the parties hereto shall promptly and diligently cooperate with each other and the referee, and shall perform such acts, as may be necessary to obtain a prompt and expeditious resolution of the dispute or controversy in accordance with the terms hereof The parties hereto agree that the referee shall have the power to decide all issues of fact and law and report his decision thereon and issue all legal and equitable relief appropriate under the circumstances of the controversy before him The parties shall agree upon a single referee who shall then try all issues, whether of fact or law, and report a finding and judgment thereon If the parties are unable to agree upon a referee within ten (10) days of a written request to do so by either party hereto, then either party hereto may thereafter seek to have one appointed pursuant to California Code of Civil Procedure §§ 638 and 640 The cost of such proceeding shall initially be borne equally by the parties to the dispute However, the prevailing party in such proceeding shall be entitled, in addition to all other costs, to recover its contribution for the cost of such proceeding, including the cost of the referee, as an item of damage and/or recoverable costs

B Effective Agreement

The parties acknowledge that this Agreement and the Development Agreement are intended to grant to Developer the right to proceed with the development of the project pursuant to specified and known criteria and rules and to grant to the Agency and City and the residents of the City benefits which they would otherwise not receive. This Agreement and the Development Agreement shall be binding upon the City, Agency and their successors in accordance with their terms and conditions notwithstanding any subsequent action of the City or Agency, whether taken by ordinance, Resolution, Initiative or otherwise, because by entering into this Agreement and the Development Agreement and relying thereupon, Developer shall have obtained the vested right to require Agency and City to perform pursuant to the terms and conditions in this Agreement as set forth herein and the terms and conditions of the Development Agreement.

C Regulation by Other Public Agencies

It is acknowledged by the parties that other public agencies not within control of the Agency or City possess authority to regulate aspects of the development of the property separately from or jointly with the Agency or City and this Agreement does not limit the authority of such other public agencies.

D Prior Agreements

This Agreement and the Development Agreement set forth the sole and exclusive agreement between the parties and contain all understandings between the parties as of this date. Each of the parties to this Agreement has relied on its own examination of the terms and provisions of this Agreement and the counsel of its own advisors. Any amendment or other modifications to this agreement shall only be effective if placed in writing and executed by all parties.

E Extension of This Agreement

In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of ability to acquire the Center due to legal restrictions, governmental restrictions or priority, litigation including eminent domain litigation to acquire the Center, weather-caused delays, inability to secure necessary labor, materials, or tools, delays of any contractors, subcontractors or suppliers, acts of other parties, acts or failure to act of any public or governmental agency or entity or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. An extension of

time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause if notice by the party claiming such extension is sent to the other party within ninety (90) days of the commencement of the cause. Otherwise, the extension of time shall commence to run from delivery of the notice of such cause by the party claiming such extension. Times of performance under the Agreement may also be extended through mutual agreement in writing by the Agency and Developer.

F Specific Performance

The parties acknowledge that monetary damages and the remedies available at law are generally inadequate under the present facts, and that specific performance is a particularly appropriate remedy for the enforcement of this Agreement and should be available to both parties based upon the following reasons and facts,

1 The unavailability of monetary damages sufficient to make the parties whole,

2 Due to the size, nature and scope of the project, it may not be practical or possible to restore the property to its original condition once implementation of this Agreement has begun. After such implementation, Developer may be

foreclosed from other choices it may have to utilize the property or portions thereof,

3 The use of the property for the purposes and uses contemplated by this Agreement is unique

G Non-Liability of Agency or City Officials and Employees

No member, official or employee of the Agency or the City shall be personally liable to Developer, or any successor-in-interest, in the event of any default or breach by the Agency or the City or for any amount which may become due to Developer or such successor or on any obligations under the terms of this Agreement

H Conflict of Interest

1 No member, official or employee of Agency shall have any personal interest, direct or indirect, in this Agreement nor shall any such member, official or employee participate in any decision relating to the Agreement which affects his personal interest or the interests of any corporation, partnership or association in which he is directly or indirectly interested

2 Developer warrants that it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement. Third parties, for the purposes of this Section, shall not include persons to whom fees were paid for professional services if rendered by attorneys, accountants, engineers, architects, development consultants and the like when such fees are considered necessary by Developer.

I Entire Agreement, Waivers and Amendments

1 This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and, together with the Development Agreement, supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

2 All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of Agency and Developer, and all amendments hereto must be in writing and signed by the appropriate authorities of Agency and Developer.

J. Notices, Demands and Communications Between the Parties

Formal notices, demands and communications between Agency and Developer shall be in writing and given by personal service, reputable overnight courier, or by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of Agency and Developer, as set forth below. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail as provided in this Paragraph. Such notices shall be deemed received upon personal service, 24 hours after deposit with reputable overnight courier, or three (3) days after deposit in United States mail, as applicable, in accordance with the above.

