

RESOLUTION NO. OB 2013 - 12

A RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY CONFIRMING A CERTAIN AGREEMENT AMONG THE FORMER SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY, THE CITY OF SIMI VALLEY AND THE SIMI VALLEY LIGHTING MAINTENANCE DISTRICT WAS A LOAN FOR LEGITIMATE REDEVELOPMENT PURPOSES AND FURTHER AUTHORIZING THE SUCCESSOR AGENCY TO RE- ESTABLISH SAID AGREEMENT AS AN AGREEMENT AMONG THE SUCCESSOR AGENCY AND THE CITY, ON BEHALF OF THE CITY AND THE DISTRICT, UPON ISSUANCE OF A FINDING OF COMPLETION IN COMPLIANCE WITH THE DISSOLUTION ACT

WHEREAS, the Simi Valley Community Development Agency ("Redevelopment Agency") was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health & Safety Code Section 33000, et seq. ("CRL"), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Simi Valley ("City"); and

WHEREAS, Assembly Bill ABx1 26 (Chapter 5, Statutes of 2011) added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which laws cause the dissolution and wind down of all redevelopment agencies ("Dissolution Act"); and

WHEREAS, on December 29, 2011, in connection with *California Redevelopment Association v. Matosantos*, Case No. S194861, the California Supreme Court upheld the Dissolution Act and thereby all redevelopment agencies in California were dissolved as of and on February 1, 2012 under the dates in the Dissolution Act that were reformed and extended thereby; and

WHEREAS, as of and on and after February 1, 2012, the City serves and acts as the successor agency to the Redevelopment Agency (in such capacity, the "Successor Agency") and will perform its functions as the successor agency under the Dissolution Act to administer the enforceable obligations of the former Redevelopment Agency and otherwise unwind the former Redevelopment Agency's affairs, all subject to the review and approval by an oversight board established pursuant to Health & Safety Code Section 34179 ("Oversight Board"); and

WHEREAS, Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

WHEREAS, upon issuance of a Finding of Completion by the California Department of Finance ("DOF") pursuant to Health & Safety Code Section 34179.7, notwithstanding Section 34171(d), upon application by the Successor Agency and approval by the Oversight Board, loan agreements entered into between the former Redevelopment Agency and the City, which activated the former Redevelopment Agency, shall be deemed enforceable obligations provided that the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes and a finding that the loan agreements are enforceable obligations; and

WHEREAS, the DOF issued a Finding of Completion to the Successor Agency on April 26, 2013; and

WHEREAS, the Oversight Board has reviewed the documentation and testimony concerning the various agreements described in the accompanying staff report as the "Existing Agreement" (as set forth at Exhibit "A" hereto) among the former Redevelopment Agency, the City and the Simi Valley Lighting Maintenance District ("District") and hereby finds and determines that the Existing Agreement were made for legitimate redevelopment purposes within the meaning of Health & Safety Code Section 34191.4 and are enforceable obligations and shall be recognized as re-entered into as between the Successor Agency, the City, and the District; and

WHEREAS, the Oversight Board further authorizes the Successor Agency to re-establish said Existing Agreement based upon DOF's April 26, 2013 issuance of a Finding of Completion to the Successor Agency and to re-establish said agreement in compliance with the new Loan Agreement terms and conditions proposed by the Successor Agency in conformance with Health & Safety Code section 34191.4, with repayment schedules as set forth in Exhibit "B" hereto, as deemed restated to replace the Redevelopment Agency with the Successor Agency on a going forward basis.

NOW, THEREFORE, THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY VALLEY DOES HEREBY RESOLVE AS FOLLOWS:

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

SECTION 2. Pursuant to the Dissolution Act, the Oversight Board finds and determines that the Existing Agreement is a loan made for legitimate redevelopment purposes within the meaning of Health & Safety Code Section 34191.4 and that the Existing Agreement sets forth enforceable obligations.

SECTION 3. The Oversight Board authorizes the Successor Agency to re-establish said Existing Agreement, including without limitation as to the Existing Agreement and the provisions set forth in Exhibit "B" attached hereto, with the DOF's issuance of a Finding of Completion to the Successor Agency and to re-establish said agreement in compliance with the new loan agreement terms and conditions proposed by the Successor Agency, including without limitation Exhibit "B" hereto, in conformance with Health & Safety Code section

34191.4 and authorizes and approves their inclusion on recognized obligation payment schedules.

SECTION 4. This Resolution shall be effective after this Resolution is transmitted to DOF, and after the expiration of five (5) business days pending a request for review by DOF within the time periods set forth in the Dissolution Act.

SECTION 5. The Oversight Board instructs the Successor Agency to have its Executive Director to include the Existing Agreement in the Recognized Obligation Payment Schedules as shall from time to time be prepared by the Successor Agency.

SECTION 6. The Successor Agency shall maintain on file as a public record this Resolution and the Minutes as approved hereby.

