AGENDA

Oversight Board
Thursday, April 12, 2012
1:30 p.m. – 4:00 p.m.

Redwood City, City Hall
1017 Middlefield Road
Redwood City, CA  94063

Council Chambers 2nd Floor, Conference Room 2B

Members:
David Holland, Chair
Mike Roberts, Vice Chair
Steve Abbors
Alicia Aguirre
Bob Bell
Barbara Christensen
Enrique Navas

City Staff as Successor Agency Attendees:
Bill Ekern, Community Development Director
Alison Freeman, Finance Manager
Brian Ponty, Finance Director/Assistant City Manager
Veronica Ramirez, Assistant City Attorney
Pamela Thompson, City Attorney
Silvia Vonderlinden, City Clerk

Craig Labadie, Special Counsel

I. Call to Order

Brian Ponty

II. Roll Call

Brian Ponty

III. Public Comments
NOTE: Speakers are limited to three minutes, unless modified by the Chairperson. The Board cannot take action on any matter raised under this item.

Brian Ponty

IV. Approval of Minutes

Brian Ponty
| V.  | Oral Report on Oversight Board, including Composition and other Miscellaneous Items  
     | (Oversight Board Binder Tab No. 2)  
     | Craig Labadie |
|-----|---------------------------------------------------------------|----------------|
| VI. | Consent to Professional Services Agreement with Craig Labadie  
     | (Oversight Board Binder Tab No. 4)  
     | Pamela Thompson |
| VII. | Review and Approval of Recognized Obligation Payment Schedules (ROPS)  
      | (Oversight Board Binder Tab No. 5)  
     | Bill Ekern |
| VIII. | Review and Approval of Administrative Budgets  
       | (Oversight Board Binder Tab No. 5)  
     | Brian Ponty |
| IX. | Information Only Report on Real Property Asset Transfers  
     | (Oversight Board Binder Tab No. 6)  
     | Brian Ponty |
| X.  | Agenda for May 1, 2012 Meeting  
     | (Oversight Board Binder Tab No. 3)  
     | Brian Ponty |
| XI. | Adjourn  
     | Brian Ponty |
I. Introductions

Mr. Bell called the meeting to order and made introductory remarks. He welcomed all those present. He announced that the second appointment for the City of Redwood City had been made through the Mayor and it was going to be Mr. Bell. Mr. Brian Ponty will be the staff contact for the Oversight Board. Mr. Bell referred to a binder just received from Ms. Christensen inquiring if the full group had received it. The response was negative, so he clarified that the group was going to be working from the one that was prepared specifically for this meeting and everyone had a copy at their seats. Ms. Christensen noted that her intention was to share the information provided to the Controller and all the documents included were legal documents. Legal Counsel noted that when information is distributed to one member of the Board all need to receive it as well. The group then proceeded to introduce themselves. Mr. Bell underscored that many of the people at the table had been or were presently partners, and he is looking forward to finding collaborative approaches to resolving the issues this Oversight Board will need to address. He said that Redwood City is ready and
II. Operating & Administrative Procedures

Mr. Ponty walked the Oversight Board through the agenda. He asked Mr. Ekern to provide a brief background of Redwood City’s Redevelopment Agency (RDA). Mr. Ekern noted that the RDA was formed in 1982, and controlled about 1,000 acres in the project area. He made comments about how the City used the Redevelopment Agency to create opportunities like the Sequoia Station and various housing projects. He alluded to the Precise Plan and the powerful tool it was for projects. There were some questions about the Precise Plan and Attorney Thompson made some clarifying comments.

III. Oversight Board Requirements, Deadlines, and Suggested Meeting Dates

Mr. Ponty asked Mr. Labadie to make some comments about Board Requirements. Mr. Ladabie spoke about Reporting Obligations (Form 700), Public Records Act requests and how this body will work towards the winding down of the Redevelopment Agency. He also covered the issue of deadlines around ROPS. He noted that some of the duties of the oversight include: adopting an administrative budget and disposing of former RDA assets and review of existing contractual obligations. He anticipates a high level of activity in the first few months.

Mr. Bell clarified that the meeting is being recorded.
Mr. Roberts inquired about the official record and the creation of the minutes. Mr. Ladabie said that the minutes will be the official record of the meeting. Mr. Roberts further asked about a Secretary for the Board. Mr. Bell said that the City Clerk would fulfill that role. Ms. Vonderlinden, noted that the minutes will be summary unless otherwise instructed.

The City Clerk then performed the Oath of Office for the Oversight Board Members.

Ms. Christensen inquired about the second appointee by the City and if this position is one of those that are representative of a Union. Mr. Bell noted that the City did not have any Redevelopment Agency employees per se. Mr. Bell explained that Redwood City is interpreting that the Executive Director of the Agency, which was Mr. Bell, could serve as the appointee. Mayor Aguirre said that the City also looked at what other cities are doing but she appreciates the opportunity to review this matter. Ms. Thompson believes this appointment is consistent with current law. Ms. Christensen requested that Legal Counsel look at that appointment.

M/S Christensen/Navas to have Legal Counsel review the second appointment to the Oversight Board. Motion carried unanimously.

Mr. Roberts inquired about having an Oversight Board website. Mr. Bell said that currently the Oversight Board items are being posted to the current Successor Agency website. Mr. Roberts would like the facts on
the website. Mr. Ladabie made some clarifying comments. Mr. Bell, said that if there was the need for a separate Oversight Board page he would like to know how that would be supported and by whom. Mr. Roberts explained that his main concern is that the record is straight and clear. The issue of Closed Sessions came up and Mr. Ladabie explained when these sessions could be held and under what topics.

Mr. Navas asked Mr. Ladabie to share his experience and business acumen. Mr. Ponty said that this would be handled under item IV.

In order to finish up Agenda Item III Mr. Ponty shared the upcoming key dates that require Oversight Board action or other Agencies:

- **Early April** - certification of the ROPS by the County Auditor  
- **April 9** - City Council as Successor Agency will adopt a revised ROPS (from the original ROPS of February 27, 2012)  
* Mr. Ponty recommended having the Oversight Board review such ROPS the week of April 9  
- **April 15** - have the first ROPS adopted by the Oversight Board

Questions were posed about the ROPS going to Council on April 9 and if it includes revisions. Mr. Ponty confirmed there are revisions to the document. Ms. Christensen asked specific questions about the ROPS and the assets listed and the transfer of assets. Mr. Ponty confirmed that asset transfers are being reported to the State Department of Finance but that no cash was transferred. Ms. Ramirez explained that these were real property asset transfers.

Ms. Christensen asked a specific question about a housing project. Mr. Ponty said this was in the low-moderate housing. He explained this was appropriated within the Housing Fund. Ms. Christensen wants to look at this issue.

**Dates discussion continuation:**
- **April 23** - review of the second ROPS (July 1 through Dec. 31, 2012)  
- **May 11** - review and approve the second ROPS

More questions were posed about the ROPS. Mr. Bell explained that the questions being posed are being pulled from a document that not all the Oversight Board Members had reviewed or seen. Mr. Ponty said he would need to review the document in advance in order to answer. Another Board Member opposed having questions derived from a document that was not presented to the full board. It was agreed that these items will be addressed at the next meeting.

Ms. Christensen requested that questions posed to the staff liaison be also copied to the Chair. There was concurrence on this matter.

The issue of the Oversight Board’s role was discussed in detail. Mr. Ladabie explained that Members of the Oversight Board have a fiduciary duty to the debt holders and the enforceable obligations incurred.

The dates agreed upon for future meetings were:

1) **April 12**, from 1:30 p.m. to 4:00 p.m.  
2) **May 1** from 2:00 p.m. to 4:00 p.m.

Two Oversight Board Members would like to have access to the instruments used in the creation of the ROPS. Mr. Ponty suggested
making items requested by the auditors available to the Oversight Board Members, through a Box.com file sharing system service.

Mr. Navas requested that, on the ROPS, not only to cross-reference the law but include an explanation of why it applies. Ms. Christensen also requested data on the inception of the original obligation and the termination date for items listed. Mr. Ponty suggested having the Oversight Board Members review the information in the Box.com first; and, then if there was a need to still dig deeper, he would provide the information mentioned.

As a process methodology, the Oversight Board agreed to have questions go to Mr. Ponty directly, with a copy to the Board, and the answer coming from Mr. Ponty directly to the full group. Attorney Ladabie alerted all to exercise caution on email and to only pose the question to staff and not engage in a discussion. This could be a violation of the Brown Act.

IV. Discussion of Legal Representation

Ms. Thompson provided some introductory remarks explaining how she had contacted two attorneys who had a high level of independence, highly qualified and respected. She found two people Mr. Craig Ladabie and Gary Baum. She included in the contract, for future consideration by the Oversight Board, a cost savings measure to have agencies in San Mateo County share certain legal bills if they are all receiving the same services. The proposed negotiated rate is $215.

Mr. Ladabie provided details about his experience as a City Attorney and the various jurisdictions he served. Mr. Ladabie disclosed that he is Bruce Ladabie’s brother, a musical promoter, who has undertaken work for Redwood City. Ms. Thompson noted that the contract with Bruce Ladabie is not going to be renewed.

Various Oversight Board Members asked questions regarding the legal services contract. Ms. Thompson said she had shared the contract with the other 13 Oversight Boards in San Mateo County, should they be interested. One member inquired about the common questions and the shared billing. Mr. Ladabie provided clarification on how this would work out to not replicate efforts and save funds to the Oversight Board.

M/S Christensen/Navas to designate Mr. Craig Ladabie as the Legal Counsel for the Oversight Board. Motion carried unanimously.

City Attorney Thompson noted that the matter of approving his agreement would be formally adopted at the next meeting.

V. Status of ROPS and Next Steps

Mr. Ponty explained that revised first ROPS (January 1 through June 30, 2012) is going to Council on April 9, 2012 and the second ROPs will go to the City Council on April 23, 2012.

Ms. Christensen asked about the various items listed on the ROPS and how there were zeros. Ms. Ramirez, explained that this refers to binding agreements where no action has occurred. Regarding the N/A designation, Mr. Ponty explained that it refers to closed Purchase Orders.
Ms. Christensen inquired about staff costs and how these will be accounted for in the administrative budget. There was a question if the Successor Agency budget had been approved and Mr. Ekern said this has not been approved. Ms. Ramirez explained this will come back to the Oversight Board with the ROPS. She added that it is the role of the Oversight Board to review the Successor Agency Administrative budget.

The Administrative Budget will be discussed in more detail and Ms. Ramirez requested that Legal Counsel for the Oversight Board address these issues at the next meeting. The value and computation for the Administrative Budget was discussed. The approval of the ROPS was discussed in detail and what happens if the Oversight Board does not approve of it. Ms. Ramirez commented that the Department of Finance has the final word. Mr. Roberts inquired who will be authorizing the expenditure of funds. Ms. Christensen, questioned the $1.9 million figure for staffing, and transfer of assets transactions. Mr. Ponty took note of these issues to be addressed at the next meeting.

VI. Selection of Chair/ Vice Chair

Mr. Holland was nominated by Alicia Aguirre, second by Barbara Christensen to be the Chair. Motion carried unanimously.

Mr. Roberts was nominated by Alicia Aguirre, second by Barbara Christensen to act as Vice Chair. Motion carried unanimously.

VII. Set Future Agenda Items/ Dates

Items agreed on for future agendas:
- Review and approval of the ROPS
- Approval of Mr. Ladabie's Professional Services Agreement
- Review of any items listed on the ROPS including transfers and RDA assets for any contracts between the City and the RDA since January 2011
- Approval of the Oversight Board Administrative Budget
- Composition of the Board

Mr. Bell referred to a document in the binder (under tab six) which addresses the transfers between the City and the Redevelopment Agency post January 2011. He covered other documents included which might shed some light on some of the posed questions.

There was some interest in having the staff report that is going to the City Council accompanying the ROPs on April 9, 2012. Mr. Ponty offered to share it with the Oversight Board. Mr. Bell thanked the staff for all the work done in terms of the audit and the preparation of the information leading up to this meeting.

VIII. Public Comments - There was no public comment

NOTE: Speakers are limited to three minutes, unless modified by the Chairperson. The Board cannot take action on any matter raised under this item.