To Agency Executive Director
 Redevelopment Agency of the City of
 La Habra
 P O Box 337
 La Habra, CA 90633-0337

To Developer Stephen C Hopkins
 Development Company
 #13 Corporate Plaza, Suite 200
 Newport Beach, CA 92660
 Attn Jeffrey B Armour

With a Copy to Brown, Winfield & Canzoneri
 300 South Grand Avenue
 Suite 1500
 Los Angeles, California 90071
 Attn Dennis S Roy

K Governing Law

This Agreement and the rights and obligations of the parties shall be governed by and interpreted in accordance with the laws of the State of California applicable to contracts made and to be performed within the State of California

L Severability

To the best knowledge and belief of the parties to this Agreement, this Agreement contains no provision that is contrary to any federal, state or local law or to any regulatory requirement or other ruling or regulation of a federal, state or local agency or that would be in breach of the obligations of either or both of the parties hereto under the terms and provisions of any legally binding agreement, however, if any provision of this Agreement, or any part thereof, shall at any time be held to be invalid, in whole or in part, under any applicable federal, state or local law by a court of competent jurisdiction, or by arbitrators or any administrative agency of the federal, state or local government with proper jurisdiction, then such provision or a portion thereof, as appropriate, shall remain in effect only to the extent permitted, and the remaining provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated, unless such invalidated provision is essential to accomplishment of the purposes intended by the parties to this Agreement

M No Waiver of Breach

No delay or omission to exercise any right, power or remedy accruing to either party to this Agreement upon any breach or default of the other party to this Agreement shall impair any right, power or remedy of the nondefaulting party nor shall it be construed to be a waiver of any such breach or default, or acquiescence therein or thereto, or of or in any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default by either party to this Agreement be deemed to be a waiver of any other breach or default theretofore or thereafter occurring

N Counterparts

This Agreement and any amendment thereto may be executed in one or more counterparts, with the same legally binding effect as if all signatory parties were signatories to the same counterpart. If requested, any signatory party hereto will furnish the other party hereto with a duplicate original counterpart of this Agreement or any amendment thereto, bearing said signatory's signature

O No Partnership

The terms and provisions of this Agreement shall not cause the parties hereto to be construed in any manner whatsoever

as partners, joint venturers or agents of each other in the performance of their respective duties and obligations under this Agreement, or subject either party to this Agreement to any obligation, loss, charge or expense of the other party unless the party to be held responsible has independently contracted with the claimant so as to make it directly responsible for the performance and/or payment, as appropriate, of the pertinent obligation, loss, charge or expense of the other party

P No Presumption Due to Preparation by Counsel

Should any provision of this Agreement require interpretation, it is agreed that the person or persons interpreting or construing the same shall not apply a presumption that the terms of this Agreement shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party thereto who itself or through its agents or counsel prepared the same or caused the same to be prepared, it being agreed that the agents and counsel of all of the parties hereto have participated equally in the negotiation and preparation of this Agreement. The language in all parts of this Agreement shall be in all cases construed simply, fairly, equitably and reasonably, according to its plain meaning and not strictly for or against any of the parties hereto

Q. Successors

The provisions of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns

R Remedies Cumulative

No remedy or election hereunder shall be deemed to be exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity

S Estoppels

At the request of any holder or prospective holder of a mortgage or deed of trust, Agency shall, from time to time and upon the request of such holder, timely execute and deliver to such holder a written statement of Agency that no default or breach exists (or would exist with the passage of time, or giving of notice or both) by Developer under this Agreement if such be the case, and certifying as to whether or not Developer has at the date of such certification complied with any obligation of Developer hereunder as to which such holder may inquire. The form of any estoppel letter shall be prepared by the holder or Developer and shall be at no cost to Agency

T Additional Amendment

Agency agrees not to unreasonably withhold approval of any modification or amendment to this Agreement as may be required by the holder or prospective holder of any deed of trust or mortgage encumbering the Center, or any interest therein, provided that such requested modification or amendment shall not materially and adversely affect the rights or duties of Agency hereunder. Agency acknowledges that such amendments may, from time to time, be necessary to induce a lender to loan funds in connection with the development or operation of the Center, and that different lenders may have specific requirements or requests relating to receipt of notice, opportunity to cure, and other similar matters pertaining to its security and its remedies upon a default by Developer. Any such modification or amendment to this Agreement shall be prepared by Developer at no cost to Agency.