PASSED and ADOPTED 23rd day of September, 2013



Mike Sedell, Chair of the Oversight Board
of the Successor Agency to Simi Valley
Community Development Agency

ATTEST:


Brian P. Gabler, Oversight Board Secretary

Agenda**Item:** Consent (9)**Date:** 11-8-10**CITY OF SIMI VALLEY
MEMORANDUM**

November 8, 2010

TO: City Council
Board of Directors, Simi Valley Community Development Agency
Board of Directors, Simi Valley Lighting Maintenance District

FROM: Office of the City Manager/Executive Director/District Manager

SUBJECT: ADOPTION OF A JOINT RESOLUTION APPROVING A LOAN AGREEMENT AMONG THE CITY OF SIMI VALLEY, THE SIMI VALLEY LIGHTING MAINTENANCE DISTRICT, AND THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY

RECOMMENDATION

It is recommended the City Council/District Board/Agency Board adopt a joint resolution (page 5) approving the Loan Agreement (Exhibit 1, page 8) for FY 2010-11 in the not-to-exceed amount of \$11,043,328 (\$8,543,328 General Fund; \$2,500,000 Lighting Maintenance District Fund).

BACKGROUND

In order to adequately validate debt and record the advances of funds from the City's General Fund and Lighting Maintenance District Fund to the Simi Valley Community Development Agency (CDA), the three entities enter into annual Loan Agreements. The amount listed in the Loan Agreements contains carryover debt from previous fiscal years and an additional dollar amount the Agency can draw against for the current fiscal year. The attached joint resolution must be adopted to approve the Loan Agreement between the three entities for FY 2010-11. According to California Law, a redevelopment agency may receive tax increment revenue only to the extent it has outstanding indebtedness. An agency is required to submit a statement outlining the amount of indebtedness to the County Auditor-Controller each year. After reviewing the statement, the County Auditor-Controller releases available tax increment revenue to the agency.

FINDINGS AND ALTERNATIVES**General Fund Loan**

On October 26, 2009, the City Council/Agency Board approved the General Fund Loan Agreement for FY 2009-10 establishing a not-to-exceed loan limit in the amount of \$10,968,001 (\$10,936,308 Merged Tapo Canyon/West End; \$31,693 Madera Royale).

The CDA General Fund loan balance at the beginning of FY 2009-10 was \$7,959,538 (\$7,912,635 Merged Tapo Canyon/West End; \$46,903 Madera Royale). During the year, the CDA borrowed an additional \$10,787,285 from the General Fund (\$10,786,370 Merged Tapo Canyon/West End; \$915 Madera Royale) and incurred \$247,150 in loan interest expense (\$246,127 Merged Tapo Canyon/West End; \$1,023 Madera Royale). Net tax increment revenue in the amount of \$14,468,571 received during the year (\$14,400,054 Tapo Canyon/West End; \$68,517 Madera Royale) allowed for loan repayment of \$8,094,545. As a result of this financial activity, the

remaining debt as of June 30, 2010 was \$10,899,428 (\$10,897,729 Merged Tapo Canyon/West End; \$1,699 Madera Royale), as shown on Attachment A (pages 11).

The Loan Agreement provides that interest on loaned amounts accrues at the average rate of return for City investments. The average rate of return for City investments during FY 2009-10 was 2.17%. Therefore, an interest rate of 2.17% was applied to carryover debt amount from previous fiscal years and new borrowing during FY 2009-10, resulting in interest expense of \$247,150, as stated in the previous paragraph. An analysis of loan activity for FY 2009-10 is detailed on Attachment A (pages 11).

For FY 2010-11, staff is recommending the loan amount from the City General Fund be established at \$8,543,328. This amount includes the carryover loan balance from FY 2009-10 of \$10,899,428 and budgeted expenditures of \$12,677,500, less budgeted net tax increment revenue of \$15,033,600 as contained in the FY 2010-11 Annual Budget. An analysis of estimated revenue and expense for FY 2010-11 is detailed as follows.

Beginning CDA Fund Balance	\$	0
<u>FY 2010-11 Budgeted Revenue</u>		
Merged Tapo Canyon/West End Net Tax Increment Revenue	\$	14,975,900
Madera Royale Net Tax Increment Revenue		<u>57,700</u>
Total FY 2010-11 Budgeted Revenue	\$	15,033,600
<u>FY 2010-11 Budgeted Expenditures</u>		
Transfer to CDA Administrative Fund	\$	2,265,700
Professional and Special Services		78,900
Debt Service - Principal & Interest (Police Facility, Senior Center, Development Bonds)		3,622,700
County Tax Collection Fee		185,200
Economic Development Assistance		10,000
State's SERAF Fee		1,290,300
Transfer to Housing Administration Fund		4,440,600
Transfer to Tapo Street Façade Renovation Fund		291,300
Transfer to Los Angeles Avenue Façade Renovation Fund		<u>492,800</u>
Total FY 2010-11 Budgeted Expenditures	\$	12,677,500
Carryover Debt From FY 2009-10	\$	10,899,428
Total Budgeted Expenses & Carryover Debt	\$	23,576,928
Proposed FY 2010-11 Loan Amount (Budgeted Expenditures and Carryover Debt, Less Budgeted Revenue)	\$	<u>8,543,328</u>

In addition to the budgeted expenditures as outlined on the previous page, the budgeted interest to be paid to the General Fund on CDA debt for FY 2010-11 is \$742,200. For FY 2010-11 and future years, the interest rate on CDA loans to the General Fund and Lighting Maintenance District Fund will be calculated on the average rate of return for City investments or the average interest rate on the Agency's redevelopment bonds (4.14%), whichever is higher. The actual interest amount due to the General Fund is computed at the end of the fiscal year.

