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**REIMBURSEMENT AGREEMENT**

**by and between the**

**EL PASO DE ROBLES COMMUNITY REDEVELOPMENT AGENCY**

**and the**

**CITY OF EL PASO DE ROBLES, CALIFORNIA**

**Dated as of November 1, 1993**

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## REIMBURSEMENT AGREEMENT

THIS REIMBURSEMENT AGREEMENT, dated as of November 1, 1993, by and between the EL PASO DE ROBLES COMMUNITY REDEVELOPMENT AGENCY, a public body corporate and politic ("Agency"), and the CITY OF EL PASO DE ROBLES, a municipal corporation and general law city organized and existing under the laws of the State of California ("City");

### WITNESSETH:

WHEREAS, the Agency is a duly constituted redevelopment agency under the laws of the State of California and pursuant to such laws has duly proceeded with redevelopment activities necessary for the implementation of the Paso Robles Redevelopment Project (the "Redevelopment Project") under the provisions of the California Community Redevelopment Law (the "Law") and pursuant to the Redevelopment Plan for the Project (the "Redevelopment Plan");

WHEREAS, the Redevelopment Plan for the Redevelopment Project provides for tax increment financing in accordance with the provisions of Chapter 6, Part 1 of Division 24 of the California Health and Safety Code and Section 16 of Article XVI of the Constitution of the State of California;

WHEREAS, the Agency is authorized, with the consent of the City Council of the City, to pay all or part of the value of the land for and the cost of the installation and construction of any building, facility, structure or other improvements which are publicly owned within the Redevelopment Project, upon a determination by the Agency and said City Council that such buildings, facilities, structures or other improvements are of benefit to the Redevelopment Project;

WHEREAS, when the value of such land or the cost of the installation and construction of such building, facility, structure or other improvement, or both, has been or will be paid or provided for initially by the City, the Agency may enter into a contract with the City under which it agrees to reimburse the City for all or part of the cost of such building, facility, structure or other improvement, or both, by periodic payments over a period of years;

WHEREAS, the Agency has agreed to provide for reimbursement to the City of the moneys paid as lease payments under a lease agreement (the "Lease Agreement"), entered into between the City and the El Paso de Robles Public Financing Authority (the "Authority"), providing for the lease by the City of certain land and improvements (the "Project"), and, in furtherance thereof, the City and the Agency have made such findings and conducted such public hearings as were necessary to comply with the provisions of sections 33445 and 33679 of the California Health and Safety Code;

WHEREAS, Agency and City Council have determined that the Project is essential to redevelopment of the areas included within the Redevelopment Project, and have a general benefit to City and its residents;

WHEREAS, the parties hereto, in consideration of their mutual undertakings, past and present, herein and otherwise, desire to provide for reimbursement to the City of costs incurred with respect to the Project;

NOW, THEREFORE, in consideration of the mutual covenants herein contained it is agreed by and between the parties hereto, as follows:

*Section 1. Definitions.* Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of this Reimbursement Agreement and of any amendment hereto, and of any certificate, opinion, estimate or other document herein mentioned, have the meanings herein specified. Any capitalized term not defined herein shall have the meaning given to such term in the Lease Agreement.

“Agency” means the El Paso de Robles Community Redevelopment Agency, a redevelopment agency and public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California.

“Authority” means the El Paso de Robles Public Improvement Authority, a joint exercise of powers authority duly organized and existing under the laws of the State of California.

“City” means the City of El Paso de Robles, California, a general law city and municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of California.

“Redevelopment Project” means the Paso Robles Redevelopment Project of the Agency.

“Law” means the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State of California and the acts amendatory thereof and in supplement thereto. Whenever reference is made in this Reimbursement Agreement to the Law, reference is made to the Law as in force on the date of the execution of this Reimbursement Agreement, unless the context otherwise requires.

“Tax Increment Revenues” means all taxes allocated to, and paid into a special fund of the Agency for the Redevelopment Project pursuant to Article 6 of Chapter 6 of the Law and Section 16 of Article XVI of the Constitution of the State of California, and as provided in the redevelopment plan for the Redevelopment Project, including all payments and reimbursements, if any, to the Agency specifically attributable to ad valorem taxes lost by reason of tax exemptions and tax rate limitations, but excluding any amounts required to be used to improve the community’s supply of low or moderate income housing pursuant to Section 33334.2 of the Law (or any successor or related Section of the Law).

*Section 2. Reimbursement.*

(a) To assist the City in paying the cost of the acquisition and construction of the Project, the Agency and the City agree that Tax Increment Revenues shall be used and applied to repay the City for the Lease Payments made by the City to the Authority under the Lease Agreement for the Project and shall be used and applied to pay such Lease Payments.

(b) Subject to pledges of Tax Increment Revenues heretofore or hereafter made by the Agency, to the extent necessary but only to the extent available in any fiscal year, the Agency hereby agrees to make payments from Tax Increment Revenues to pay to the City an amount equal to 100% of the amounts shown in each of the years set forth on Exhibit A attached hereto in partial payment of the Lease Payments required to be made by the City to the Authority under the Lease Agreement including the principal and interest components thereof. In the event the Agency does not have sufficient Tax Increment Revenues in a particular year to make such payment or any portion thereof, the City agrees to allow the Agency to carry the balance forward until there is sufficient Tax Increment Revenues available to meet said obligation or the City may, in its discretion, waive such payment(s). The earliest payments carried forward shall be paid first from

available Tax Increment Revenues and then the next payments due, until the Agency has come current with the required payment schedule.

*Section 3. Pledge and Assignment.* Subject to the rights hereunder of the Agency to issue additional parity and or subordinate tax allocation bonds or other obligations, the Agency hereby, for the security of the Agency's payment obligation hereunder, pledges the Tax Increment Revenue to the City, and creates a first and prior lien thereon, for the benefit of the City.

*Section 4. Term.* The term of this Reimbursement Agreement shall commence on the date of recordation of the Lease Agreement in the Office of the County Recorder of San Luis Obispo County, State of California, and shall end on December 1, 2023, unless the term of the Lease Agreement is extended or sooner terminated as provided therein. If, on December 1, 2023, the aggregate amount of Lease Payments shall not have been paid, or provision shall not have been made for their payment, then the term of this Reimbursement Agreement shall be extended until such Lease Payments shall be fully paid or provision made for such payment. If, prior to December 1, 2023, all Lease Payments shall be fully paid or provision made for such payment in accordance with the Lease Agreement, the term of this Reimbursement Agreement shall end on such earlier date.

IN WITNESS HEREOF, the parties hereto have executed this Reimbursement Agreement as of the day and year first above written.

EL PASO DE ROBLES COMMUNITY REDEVELOPMENT AGENCY

By:   
Chairman

Attest:   
Secretary

CITY OF EL PASO DE ROBLES, CALIFORNIA

By:   
Mayor

Attest:   
City Clerk