

RESOLUTION NO. 3436-2011

RESOLUTION OF THE FORT BRAGG CITY COUNCIL

and

RESOLUTION NO. R177-2011

RESOLUTION OF THE FORT BRAGG REDEVELOPMENT AGENCY

**ACCEPTING A REPAYMENT OBLIGATION FOR THE PRINCIPAL AMOUNT OF FUNDS
DISBURSED UNDER A GRANT FROM THE STATE COASTAL CONSERVANCY FOR
ACQUISITION OF APPROXIMATELY 11.64 ACRES AND AUTHORIZING CITY
MANAGER/EXECUTIVE DIRECTOR TO EXECUTE SAME**

WHEREAS, on October 21, 2010, the State Coastal Conservancy ("Conservancy") approved a grant in the amount of Five Hundred Thousand Dollars (\$500,000) for the purchase of approximately 11.64 acres of property on the former Georgia-Pacific Mill Site for the purposes of open space, public access, passive recreation and marine education and research; and

WHEREAS, the Grant Agreement amount subsequently was modified to Two Hundred and Eighty-Eight Thousand Dollars (\$288,000) to cover the actual appraised purchase price (\$250,000) and the other costs associated with the transaction, including the property appraisal, negotiation of a purchase and sale agreement, legal counsel, and closing costs (estimated at \$38,000); and

WHEREAS, the proposed property to be acquired (the "Noyo Center Acquisition") consists of a portion of Mendocino County Assessor's Parcel No. 018-430-01 and 008-020-09 as generally depicted and described in Exhibit A; and

WHEREAS, the proposed property to be acquired is located within the Fort Bragg Redevelopment Project Area and currently contributes to conditions of blight within the Project Area; and

WHEREAS, Conservancy Grant Agreement No. 10-048 requires the City of Fort Bragg ("City"), the Fort Bragg Redevelopment Agency ("Redevelopment Agency") and the Conservancy to enter into a separate "Repayment Agreement" by which the City and the Redevelopment Agency agree to repay the principal amount of funds disbursed under the grant (said Repayment Agreement is attached as Exhibit B); and

WHEREAS, the Agency Board of the Redevelopment Agency acknowledges that the repayment obligation is an indebtedness of the Redevelopment Agency for which the Redevelopment Agency pledges tax increment revenues; and

WHEREAS, the City Council and the Agency Board of the Redevelopment Agency accept the repayment terms whereby the total amount of funds disbursed under the grant agreement shall either be repaid in full by June 30, 2013 or the Redevelopment Agency shall make annual payments to the Conservancy in the amount of at least \$125,000 until the Redevelopment Agency has repaid the Conservancy in full, each annual payment to be made no later than June 30 of each year, commencing with a payment on June 30, 2013; and

WHEREAS, the City and the Redevelopment Agency accept joint and several liability for repayment of the full amount disbursed under Grant Agreement No. 10-048; and

WHEREAS, the Noyo Center Acquisition is part of the Noyo Center for Science & Education project that was evaluated in a Mitigated Negative Declaration prepared and circulated pursuant to the California Environmental Quality Act ("CEQA") and Title 14, the California Code of Regulations ("CEQA Guidelines"), Section 15369.5 and approved by both the Fort Bragg City Council and on February 28, 2011.

WHEREAS, as a responsible agency under CEQA, the Fort Bragg Redevelopment Agency Board has reviewed the Mitigated Negative Declaration and has determined, in its independent judgment, that there is not substantial evidence that the project, with the identified mitigation measures incorporated, will have a significant effect on the environment; and

WHEREAS, based on all of the evidence presented, the City Council finds as follows:

1. The Noyo Center project will contribute to the local and regional economy by attracting additional tourists to the City of Fort Bragg and it will contribute to the betterment of the community by providing a unique educational resource; and
2. No other reasonable means of financing the acquisition of the land is available to the community; and
3. If awarded, the City of Fort Bragg will work diligently to obtain additional funds to construct the Noyo Center facility; and

WHEREAS, based on all the evidence presented, the Agency Board of the Redevelopment Agency finds as follows:

1. The acquisition of land for the Noyo Center will be publicly owned and is of benefit to the project area by helping to eliminate blight within the project area; and
2. No other reasonable means of financing the acquisition of the land is available to the community; and
3. If the grant is awarded, sufficient resources will be budgeted from the Redevelopment Agency to pay for the acquisition of the Noyo Center site.
4. The payment of funds for the acquisition of land is consistent with the Redevelopment Area Implementation Plan adopted pursuant to Section 33490.