Prudent Reserve Test

The City Council/Agency Board previously approved the use of a prudent reserve test for the Agency. This prudent reserve test is based on the City's ability to have sufficient cash available. The test provides for a policy that defines a portion of General Fund balance to be reserved. On May 1, 1995, the City Council/Agency Board approved a minimum 13% of budgeted General Fund expenditures as the prudent reserve. On October 30, 2010, the City Council increased the Prudent Reserve to 17% of budgeted expenditures.

Total General Fund expenditures at June 30, 2011 are estimated at \$56,438,300. **Based upon a prudent reserve of 17%, the minimum General Fund reserve balance would be \$9,594,500. The total General Fund balance at June 30, 2011 is estimated to be \$36,917,736, of which \$27,323,236 (including the Agency's Loan) is reserved for loans and advances to other funds, leaving a balance of \$9,594,500 for the prudent reserve. Therefore, the Agency loan complies with the approved prudent reserve test.**

Lighting Maintenance District Loan

On October 26, 2009, the District Board/Agency Board approved the Lighting Maintenance District Loan Agreement for FY 2009-10 establishing a not-to-exceed loan limit in the amount of \$2,500,000.

On December 20, 1993, the Agency Board authorized the purchase of approximately 32 acres of property located at the northeast corner of First Street and the 118 Freeway. Acquisition of the parcel, which is located within the Regional Center Specific Plan, was a key step in facilitating the development of the Simi Valley Town Center. In approving the acquisition, the Agency Board utilized \$500,000 in bond proceeds; borrowed funds from the Lighting Maintenance (\$1,000,000), Waterworks (\$500,000), and Sanitation (\$500,000) Districts; and agreed to finance the remaining balance (\$1,000,000) with the seller.

In August 1994, the seller offered to waive all interest due if the Agency repaid the note by August 10, 1994. Subsequently, the Agency borrowed an additional \$1,000,000 from the Lighting Maintenance District to repay the debt with the seller. In October of 2002, the Lighting Maintenance District Board of Directors approved a transfer of the \$500,000 CDA loan from Ventura County Waterworks District No. 8 to the Lighting Maintenance District. As the Sanitation District was dissolved and merged with the City effective January 1996, the debt to the Sanitation District is now a debt to the City. **Therefore, with respect to the acquisition of this property, the Agency currently has one outstanding loan with the Lighting Maintenance District in the amount of \$2,500,000.** For FY 2009-10, the Agency paid \$54,250 in interest to the Lighting Maintenance District as a result of this borrowing as shown on Attachment A (pages 11).

Staff has developed a Loan Agreement among the City of Simi Valley, the Simi Valley Lighting Maintenance District, and the Simi Valley Community Development Agency relative to loans from the General Fund and Lighting Maintenance District Fund. With a loan limit of \$8,543,328 from the General Fund and a loan limit of \$2,500,000 from the Lighting Maintenance District, the total loan limit in the Loan Agreement is \$11,043,328.

As noted on page 2, \$4,440,600 is budgeted to be transferred to the Housing Set-Aside Fund. The City Council/Agency Board is required to make an annual finding regarding the administrative expenditures from the Housing Set-Aside Fund. In making this finding, it is noted that the Agency has staff who devote a substantial amount of their time to the production, improvement, or preservation of low- and moderate-income housing and that the Agency has, over the years, produced agreements with private entities under which new affordable housing, duly restricted in conformity with redevelopment law, is being produced. Agency staff also administer the Agency's successful Home Rehabilitation, First-Time Homebuyer, and the Senior Rental Assistance Programs. The appropriate finding has been incorporated into the Joint Resolution approving the Agreement.

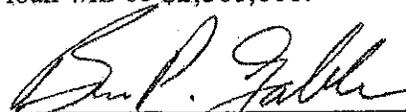
The following alternatives are available to the City Council/District Board/Agency Board regarding the FY 2010-11 Loan Agreement:

1. Adopt a joint resolution (page 5) approving the Loan Agreement (Exhibit 1, page 8) for FY 2010-11 in the not-to-exceed amount of \$11,043,328 (\$8,543,328 General Fund; \$2,500,000 Lighting Maintenance District Fund);
2. Take no action at this time;
3. Provide staff with further direction.

Staff recommends Alternative No. 1.

SUMMARY

The Simi Valley Community Development Agency receives tax increment revenue based on the ability to identify Agency debt. The City Council, District Board, and Agency Board enter into annual Loan Agreements for funds advanced from the General Fund and Lighting Maintenance District Fund. Staff recommends that the City Council/District Board/Agency Board adopt a joint resolution (page 5) approving a Loan Agreement (Exhibit 1, page 8) for FY 2010-11 in the not-to-exceed amount of \$11,043,328 to allow the Agency to identify debt and document funding advances among the three City entities. The General Fund portion of the loan will be \$8,543,328, and the Lighting Maintenance District portion of the loan will be \$2,500,000.