IX. Adjourn - The meeting adjourned at 3:40 p.m.

Respectfully submitted,
____________________
Silvia Vonderlinden,
City Clerk

April 3, 2012
Agenda Report

To: Oversight Board Members
From: Pamela Thompson, City Attorney
Date: April 12, 2012
Re: Consent to Oversight Board Legal Counsel

RECOMMENDATION
That the Oversight Board consent to the Professional Services Agreement for Craig Labadie to act as Legal Counsel for the Oversight Board and authorize the Chair of the Oversight Board to sign the consent provision of the Professional Services Agreement.

DISCUSSION
The City Attorney's office served as General Counsel to the former Redwood City Redevelopment Agency, and currently serves as legal counsel to the City of Redwood City generally and in its role as Successor Agency to the former Redwood City Redevelopment Agency.

As was represented at the March 29, 2012 Oversight Board Meeting, because the City Attorney's Department represents the City's and Successor Agency's interests, the City Attorney's Department determined the in-house attorneys were conflicted from providing legal advice to the Oversight Board.

At the March 29, 2012 meeting, the Oversight Board indicated its interest in having Mr. Craig Labadie serve as legal counsel for the Oversight Board. Staff is now requesting that the Board formally consent to the Professional Services Agreement relating to Mr. Labadie's representation of the Oversight Board. The costs related to the Oversight Board Legal Counsel are identified in the ROPS and allocated to the Oversight Board on the Administrative Budget. Payments made to the Oversight Board Legal Counsel shall be subject to all future ROPS and Administrative Budgets.

Pamela Thompson
City Attorney, Successor Agency

ATTACHMENTS
1. Agreement for Professional Services between Craig Labadie and the Successor Agency
AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into on April __, 2012, by and between the City of Redwood City, a municipal corporation, acting as the Successor Agency to the Redwood City Redevelopment Agency ("CITY"), organized and existing under the provisions of AB x1 26, enacted June 29, 2011 ("Redevelopment Dissolution Act"), and Craig Labadie, an attorney licensed to practice law in the State of California ("ATTORNEY").

THE PARTIES ENTER THIS AGREEMENT based upon the following facts, understandings and intentions:

City Attorney would provide legal services to the REDWOOD CITY OVERSIGHT BOARD ("OVERSIGHT BOARD") as contemplated pursuant to the Redevelopment Dissolution Act as part of its staffing obligation, but because the City Attorney’s Office has a conflict of interest due to its representation of CITY as the Successor Agency, CITY is obtaining the services of special counsel to serve as the legal advisor for the OVERSIGHT BOARD; and CITY desires to contract with ATTORNEY and ATTORNEY desires to contract with CITY for provision of professional services as further described herein, upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants and promises of the parties herein contained, the parties hereto agree as follows:

1. **Effective Date.** The effective date of this Agreement is April 12, 2012.

2. **Scope of Services.** CITY engages ATTORNEY to provide legal advice and representation to OVERSIGHT BOARD regarding implementation of the Redevelopment Dissolution Act, including but not limited to advice regarding the powers and duties of the OVERSIGHT BOARD under the Act as well as compliance with the requirements of the Brown Act, Public Records Act and Political Reform Act in the performance of such powers and duties. ATTORNEY shall provide both GENERAL LEGAL SERVICES and CLIENT SPECIFIC LEGAL SERVICES, which are defined in Section 4.
3. **Compensation.** ATTORNEY shall be compensated on hourly basis for services rendered under Section 2, at the rate of $215 per hour. Additional hourly rate for services are as follows: Partner Level Attorneys $215; Associate Level Attorneys $185; Law Clerks $75; and Paralegals $65.

Attorney shall be reimbursed for actual and reasonable out-of-pocket expenses such as mileage, photocopy charges, research-related charges, filing fees, telephone charges, and other costs related to representation. ATTORNEY may submit monthly statements for services rendered. Time will be billed in tenths of an hour (six-minute increments). Travel time shall be charge and paid at fifty percent (50%) of the hourly billing rate.

**GENERAL LEGAL SERVICES** are those legal services that pertain to generally shared or common issues among San Mateo County Oversight Boards where ATTORNEY’s research and advice will be generally applicable to all Oversight Boards ATTORNEY represents such as advice regarding the Brown Act, the Political Reform Act, Public Records Act, and general powers and duties of Oversight Boards. **CLIENT SPECIFIC SERVICES** are those legal services rendered specifically and exclusively to a particular Oversight Board at its direction such as appearing at Oversight Board to provide legal counsel during its meeting or researching and advising on an issue specifically pertaining to that Board.

Further, for **GENERAL LEGAL SERVICES** applicable to all OVERSIGHT BOARDS that ATTORNEY represents in San Mateo County, ATTORNEY shall divide the billing for such **GENERAL LEGAL SERVICES** equally among all OVERSIGHT BOARDS that ATTORNEY represents in San Mateo County. ATTORNEY shall separately bill each OVERSIGHT BOARD for work performed independently and at the direction of that particular OVERSIGHT BOARD. While the OVERSIGHT BOARD shall review the detailed bill of the ATTORNEY, CITY shall receive a summary bill of such services.

It is intended that payment to ATTORNEY will be made by CITY acting as the Successor Agency within thirty (30) days after receipt of each invoice, subject to such work being in compliance both with the scope of services as set forth in this Agreement and within the
budget established by the CITY for said services.

4. **Confidential Communications and Information.** CITY acting as the Successor Agency is the contracting entity and the OVERSIGHT BOARD is the client for the purposes of confidential client communications. Confidential communications between the OVERSIGHT BOARD and ATTORNEY are not to be shared with CITY or CITY as the Successor Agency. All documents, communications or other information developed or received by or for ATTORNEY in performance of the Agreement are confidential and not to be disclosed to any person except as authorized by OVERSIGHT BOARD, or as required by law.

5. **Termination.** With the consent of the OVERSIGHT BOARD, CITY may terminate ATTORNEY’s employment at any time with or without cause and with no notice. However, CITY agrees to pay ATTORNEY for all legal services rendered by ATTORNEY up to the time of termination, plus all costs advanced and expenses incurred by ATTORNEY in the course of representing OVERSIGHT BOARD. In the event of termination, ATTORNEY will promptly return CITY’s and/or OVERSIGHT BOARD’s papers and property to it.

6. **Standard of Performance.** ATTORNEY represents to CITY that the services shall be performed in an expeditious manner and with the degree of skill and care that is in conformance with generally accepted professional standards prevailing at the time work is performed.

7. **Performance by Attorney.** ATTORNEY shall not employ other Attorneys or contractors without the prior written approval of the CITY. Unless otherwise expressly agreed by the CITY, ATTORNEY’S representative shall remain responsible for the quality and timeliness of performance of the services, notwithstanding any permitted or approved delegation hereunder.

8. **Ownership and Maintenance of Documents.** All documents furnished by ATTORNEY pursuant to this AGREEMENT are instruments of ATTORNEY’S services in respect to any individual project. They are not intended nor represented to be suitable for reuse by others on extensions of this project or on any other project. Any reuse without specific
written verification and adoption by ATTORNEY for the specific purposes intended will be at user’s sole risk and without liability or legal exposure and expenses to ATTORNEY, including attorney’s fees arising out of such unauthorized reuse. ATTORNEY’S records pertaining to work performed under this Agreement shall be given to CITY at the completion of the work.

9. **Conflict of Interest.** ATTORNEY shall avoid any conflict of interest in the performance of this Agreement. ATTORNEY represents that the ATTORNEY has no existing conflict of interest in representing OVERSIGHT BOARD and will not acquire any such interest, which could interfere with the performance of services required under this Agreement.

10. **Independent Contractor.** In assuming and performing the services, ATTORNEY is an independent contractor and shall not be eligible for any benefits, which the CITY may provide its employees, except as expressly provided for in the AGREEMENT. ATTORNEY shall have responsibility for and control over the means of providing services under this AGREEMENT.

11. **Malpractice Insurance.** Attorney shall maintain a current policy of errors and omissions insurance at all times.

12. **Amendment.** This Agreement may be amended, modified, or changed by the parties subject to mutual consent by execution of a written amendment executed by authorized representatives of CITY and ATTORNEY and as consented to by the OVERSIGHT BOARD.

13. **Compliance with Laws.** ATTORNEY shall comply with all applicable Federal, State, and local laws, rules, and regulations, and shall obtain all applicable licenses and permits for the conduct of its business and the performance of the services.

14. **Severability.** Each portion of this document is severable, so that if one portion is found to be legally invalid, the remaining portion shall remain in effect.

15. **Financial Records.** Records of ATTORNEY’S reimbursable expenses pertaining to this project covered by this AGREEMENT will be made available to OVERSIGHT BOARD and/or CITY if and when required.
16. **Notices.** All notices required hereunder shall be in writing and mailed postage prepaid by Certified or Registered mail, return receipt requested, or by personal delivery to the CITY'S address as shown below, or such other places as CITY or ATTORNEY may, from time to time, respectively, designate in a written notice given to the other. Notice shall be deemed received three (3) days after the date of the mailing thereof or upon personal delivery.

To CITY:

Robert B. Bell  
City Manager  
1017 Middlefield Road  
Phone: (650) 780-7300  
E-mail: bbell@redwoodcity.org

To ATTORNEY:

Craig Labadie  
50 Tara Road  
Orinda, CA  94563  
Phone: (925) 250-5424  
FAX: (925) 253-0891  
E-mail: labadielaw@gmail.com

**IN WITNESS WHEREOF,** the parties have executed this AGREEMENT in one or more duplicate originals as of the date and year first written above.

**ATTORNEY:**  

__________________________
Craig Labadie  
Special Counsel

**CITY OF REDWOOD CITY:**

__________________________
Robert B. Bell  
City Manager

**CONSENTED TO:**

__________________________
David Holland  
Oversight Board Chair
Agenda Report

To: Oversight Board Members
From: Bill Ekern, Community Development Director
Date: April 12, 2012
Re: Review and Approval of the initial ROPS

RECOMMENDATION
That the Oversight Board approve the Recognized Obligation Payment Schedule, as adopted by the City Council on April 9, 2012.

DISCUSSION
At its initial meeting, March 29, 2012, the Oversight Board requested greater explanation about the various line items identified on the Draft ROPS for the period January through June 2012. Specifically, the Board requested cites for how the items fit within the definitions of AB 1x26.

Recognized Obligation Payment Schedule
For ease of reference, the line and page number will be cited to the Draft ROPS attached to this report, which we refer to as Revised First ROPS, to be approved by the Successor Agency on April 9, 2012.

Lines 1-3, Page 1: Tax Allocation Bonds are solely the debt of the former Redevelopment Agency and are now assumed by the Successor Agency. A principal payment in the amount of $2,480,000 is due to bondholders along with an interest payment of $280,337 on July 15, 2012. Since the trustee has $680,224 available, the net amount needed to make the principal payment is $2,080,113. Given the time it takes the trustee to process the payment and transmit the amounts to the bondholders the amounts needed to provide the principal and interest payments should be wired to the trustee several weeks in advance of the payment date. If the Successor Agency is not provided these funds by the County Controller it will likely result in a draw upon the debt service reserve fund. Since part of the debt service reserve fund is in the form of a surety bond any draws upon this bond will lead to higher costs to the Successor Agency.

These items were placed on the 1st ROPS as a placeholder to ensure that funds are available for the July principal and interest payments for the 2003 Tax Allocation Bonds. Given the indications we have received from the County Controller that there may not be a "May distribution" the Successor Agency has amended the 1st ROPS to remove these obligations and intends to place them on the 2nd ROPS (to be presented to the Oversight Board on May 1, 2012), the funding for which will be distributed on or around June 1, 2012 and is intended to cover obligations needing to be paid between July 1, 2012 and December 31, 2012.
Line 4, Page 1: SERAF repayment to the Low and Moderate Housing fund is required under the legislation.

Line 5, Page 1: 2107 Broadway is repayment of loan from the School District, an obligation covered by the legislation.

