

**AGENDA
OVERSIGHT BOARD FOR THE
CALEXICO COMMUNITY REDEVELOPMENT AGENCY SUCCESSOR AGENCY**

**SPECIAL MEETING
April 7, 2016
1:00 P.M.**

**Fernando "Nene" Torres Council Chambers
Calexico City Hall
608 Heber Avenue, Calexico, California**

BOARD MEMBERS:

**CHAIR PERSON: Armando Real
VICE CHAIRMAN: Nick Fenley
BOARD MEMBER: Ernie Medina
BOARD MEMBER: Mei Randle**

**BOARD MEMBER: John Renison
BOARD MEMBER: Eduardo Rivera
BOARD MEMBER: Louie Wong**

**CALL TO ORDER AND ATTENDANCE
PLEDGE OF ALLEGIANCE
APPROVAL OF AGENDA**

ORAL COMMUNICATIONS

The public may at this time address the members of the Oversight Board on any matters within the jurisdiction of the Oversight Board, prior to any action taken on the Agenda. No action may be taken on off-Agenda items except as authorized by law. Speakers are required to limit their comments to no more than three minutes each.

This Agenda contains a brief general description of each item to be considered. Except as otherwise provided by law, no action or discussion shall be taken on any item not appearing in the following Agenda. Supporting documents, including staff reports, are available for review in the City Clerk's office. Oversight Board agenda/minutes are available at www.calexico.ca.gov

NEW BUSINESS

1. Approval of minutes for the Oversight Board for the Calexico Community Redevelopment Agency Successor Agency meeting of January 28, 2016.

2. Adopt Resolution approving the Bond Expenditure Agreement between the Successor Agency to the Calexico Community Redevelopment Agency and the City of Calexico, and approving certain related actions.
3. Board Members Comments.
4. Future agenda items.

ADJOURNMENT

Certification of Posting:

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing Agenda was posted at Calexico City Hall not less than 24 hours prior to the meeting. Dated this 6TH day of April, 2016.



Erica LaCuesta, Secretary
Calexico Oversight Board

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, YOU SHOULD CONTACT THE OFFICE OF THE SECRETARY, CALEXICO OVERSIGHT BOARD, AT (760) 768-2110. NOTIFICATION BY 9:00 AM ON THURSDAY, April 7, 2016 WILL ENABLE THE CITY TO MAKE REASONABLE ARRANGEMENTS TO ASSURE ACCESSIBILITY TO THIS MEETING.

MINUTES OF THE OVERSIGHT BOARD FOR THE CALEXICO COMMUNITY REDEVELOPMENT AGENCY SUCCESSOR AGENCY MEETING OF JANUARY 28, 2016 AT 2:00 PM HELD IN THE CALEXICO CITY HALL FERNANDO "NENE" TORRES COUNCIL CHAMBERS 608 HEBER AVENUE, CALEXICO, CALIFORNIA. THE DATE, HOUR AND PLACE DULY ESTABLISHED FOR THE HOLDING OF SAID MEETING.

CALL TO ORDER.

The meeting was called to order at 2:00 p.m. by Chairperson Real and Board Member Renison led those present in the Pledge of Allegiance.

ATTENDANCE:

Board Member: Armando Real
Board Member: Joong S. Kim
Board Member: Louie Wong
Board Member: John Renison
Board Member: Eduardo Rivera
Board Member: Ernie Medina
Board Member: Mei Randle

APPROVAL OF AGENDA

Motion made by J. Renison, seconded by L. Wong to approve agenda as presented. Motion passed unanimously.

ORAL COMMUNICATIONS

No comments made.

APPROVAL OF MINUTES FOR THE OVERSIGHT BOARD FOR THE CALEXICO COMMUNITY REDEVELOPMENT AGENCY SUCCESSOR AGENCY MEETING OF SEPTEMBER 28, 2015.

Motion was made by J. Renison, seconded by A. Real and passed unanimously to approve the minutes for the Oversight Board for the Calexico Community Redevelopment Agency Successor Agency meeting of September 28, 2015.

ADOPT RESOLUTION APPROVING THE ESTABLISHMENT OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE (“ROPS”) 16-17A AND B FOR THE SUCCESSOR AGENCY TO THE CALEXICO COMMUNITY REDEVELOPMENT AGENCY (“SUCCESSOR AGENCY”) FOR THE PERIOD OF JULY 2016 THROUGH JUNE 2017.

Mr. Steve Dukett, RDA Consultant advised this is the first time to look at a ROPS, a Budget, a schedule for money that needs to apply to enforceable obligations that need to be retired and once they are all paid off the RDA will cease to exist. He advised this ROPS is for a full year and prior ROPS include a prior period adjustment to see how the agency did on the budget. This will not be seen on this ROPS, due to SB107 this will no longer be included and it will be included until a year from now in January 2017. Mr. Dukett explained details of the ROPS and commented on surplus funds which are divided amongst the taxing entities that share in the 1% general tax levy. He stated every taxing entity benefits from it except the school district because the state takes their money. Mr. Dukett explained the list of enforceable obligations which also shows how long these obligations will last and the process for carrying the obligations on the schedule.

Mr. Dukett stated Oversight Boards will end in July 2017 and the County will then have one County-Wide Oversight Board.

Mr. Dukett addressed conduit bonds with the Calexico Unified School District (CUSD) to be paid with pass-through funds. The Department of Finance reviewed the bonds and they confused conduit bonds with RDA bonds and determined only 5% could go to the School District. The City is working with CUSD to resolve this issue explained the City bills the School District for debt payments and collects the funds to pay the bond debt. The School District continues to receive pass through payments.

Board Member Real stated he is having dinner with Assemblyman Eduardo Garcia and Senator Ben Hueso to discuss the School District Bond and they are on board with assisting the School District.