Brian Paul Gabler
Director of Economic Development/
Assistant Executive Director

<u>Index</u>	<u>Page</u>
Joint Resolution	5
Exhibit 1 - Loan Agreement.....	8
Attachment A - Summary of Community Development Agency Loan Activity.....	11

RESOLUTION NO. 2010-65/
RESOLUTION NO. CDA 2010-08

A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SIMI VALLEY, THE BOARD OF DIRECTORS OF THE SIMI VALLEY LIGHTING MAINTENANCE DISTRICT, AND THE BOARD OF DIRECTORS OF THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY APPROVING A LOAN FROM THE SIMI VALLEY GENERAL FUND AND THE SIMI VALLEY LIGHTING MAINTENANCE DISTRICT FUND TO THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY AND AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT

WHEREAS, the City Council of the City of Simi Valley (City), the Board of Directors of the Simi Valley Lighting Maintenance District (District), and the Board of Directors of the Simi Valley Community Development Agency (Agency) desire to provide for certain administrative and capital expenses of the Agency; and

WHEREAS, the Development Plans for the Merged Tapo Canyon/West End Community Development Project and Madera Royale Community Development Project provide for the City to cooperate in the administration of the Development Plans including the provision of staff services, supplies, and facilities; and

WHEREAS, the Board of Directors for the Agency has approved the Agency's FY 2010-11 Budget, and the City Council desires to loan funds to the Agency from the City of Simi Valley General Fund pursuant to the FY 2010-11 Budget; and

WHEREAS, the Agency has requested to borrow funds from the District for the purposes of land acquisition; and

WHEREAS, on December 20, 1993, the District loaned \$1,000,000 to the Agency and on August 1, 1994 loaned an additional \$1,000,000 to the Agency from funds held by the District for the purposes of the land acquisition; and

WHEREAS, on October 14, 2002, the District assumed a loan to the Agency of \$500,000 from the Ventura County Waterworks District No. 8; and

WHEREAS, the Agency Board will pay interest at a rate equal to the average rate of return for investments by the City or the average interest rate on the Agency's Redevelopment Bonds, whichever is higher; and

WHEREAS, the Fiscal Year 2010-11 Loan Agreement documenting such loans is attached hereto as Exhibit 1 and by this reference incorporated herein; and

WHEREAS, Agency staff devote a substantial amount of time to the production, improvement, or preservation of low- and moderate-income housing.

NOW, THEREFORE, BE IT JOINTLY RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL OF THE CITY OF SIMI VALLEY, THE BOARD OF DIRECTORS OF THE SIMI VALLEY LIGHTING MAINTENANCE DISTRICT, AND THE BOARD OF DIRECTORS OF THE SIMI VALLEY COMMUNITY DEVELOPMENT AGENCY AS FOLLOWS:

SECTION 1. The Agency shall annually file with the City Council of the City a report of the Agency's transactions with respect to Agency Administrative and Special Project Funds including a statement of all revenues and expenditures. This requirement may be met by the filing of the report required by Section 33080 et seq. of the California Health and Safety Code.

SECTION 2. The City Council hereby determines the public improvements specified in the Agency budget for FY 2010-11 are of benefit to the project areas, the surrounding neighborhood in which the project areas are located, and the entire community of the City of Simi Valley.

SECTION 3. The Loan Agreement attached hereto as Exhibit 1 is hereby approved.

SECTION 4. The Mayor of the City of Simi Valley, the Board Chair of the District, and the Board Chair of the Agency are hereby authorized to execute the Loan Agreement on behalf of the City, the District, and the Agency.

SECTION 5. The City Council hereby finds and determines that the planning and administrative expenses outlined in the FY 2009-10 and FY 2010-11 budgets for the Housing Set-Aside Fund are necessary for the production, improvement, or preservation of low- and moderate-income housing.

SECTION 6. The City Clerk/District Secretary/Agency Secretary shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the Office of the City Clerk/District Secretary/Agency Secretary.

PASSED and ADOPTED this 8th day of November 2010.

Attest

**City of Simi Valley
Simi Valley Lighting Maintenance District
Simi Valley Community Development Agency**



Wendy Green
Assistant City Clerk/District Secretary/
Agency Secretary



Paul Miller, Mayor of the City of Simi Valley,
California, Chair of the Simi Valley Lighting
Maintenance District Board of Directors, and
Chair of the Simi Valley Community
Development Agency Board of Directors

Approved as to Form:

Approved as to Content:



Tracy M. Noonan, City Attorney/
District Counsel/Agency Counsel



Mike Sedell, City Manager/District
Manager/Executive Director

I, Assistant City Clerk/Agency Secretary, of the City of Simi Valley/Community Development Agency, do hereby certify that the foregoing Resolution No. 2010-65/CDA-2010-08 was regularly introduced and adopted by the City Council/Board of Directors of the City of Simi Valley, California, at an adjourned meeting thereof held on the 8th day of November 2010, by the following vote of the City Council/Board of Directors:

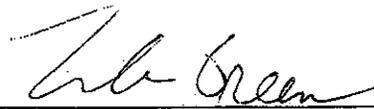
AYES: Council Members/Directors Foster, Sojka, Williamson,
Mayor Pro Tem/Vice-Chair Becerra and Mayor/Chair
Miller

NAYS: None

ABSENT: None

ABSTAINED: None

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Simi Valley, California, this 9th day of November 2010.