Lines 6-7, Page 1: Repayment to City for loan and interest is due for funds advanced by the City for Downtown projects. This is an existing agreement prior to January 1, 2011, and is an enforceable obligation under the legislation (H&S 34171(d)(2)) as it is supported by an agreement repaying the City in connection with bonds issued for the purpose of loaning funds to the Redevelopment Agency.

Line 8, Page 1: Fiscal agent fees are ongoing debt connected to an agreement existing before January 1, 2011.

Lines 9-10, Page 1: Legal fees are ongoing debt connected to agreements existing before January 1, 2011.

Line 11, Page 1: Contract to begin formation of a Downtown Business Improvement District is a valid contract and within the requirements of the legislation.

Line 12, Page 1: Copier lease will be considered as a part of the Successor Agency administrative costs.

Lines 13-17, Page 1: These various design and planning contracts are complete and only have outstanding balances but no expenses planned within this ROPS timeframe.

Line 18, Page 1: This item is for capital improvements subject to an agreement between the City and the Redevelopment Agency whereby the Redevelopment Agency agreed to reimburse the City for various public infrastructure and facilities projects contemplated. Although it is arguable that this obligation qualifies as an enforceable obligation under existing law, the Successor Agency nonetheless included this obligation in an effort to preserve the Successor Agency’s rights as the Successor Agency believes there is some likelihood that the law will be amended to provide for these types of obligations to be honored by Successor Agencies.

Lines 19-20, Page 1: These on-call consulting services will be included in the administration budget for the Successor Agency.

Lines 21-22, Page 1: These are valid agreements for engineering services entered into prior to January 1, 2011.

Line 22, Page 1: This is an ongoing obligation entered into prior to January 1, 2011.

Lines 24-33, Page 1: These contracts for service are complete, but were obligations for FY 2011-12 and consequently obligated to be shown.

Lines 34-35, Page 1: Existing contracts for services to support business development in the City are allowable obligations under the legislation.

Line 36-38, Page 1: These contracts for professional services were entered into prior to January 1, 2011, and completed in FY 2011/12.
Line 39, Page 1: This contract for services was entered into prior to January 1, 2011, and completed during FY 2011/12.

Line 40, Page 1: Contracted audit services agreement entered into prior to January 1, 2011.

Lines 41-42, Page 1: Funds owed to the Successor Agency for start up and administrative costs, as anticipated in the legislation for contracts necessary to continue the administration of the Agency.

Lines 43-44, Page 1: These are enforceable obligations connected to the ongoing retirement obligations of former city employees funded by the Redevelopment Agency.

Line 45, Page 1: Contractual obligation with San Mateo County for administration of property taxes is based on a legislative mandate predating January 1, 2011.

Lines 46-47, Page 1: Oversight Board administration and operating costs are separate and apart from the Successor Agency costs, therefore constitute agreements necessary to continue the administration and operation of that Board.

Line 48, Page 2: These funds are required to be set aside pursuant to a settlement agreement and therefore are consistent with the obligations defined in the legislation.

Line 2, Page 2: This project is currently under construction and these funds are committed as part of the agreement to construct the housing project.

Line 3, Page 2: These funds are obligated for State oversight of the environmental cleanup of the housing project site.

Line 4, Page 2: These funds are to prepare the documents necessary for the environmental cleanup of the housing site and the agreement pre-dates January 1, 2011.

Lines 5-7, Page 2: These agreements for consulting services were entered into prior to January 1, 2011.

Line 8, Page 2: This agreement for services was entered into prior to January 1, 2011.

Lines 9-11, Page 2: These construction agreements were entered into prior to January 1, 2011.

Line 12-14, Page 2: These agreements for services were entered into prior to January 1, 2011.

Line 15, Page 2: These funds are donations to the Housing Successor Agency and are not Tax Increment funds.

Lines 16-17, Page 2: These funds are for the continued administrative costs consistent with the legislation.

Line 18, Page 2: These funds represent bond proceeds that have yet to be expended; they are not tax increment funds.

Lines 19-22, Page 2: These funds represent security deposits and are contractual obligations consistent with the legislation.
Lines 23-24, Page 2: These are enforceable obligations connected to the ongoing retirement obligations of former city employees funded by the Redevelopment Agency’s Housing fund.

Lines 1-3, Page 3: These funds are consistent with the legislation to enable the continued operation and administration of the Successor Agency.

Lines 1-9, Page 4: All of these pass through agreements are consistent with the ongoing obligations as defined in the legislation.

Response to Auditors
Although we haven't received the auditor findings, Staff has discussed the draft ROPS with the auditors, Macias Gini. Based on a conference call meeting of April 2, 2012, staff and the auditors have identified a dispute over the Successor Agency funds identified as necessary to reimburse the City of Redwood City for capital improvement projects (see Lines 6-7, Page 1 in the attached ROPS). In 2003, the City issued $11,475,000 of bonds through the City's Public Financing Authority to refund a portion of bonds issued by the City in 1991 and to provide funds to loan to the Redwood City Redevelopment Agency for the purpose of assisting in the financing of programs, projects, and activities relating to the Project Area No. 2. Repayment of this loan is appropriately included in the ROPS because it is an enforceable obligation under Health and Safety Code Section 34171(d)(2). It is an obligation supported by a written agreement solely securing or repaying the City in connection with bonds issued for the purpose of loaning funds to the Redevelopment Agency. Furthermore, if the proposed clean-up legislation (AB 1585) passes, the new provisions of H&S 34180 would allow for the inclusion of this agreement as an enforceable obligation.

Attached to this memo is reconciliation document showing the changes in the documents between the Original ROPS and the Revised First ROPS.

[Signature]

Bill Ekern
Community Development Department Director, Successor Agency

ATTACHMENTS
1. Revised 1st ROPS (approved by Council on April 9, 2012)
2. Reconciliation between the Original ROPS and the Revised First ROPS
## RECOGNIZED OBLIGATION PAYMENT SCHEDULE

**Per AB 29 - Section 34177 (1)**

<table>
<thead>
<tr>
<th>Project Name / Debt Obligation</th>
<th>Payee</th>
<th>Description</th>
<th>Obligation Category</th>
<th>Amount</th>
<th>Expiration Date</th>
<th>Funding Source</th>
<th>Project Area(s)</th>
<th>Page Dimensions: 612.0x1008.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 Fire allocation Bond, Series 2008A for infrastructure projects</td>
<td>AB Bank</td>
<td>Fire service bond issued for RDA Project Area No. 2</td>
<td>34,869,509</td>
<td>2051</td>
<td>1,066,070</td>
<td>RPTTF</td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>8 Fire allocation Bond, Series 2008A for infrastructure projects</td>
<td>AB Bank</td>
<td>Interest payments for bond issued for RDA Project Area No. 2</td>
<td>41,348,615</td>
<td>2051</td>
<td>585,970</td>
<td>RPTTF</td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>9 Redevelopment District Debt Service Reserve Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 SDIF Loan Repayment</td>
<td>Housing Successor Agency</td>
<td>Repayment of Borrowed LMIHF to make FY 09/10 SDIF payment</td>
<td>2,230,275</td>
<td>2015</td>
<td>562,568</td>
<td>RPTTF</td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>11 Developing 3017 Broadway</td>
<td>Redwood City School District</td>
<td>Finance a portion of 3017 Broadway in 1999 by providing a limited district tax</td>
<td>54,465</td>
<td>2030</td>
<td>42,321</td>
<td>RPTTF</td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>12 Capital improvements in the downtown</td>
<td>City of Redwood City</td>
<td>Makes a City loan for capital projects from City / Agency Loan Agreement</td>
<td>2,260,545</td>
<td>2051</td>
<td>84,609</td>
<td>RPTTF</td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>13 Capital improvements in the downtown</td>
<td>City of Redwood City</td>
<td>Receives interest on a City loan for capital improvements from City/Agency loan agreement</td>
<td>208,432</td>
<td>2051</td>
<td>7,762</td>
<td>RPTTF</td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>14 On-going debt service bond and Fiscal agent fees</td>
<td>AB Bank and Wealth Financial</td>
<td>Fiscal fees and annual disclosure fees for the 2003 Bond</td>
<td>21,065</td>
<td>2017</td>
<td>2,100</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>15 Legal services to the RDA and real property</td>
<td>Best, Best &amp; Krieger LLP</td>
<td>Legal services rendered to RDA and Real Property Agreement</td>
<td>21,065</td>
<td>2017</td>
<td>2,100</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>16 Legal services to the RDA and real property</td>
<td>Best, Best &amp; Krieger LLP</td>
<td>Legal services rendered to RDA and Real Property Agreement</td>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17 Downtown business improvement district</td>
<td>New City America</td>
<td>Services to formulate a self funded district in downtown</td>
<td>14,101</td>
<td>2017</td>
<td>5,265</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>18 Mixed Use Corridor Zoning</td>
<td>Hogle-Ireland</td>
<td>Prepare Mixed Use Corridor Zoning</td>
<td>17,833</td>
<td>2011</td>
<td>0</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>19 Capital improvement projects</td>
<td>City of Redwood City</td>
<td>Reimbursement for various public infrastructure and facilities projects per City/Agency</td>
<td>5,308,203</td>
<td>2017</td>
<td>2,064</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>20 Legal services for RDA administration</td>
<td>Green, de Bortnowsky &amp; Quintani</td>
<td>Offer Legal Services related to the RDA</td>
<td>4,000</td>
<td>2011</td>
<td>4,000</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>21 Depot Circle Development Opportunity</td>
<td>BKF Engineers</td>
<td>Prepare parcel map for Block 2</td>
<td>20,491</td>
<td>2011</td>
<td>6,265</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>22 Hoover Mobility Study</td>
<td>Fehr &amp; Peers Associates</td>
<td>Technical memo for Woodside Rd/Middlefield crosswalks</td>
<td>98</td>
<td>2011</td>
<td>6,212</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>23 Underground parking garage dewatering</td>
<td>Green Environment, Inc.</td>
<td>Maintenance of dewatering system for underground garage</td>
<td>0</td>
<td>2011</td>
<td>5,280</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>24 Courthouse Square events</td>
<td>Caravanserai (Santana Tribute)</td>
<td>Provide live performances at the Square</td>
<td>0</td>
<td>2011</td>
<td>1,500</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>25 Courthouse Square events</td>
<td>Cream of Clapton</td>
<td>Provide live performances at the Square</td>
<td>0</td>
<td>2011</td>
<td>1,200</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>26 Courthouse Square events</td>
<td>The Rising (Springsteen)</td>
<td>Provide live performances at the Square</td>
<td>0</td>
<td>2011</td>
<td>2,000</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>27 Courthouse Square events</td>
<td>Stephen Krauel</td>
<td>Provide instruction for dancing on the Square</td>
<td>0</td>
<td>2011</td>
<td>450</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>28 Courthouse Square events</td>
<td>Bump City, Chaper of Player</td>
<td>Provide live performances at the Square</td>
<td>0</td>
<td>2011</td>
<td>2,200</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>29 Courthouse Square events</td>
<td>Susan Barnes Consulting</td>
<td>Consulting services to implement economic development reorganization -</td>
<td>11,761</td>
<td>2012</td>
<td>22,798</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>30 Annual independent auditing of RDA</td>
<td>Caporicci &amp; Larson</td>
<td>Audit services for redevelopment activities</td>
<td>688</td>
<td></td>
<td>2,064</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>31 ABX1 26 Startup Costs</td>
<td>Successor Agency</td>
<td>ABx1 26 implementation costs</td>
<td>36,394</td>
<td>n/a</td>
<td>72,787</td>
<td></td>
<td>All</td>
<td>612x1008</td>
</tr>
<tr>
<td>32 Accrued PERS Pension Obligations</td>
<td>CalPERS</td>
<td>Costs incurred to date</td>
<td>1,586,854</td>
<td></td>
<td></td>
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<tr>
<td>33 Accrued Retiree Health Obligation</td>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>34 SFC Property Tax Administrator</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>35 Oversight Board Legal Fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>36 Oversight Board Legal Fees</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>37 Oversight Board Legal Fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>38 Oversight Board Legal Fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>39 Oversight Board Legal Fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40 Oversight Board Legal Fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Notes:
- **Total Totals due during fiscal year and payment amounts are projected.**
- **Funding sources from the successor agency:** For fiscal 2011-12 only, references to RPTTF could also mean tax increment allocated to the Agency prior to February 1, 2012.
- **RPTTF - Redevelopment Property Tax Trust Fund.**
- **RDA - Redevelopment Agency.**
- **AB - Anne B.**
- **BCKT - BKF.**
- **CAR - Caravanserai.**
- **CML - Cream of Clapton.**
- **CRP - Courthouse Square.**
- **DFR - Dewatering.**
- **GRN - Green.**
- **HAB - Hogle-Ireland.**
- **HVL - Hogle-Ireland.**
- **MBR - MBR.**
- **PDS - Plan Development Services.**
- **PPD - Plan Preparation.**

