

LOAN AND PLEDGE AGREEMENT
BETWEEN THE CITY OF REDLANDS AND THE
REDEVELOPMENT AGENCY OF THE CITY OF REDLANDS
(Reservoir Canyon Flood Control Facility)

1. PARTIES AND DATE

This Agreement is made and entered into this 19th day of April, 1983, by and between the CITY OF REDLANDS, a municipal corporation ("City"), and the REDEVELOPMENT AGENCY OF THE CITY OF REDLANDS ("Agency"), a public agency organized pursuant to the provisions of the Community Redevelopment Law of the State of California.

2. RECITALS.

2.1 City has established Agency and a redevelopment project known as the Redlands Redevelopment Project ("Project") pursuant to the provisions of Section 33000 et seq. of the California Health and Safety Code.

2.2 Agency is undertaking a program under these statutes for the redevelopment, replanning and redesign of blighted areas within the Project containing stagnant, improperly utilized and unproductive land which requires redevelopment in the interest of health, safety and general welfare of the people of City.

2.3 Agency's Plan provides that Agency may, with the consent of City, pay all or part of the value of the land and the cost of installation and construction of any building, facility or other improvement which is publicly

owned either within or without the Project. Further, the Plan generally identifies certain street improvements, drainage improvements, sanitary sewer improvements, water lines, underground power and utilities and parkway landscaping, together with appurtenant public improvements, which will improve and serve the Project and alleviate conditions of blighting.

2.4 City has agreed to undertake the design and construction of certain flood control facilities known as the Reservoir Canyon Flood Control Facilities ("Flood Control Facilities") within the boundaries of the Project, and to fund the construction of such Flood Control Facilities.

2.5 Agency wishes to make any funds which might become available to Agency from increased property taxes collected from properties within the boundaries of the Project available to City to assist in the financing of such Flood Control Facilities, and to reimburse City by periodic payments over a period of years, if necessary, for such advances to finance the Flood Control Facilities as City may make.

2.6 City and Agency have found that it would be in the best interests of the taxpayers and residents of City to have the Flood Control Facilities constructed, and are in agreement that any tax increment revenues generated pursuant to Health and Safety Code Section 33670 within the boundaries of the Project and received by the Agency and the Project, and not otherwise committed, shall be pledged, at this time,

to the City to assist in financing a portion of the costs and expenses for the Flood Control Facilities. Tax increment revenue ("Tax Increment") which is allocated to Agency pursuant to Health and Safety Code Section 33670(b) shall be used and pledged and reimbursed by Agency to City and paid by City to complete design and construction of the Flood Control Facilities.

2.5 City's Council has found and determined that such Flood Control Facilities are of benefit to the Project area and that no other reasonable means of financing such public improvements are available to City, and has agreed to pay for the cost of the design, installation and construction of such public improvements through an agreement with the County of San Bernardino ("County").

3. TERMS.

3.1 Flood Control Facilities. City shall commence and undertake whatever contractual agreements are required with County for the design, installation and construction of certain public flood control improvements of benefit to the Project (the Flood Control Facilities) which are consistent with the Redevelopment Plan for the Project, with these improvements to be financed through cash advances from City's general funds.

3.2 Pledge of Tax Increment. After the payment of all costs and expenses for the operation, maintenance and general administration of the Agency and of previously incurred indebtedness, as deemed appropriate by the Agency,

Agency shall incur a debt and obligation to the City and shall pledge and transmit Tax Increment received from within the boundaries of the Project, to City, and said Tax Increment shall be used and applied to reimburse City for all costs associated with the design, installation and construction of the Flood Control Facilities.

3.3 Obligation Constitutes Indebtedness. This Agreement shall constitute an obligation and debt of the Agency to use all available Tax Increment revenue to reimburse City by periodic payments for the construction of the public improvements provided for herein, and to have the City apply said funds to fulfill its obligations to County.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement on the day and year first hereinabove written.

CITY OF REDLANDS

By: _____

Mayor

ATTEST:

City Clerk

THE REDEVELOPMENT AGENCY OF
THE CITY OF REDLANDS

By: _____

Chairman

ATTEST:

Executive Director and
Secretary