Wendy K. Green
Assistant City Clerk/Agency
Secretary

EXHIBIT 1

LOAN AGREEMENT AMONG THE CITY OF SIMI VALLEY
THE SIMI VALLEY LIGHTING MAINTENANCE DISTRICT,
AND THE SIMI VALLEY COMMUNITY DEVELOPMENT
AGENCY FOR FISCAL YEAR 2010-11

THIS AGREEMENT is made and entered in the City of Simi Valley on this 8th day of November, 2010, by and between the City of Simi Valley, a municipal corporation, hereinafter referred to as CITY, the Simi Valley Lighting Maintenance District, hereinafter referred to as DISTRICT, and the Simi Valley Community Development Agency, hereinafter referred to as AGENCY, and sometimes jointly referred to as PARTIES.

WITNESSETH

WHEREAS, the AGENCY has a need for assistance in funding certain redevelopment activities in the Merged Tapo Canyon/West End Community Development Project and Madera Royale Community Development Project (the "Projects") including the administrative expenses and overhead of the AGENCY; and

WHEREAS, Section 33600 et seq. of the California Community Redevelopment Law authorizes the AGENCY to borrow money or accept financial or other assistance from the CITY and the DISTRICT; and

WHEREAS, AGENCY has adopted the AGENCY'S annual budget for Fiscal Year 2010-11.

NOW, THEREFORE, IN CONSIDERATION OF THEIR MUTUAL PROMISES, OBLIGATIONS, AND COVENANTS HEREINAFTER CONTAINED, THE PARTIES AGREE AS FOLLOWS:

SECTION 1. Amount of General Fund Loan. CITY agrees to loan AGENCY from its General Fund an amount not to exceed \$8,543,328 and associated interest, calculated based upon the current rate of return for CITY investments.

SECTION 2. Amount of Lighting Maintenance District Fund Loan. DISTRICT agrees to loan AGENCY from its Lighting Maintenance District Fund an amount not to exceed \$2,500,000 and associated interest, calculated based upon the current rate of return for CITY investments or the interest rate on the Agency's redevelopment bonds, whichever is higher.

SECTION 3. Disbursement of Funds. CITY and DISTRICT agree to disburse loan proceeds to AGENCY upon receipt of a request from AGENCY. These disbursements may be conditioned upon receipt of funds from AGENCY in repayment of previous CITY and DISTRICT loans in amounts sufficient to cover said disbursements. AGENCY agrees to use such proceeds only for the purposes provided for in the adopted annual budget of AGENCY for Fiscal Year 2010-11.

SECTION 4. Tax Increment revenue used to fund City/District projects may be credited against loan balances owed by the Agency to the City.

SECTION 5. Repayment. AGENCY agrees to repay any and all funds upon demand by CITY and DISTRICT and in no event later than one year from the receipt of funds unless a new loan agreement for these funds is entered into between the PARTIES.

SECTION 6. Obligation Constitutes Indebtedness. This Loan Agreement shall constitute an obligation and debt of AGENCY to use all available Tax Increment revenue to repay CITY and DISTRICT by periodic repayments. Such indebtedness shall be subordinate to any and all other AGENCY indebtedness incurred by AGENCY, including indebtedness incurred through the issuance of Tax Allocation Notes or Bonds or any other Bonds of the AGENCY.

SECTION 7. Amendments. Any amendment, modification, or variation from the terms of this Agreement shall be writing and shall be effective only upon approval of the City Council of CITY, Board of Directors of DISTRICT, and Board of Directors of AGENCY.

SECTION 8. Authority to Execute Agreement. CITY, DISTRICT, and AGENCY do covenant that each individual executing this Agreement on behalf of each party is a person duly authorized and empowered to execute Agreements for each party.

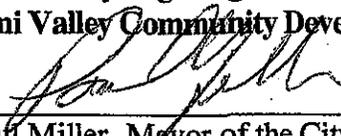
IN WITNESS WHEREOF, the PARTIES hereto have caused this instrument to be executed the day and year first written above.

Attest

**City of Simi Valley
Simi Valley Lighting Maintenance District
Simi Valley Community Development Agency**

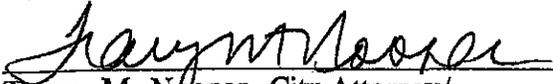


Wendy Green
Assistant City Clerk/District Secretary/
Agency Secretary



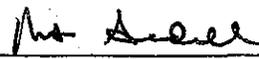
Paul Miller, Mayor, of the City of Simi Valley,
California, Chair of the Simi Valley Lighting
Maintenance District Board of Directors, and
Chair of the Simi Valley Community
Development Agency Board of Directors

Approved as to Form:



Tracy M. Noonan, City Attorney/
District Counsel/Agency Counsel

Approved as to Content:



Mike Sedell, City Manager/District
Manager/Executive Director

**SUMMARY OF COMMUNITY DEVELOPMENT AGENCY LOAN ACTIVITY
FISCAL YEAR 2009-10**

DESCRIPTION OF BORROWING	YEAR(S) BORROWED	PREVIOUS LOAN AMOUNT	FY 2009-10 LOANS	INTEREST ON LOAN AT 2.17%	LOAN RETIRED IN FY 2009-10	REMAINING LOAN AS OF JUNE 30, 2010	
GENERAL FUND - MERGED TAPO CANYON/WEST END TAX INCREMENT FUND							
Administrative Services Contract	2009-10	0	2,129,103	21,005	21,005	2,129,103	
Administrative Services Contract	2008-09	1,961,069	0	42,555	42,555	1,961,069	
County of Ventura Tax Administrative Fees	2009-10	0	169,438	919	170,357	0	
Transfer to Streets & Roads Fund	2007-08	709,608	0	15,398	725,006	0	
Transfer to Streets & Roads Fund	2008-09	3,823,949	0	82,980	3,366,144	540,785	
Transfer to Streets & Roads Fund	2009-10	0	418,670	5,457	424,127	0	
Police Facility Debt Service	2008-09	844,460	0	18,325	862,785	0	
Police Facility Debt Service	2009-10	0	954,797	16,608	971,405	0	
Senior Center Debt Service	2008-09	573,549	0	12,446	585,995	0	
Senior Center Debt Service	2009-10	0	576,607	4,824	581,431	0	
Property Tax Service	2009-10	0	9,750	106	9,856	0	
Union Pacific Railroad Lease	2009-10	0	380	2	382	0	
Solar-Powered Speed Signs (Darrah Park)	2009-10	0	22,273	20	22,293	0	
Economic Market Research	2009-10	0	18,250	316	18,566	0	
Los Angeles Avenue Façade Renovation Program	2009-10	0	67,800	502	68,302	0	
State's SERAF Fee	2009-10	0	6,266,772	22,669	22,669	6,266,772	
Simi Valley Civic Center Improvements	2009-10	0	3,780	3	3,783	0	
Simi Valley Library Drop-Off Boxes	2009-10	0	2,307	(5) ¹	2,302	0	
Flower Glen Business Park Pedestrian Safety Improvements	2009-10	0	388	4	392	0	
Metrolink Memorial Plaza	2009-10	0	141,826	1,913	143,739	0	
DMV Lobby Improvements	2009-10	0	4,229	80	4,309	0	
SUBTOTAL - MERGED TAPO CANYON/WEST END FUND			\$7,912,635	\$10,786,370	\$246,127	\$8,047,403	\$10,897,729

¹ The interest paid was offset by interest earned on a contribution from the County of Ventura for this project.

DESCRIPTION OF BORROWING	YEAR(S) BORROWED	PREVIOUS LOAN AMOUNT	FY 2009-10 LOANS	INTEREST ON LOAN AT 2.17%	LOAN RETIRED IN FY 2009-10	REMAINING LOAN AS OF JUNE 30, 2010
GENERAL FUND - MADERA ROYALE TAX INCREMENT FUND						
Madera Road Widening		\$46,903	\$0	\$1,018	\$46,222	\$1,699
County of Ventura Tax Administrative Fees		0	915	5	920	0
SUBTOTAL - MADERA ROYALE TAX INCREMENT FUND		\$46,903	\$915	\$1,023	\$47,142	\$1,699
TOTAL - GENERAL FUND LOAN ACTIVITY		\$7,959,538	\$10,787,285	\$247,150	\$8,094,545	\$10,899,428
LIGHTING MAINTENANCE DISTRICT FUND - MERGED TAPO CANYON/WEST END TAX INCREMENT FUND						
Lighting Maintenance District		\$2,500,000	\$0	\$54,250	\$54,250	\$2,500,000
TOTAL - LIGHTING MAINTENANCE DISTRICT FUND LOAN ACTIVITY		\$2,500,000	\$0	\$54,250	\$54,250	\$2,500,000

Exhibit B

**City of Simi Valley Loan
\$8,543,328 Principal and \$83,691 Interest
.24% Interest Rate -Compounded Monthly
60 Semiannual Periods**