### Additional Information:
- **(1)** Monthly photocopying varies by month, but approximately $400 per month's- thumbnails represented in the monthly cost.
- **(2)** Projects include the Hoover Mobility Project, Marina Area Planning Study, Transit Corridors Project, Grand Blvd. Streetscapes, Depot Circle, and Parking Facilities, each includes planning, design, and administrative costs.
- **(3)** See attached category key for cross referenced Section 34177 purposes.
<table>
<thead>
<tr>
<th>Project Name / Debt Obligation</th>
<th>Payee</th>
<th>Project Name / Debt Obligation</th>
<th>Description</th>
<th>As of Jan. 1, 2012</th>
<th>Total Outstanding Debt or Obligated</th>
<th>Obligation Expiration Date</th>
<th>Total Due During Fiscal Year 2011-12*</th>
<th>Funding Source</th>
<th>Payments by month</th>
<th>Payable from Other Revenue Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordable Housing Funds - Legal Aid Society Agreement</td>
<td>Housing Successor Agency</td>
<td>Housing Board Townhouse</td>
<td>Amortization of bond proceeds for the Low and Moderate Income Housing Fund</td>
<td>9,755,615</td>
<td>9,755,615</td>
<td>3/31/2012</td>
<td>5,562,353</td>
<td>LMIHF</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Affordable Housing Funds - Legal Aid Society Agreement</td>
<td>Housing Successor Agency</td>
<td>Affordable Housing Projects</td>
<td>Amortization of bond proceeds for the Low and Moderate Income Housing Fund</td>
<td>5,443</td>
<td>5,443</td>
<td>9/30/2012</td>
<td>19,164</td>
<td>LMIHF</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Affordable Housing Funds - Legal Aid Society Agreement</td>
<td>Housing Successor Agency</td>
<td>Affordable Housing Projects</td>
<td>Amortization of bond proceeds for the Low and Moderate Income Housing Fund</td>
<td>5,132</td>
<td>5,132</td>
<td>6/30/2012</td>
<td>1,007</td>
<td>LMIHF</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Affordable Housing Funds - Legal Aid Society Agreement</td>
<td>Housing Successor Agency</td>
<td>Affordable Housing Projects</td>
<td>Amortization of bond proceeds for the Low and Moderate Income Housing Fund</td>
<td>590</td>
<td>590</td>
<td>6/30/2012</td>
<td>590</td>
<td>LMIHF</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Affordable Housing Funds - Legal Aid Society Agreement</td>
<td>Housing Successor Agency</td>
<td>Affordable Housing Projects</td>
<td>Amortization of bond proceeds for the Low and Moderate Income Housing Fund</td>
<td>7,899</td>
<td>7,899</td>
<td>6/30/2012</td>
<td>0</td>
<td>LMIHF</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Affordable Housing Funds - Legal Aid Society Agreement</td>
<td>Housing Successor Agency</td>
<td>Affordable Housing Projects</td>
<td>Amortization of bond proceeds for the Low and Moderate Income Housing Fund</td>
<td>11,239</td>
<td>11,239</td>
<td>6/30/2012</td>
<td>0</td>
<td>LMIHF</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Affordable Housing Funds - Legal Aid Society Agreement</td>
<td>Housing Successor Agency</td>
<td>Affordable Housing Projects</td>
<td>Amortization of bond proceeds for the Low and Moderate Income Housing Fund</td>
<td>67,200</td>
<td>67,200</td>
<td>6/30/2012</td>
<td>1,007</td>
<td>LMIHF</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Affordable Housing Funds - Legal Aid Society Agreement</td>
<td>Housing Successor Agency</td>
<td>Affordable Housing Projects</td>
<td>Amortization of bond proceeds for the Low and Moderate Income Housing Fund</td>
<td>201,000</td>
<td>201,000</td>
<td>3/31/2012</td>
<td>16,123</td>
<td>LMIHF</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Affordable Housing Funds - Legal Aid Society Agreement</td>
<td>Housing Successor Agency</td>
<td>Affordable Housing Projects</td>
<td>Amortization of bond proceeds for the Low and Moderate Income Housing Fund</td>
<td>28,075</td>
<td>28,075</td>
<td>3/31/2012</td>
<td>28,075</td>
<td>LMIHF</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Affordable Housing Funds - Legal Aid Society Agreement</td>
<td>Housing Successor Agency</td>
<td>Affordable Housing Projects</td>
<td>Amortization of bond proceeds for the Low and Moderate Income Housing Fund</td>
<td>11,499,361</td>
<td>2,631,740</td>
<td>3/31/2012</td>
<td>1,477,405</td>
<td>LMIHF</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

* The Preliminary Draft Recognized Obligation Payment Schedule (ROPS) is to be completed by 3/1/2012 by the successor agency, and subsequently be approved by the oversight board and audited by the County Auditor. The total due during fiscal year and payment amounts are projected.

**-RPTTF - Redevelopment Property Tax Trust Fund
**-Bonds - Bond proceeds
**-LMIHF - Low and Moderate Income Housing Fund

---

(1) Jim Smith Housing Trust Fund - A former association provided money to the RDA Housing Fund to help families come out of shelters with rental deposits and to assist low income families at risk of losing their homes. The Kathleen Mahany Program makes 1% loans payable over 2 years, pay housing security deposits or emergency rents for people at risk of losing homes.

(2) Monthly photocopying varies by month, but approximately $490 per month is reflected in the monthly cost.

(3) See attached category key for cross referenced Section 34117T purposes.

(4) 2003 Tax Allocation Bond Construction Fund issued in 2003 to finance programs, projects, and activities related to the project area - Jefferson Underground Garage, Black 2 Parking, land assembly for parking, downtown streetscape improvements, culvert relocation, gateway directional signage, financial incentives for private development, downtown precise plan, Courthouse Square restoration and place.
**RECOGNIZED OBLIGATION PAYMENT SCHEDULE**

Per AB 26 - Section 34177 (*)

<table>
<thead>
<tr>
<th>Project Name / Debt Obligation</th>
<th>Payee</th>
<th>Description</th>
<th>As of Jan. 1, 2012 Total Outstanding Debt or Obligation</th>
<th>Obligation Expiration Date</th>
<th>Total Due During Fiscal Year 2011-2012**</th>
<th>Funding Source **</th>
<th>Payable from the Administrative Allowance Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) General Administrative Services</td>
<td>Successor Agency</td>
<td>City administrative services provided to Agency per Agreement</td>
<td>1,000,874</td>
<td>2012</td>
<td>1,350,844</td>
<td>RPTTF</td>
<td>182,297</td>
</tr>
<tr>
<td>2) Low and Mod. General Administrative Services</td>
<td>Successor Agency</td>
<td>City administrative services provided to Agency Low &amp; Moderate Housing per Agreement</td>
<td>493,562</td>
<td>2012</td>
<td>576,498</td>
<td>LMIHF</td>
<td>21,475</td>
</tr>
<tr>
<td>3) Successor Agency Administrative Cost Allowance</td>
<td>Successor Agency</td>
<td>Minimum amount of property tax to Successor Agency for general administrative costs</td>
<td>2012</td>
<td>250,000</td>
<td>Admin</td>
<td>50,000</td>
<td></td>
</tr>
</tbody>
</table>

** Totals - This Page **

1,494,436

---

(1) Amount reimbursable to City for operations, including salaries, overhead and professional services pursuant to the agreement between the City and Redevelopment Agency, less the minimum amount allowed shown on line 3.

(2) Minimum amount allowed for administration not reflected in line 1 subject to change.

(3) See attached category key for cross referenced Section 34167 purposes.
<table>
<thead>
<tr>
<th>Project Name / Debt Obligation</th>
<th>Payee</th>
<th>Description</th>
<th>As of Jan. 1, 2012 Outstanding Debt or Obligation</th>
<th>Obligation Expiration Date</th>
<th>Total Due During Fiscal Year 2011-2012**</th>
<th>Source of Fund***</th>
<th>Pass Through and Other Payments by month</th>
</tr>
</thead>
<tbody>
<tr>
<td>2) Pass Through Payments</td>
<td>TRA SEQUOIA UNION H.S. DISTRICT</td>
<td>Agreement per former CRL 33401</td>
<td>477,621</td>
<td>477,621</td>
<td>RPTTF</td>
<td>223,992</td>
<td>253,629</td>
</tr>
<tr>
<td>5) Pass Through Payments</td>
<td>TRA SMC HARBOR DISTRICT</td>
<td>Agreement per former CRL 33401</td>
<td>10,783</td>
<td>10,783</td>
<td>RPTTF</td>
<td>5,057</td>
<td>5,726</td>
</tr>
<tr>
<td>6) Pass Through Payments</td>
<td>TRA SMC MOSQUITO ABATE. DIST</td>
<td>Agreement per former CRL 33401</td>
<td>5,870</td>
<td>5,870</td>
<td>RPTTF</td>
<td>2,753</td>
<td>3,117</td>
</tr>
<tr>
<td>7) Pass Through Payments</td>
<td>TRA SMC OFFICE OF EDUCATION</td>
<td>Agreement per former CRL 33401</td>
<td>107,937</td>
<td>107,937</td>
<td>RPTTF</td>
<td>50,620</td>
<td>57,317</td>
</tr>
<tr>
<td>8) Pass Through Payment</td>
<td>County of San Mateo</td>
<td>County Share of Tax increment per Agreement to expand the RDA project area</td>
<td>497,064</td>
<td>1,406,073</td>
<td>RPTTF</td>
<td>497,064</td>
<td>497,064</td>
</tr>
<tr>
<td>9) Pass Through Payment</td>
<td>SMC Mosquito Abatement Dist</td>
<td>Agreement per RDA Resolution No. RD 89-23</td>
<td>11,383</td>
<td>11,383</td>
<td>RPTTF</td>
<td>11,383</td>
<td>11,383</td>
</tr>
<tr>
<td>10) 0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Totals - Other Obligations</td>
<td>2,097,081</td>
<td>3,006,090</td>
<td>$0.00</td>
<td>756,413</td>
<td>-</td>
<td>-</td>
<td>497,064</td>
</tr>
</tbody>
</table>

* The Preliminary Draft Recognized Obligation Payment Schedule (ROPS) is to be completed by 3/1/2012 by the successor agency, and subsequently be approved by the oversight board and audited by the County.
** All total due during fiscal year and payment amounts are projected.
*** Funding sources from the successor agency: (For fiscal 2011-12 only, references to RPTTF could also mean tax increment allocated to the Agency prior to February 1, 2012.
** Bonds - Bond proceeds
** LMIHF - Low and Moderate Income Housing Fund
** Admin - Successor Agency Administrative Allowance

(1) See attached category key for cross referenced Section 34167 purposes.
Enforceable Obligations

34167. This part is intended to preserve, to the maximum extent possible, the revenues and assets of redevelopment agencies so that those assets and revenues that are not needed to pay for enforceable obligations may be used by local governments to fund core governmental services including police and fire protection services and schools.

(d) For purposes of this part, “enforceable obligation” means any of the following:

Category

(1) Bonds, as defined by Section 33602 and bonds issued pursuant to Section 5850 of the Government Code, including the required debt service, reserve set-asides and any other payments required under the indenture or similar documents governing the issuance of the outstanding bonds of the redevelopment agency.

(2) Loans of moneys borrowed by the redevelopment agency for a lawful purpose, including, but not limited to, moneys borrowed from the Low and Moderate Income Housing Fund, to the extent they are legally required to be repaid pursuant to a required repayment schedule or other mandatory loan terms.