NOW, THEREFORE, BE IT RESOLVED that the Agency Board of the Fort Bragg Redevelopment Agency does hereby accept that obligation and approve the terms and conditions of the Repayment Agreement from Agency assets; and


NOW, THEREFORE, BE IT RESOLVED that the Fort Bragg City Council does hereby approve the terms and conditions of the Repayment Agreement; and

BE IT FURTHER RESOLVED that the Agency Board of the Fort Bragg Redevelopment Agency does hereby authorize the Executive Director to execute the Repayment Agreement as shown in Exhibit B.


BE IT FURTHER RESOLVED that the Fort Bragg City Council does hereby authorize the City Manager to execute the Repayment Agreement as shown in Exhibit B.

The above and foregoing Resolution was introduced by Council/Agency Member Courtney, seconded by Council/Agency Member Gjerde, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg/Agency Board of the Fort Bragg Redevelopment Agency held on the 28th day of February, 2011, by the following vote:

AYES: Council/Agency Members Courtney, Gjerde, Hammerstrom, Melo, and Mayor/Chair Turner.
NOES: None.
ABSENT: None.
ABSTAIN: None.

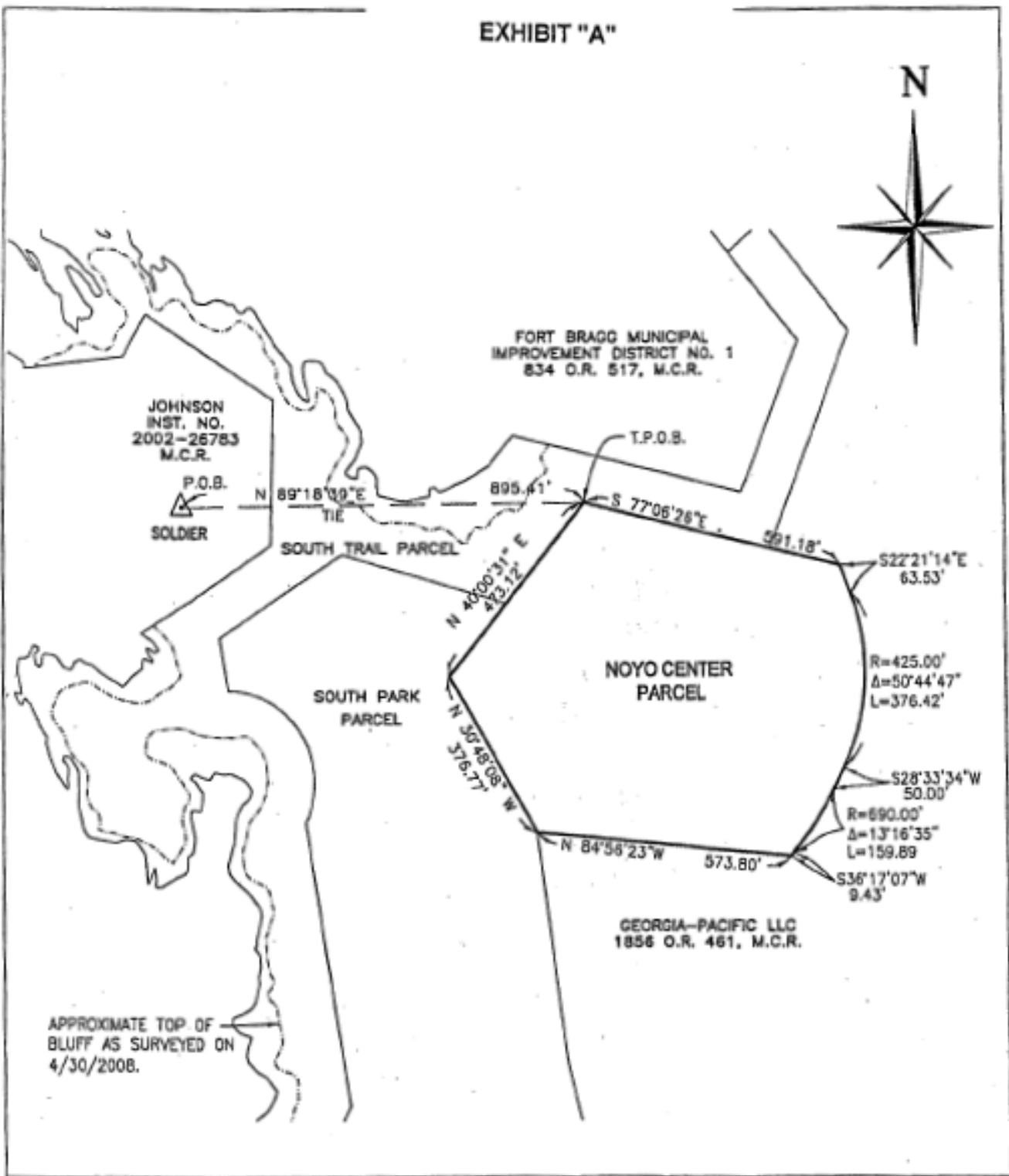


Dave Turner,
Mayor/Chair

ATTEST:


Cynthia M. VanWormer, CMC
City Clerk/Agency Secretary

EXHIBIT "A"



NOTES:
 REFERENCED RECORD OF SURVEY, MAP CASE
 015, DRAWER 77, PAGE 68-69 M.C.R.

SCALE: 1" = 300'

NOYO CENTER PARCEL

EXHIBIT "B"

AGREEMENT TO REPAY GRANT AND PLEDGE OF TAX INCREMENT REVENUE

This AGREEMENT TO REPAY GRANT AND PLEDGE OF TAX INCREMENT REVENUE ("Agreement") is made this ____ day of _____, 20__, by and between the State Coastal Conservancy ("Conservancy"), an agency of the State of California, the City of Fort Bragg ("City"), a municipal corporation organized and existing under the laws of the State of California, and the Fort Bragg Redevelopment Agency ("Agency"), a redevelopment agency formed, existing and exercising its powers pursuant to the provisions the Community Redevelopment Law of the State of California.

Pertinent Facts

- A. Pursuant to Division 21 of the California Public Resources Code, the Conservancy has provided a reimbursable grant to the City in the total amount of up to \$288,000 (two hundred eighty eight thousand dollars) for the acquisition of certain real property (the Property) in the City of Fort Bragg and for acquisition related expenses. The grant was provided under Grant Agreement No. 10-048 between the City and the Conservancy ("Grant Agreement").
