

RESOLUTION NO. RA96-07

A RESOLUTION OF THE PASO ROBLES REDEVELOPMENT AGENCY
APPROVING AND AUTHORIZING THE EXECUTION OF A
PROMISSORY NOTE BETWEEN THE CITY'S WATER OPERATIONS FUND
AND THE REDEVELOPMENT AGENCY

WHEREAS, the Paso Robles Redevelopment Agency (Agency) has agreed, via an owner participation agreement (OPA) to undertake certain project improvements as the Agency's contribution to the cinema project; and

WHEREAS, the results of a public bid indicate that the cost to undertake said project improvements including decorative pavers and regional storm drainage improvements is \$357,310; and

WHEREAS, the regional storm drainage improvements in the amount of \$183,000 have their own funding sources and need not be included herein; and

WHEREAS, since the Agency does not currently have the fiscal resources to undertake the remaining project improvements as contained in the OPA, it will be necessary for the Agency to borrow funds from other sources, i.e. Water Operations Fund; and

WHEREAS, repayment of the promissory note debt will result in an increase in the negative fund balance because tax increment revenues generated from the project will not be sufficient to meet annual debt service obligations.

THEREFORE, BE IT HEREBY RESOLVED by the Paso Robles Redevelopment Agency that the promissory note attached herewith as Exhibit "A" is hereby approved and the Chairman is authorized to execute said note.

APPROVED AND ADOPTED by the the Paso Robles Redevelopment Agency this 11th day of December, 1996 by following vote:

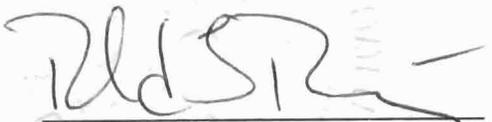
AYES: C. Iversen, D. Picanco, L. Swanson

NOES: -

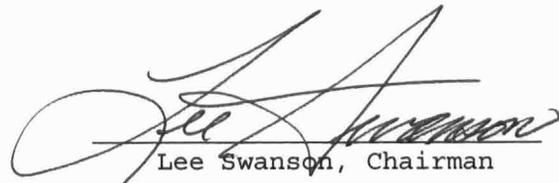
ABSENT: W. Macklin

ABSTAIN: T. Baron

Attest:



Richard J. Ramirez, Secretary



Lee Swanson, Chairman

PROMISSORY NOTE WITH INTEREST

\$179,000.00

December 17, 1996

For value received, the Paso Robles Redevelopment Agency (Agency) agrees to repay the City of El Paso de Robles' Water Operations Fund the sum of One Hundred Seventy-nine Thousand Dollars (\$179,000) with accrued interest at the rate of 7.5% per annum from the date of this note until paid. Principal and accrued interest shall be repaid in semi-annual installments in accordance with schedule in Exhibit "A" coinciding with the allocation of property tax increment by the County of San Luis Obispo County Auditor-Controller's Office. Payment must be received by the 15th day of the month immediately following the month in which the apportionment is received by the Agency from the Auditor-Controller's Office. This promissory note and all accrued interest shall become due and payable in full immediately upon the issuance of any non-housing tax increment bonds regardless of Agency purpose.

Agency shall pay the City only from tax increment available to the Agency pursuant to the Redevelopment Plan for the Project in accordance with Sections 33670-33674 of the Health and Safety Code and Article XVI, Section 16, of the California Constitution, and from no other source.

Agency may prepay the principal outstanding balance of this note at time without penalty.



Duane Picanco, Mayor
City of El Paso de Robles



Lee Swanson, Chairman
Paso Robles Redevelopment Agency

**Promissory Note - Cinema Project
Amortization Schedule**

Start Date:	12/17/96	Interest Rate:	7.5%
Start Interest:	01/15/97	No. of Payments:	30
Start Payment:	07/15/97	Principal:	\$179,000
Payment Freq.:	Semiannual	Compound Freq.:	Semiannual
Simple Interest		Last Payment:	01/15/12

Payment Date	Payment Amount	Interest Amount	Principal Amount	Remaining Balance
1/15/97	10,038.04	6,657.33	3,380.71	179,000.00
7/15/97	10,038.04	6,639.85	3,398.19	175,619.29
1/15/98	10,038.04	6,405.21	3,632.83	172,221.10
7/15/98	10,038.04	6,374.02	3,664.02	168,588.27
1/15/99	10,038.04	6,133.83	3,904.21	164,924.26
7/15/99	10,038.04	6,071.25	3,966.79	161,020.04
1/15/00	10,038.04	5,857.31	4,180.73	157,053.25
7/15/00	10,038.04	5,779.84	4,258.20	152,872.53
1/15/01	10,038.04	5,527.23	4,510.81	148,614.33
7/15/01	10,038.04	5,448.30	4,589.74	144,103.52
1/15/02	10,038.04	5,188.77	4,849.27	139,513.78
7/15/02	10,038.04	5,091.43	4,946.61	134,664.51
1/15/03	10,038.04	4,824.44	5,213.60	129,717.89
7/15/03	10,038.04	4,694.42	5,343.61	124,504.29
1/15/04	10,038.04	4,444.11	5,593.93	119,160.68
7/15/04	10,038.04	4,293.76	5,744.28	113,566.74
1/15/05	10,038.04	4,010.11	6,027.93	107,822.46
7/15/05	10,038.04	3,848.67	6,189.37	101,794.53
1/15/06	10,038.04	3,555.73	6,482.31	95,605.16
7/15/06	10,038.04	3,369.58	6,668.46	89,122.85
1/15/07	10,038.04	3,066.63	6,971.41	82,454.39
7/15/07	10,038.04	2,846.08	7,191.96	75,482.97
1/15/08	10,038.04	2,546.92	7,491.12	68,291.01
7/15/08	10,038.04	2,298.74	7,739.30	60,799.89
1/15/09	10,038.04	1,973.42	8,064.62	53,060.59
7/15/09	10,038.04	1,701.22	8,336.82	44,995.97
1/15/10	10,038.04	1,363.42	8,674.62	36,659.15
7/15/10	10,038.04	1,058.05	8,979.99	27,984.53
1/15/11	10,038.04	706.81	9,331.23	19,004.53
7/15/11	10,038.04	364.73	9,673.31	9,673.31
1/15/12	10,038.04		9,673.31	0.00

301,141.20 78,999.98
122,141.211