(3) Payments required by the federal government, preexisting obligations to the state or obligations imposed by state law, other than pass through payments that are made by the county auditor-controller pursuant to Section 34183, or legally enforceable payments required in connection with the agencies’ employees, including, but not limited to, pension payments, pension obligation debt service, and unemployment payments.

(4) Judgments or settlements entered by a competent court of law or binding arbitration decisions against the former redevelopment agency, other than pass through payments that are made by the county auditor-controller pursuant to Section 34183. Along with the successor agency, the oversight board shall have the authority and standing to appeal any judgment or to set aside any settlement or arbitration decision.

(5) Any legally binding and enforceable agreement or contract that is not otherwise void as violating the debt limit or public policy.

(6) Contracts or agreements necessary for the continued administration or operation of the redevelopment agency to the extent permitted by this part, including, but not limited to, agreements to purchase or rent office space, equipment and supplies, and pay-related expenses pursuant to Section 33127 and for carrying insurance pursuant to Section 33134.
### CITY OF REDWOOD CITY
#### SUCCESSOR AGENCY FIRST ROPS
#### RECONCILIATION OF ORIGINAL TO AMENDED

<table>
<thead>
<tr>
<th>Description</th>
<th>Page/Item #</th>
<th>Disposition</th>
<th>Total</th>
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<tbody>
<tr>
<td>Original total obligations approved by Council 2/27/12</td>
<td></td>
<td></td>
<td>9,415,441</td>
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<tr>
<td>Successor Agency amendments:</td>
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<tr>
<td>Page 1, 1</td>
<td>Move to 2nd ROPS</td>
<td>Move 7/12 Debt Service to 2nd ROPS</td>
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<td>168,525</td>
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<td>Reclass to Project</td>
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<td>Add Accrued PERs Pension Obligations</td>
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<td>Reclass to Project</td>
<td>Reclassify administrative costs to direct project</td>
<td>85,935</td>
</tr>
<tr>
<td>Page 1, 46</td>
<td>New Item</td>
<td>Add Oversight Board Legal Fees</td>
<td>24,000</td>
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<td>Page 1, 47</td>
<td>Reclass from Admin.</td>
<td>Reclassify administrative costs to direct project</td>
<td>78,283</td>
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<tr>
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<td>Reclassify administrative costs to direct project</td>
<td>78,283</td>
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<tr>
<td>Page 2, 8</td>
<td>Correct Amount</td>
<td>Correct amount for transposition</td>
<td>18</td>
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<td>Page 2, 17</td>
<td>Reclass from Admin.</td>
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<td>Reclass to Project</td>
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<td>Page 2, 23</td>
<td>New Item</td>
<td>Add Accrued PERs Pension Obligations</td>
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<td>Page 2, 24</td>
<td>New Item</td>
<td>Add Accrued Retiree Health Obligations</td>
<td>223,642</td>
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<td>Correct Duplicate Items</td>
<td>Reverse Items shown separately and in Admin.</td>
<td>5,309</td>
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<td>Page 3, 1</td>
<td>Correct Duplicate Items</td>
<td>Reverse Items shown separately and in Admin.</td>
<td>31,331</td>
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<tr>
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<td>Reclass Low, Moderate Housing Adm.</td>
<td>Reclassify administrative costs to Low &amp; Moderate Housing</td>
<td>493,560</td>
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<td>Reclassify administrative costs to Low &amp; Moderate Housing</td>
<td>493,560</td>
</tr>
<tr>
<td>Page 4, 9</td>
<td>New Item</td>
<td>Add Mosquito Abatement Pass-through</td>
<td>11,383</td>
</tr>
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Amended total obligations to Council 4/9/12 | | | 10,830,699 |
Agenda Report

To: Oversight Board Members

From: Brian Ponty

Date: April 12, 2012

Re: Administrative Budget for the period of January through June 2012 for the Successor Agency of the Former Redwood City Redevelopment Agency and the Oversight Board

RECOMMENDATION
Adopt the recommended Successor Agency administrative budget and the administrative budget for Oversight Board for the period of January through June 2012.

BACKGROUND
In January of 2003, the City and the Redevelopment Agency entered into a long-term contract obligating the City to provide to the Agency certain administrative services required for revitalization activities in the Redevelopment Project Area, with reimbursement for these services to be provided by the Agency. Pursuant to this agreement, the former City of Redwood City Redevelopment Agency adopted a budget for fiscal year 2011-12 that included administrative items required to support the various programs of the Redevelopment Agency. These budgeted items included employee costs, professional services, building maintenance, information technology, and insurance costs, which were budgeted in the Redevelopment Agency general fund and the low and moderate income housing fund. Based on the originally adopted budget, the amended First Recognized Obligation Payment Schedule (ROPS) for the period of January through June 2012 includes administrative costs of $1,000,874 ($250,000 minimum allowed plus $750,874 estimated additional costs) to be reimbursed by the Redevelopment Property Tax Trust Fund as listed in Attachment 1.

The Oversight Board Administrative budget consists of $78,283 allocated staff time and $24,000 legal fees as listed in Attachment 2.

Under ABx1 26, the Successor Agency is provided an administrative cost allowance. For fiscal year 2011-12 only, the administrative cost allowance is limited to 5% of the property tax revenues allocated to the Successor Agency, with a minimum of $250,000. Should the Oversight Board approve the ROPS as presented today the statutory minimum funding for the Successor Agency administrative budget will be $397,828 for fiscal year 2011-12 (5% of $7,956,551). Notwithstanding the minimum amount allowed under ABx1 26, the Successor Agency is requesting $1,000,874 in funding for its administrative expenses. Staff also recommends an
Oversight Board administrative budget in the amount of $102,283 for the period of January through June 2012.

Brian Ponty
Finance Director, Successor Agency

ATTACHMENTS
1. Recommended Administrative Budget for the Successor Agency
2. Recommended Administrative Budget for the Oversight Board
Successor Agency of the
Former Redwood City Redevelopment Agency
Proposed Administrative Budget
January through June 2012

<table>
<thead>
<tr>
<th>ROPS</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Employee Costs</strong></td>
<td>759,628</td>
</tr>
<tr>
<td>Page 3, 1 &amp; 3</td>
<td>Energy Costs - PG&amp;E</td>
<td>3,608</td>
</tr>
<tr>
<td>Page 3, 1</td>
<td>Water &amp; Sewer Cost</td>
<td>63</td>
</tr>
<tr>
<td>Page 3, 1</td>
<td>Supplies &amp; Maintenance</td>
<td>813</td>
</tr>
<tr>
<td>Page 3, 1</td>
<td>Professional Services</td>
<td>28,985</td>
</tr>
<tr>
<td>Page 3, 1</td>
<td>Attorney Fees</td>
<td>168,441  *</td>
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<tr>
<td></td>
<td><strong>Total Supplies and Services</strong></td>
<td>201,910</td>
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<tr>
<td>Page 3, 1</td>
<td>Central Services</td>
<td>1,368</td>
</tr>
<tr>
<td>Page 3, 1</td>
<td>Building Maintenance</td>
<td>2,544</td>
</tr>
<tr>
<td>Page 3, 1</td>
<td>Telephone Services</td>
<td>4,074</td>
</tr>
<tr>
<td>Page 3, 1</td>
<td>Custodial Services</td>
<td>4,902</td>
</tr>
<tr>
<td>Page 3, 1</td>
<td>Risk Management Services</td>
<td>4,398</td>
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<td>Page 3, 1</td>
<td>Data Management Services</td>
<td>7,998</td>
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<tr>
<td>Page 3, 1</td>
<td>Workers Compensation Insurance</td>
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<td><strong>Total Internal Service Charges</strong></td>
<td>39,336</td>
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<tr>
<td></td>
<td><strong>Total Proposed Budget</strong></td>
<td>1,000,874</td>
</tr>
</tbody>
</table>

*Most likely will not be spent; this figure is based on originally adopted redevelopment agency budget.*
<table>
<thead>
<tr>
<th>Page/Item#</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Page 1, 47</td>
<td>Employee Costs</td>
<td>78,283</td>
</tr>
<tr>
<td>Page 1, 46</td>
<td>Legal Fees</td>
<td>24,000</td>
</tr>
<tr>
<td></td>
<td>Total Proposed Budget</td>
<td>102,283</td>
</tr>
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</table>
Successor Agency to the former Redwood City Redevelopment Agency

Agenda Report

To: Oversight Board Members
From: Brian Ponty, Finance Director
Date: April 12, 2012
Re: Information Only - Real Property Assets Transferred after January 1, 2011

BACKGROUND
At the March 29, 2012 Oversight Board meeting the Board requested a report from the Finance Director concerning assets transferred from the Redevelopment Agency to the City of Redwood City after January 1, 2011.

At the March 7, 2011 joint meeting of the Redwood City Council and Redwood City Redevelopment Agency, the Council and the Board approved an option agreement which provided for the transfer of certain real property assets from the Agency to the City.

The following is a list of real property assets transferred during the year pursuant to this action, including the original source of Agency funds used to acquire the real property assets:

<table>
<thead>
<tr>
<th>Address</th>
<th>APN</th>
<th>Description/ Current Use</th>
<th>Lot Size Sq. Ft</th>
<th>Housing Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>1012 Main Street</td>
<td>053-137-010</td>
<td>Library Parking Facility</td>
<td>20,200</td>
<td>X</td>
</tr>
<tr>
<td>707 Bradford Street</td>
<td>052-372-200</td>
<td>Vacant Parcel</td>
<td>10,670</td>
<td></td>
</tr>
<tr>
<td>777 Bradford Street</td>
<td>052-372-170</td>
<td>Vacant Parcel</td>
<td>13,500</td>
<td>X</td>
</tr>
<tr>
<td>611 Heller Street</td>
<td>053-155-050</td>
<td>Vacant Parcel</td>
<td>5,006</td>
<td>X</td>
</tr>
<tr>
<td>No Address (vacant lot at Lathrop)</td>
<td>053-147-040</td>
<td>Vacant Parcel with Creek Culvert</td>
<td>7,438</td>
<td>X</td>
</tr>
<tr>
<td>No Address (vacant lot at corner of Lathrop and Maple)</td>
<td>053-182-030</td>
<td>Vacant Parcel</td>
<td>14,351</td>
<td>X</td>
</tr>
<tr>
<td>850 Jefferson Ave</td>
<td>052-366-130 Parcels B &amp; C</td>
<td>Public Parking Facility</td>
<td>B: 117,538 C: 18,589</td>
<td></td>
</tr>
</tbody>
</table>

As to Item 1, the 1012 Main Street property is serving a governmental purpose as a library parking facility.

As to Items 2-6, the properties were initially acquired using Agency low and moderate housing funds, except that approximately 80% of the funding to acquire the 707 Bradford Street property was provided by the Agency low and moderate income housing fund while the balance was provided by the Agency general fund.
As to Item 7, the transfer of 850 Jefferson Avenue was in error and should not have occurred. At the time this recommendation to the Council and Agency Board was prepared staff incorrectly understood that the land was owned by the Agency. Subsequently, staff learned that the land was in fact owned by the City as the City had acquired these parcels prior to the undertaking of the construction of the parking garage at 850 Jefferson Avenue. The Redevelopment Agency’s accounting records showed a land asset in the amount of $2,210,607 but further research identified that this was the amount of site preparation costs incurred after the land was acquired that were contributed by the Agency.

Supporting Documentation
Attached are copies of the March 7, 2011 staff report, Agency Resolution RD 11-02, and the duly executed option agreement affecting such transfer. For 850 Jefferson specifically, attached is the Grant Deed effectuating the transfer of Parcels B and C to the City (2004 Grant Deed).

Brian Ponty
Finance Director, Successor Agency

ATTACHMENTS
1. March 7, 2011 Staff Report
2. Agency Resolution RD 11-02
3. Option Agreement
4. Grant Deeds from Agency to City
REPORT

To the Honorable Mayor/Chair and City Council/Redevelopment Agency (Acting Jointly)
From the City Manager/Executive Director

March 7, 2011

Subject
Proposed Option Agreement between the City and the Agency providing the City an option to acquire certain agency-owned real property assets.