U Development Approvals

Agency acknowledges and agrees that the prompt processing of all remaining approvals necessary to enable Developer to improve the Center in the manner contemplated by the Development Agreement, including the subdivision map(s) parcelizing the Center and the building permit(s) authorizing construction of the improvements on the Center, is essential to Developer's economic projections for the Center and the cost to be incurred by

Developer in the redevelopment thereof Accordingly, Agency agrees to cooperate and to cause City to cooperate in the timely processing and review of all such approvals, to meet and confer and to cause the City to meet and confer as often as reasonably necessary to enable Developer to timely proceed with the Center and, if requested by Developer (and at Developer's expense) to cause the City to employ independent plan checker(s) and engineer(s) to expedite processing of maps, plans, approvals and permits

V Performance of Further Acts

Each party to this Agreement agrees to cooperate by performing any further act(s) and by executing and delivering any and all additional document(s) which may be reasonably necessary to carry out the terms and provisions of this Agreement, and each party to this Agreement agrees that it will not act in any manner whatsoever which would hinder, impede, interfere with or prohibit or make more onerous or difficult the performance of the other

party hereto under this Agreement or deny such party of the rights and benefits contemplated by this Agreement

"AGENCY"

REDEVELOPMENT AGENCY OF THE CITY OF LA HABRA

By *J. H. Hines*
Chairman

ATTEST

By *Gayle Garbo*
City Clerk of the City of La Habra

APPROVED AS TO FORM

By *[Signature]*
City Attorney

"AGENCY"

REDEVELOPMENT AGENCY OF THE CITY OF LA HABRA

By *Lee Risner*
Executive Director

"DEVELOPER"

LA HABRA ASSOCIATES

By Hopkins Development Company, L P , a Delaware Limited Partnership, general partner

By Stephen Hopkins Development Company of Newport Beach, general partner

By *[Signature]*
Stephen C Hopkins, President

EXHIBIT 1

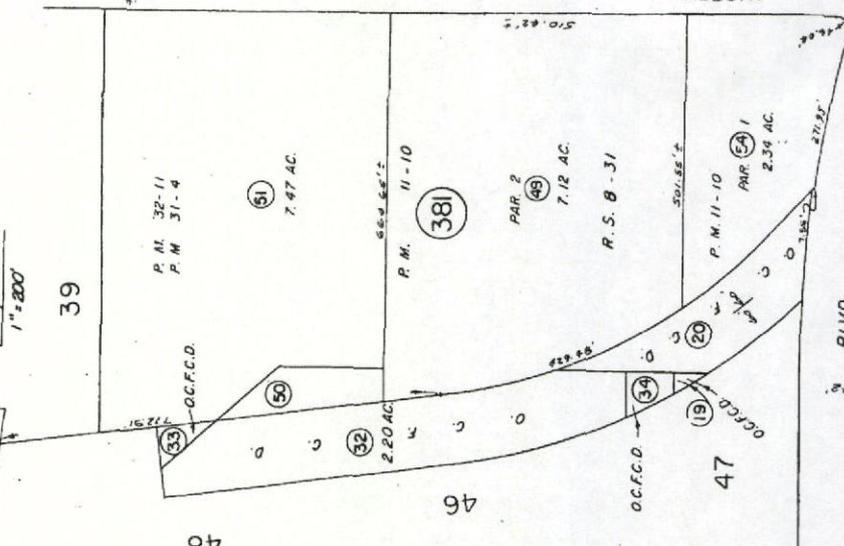
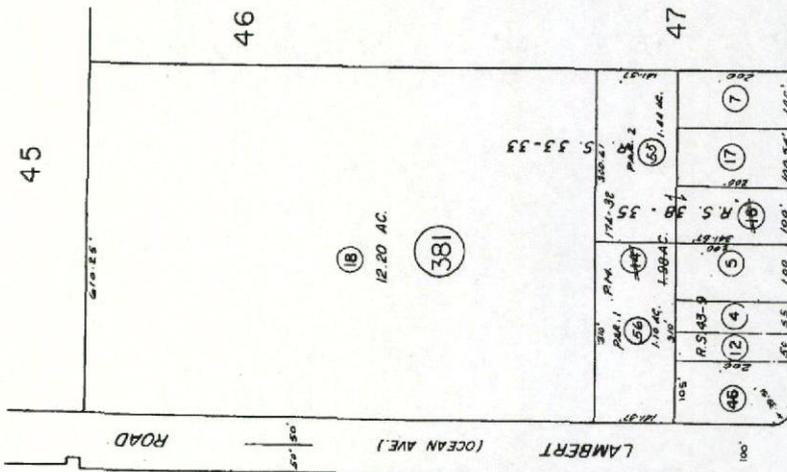
Legal Description of Development Parcel

No 1

MASTER
18-38

POR. W1/2, SE1/4, SEC. 7, T3S., R. 10W.