- B. The Property, which comprises approximately 11.64 acres, is depicted in Exhibit A. The Property is located on the site of the former Georgia-Pacific Lumber Mill, and whose improvements and structures have been demolished and removed. The Property is within a redevelopment project area designated by the Agency as the Fort Bragg Redevelopment Project Area and is subject to Agency jurisdiction.
- C. The purpose of the acquisition of the Property is to develop the currently undeveloped Property as the "Noyo Center" to promote the study of and educate the public with regard to marine and terrestrial environments in the Mendocino Coast Region of California or, alternatively, to develop the Property for marine education and research, open space, public access, or passive recreation uses (the "acquisition purposes")
- D. The purchase of the Property by the City and the subsequent development, improvement and use of it for the acquisition purposes will serve to achieve the objectives of the Agency that include the sound development (or redevelopment) of undeveloped, underdeveloped or blighted areas which tend to promote the Fort Bragg community by converting such areas to public uses that advance the interests of public health and welfare.
- E. As a condition to the Conservancy grant, the Grant Agreement requires that the City and Agency enter into a repayment agreement with the Conservancy by which the City and the Agency agree to repay to the Conservancy, on behalf of the City, all of the funds disbursed to the City under Grant Agreement, subject to additional specified terms and conditions.

**Agreement to Repay Grant and Pledge of Tax Increment Revenue
Georgia-Pacific Mill Site Property, Noyo Center Parcel, Mendocino County**

- F. The City and Agency are executing this Agreement in order to comply with the Grant Agreement, and to facilitate the purchase of the Property by the City and its subsequent development.
- G. The City and the Agency intend through this Agreement to bind itself and its assigns and successors in interest.