Recommendation
By resolution:
1. Staff recommends that the Agency Board approve and authorize execution of the attached Option Agreement between the Agency and the City, granting to the City the option to acquire certain Agency-owned real property assets.

2. Staff recommends that the City Council approve and authorize execution of the attached Option Agreement between the Agency and the City, granting to the City the option to acquire certain Agency-owned real property assets.

Background
In January of 2011, Governor Brown proposed, as part of his State Budget, that legislation be enacted to abolish redevelopment agencies in California. On February 23, 2011, the Department of Finance proposed legislation fleshing out the details of the Governor’s proposal. If enacted, the Governor’s proposal would eliminate redevelopment agencies and essentially take their future tax increment and redirect it to other taxing entities after satisfying agencies’ existing obligations. If the Governor’s proposal to terminate redevelopment agencies is approved, agencies will no longer have the ability to fund capital improvement projects, developments and programs that create jobs, eliminate blight and create affordable housing. The Governor’s proposal and the Department of Finance legislation are still simply proposals, almost certain to be changed in minor or major ways over the next weeks and months.

However, due to the uncertain future of redevelopment, Agency and City staff have researched and vetted strategies which will be best served to protect real property assets of the Agency from being acquired by any outside agency or interest.

Currently, the Agency owns 6 properties in and around the Redwood City Project Area, as identified on Exhibit A of the attached Option Agreement.
Faced with the Governor’s proposal, staff believes it prudent to enter into an Option Agreement that allows the City to acquire Agency-Owned Property at a nominal purchase price of $10 each. The City would then hold the property for redevelopment uses, future development, and/or disposition for redevelopment. The Option Agreement also allows the City to assign the property to a non-profit economic development corporation or a housing authority provided such corporation or authority assumes all rights, obligations, and responsibilities of the City. The Option Agreement provides the City and Agency the flexibility of determining when and how to shelter the real property assets owned by the Agency should the Governor’s proposal to eliminate redevelopment agencies succeed.

The attached resolutions authorize the Mayor and Executive Director to execute the Option Agreement and record the Memorandum of Option Agreement and, should the City exercise its option, to execute any documents in forms approved by the City Attorney and Agency Counsel, and to take any further actions necessary to carry out conveyance of the Agency Property to the City.

Alternatives

1. The Council and Agency could elect not to approve the resolutions and thereby face the potential loss of current Agency real estate assets.

2. The Council could delay consideration of the resolutions and provide additional or different direction to staff, which could result in unknown consequences depending on when and how the Legislature approves the State Budget including elimination of redevelopment agencies statewide.

Fiscal Impact

The fiscal impact associated with execution of the Option Agreement is a cost of $10. If the City Manager exercises the City’s option, the fiscal impact will be $10 for each property purchased.

Robert B. Bell, Interim City Manager

Attachments

1. Council Resolution Approving and Authorizing the City Manager to execute an Option Agreement between the City of Redwood City and the Redwood City Redevelopment Agency for Real Property Owned by the Redwood City Redevelopment Agency.

2. Agency Resolution Approving and Authorizing the Executive Director to execute an Option Agreement between the City of Redwood City and the Redwood City Redevelopment Agency for Real Property Owned by the Redwood City Redevelopment Agency.

3. Option Agreement
RESOLUTION NO. RD-11-02

A RESOLUTION OF THE REDWOOD CITY REDEVELOPMENT AGENCY APPROVING AN OPTION AGREEMENT BETWEEN THE CITY OF REDWOOD CITY AND THE REDWOOD CITY REDEVELOPMENT AGENCY FOR REAL PROPERTY OWNED BY THE REDEVELOPMENT AGENCY

WHEREAS, the Redwood City Redevelopment Agency ("Agency") is carrying out the Redevelopment Plan ("Redevelopment Plan") for the Redwood City Redevelopment Project Area No. 2 ("Redevelopment Project"); and

WHEREAS, the City of Redwood City ("City") and the Agency have common goals in the Redwood City Redevelopment Project Area ("Project Area"); and

WHEREAS, the Agency is engaged in various activities in its efforts to eliminate and prevent the recurrence or spread of conditions causing blight within the Project Area; and

WHEREAS, in keeping with the goals of the Agency to eliminate physical and economic blight in accordance with its Redevelopment Plan and its current Implementation Plan, the City and Agency have been working cooperatively in a supportive and collaborative arrangement as the Agency implements its plans, programs, projects and goals; and

WHEREAS, the City and the Agency plan to continue this supportive and collaborative arrangement as the Agency implements its goals and activities related to current and future public improvements, community facilities, commercial development, residential development, economic development and affordable housing activities ("Redevelopment Activities") as outlined in the Agency's Implementation Plan and as authorized by Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) (the "CRL"); and

WHEREAS, since its establishment, the Agency has acquired six parcels ("Parcels"), as identified on Exhibit A of the attached Option Agreement, for the purpose of Redevelopment Activities; and

WHEREAS, the City and the Agency desire to enter into an Option Agreement for the Parcels whereby the City may acquire the Parcels at a pre-determined transfer price of ten dollars ($10) each; and

WHEREAS, in the event the City exercises its option to acquire the Parcels, the City shall comply with CRL statutes related to development and disposition of the Parcels and shall have the choice to assign the Parcels to a non-profit economic development corporation or housing authority with all rights, obligations and responsibilities authorized by CRL.
NOW, THEREFORE BE IT RESOLVED that the Redwood City Redevelopment Agency hereby approves and authorizes the Executive Director to execute the Option Agreement between the City of Redwood City and the Redwood City Redevelopment Agency for the Parcels owned by the Agency, subject to any minor conforming, technical or clarifying changes approved by the Agency Counsel, and to execute such additional documents, including grant deeds, and take such further actions or steps as are necessary to consummate the transaction.

PASSED, APPROVED AND ADOPTED by the Redwood City Redevelopment Agency at a regular meeting held on the 7TH day of March 2011 by the following vote:

*   *   *

ATTY/RESO.2114/REDWOODCITY RDA RESO AUTHORIZING OPTION AGREEMENT
030411

RD # 11-02
MUFF # 405
Passed and adopted by the Council of the City of Redwood City at a
Joint City Council and Redevelopment Agency Board Meeting
thereof held on the 7th day of March, 2011 by the following votes:

A YES, and in favor of the passage and adoption of the foregoing
resolution,

Council members: Aguirre, Bain, Foust, Gee, Pierce, Seybert and Mayor Ira

NOES: None
ABSTAIN: None
ABSENT: None

Jeff Ira
Chairperson
Redevelopment Agency

I hereby approve the foregoing
resolution this 8th day of March, 2011

Jeff Ira
Chairperson
Redevelopment Agency
OPTION AGREEMENT

This OPTION AGREEMENT ("Agreement") is made on March 7, 2011 ("Effective Date"), by and between the CITY OF REDWOOD CITY, a charter city and municipal corporation of the State of California ("City"), and the REDWOOD CITY REDEVELOPMENT AGENCY, a public body corporate and politic ("Agency"), who agree as follows:

1. Recitals. This Agreement is made with reference to the following facts:

   a. The Agency is a redevelopment agency formed pursuant to the Community Redevelopment Law (California Health & Safety Code section 33000 et seq.) ("CRL") and is carrying out redevelopment of the Redwood City Redevelopment Project Area No. 2 pursuant to the Redevelopment Plan. In furtherance of the goals and objectives of the Redevelopment Plan, Agency has acquired, and is the present fee owner of, certain real property located in San Mateo County, California, and more particularly described on Exhibit "A" attached hereto (collectively, "Agency Property").

   b. The Redevelopment Plan provides, in part, for the preservation, production and rehabilitation of for-sale and rental housing affordable to very low-, low- and moderate-income persons and families; to take all necessary actions to implement the Redevelopment Plan for the Project Area; and to expend Tax Increment to accomplish the affordable housing goals and objectives of the Redevelopment Plan.

   c. CRL section 33220(g) allows public bodies, including City, to aid and co-operate in the planning, undertaking, construction, or operation of redevelopment projects by purchasing, with or without consideration, any land in a project area held by a redevelopment agency for redevelopment in accordance with the redevelopment plan.

   d. Section 33334.2 of the CRL provides that 20 percent of Tax Increment shall be used by the Agency for the purposes of increasing, improving and preserving the community's supply of low- and moderate-income housing available at affordable housing cost ("Affordable Housing Purposes"), and section 33334.3 requires that such funds be set aside in a separate Low and Moderate Income Housing Fund ("Housing Fund") until used.

   e. Pursuant to section 33220 of the CRL, certain public bodies, including the City may aid and cooperate in the planning, undertaking, construction or operation of redevelopment projects. Agency desires the assistance and cooperation of the City to increase, improve and preserve the community’s supply of low- and moderate income housing by acquiring the Agency Property for Affordable Housing Purposes.

   f. City desires to acquire the exclusive right to acquire the Agency Property without becoming obligated to acquire it.

   g. Agency and City agree on the prices and conditions of transfer for the Agency Property.
2. **Grant of Option.** Agency grants to City the exclusive right and option ("Option") to acquire the Agency Property, or any portion of the Agency Property, at the Transfer Price and on the terms and conditions set forth in this Agreement. A Memorandum of Option in the form of Exhibit "B" hereto will be recorded concurrently with execution of this Agreement. During the Option Period, as defined in Section 3 below, Agency shall not encumber or otherwise divest its interest in the Agency Property.

3. **Option Period.** The Option will commence on the Effective Date and will remain in effect and continue for a period of one (1) year thereafter ("Option Period"). City may extend the Option Period for an additional one (1) year upon written notice to Agency delivered no later than the expiration date of the initial Option Period, and payment of Ten Dollars ($10) ("Extension Price") to Agency.

4. **Consideration.** The Option is granted in consideration of City’s payment to Agency of the sum of Ten Dollars ($10) ("Option Price"), receipt of which is hereby acknowledged by Agency.

5. **Retention of Option Price.** If the Option is not exercised in accordance with the terms of this Agreement, then the Option Price, and if applicable the Extension Price, will be retained by Agency in consideration of the granting of this Option.

6. **Method of Exercise.** City may exercise this Option as to the entirety of the Agency Property or as to any individual parcel constituting the Agency Property by giving written notice to Agency ("Exercise Notice"). The Exercise Notice shall specify the specific parcels that City desires to acquire and shall be accompanied by the sum of Ten Dollars ($10) ("Transfer Price") for each parcel of Agency Property to be acquired pursuant to the Exercise Notice. The foregoing shall not be construed to disallow the making of multiple Exercise Notices if City determines that it is best served by purchasing one (1) or more of the parcels constituting the Agency Property at different times during the term of the Option Period.

7. **Closing.** In the event City exercises the Option as provided for herein, Agency shall convey and City shall accept conveyance of fee title to the Agency Property, or such portion thereof denoted in the Exercise Notice, within ten (10) days of receipt of City’s Exercise Notice. Agency shall be obligated to convey fee title to the Agency Property, or applicable portion thereof, free and clear of all liens and encumbrances, other than the lien for current non-delinquent taxes, if applicable, and such additional exceptions to title in existence on the Effective Date. To effectuate such conveyance:

   a. Agency shall execute, acknowledge and deliver to City a title company form grant deed, incorporating such additional covenants running with land as may be required by the CRL.

   b. City shall execute and acknowledge a certificate of acceptance acknowledging acceptance of the Agency Property, or applicable portion thereof, and
shall cause the grant deed and certificate of acceptance to be recorded in the Official Records of the County of San Mateo, California.

c. Agency shall execute and deliver to City (i) a Certificate of Non-Foreign Status in accordance with section 1445 of the Internal Revenue Code of 1986, as amended, and the Income Tax Regulations thereunder, and (ii) satisfactory evidence that no California withholding of tax is required with respect to the sale of the Agency Property or applicable portion thereof.

d. City shall pay to Agency at closing the total Transfer Price for the Agency Property, or portion thereof, in accordance with Section 6 above.

8. Closing Costs. City shall pay all owner’s policy title insurance charges, including any extra charges for any required endorsements. It is anticipated that no City or County transfer taxes will be due because City is a public entity, however, to the extent such transfer taxes are due they shall be paid by City. All other closing costs, charges and fees shall be paid in accordance with County custom.