BLK.	PAGE	DATE	INITIALS
1	56	12/28/82	MD
2			
3			
4			
5			
6			
7			
8			
9			
10			



PARCEL MAP 11-10, 174-32

NOTE - ASSESSOR'S BLOCK &
PARCEL NUMBERS
SHOWN IN CIRCLES

ASSESSOR'S MAP
BOOK 18 PAGE 38
COUNTY OF ORANGE

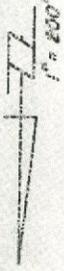
3-1-82

EXHIBIT 2

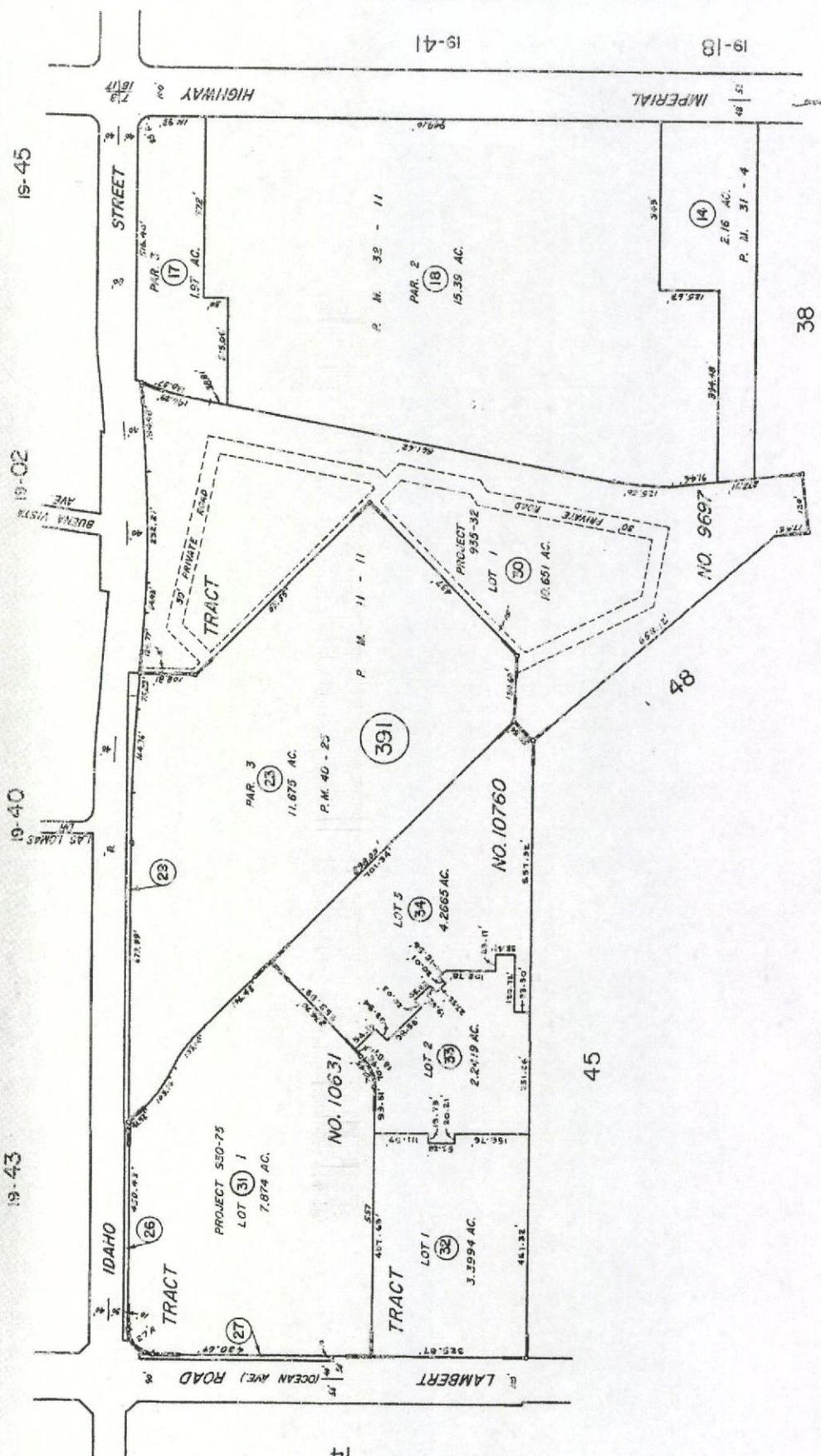
Legal Description of Development Parcel

No 3

19-39



POR. E. 1/2, S.E. 1/4, SEC. 7, T. 35, R. 10 W.



19-43

19-40

19-02

19-45

19-41

19-18

38

48

45

14

MARCH 1959

TRACT NO. 9697
 M.M. 412-38, 39
 TRACT NO. 10631
 M.M. 461-21, 22
 TRACT NO. 10760
 M.M. 463-49, 50
 P.M. 32-11, 40-25
 PARCEL MAPS

NOTE - ASSESSOR'S BLOCK &
 PARCEL NUMBERS
 SHOWN IN CIRCLES

ASSESSOR'S MAP
 BOOK 18 PAGE 39
 COUNTY OF ORANGE