<u>Semiannual</u> <u>Period</u>	<u>Payment</u>	<u>Principal Paid</u>	<u>Interest Paid</u>	<u>Remaining</u> <u>Balance</u>
1	\$149,110.88	\$138,753.28	\$10,357.60	\$8,488,265.72
2	\$149,110.88	\$138,919.87	\$10,191.01	\$8,349,345.85
3	\$149,110.88	\$139,086.65	\$10,024.23	\$8,210,259.20
4	\$149,110.88	\$139,253.64	\$9,857.24	\$8,071,005.56
5	\$149,110.88	\$139,420.83	\$9,690.05	\$7,931,584.73
6	\$149,110.88	\$139,588.22	\$9,522.66	\$7,791,996.51
7	\$149,110.88	\$139,755.81	\$9,355.07	\$7,652,240.70
8	\$149,110.88	\$139,923.60	\$9,187.28	\$7,512,317.10
9	\$149,110.88	\$140,091.59	\$9,019.29	\$7,372,225.51
10	\$149,110.88	\$140,259.78	\$8,851.10	\$7,231,965.73
11	\$149,110.88	\$140,428.18	\$8,682.70	\$7,091,537.55
12	\$149,110.88	\$140,596.78	\$8,514.10	\$6,950,940.77
13	\$149,110.88	\$140,765.58	\$8,345.30	\$6,810,175.19
14	\$149,110.88	\$140,934.58	\$8,176.30	\$6,669,240.61
15	\$149,110.88	\$141,103.79	\$8,007.09	\$6,528,136.82
16	\$149,110.88	\$141,273.20	\$7,837.68	\$6,386,863.62
17	\$149,110.88	\$141,442.81	\$7,668.07	\$6,245,420.81
18	\$149,110.88	\$141,612.63	\$7,498.25	\$6,103,808.18
19	\$149,110.88	\$141,782.65	\$7,328.23	\$5,962,025.53
20	\$149,110.88	\$141,952.87	\$7,158.01	\$5,820,072.66
21	\$149,110.88	\$142,123.30	\$6,987.58	\$5,677,949.36
22	\$149,110.88	\$142,293.93	\$6,816.95	\$5,535,655.43
23	\$149,110.88	\$142,464.77	\$6,646.11	\$5,393,190.66
24	\$149,110.88	\$142,635.81	\$6,475.07	\$5,250,554.85
25	\$149,110.88	\$142,807.06	\$6,303.82	\$5,107,747.79
26	\$149,110.88	\$142,978.52	\$6,132.36	\$4,964,769.27
27	\$149,110.88	\$143,150.18	\$5,960.70	\$4,821,619.09
28	\$149,110.88	\$143,322.04	\$5,788.84	\$4,678,297.05
29	\$149,110.88	\$143,494.12	\$5,616.76	\$4,534,802.93
30	\$149,110.88	\$143,666.39	\$5,444.49	\$4,391,136.54
31	\$149,110.88	\$143,838.88	\$5,272.00	\$4,247,297.66
32	\$149,110.88	\$144,011.57	\$5,099.31	\$4,103,286.09
33	\$149,110.88	\$144,184.47	\$4,926.41	\$3,959,101.62
34	\$149,110.88	\$144,357.58	\$4,753.30	\$3,814,744.04
35	\$149,110.88	\$144,530.90	\$4,579.98	\$3,670,213.14
36	\$149,110.88	\$144,704.42	\$4,406.46	\$3,525,508.72
37	\$149,110.88	\$144,878.15	\$4,232.73	\$3,380,630.57
38	\$149,110.88	\$145,052.09	\$4,058.79	\$3,235,578.48
39	\$149,110.88	\$145,226.24	\$3,884.64	\$3,090,352.24
40	\$149,110.88	\$145,400.60	\$3,710.28	\$2,944,951.64
41	\$149,110.88	\$145,575.17	\$3,535.71	\$2,799,376.47
42	\$149,110.88	\$145,749.95	\$3,360.93	\$2,653,626.52
43	\$149,110.88	\$145,924.94	\$3,185.94	\$2,507,701.58

44	\$149,110.88	\$146,100.13	\$3,010.75	\$2,361,601.45
45	\$149,110.88	\$146,275.54	\$2,835.34	\$2,215,325.91
46	\$149,110.88	\$146,451.16	\$2,659.72	\$2,068,874.75
47	\$149,110.88	\$146,626.99	\$2,483.89	\$1,922,247.76
48	\$149,110.88	\$146,803.03	\$2,307.85	\$1,775,444.73
49	\$149,110.88	\$146,979.28	\$2,131.60	\$1,628,465.45
50	\$149,110.88	\$147,155.74	\$1,955.14	\$1,481,309.71
51	\$149,110.88	\$147,332.42	\$1,778.46	\$1,333,977.29
52	\$149,110.88	\$147,509.31	\$1,601.57	\$1,186,467.98
53	\$149,110.88	\$147,686.41	\$1,424.47	\$1,038,781.57
54	\$149,110.88	\$147,863.72	\$1,247.16	\$890,917.85
55	\$149,110.88	\$148,041.24	\$1,069.64	\$742,876.61
56	\$149,110.88	\$148,218.98	\$891.90	\$594,657.63
57	\$149,110.88	\$148,396.93	\$713.95	\$446,260.70
58	\$149,110.88	\$148,575.10	\$535.78	\$297,685.60
59	\$149,110.88	\$148,753.48	\$357.40	\$148,932.12
60	\$149,110.93	\$148,932.12	\$178.81	\$0

<u>Totals</u>	\$8,946,652.85	\$8,627,019.00	\$319,633.85	
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Simi Valley Lighting Maintenance District Loan
\$2,500,000 Principal and \$24,490 Interest
.24% Interest Rate -Compounded Monthly
60 Semiannual Periods