9. Prorations. All income from the Agency Property or applicable portion thereof, if any, and all current taxes, assessments, utilities, maintenance charges and similar expenses of the Agency Property or applicable portion thereof, shall be prorated between Agency and City as of the date of closing. Monthly income and expense items shall be prorated on the basis of a thirty (30) day month.

10. Terms of Exercise. Should City exercise this Option, City agrees that it will abide by the requirements of Health and Safety Code section 33220(g) and, to the extent applicable, section 33433, and will use or develop or cause to be used or developed the Agency Property, or applicable portion thereof, in accordance with the Redevelopment Plan in existence on the Effective Date. In connection therewith, City shall become obligated in accordance with Health and Safety Code section 33437 and as provided below.

a. Developed Property. With respect to the Agency Property that has been redeveloped:

(i) Use or cause to be used the Agency Property or portion thereof for a purpose designated in the Redevelopment Plan, as in effect on the Effective Date.

(ii) Impose upon the Agency Property or portion thereof, prior to or in connection with any sale by City to a third party, such covenants, conditions, or restrictions as are necessary to prevent speculation or excess profit taking in undeveloped land, which may include a right of reverter or option to repurchase in favor of City. Covenants, conditions, and restrictions imposed by City may provide for the reasonable protection of lenders.
b. **Undeveloped Property.** With respect to the Agency Property that has not been redeveloped:

(i) Begin or cause to begin the redevelopment of the Agency Property or portion thereof as applicable within five (5) years following conveyance of the Agency Property, or portion thereof, to City, which time period Agency has determined is reasonable or such lesser time period as may otherwise be required by applicable law.

(ii) Impose upon the Agency Property or portion thereof, prior to or in connection with any sale by City to a third party, such covenants, conditions, or restrictions as are necessary to prevent speculation or excess profit taking in undeveloped land, which may include a right of reverter or option to repurchase in favor of City. Covenants, conditions, and restrictions imposed by City may provide for the reasonable protection of lenders.

c. **Housing Fund Property.** With respect to any Agency Property parcels that were purchased by the Agency with Housing Fund monies, as indicated in Exhibit A, City agrees that it will abide by the requirements of Health and Safety Code section 33334.2. In the event City desires to use such parcels or any portion thereof for other than Affordable Housing Purposes, City shall reimburse the Housing Fund or, in the event Agency is no longer in existence, such other City affordable housing fund as may be established by City for affordable housing purposes, on a pro rata basis based on the cost to Agency of that portion of the Agency Property which is required to be used, but is not used for Affordable Housing Purposes. In all events, however, City shall use, develop or cause the development of the Agency Property in a manner consistent with the Redevelopment Plan as in effect on the Effective Date.

11. **Automatic Termination.** If City fails to exercise the Option in accordance with the terms of this Agreement, then this Agreement and the Option will automatically and immediately terminate without notice. In that event, City agrees to execute, acknowledge and deliver to Agency, within five (5) days of request, a release, quitclaim deed or such other document reasonably required by Agency or a title insurance company to verify or confirm the termination of this Agreement.

12. **Default and Remedies.** In the event of a default by Agency of any of its obligations hereunder, City shall be entitled to specific performance of this Agreement. In the event of a default by City, Agency shall be entitled to retain the Option Price, and if applicable the Extension Price, and to terminate this Agreement.

13. **Assignment.** Except as otherwise provided below, this Agreement and the Option granted under it are personal to City. City may not assign, convey or in any other manner transfer or encumber all or any part of this Agreement, the rights and duties of City under this Agreement or the Option granted hereunder, without prior written permission from Agency; provided, however, if City forms a local housing authority pursuant to Health & Safety Code section 34240 et seq. or an economic development corporation pursuant to Government Code section 13997 et seq., City shall be permitted
to assign to such local housing authority or economic development corporation all of
City’s rights and obligations hereunder as to all or any portion of the Agency Property.
Any such assignment shall be in writing.

14. Notices. All notices and other communications required or permitted to be
given under this Agreement by one party to the other shall be in writing addressed to the
recipient party’s notice address set forth below and shall be deemed to have been duly
given or made (a) if delivered personally (including by commercial courier or delivery
service) to the party’s notice address, then as of the date delivered (or if delivery is
refused, upon presentation), or (b) if mailed by certified mail to the party’s notice
address, postage prepaid and return receipt requested, then at the time received at the
party’s notice address as evidenced by the return receipt, or at the time shown on the
return receipt as the date on which the post office determined the notice could not be
delivered, or (c) if mailed by first class mail to the party’s notice address, postage
prepaid, then at the time received at the party’s notice address. A party may only change
its notice address by a notice given in the foregoing form and manner. The notice
addresses of the parties are as follows:

Agency: Executive Director
Redwood City Redevelopment Agency
1017 Middlefield Road
Redwood City, CA 94063

City: City Manager
City of Redwood City
1017 Middlefield Road
Redwood City, CA 94063

15. Other Provisions.

a. This Agreement shall be governed by and construed in accordance
with the laws of the State of California. The terms of this Agreement were freely and
voluntarily negotiated between the parties and neither party shall have any term or
provision construed against it solely by reason of its having drafted the same.

b. If any term, provision, covenant or condition of this Agreement is
held by a court of competent jurisdiction to be invalid, void or unenforceable, the
remainder of the provisions shall continue in full force and effect.

c. This Agreement and all exhibits attached to it constitute the entire
agreement of the parties with respect to the subject matter hereof and supersede all prior
or contemporaneous agreements, promises, negotiations, representations or
understandings (whether written or oral) with respect thereto.

d. If either party hereto brings an action to enforce the terms hereof or
declare rights hereunder, the prevailing party in such action, on trial or appeal, shall be
entitled to reasonable attorneys’ fees to be paid by the losing party as fixed by the court.
e. No amendment of this Agreement and no waiver of any term or condition of this Agreement shall be effective or enforceable unless contained in writing signed by Agency and City.

f. Except as otherwise provided herein, this Agreement shall be binding on and shall inure to the benefit of all successors and assigns of the parties, whether by agreement or operation of law.

g. From and after the Effective Date, Agency and City agree to do such things, perform such acts, and make, execute, acknowledge and deliver such documents as may be reasonably necessary or proper and usual to complete the transactions contemplated by this Agreement.

[signatures on following page]
IN WITNESS WHEREOF, Agency and City have executed this Agreement as of the date written by their signatures.

CITY OF REDWOOD CITY ("CITY"):
By: ____________________________
   Jeff Ira, Mayor
Attest: ___________________________
   Silvia Vonderlinden, City Clerk

REDWOOD CITY REDEVELOPMENT AGENCY
By: ____________________________
   Robert B. Bell, Executive Director
Attest: ___________________________
   Silvia Vonderlinden, Secretary

Approved As To Form:
By: ____________________________
   Pamela Thompson, City Attorney

Approved As To Form:
By: ____________________________
   Pamela Thompson,
   Agency General Counsel
EXHIBIT “A”

Description of Agency Property

<table>
<thead>
<tr>
<th>Address</th>
<th>APN</th>
<th>Description/Current Use</th>
<th>Lot Size Sq. ft.*</th>
<th>Housing Fund</th>
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<td>Vacant Parcel with creek culvert</td>
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</tr>
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<td>No Address (Vacant Lot at Corner of Lathrop and Maple)</td>
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<td>X</td>
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<tr>
<td><strong>850 Jefferson Avenue</strong></td>
<td>052-366-130 Parcels B&amp;C</td>
<td>Public Parking Facility</td>
<td>B: 117,538</td>
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</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>C: 18,589</td>
<td></td>
</tr>
</tbody>
</table>

*Source: County Assessor or Redwood City GIS, lot areas approximate.
**To the extent Agency has any remaining ownership interest; it is included in this Agreement.

[Property marked with an X in the last column was purchased with money from the Housing Fund.]
RECORDING REQUESTED BY AND AFTER RECORDING MAIL TO:

CITY CLERK
CITY OF REDWOOD CITY
P.O. BOX 391
1017 MIDDLEFIELD ROAD
REDWOOD CITY, CA 94064

SPACE ABOVE RESERVED FOR RECORDER’S USE

TITLE OF DOCUMENT

Memorandum of Option by and between the Redwood City Redevelopment Agency and the City of Redwood City dated March 7, 2011
EXHIBIT “B”

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

Executive Director
Redwood City Redevelopment Agency
1017 Middlefield Road
Redwood City, CA 94063

MEMORANDUM OF OPTION

This Memorandum of Option Agreement ("Memorandum") is made and entered into as of March 7, 2011, by and between the Redwood City Redevelopment Agency ("Agency") and the City of Redwood City ("City").

1. Agency hereby grants to City an option (the "Option") to acquire the real property and improvements described in Schedule "1" attached hereto (collectively, the "Optioned Property") on the terms and conditions set forth in that certain Option Agreement of even date herewith between Agency and City, and as more specifically set forth therein (the "Option Agreement"). Capitalized terms not expressly defined herein shall have the meaning set forth in the Option Agreement.

2. City shall have the right to exercise the Option on one or more occasions in the manner provided in the Option Agreement at any time during the Option Period (as defined in the Option Agreement).

3. The parties have executed and recorded this instrument to give notice of the Option Agreement and the respective rights and obligations of City and Agency. The price and other terms are in the unrecorded Option Agreement, which is incorporated by reference in its entirety in this Memorandum. In the event of any inconsistency between this Memorandum and the Option Agreement, the Option Agreement shall control. This Memorandum and the Option Agreement shall bind and inure to the benefit of the parties and their respective heirs, successors, and assigns, subject, however, to the provisions of the Option Agreement on assignment.

4. This Memorandum and the Option Agreement are governed by California law.
IN WITNESS WHEREOF, the parties have executed this Memorandum as of the date first set forth above.

“Agency”
By: [Signature]
Name: Robert Bell
Title: Executive Director

“City”
By: [Signature]
Name: Jeff [Redacted]
Title: Mayor

[Signature must be notarized]  [Signature must be notarized]
[NOTARY ACKNOWLEDGMENTS]
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of San Mateo

On March 8, 2011 before me, Julia Ma Rosas, Notary Public, personally appeared Robert B. Bell who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity(ies), and that by his/her signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Option Agreement

Document Date: March 7, 2011 Number of Pages: 10

Signer(s) Other Than Named Above: N/A

Capacity(ies) Claimed by Signer(s)

Signer’s Name: 

☐ Individual
☐ Corporate Officer — Title(s):
☐ Partner — Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Signer Is Representing:

☐ Individual
☐ Corporate Officer — Title(s):
☐ Partner — Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other:

Signer Is Representing:
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California  
County of San Mateo  

On March 8, 2011 before me, Julia Ms. Rosas, Notary Public, personally appeared Jeff Fra  

who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity and that by his/her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Julia Ms. Rosas

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Option Agreement

Document Date: March 7, 2011 Number of Pages: 10

Signer(s) Other Than Named Above: N/A

Capacity(ies) Claimed by Signer(s)
### SCHEDULE “1” TO MEMORANDUM

**DESCRIPTION OF OPTIONED PROPERTY**

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*Source: County Assessor or Redwood City GIS, lot areas approximate.