In light of the Pertinent Facts, the Conservancy, City and Agency agree as follows:

- 1. This Agreement becomes effective as of the date the Conservancy first disburses funds to the City or on behalf of the City under the Grant Agreement (the "effective date").
- 2. The City and Agency shall repay to the Conservancy the principal amount, with no interest, of all funds disbursed under the Grant Agreement to the City (the Grant Funds) under and subject to the provisions of this Agreement. The repayment obligation under this Agreement is a joint obligation of the City and the Agency.
- 3. If, at any time after the effective date of this Agreement, the City or Agency receives any funds that are designated for the acquisition of the Property, the City or Agency shall promptly pay the Conservancy in the full amount of those funds, up to the maximum of the total amount of the Grant Funds
- 3. If the City or Agency has not repaid the total amount of the Grant Funds by June 30, 2013, the Agency shall make annual payments to the Conservancy in the amount of at least \$125,000 (one hundred twenty-five thousand dollars) from tax increment until the Agency has repaid the Conservancy in the full. Each annual payment shall be made no later than June 30 of each year, commencing with a payment on June 30, 2013.
- 4. The Agency acknowledges that its obligation to repay the Grant Funds under this Agreement is an indebtedness of the Redevelopment Agency for which the Redevelopment Agency has and does pledge tax increment. From the effective date of this agreement, the Agency shall reserve tax increment revenues in a separate fund designated for the purposes of this Agreement in sufficient amount to meet its obligations under this Agreement. The Agency represents that it is fully authorized to enter into this Agreement and to pledge tax increment for the purposes of this Agreement.
- 5. Any payment to the Conservancy under this Agreement shall be accompanied by written documentation which makes reference to "Grant Agreement No. 10-048", which indicates that it is in repayment of the Grant Agreement, and which includes the total amount of the Grant Funds which are to be repaid and an itemization of the cumulative repayments made to date, including the current payment. The payment shall be provided to the Conservancy at the following address:

**Agreement to Repay Grant and Pledge of Tax Increment Revenue
Georgia-Pacific Mill Site Property, Noyo Center Parcel, Mendocino County**

State Coastal Conservancy
1330 Broadway, 13th Floor
Oakland, CA 94612
Attn: Accounting Department

6. If the City or Agency defaults in making any of the payments required under this agreement, at the option of the Conservancy, the full amount of the Grant Funds will be immediately due and payable and the Conservancy may enforce the obligation to repay the Grant Funds against either or both the City or Agency.
7. All of the terms, covenants and conditions of this Agreement shall inure to the benefit of and be binding upon the heirs, successors and permitted assigns of the parties hereto.
8. This agreement is deemed to have been executed in the County of Alameda.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date and year specified above.

CITY: CITY OF FORT BRAGG, a California municipal corporation By: _____ Linda Ruffing Its: City Manager	AGENCY: FORT BRAGG REDEVELOPMENT AGENCY, a California redevelopment agency By: _____ Linda Ruffing Its: Executive Director
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CONSERVANCY: STATE COASTAL CONSERVANCY, an agency of the State of California By: _____ Sam Schuchat Its: Executive Officer
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EXHIBIT "A"



FORT BRAGG MUNICIPAL
IMPROVEMENT DISTRICT NO. 1
834 O.R. 517, M.C.R.

JOHNSON
INST. NO.
2002-26783
M.C.R.

P.O.B.
SOLDIER

N 89°18'39"E 895.41'

T.P.O.B.

S 77°06'26"E 591.18'

SOUTH TRAIL PARCEL

S 22°21'14"E 63.53'

SOUTH PARK PARCEL

NOYO CENTER PARCEL

R=425.00'
Δ=50°44'47"
L=376.42'

S 28°33'34"W 50.00'

R=690.00'
Δ=13°16'35"
L=159.89

S 36°17'07"W 9.43'

N 40°00'31"E 423.12'

N 30°45'08"W 378.77'

N 84°56'23"W 573.80'

GEORGIA-PACIFIC LLC
1856 O.R. 461, M.C.R.

APPROXIMATE TOP OF
BLUFF AS SURVEYED ON
4/30/2008.



NOTES:
REFERENCED RECORD OF SURVEY, MAP CASE
015, DRAWER 77, PAGE 68-69 M.C.R.

SCALE: 1" = 300'

NOYO CENTER PARCEL