<u>Semiannual</u> <u>Period</u>	<u>Payment</u>	<u>Principal Paid</u>	<u>Interest Paid</u>	<u>Remaining</u> <u>Balance</u>
1	\$43,633.72	\$40,602.82	\$3,030.90	\$2,483,887.18
2	\$43,633.72	\$40,651.56	\$2,982.16	\$2,443,235.62
3	\$43,633.72	\$40,700.37	\$2,933.35	\$2,402,535.25
4	\$43,633.72	\$40,749.24	\$2,884.48	\$2,361,786.01
5	\$43,633.72	\$40,798.16	\$2,835.56	\$2,320,987.85
6	\$43,633.72	\$40,847.14	\$2,786.58	\$2,280,140.71
7	\$43,633.72	\$40,896.18	\$2,737.54	\$2,239,244.53
8	\$43,633.72	\$40,945.28	\$2,688.44	\$2,198,299.25
9	\$43,633.72	\$40,994.44	\$2,639.28	\$2,157,304.81
10	\$43,633.72	\$41,043.66	\$2,590.06	\$2,116,261.15
11	\$43,633.72	\$41,092.94	\$2,540.78	\$2,075,168.21
12	\$43,633.72	\$41,142.27	\$2,491.45	\$2,034,025.94
13	\$43,633.72	\$41,191.67	\$2,442.05	\$1,992,834.27
14	\$43,633.72	\$41,241.12	\$2,392.60	\$1,951,593.15
15	\$43,633.72	\$41,290.64	\$2,343.08	\$1,910,302.51
16	\$43,633.72	\$41,340.21	\$2,293.51	\$1,868,962.30
17	\$43,633.72	\$41,389.84	\$2,243.88	\$1,827,572.46
18	\$43,633.72	\$41,439.54	\$2,194.18	\$1,786,132.92
19	\$43,633.72	\$41,489.29	\$2,144.43	\$1,744,643.63
20	\$43,633.72	\$41,539.10	\$2,094.62	\$1,703,104.53
21	\$43,633.72	\$41,588.97	\$2,044.75	\$1,661,515.56
22	\$43,633.72	\$41,638.90	\$1,994.82	\$1,619,876.66
23	\$43,633.72	\$41,688.90	\$1,944.82	\$1,578,187.76
24	\$43,633.72	\$41,738.95	\$1,894.77	\$1,536,448.81
25	\$43,633.72	\$41,789.06	\$1,844.66	\$1,494,659.75
26	\$43,633.72	\$41,839.23	\$1,794.49	\$1,452,820.52
27	\$43,633.72	\$41,889.46	\$1,744.26	\$1,410,931.06
28	\$43,633.72	\$41,939.76	\$1,693.96	\$1,368,991.30
29	\$43,633.72	\$41,990.11	\$1,643.61	\$1,327,001.19
30	\$43,633.72	\$42,040.52	\$1,593.20	\$1,284,960.67
31	\$43,633.72	\$42,091.00	\$1,542.72	\$1,242,869.67
32	\$43,633.72	\$42,141.53	\$1,492.19	\$1,200,728.14
33	\$43,633.72	\$42,192.13	\$1,441.59	\$1,158,536.01
34	\$43,633.72	\$42,242.78	\$1,390.94	\$1,116,293.23
35	\$43,633.72	\$42,293.50	\$1,340.22	\$1,073,999.73
36	\$43,633.72	\$42,344.28	\$1,289.44	\$1,031,655.45
37	\$43,633.72	\$42,395.11	\$1,238.61	\$989,260.34
38	\$43,633.72	\$42,446.01	\$1,187.71	\$946,814.33
39	\$43,633.72	\$42,496.97	\$1,136.75	\$904,317.36
40	\$43,633.72	\$42,548.00	\$1,085.72	\$861,769.36
41	\$43,633.72	\$42,599.08	\$1,034.64	\$819,170.28
42	\$43,633.72	\$42,650.22	\$983.50	\$776,520.06
43	\$43,633.72	\$42,701.43	\$932.29	\$733,818.63
44	\$43,633.72	\$42,752.70	\$881.02	\$691,065.93

45	\$43,633.72	\$42,804.03	\$829.69	\$648,261.90
46	\$43,633.72	\$42,855.42	\$778.30	\$605,406.48
47	\$43,633.72	\$42,906.87	\$726.85	\$562,499.61
48	\$43,633.72	\$42,958.38	\$675.34	\$519,541.23
49	\$43,633.72	\$43,009.96	\$623.76	\$476,531.27
50	\$43,633.72	\$43,061.60	\$572.12	\$433,469.67
51	\$43,633.72	\$43,113.30	\$520.42	\$390,356.37
52	\$43,633.72	\$43,165.06	\$468.66	\$347,191.31
53	\$43,633.72	\$43,216.88	\$416.84	\$303,974.43
54	\$43,633.72	\$43,268.77	\$364.95	\$260,705.66
55	\$43,633.72	\$43,320.72	\$313.00	\$217,384.94
56	\$43,633.72	\$43,372.73	\$260.99	\$174,012.21
57	\$43,633.72	\$43,424.80	\$208.92	\$130,587.41
58	\$43,633.72	\$43,476.94	\$156.78	\$87,110.47
59	\$43,633.72	\$43,529.14	\$104.58	\$43,581.33
60	\$43,633.65	\$43,581.33	\$52.32	\$0

<u>Totals</u>	\$2,618,023.13	\$2,524,490.00	\$93,533.13	
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