**To the extent Agency has any remaining ownership interest; it is included in this Agreement.

*Property marked with an X in the last column was purchased with money from the Housing Fund.*
LEGAL DESCRIPTION

All that certain real property situate in the City of Redwood City, County of San Mateo, State of California, being a portion of Parcel 2 of that certain Grant Deed filed for record on July 3, 1995 as Document No. 95062762 of Official Records, in the Office of the Recorder for the County of San Mateo and being a portion of Lathrop Street as shown on that certain map entitled "HANCOCK'S ADDITION TO REDWOOD CITY", filed for record on February 21, 1862 in Book "E" of Maps at page 43, and copied into Book 1 of Maps at page 80 in the Office of the Recorder for the County of San Mateo, State of California and being more particularly described as follows:

Beginning at the intersection of the centerline of Franklin Street as shown on said final map entitled "ONE MAPLE STREET SUBDIVISION", with centerline of said Maple Street; thence along centerline of Maple Street, North 08° 46' 11" East, a distance of 57.60 feet to the intersection of the said centerline of Maple Street with the centerline of said Lathrop Street; thence along the said centerline of Lathrop Street, South 26° 19' 10" East, a distance of 99.64 feet to the True Point of Beginning; thence leaving said centerline, North 63° 02' 14" East, a distance of 30.00 feet to a point on the Northeasterly right-of-way line of said Lathrop Street same point being the Westerly corner of said Parcel 2; thence along the Northwesterly boundary line of said Parcel 2 being 121.10 feet Northwesterly and parallel with the Northwesterly right-of-way line of Elm Street (60 feet wide) as shown on said map entitled "HANCOCK'S ADDITION TO REDWOOD CITY", North 63° 02' 14" East, a distance of 44.16 feet; thence leaving said Northwesterly boundary line, South 20° 12' 53" East, a distance of 26.86 feet; thence South 15° 49' 36" East, a distance of 17.18 feet; thence South 02° 49' 09" West, a distance of 33.11 feet; thence South 16° 55' 45" West, a distance of 20.02 feet; thence South 15° 38' 06" West, a distance of 11.59 feet to the Southwesterly boundary line of said Parcel 2 common with said Northeasterly right-of-way of Lathrop Street; thence along said common line, South 26° 19' 10" East, a distance of 26.45 feet; to the intersection of said Northeasterly right-of-way Lathrop Street with said Northwesterly right of way of Elm Street; thence continuing South 26° 19' 10" East, a distance of 30.00 feet to the centerline of said Elm Street; thence along said centerline of Elm Street, South 63° 02' 14" West, a distance of 30.00 feet to the intersection of said centerline of Lathrop Street with said centerline of Elm Street; thence along said centerline of Lathrop Street North 26° 19' 10" West, a distance of 151.11 feet to the True Point of Beginning.

PTN OF A.P. No.: 053-147-030

JPN 053 014 147 03 ptn A
EXHIBIT "A"

LEGAL DESCRIPTION

PARCELS B AND C AS SHOWN ON PARCEL MAP 2003-2
FILED AUGUST 30, 2004, IN BOOK 75 OF PARCEL MAPS,
PAGES 67 THROUGH 71, INCLUSIVE, SAN MATEO COUNTY
OFFICIAL RECORDS.
LEGAL DESCRIPTION

All that certain real property situate in the City of Redwood City, County of San Mateo, State of California, being a portion of that certain Grant Deed filed for record on March 24, 1993 as document number 93046356 of Official records in the Office of the Recorder for the County of San Mateo and being a portion of Maple Street (60 feet wide) as shown on that certain final map entitled "ONE MAPLE STREET SUBDIVISION" filed for record on June 21, 2000 in Volume 130 of maps at pages 54 through 56, inclusive, in the Office of the Recorder for the County of San Mateo and being a portion of Lathrop Street as shown on that certain map entitled "HANCOCK'S ADDITION TO REDWOOD CITY", filed for record on February 21, 1862 in Book "E" of Maps at page 43, and copied into Book 1 of Maps at page 80 in the Office of the Recorder for the County of San Mateo, State of California being more particularly described as follows:

Beginning at the intersection of the centerline of Franklin Street as shown on said final map entitled "ONE MAPLE STREET SUBDIVISION" with centerline of said Maple Street; thence along said centerline of Maple Street, North 08° 46' 11" East, a distance of 57.60 feet to the intersection of the said centerline of Maple Street with the centerline of said Lathrop Street; thence along said centerline of Lathrop Street, South 26° 19' 10" East, a distance of 259.51 feet; thence leaving said centerline, South 63° 40' 50" West, a distance of 30.00 feet to a point on the Southwesterly right-of-way of said Lathrop Street; thence leaving said right-of-way of Lathrop Street, South 51° 04' 23" West, a distance of 105.29 feet; thence North 49° 36' 46" West, a distance of 37.15 feet to a point on the Easterly right-of-way of said Maple Street; thence leaving said right-of-way, North 67° 32' 37" West, a distance of 30.00 feet to a point on said centerline of Maple Street; thence along said centerline of Maple Street, North 22° 27' 23" East, a distance of 29.62 feet; thence continuing along said centerline of Maple Street, North 08° 46' 11" East, a distance of 194.51 feet to the POINT OF BEGINNING.

A.P. No.: 053-182-010

JPN 053 018 182 01 A
all that certain real property located at
1012 Main Street, Redwood City, San Mateo
County, California, more particularly des-
cribed as follows:

The Northerly 40.00 feet of Lot 44 and all of
Lot 45 of Main Street Lots as shown on that
certain map entitled "Town of Mezesville,
situate upon the Redwood Embarcadero Creek,
Rancho de Las Pulgas; San Francisco County,
Cal., with adjacent Villa lots", which map
was filed in the office of the County Recorder,
San Mateo County, on August 1, 1856 in Volume
1 of Maps at page 789.

Assessor's Parcel No. 053-137-010
LEGAL DESCRIPTION

Real property in the City of Redwood City, County of San Mateo, State of California, described as follows:

PARCEL I:

LOT 17, AS SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF EMBARCADERO SUBDIVISION OF REDWOOD CITY, SAN MATEO CO., CALIFORNIA", FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN MATEO COUNTY, STATE OF CALIFORNIA, ON JANUARY 22, 1913 IN BOOK 8 OF MAPS AT PAGE(S) 38.

EXCEPTING THEREFROM THE LANDS CONVEYED IN THE CITY OF REDWOOD CITY, BY THAT CERTAIN DEED RECORDED JUNE 6, 1966 IN BOOK 5171 OF OFFICIAL RECORDS AT PAGE 404 (FILE NO. 71455-Z), RECORDS OF SAN MATEO COUNTY, CALIFORNIA.

ALSO EXCEPTING THEREFROM THE LANDS CONVEYED TO LAUREN J. SMITH, ET UX, BY THAT CERTAIN DEED RECORDED AUGUST 21, 1970 IN BOOK 5822 OF OFFICIAL RECORDS AT PAGE 483 (FILE NO. 41047-AD), RECORDS OF SAN MATEO COUNTY, CALIFORNIA.

PARCEL II:

COMMENCING AT THE MOST NORTHERLY POINT OF LOT 17 AS SAID LOT IS DESIGNATED ON THE MAP ENTITLED, "MAP OF EMBARCADERO SUBDIVISION OF REDWOOD CITY, SAN MATEO CO., CALIFORNIA", FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN MATEO COUNTY, STATE OF CALIFORNIA ON JANUARY 22, 1913 IN BOOK 8 OF MAPS AT PAGE 38; THENCE SOUTH 39° 06' WEST ALONG THE NORTHWesterLY BOUNDARY OF SAID LOT 17 A DISTANCE OF 71.22 FEET; THENCE NORTH 3° 30' 00" WEST TO THE PULGAS RANCHO LINE (BEING THE NORTHWesterLY PROLONGATION OF THE NORTHEasterLY LINE OF SAID LOT 17); THENCE SOUTHEASTERLY ALONG SAID PULGAS RANCHO LINE TO THE POINT OF BEGINNING.

APN: 052-372-170 JPN: 052-037-372-17-A
EXHIBIT ONE

Parcel One, as shown on that certain Map entitled, "PARCEL MAP 73-5, BEING PORTIONS OF LOTS 17 AND 18 AND THE REDWOOD SLOUGHS, AS SHOWN ON THE EMBARCADERO, SUBDIVISION RECORDED IN BOOK 8 OF SUBDIVISION MAPS, PAGE 38, SAN MATEO COUNTY RECORDER'S OFFICE", filed in the office of the Recorder of the County of San Mateo, State of California on March 1, 1974 in Book 23 of Parcel Maps at Page 50.

JPN: 052-037-372-20A
GRANT DEED

For valuable consideration, the receipt of which is hereby acknowledged,

The Redevelopment Agency of the City of Redwood City, a public body, corporate and politic, of the State of California (the "Grantor"), pursuant to and in accordance with the Community Redevelopment Law of the State of California, hereby grants to the City of Redwood City, a charter city (the "Grantee"), such interests as it may have in the real property located in the County of San Mateo, California (the "Property") legally described in the document attached hereto, labeled Exhibit A, and incorporated herein by this reference, subject to the following:

1. The Grantee covenants by and for itself, its heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin, ancestry, sexual orientation or domestic partnership arrangement in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, or through it, 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 Property. This covenant runs with the land in perpetuity.

All deeds, leases or contracts made relative to the Property, shall contain the following nondiscrimination clauses:

(a) 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 against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin, ancestry, sexual orientation or domestic partnership arrangement 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."

(b) In leases: "The lessee herein covenants by and for himself, his heirs, executors, administrators and assigns, and all persons claiming under or through him, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin, ancestry, sexual orientation or domestic partnership
GRANT DEED
arrangement in the leasing, subleasing, transferring, use, 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, subtenants, sublessees or vendees in the land herein leased."

(c) In contracts: "There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, marital status, national origin, ancestry, sexual orientation or domestic partnership arrangement 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."

2. The covenants contained in this Grant Deed shall be binding for the benefit of the Grantor and its successors and assigns, and such covenants shall run in favor of the Grantor for the entire period during which such covenants shall be in full force and effect, without regard to whether the Grantor is or remains an owner of any land or interest herein to which such covenants relate. The Grantor, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach as provided by law. The covenants contained in this Grant Deed shall be for the benefit of and shall be enforceable only by the Grantor and its successors.
IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized, this 10th day of November 2004

Grantor:

REDEVELOPMENT AGENCY OF THE CITY OF REDWOOD CITY

By: ____________________________
    Susan F. Moeller
    Redevelopment Manager

The provisions of this Grant Deed are hereby approved and accepted.

Grantee:

CITY OF REDWOOD CITY,
a charter city

By: ____________________________
    Ed Everett, City Manager
EXHIBIT "A"

LEGAL DESCRIPTION

PARCELS B AND C AS SHOWN ON PARCEL MAP 2003-2 FILED AUGUST 30, 2004, IN BOOK 75 OF PARCEL MAPS, PAGES 67 THROUGH 71, INCLUSIVE, SAN MATEO COUNTY OFFICIAL RECORDS.
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Mateo

On November 10, 2004, before me, Julie Rosas, a notary public, personally appeared Ed Everett, and acknowledged to me that he/she executed the same in his/her authorized capacity(ies), and that by his/her signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

JULIA MA ROSAS
Commission # 1405954
Notary Public - California
San Mateo County

Signature of Notary Public
Julie Ma Rosas

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document:

Document Date: ___________________________ Number of Pages: ________________________
Signer(s) Other Than Named Above: __________________________

Capacity(ies) Claimed by Signer
Signer's Name: ___________________________

☐ Individual
☐ Corporate Officer - Title(s): ___________________________
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: ___________________________

Signer is Representing: ___________________________

Right Thumbprint of Signer

Place Notary Seal Above
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of San Mateo

On November 10, 2004, before me, Julie Rosas, a notary public

Date

Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared

Name(s) of Signer(s)

☐ personally known to me
☐ proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document
Title or Type of Document:

Document Date: ______________________ Number of Pages: ______________________

Signer(s) Other Than Named Above: ______________________

Capacity(ies) Claimed by Signer
Signer's Name: ______________________

☐ Individual
☐ Corporate Officer - Title(s): ______________________
☐ Partner - ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: ______________________

Signer is Representing: ______________________

Right Thumbprint of Signer
CERTIFICATE OF ACCEPTANCE

This is to certify that all interest in that real property as fully described as Parcels B & C of Parcel Map 2003-02, recorded on August 30, 2004, at 2:28 p.m., in Volume 75 of Parcel Maps at Pages 67 to 71, conveyed by Redwood City Redevelopment Agency, a body corporate and politic ("grantor"), by grant deed dated [illegible] 2004, to the City of Redwood City, a charter city and municipal corporation ("grantee") is hereby accepted by the undersigned officer or agent on behalf of the City Council of the City of Redwood City, pursuant to the authority conferred by Resolution No. 14596 of the City of Redwood City, adopted on July 26, 2004, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: 10.19.2004

By

Patricia Howe, City Clerk
City of Redwood City