Ms. Randle stated she, the School District Superintendent, To Board Members and their Legal Counsel met with Senator Hueso’s office and Assemblyman Garcia’s office and provided them with a packed of information with details on the matter and expressed a sentiment for assistance because the bonds are clearly School District funds and the community and the district wants the pool.

Board Member Real stated time is of the essence on this matter therefore he has approached the legislators for assistance.

Mr. Dukett is to provide the specific language and will do so by January 29, 2016.

Board Member Real stated they are willing to move forward and just need the language to address this matter.

Motion was made by E. Rivera to approve a Resolution approving the establishment of the Recognized Obligation Payment Schedule (“ROPS”) 16-17A and B for the Successor Agency to the Calexico Community Redevelopment Agency (“Successor Agency”) for the period of July 2016 through June 2017. Motion was seconded by J. Renison and passed unanimously.

ADOPT RESOLUTION APPROVING THE FY 2016-17 ADMINISTRATIVE BUDGET OF THE SUCCESSOR AGENCY TO THE CALEXICO COMMUNITY REDEVELOPMENT AGENCY.

Mr. Dukett explained the Administrative Budget needs to be approved and it is divided by the departments that provide services to the Successor Agency which is a format used in the past. He further stated amount of money applicable for Administrative Services is in accordance with state law.

Motion was made by E. Rivera, seconded by A. Real and passed unanimously to approve the Resolution approving the FY 2016-17 Administrative Budget of the Successor Agency to the Calexico Community Redevelopment Agency.

BOARD MEMBERS COMMENTS.

Chairperson Real asked about AB2 being similar to the Redevelopment Agencies and if it was the replacement to Redevelopment Agencies. Mr. Dukett advised him this is impossible unless the funding is strictly grant funding, the conditions have to be highly blighted and can only pick blighted properties. He further stated RDA’s included vacant properties and AB2 has no possibilities for this to happen and cities will not get tax increment to fund new developments. He stated that in places where there is unlimited federal money they can do AB2. Mr. Dukett stated this is not a viable entity.

ADJOURNMENT

There being no further business, motion was made by J. Renison, seconded by A. Real and passed unanimously to adjourn meeting 2:58 p.m.

Armando Real, Chairperson

ATTEST:

Gabriela Garcia, Deputy City Clerk

**OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE
CALEXICO COMMUNITY REDEVELOPMENT AGENCY**

Meeting Date: April 7, 2016
To: Oversight Board Members
From: Eduardo Gutierrez, Interim Finance Director
Subject: Proposed Bond Expenditure Agreement

RECOMMENDATION: Adopt the attached resolution approving a Bond Expenditure Agreement between the Successor Agency to the Redevelopment Agency of the City of Calexico and the City of Calexico and approving certain related actions.

BACKGROUND: Pursuant to Health and Safety Code ("HSC") § 34172 (a)(1), the Calexico Community Redevelopment Agency was dissolved on February 1, 2012. Consistent with the provisions of the HSC, the City Council of the City of Calexico previously elected to serve in the capacity of the Successor Agency to the Calexico Community Redevelopment Agency (the "Successor Agency"). The Oversight Board for the Successor Agency ("Oversight Board") was established pursuant to HSC § 34179 to assist in the wind-down of the dissolved redevelopment agency.

HSC § 34191.4 (c) allows a successor agency that has received a Finding of Completion (the "FOC") to use bond proceeds from bonds issued prior to 2011 and a percentage of proceeds from bonds issued between January 1, 2011 and June 27, 2011 for purposes for which the bonds were sold, provides that such proceeds in excess of amounts needed to satisfy approved enforceable obligations shall be expended in a manner consistent with the original bond covenants, and further provides that such expenditures shall constitute excess bond proceeds (the "Excess Bond Proceeds") obligations that shall be listed separately on a successor agency's Recognized Obligation Payment Schedule (the "ROPS"). The HSC also provides for a cooperative relationship between cities and their redevelopment agencies, as well as their successor agencies who have assumed the duties and obligations of the former redevelopment agencies. In that regard, HSC § 33220 authorizes a city to aid and cooperate in the planning, undertaking, construction, or operation of redevelopment projects and HSC § 34178 (c) allows a successor agency and its sponsoring city to enter into agreements for the purpose of conducting the work of winding-down the former redevelopment agency as set forth in HSC § 34177.3 (b), subject to the obtaining the approval of its oversight board.

As a consequence of receiving its FOC on October 3, 2013, the Successor Agency may now utilize its Excess Bond Proceeds for their intended purposes, subject to the terms and limitations set forth in that certain Bond Expenditure Agreement between the Successor Agency and the City of Calexico (the "City"), which is included as Exhibit "A" to the attached Resolution (the "Bond Expenditure Agreement"). As described in the Bond Expenditure Agreement, the Successor Agency has Excess Bond Proceeds in the amount of \$2,582,892 from the Community Redevelopment Agency of the City of Calexico Merged Central Business District and Residential Redevelopment Project Area Tax Allocation Bonds, Issue of 2003C (the "2003C TABs") and \$6,184,410 from the Community Redevelopment Agency of the City of Calexico Merged Central

Business District and Residential Redevelopment Project Area Tax Allocation Bonds, Issue of 2011 (the "2011 TABs") that together total \$8,767,302 that are to be transferred to the City to facilitate the management of proceeds of the TABs as more particularly set forth in the Bond Expenditure Agreement in conformity with the covenants applicable to each of the TAB issues.

In addition, the Successor Agency does not have the technical capability of causing the development of capital projects; however, the City does have the requisite technical capability of causing the development of capital projects. Consistent with the foregoing, the Successor Agency desires to provide the Excess Bond Proceeds to the City for the purpose of enabling the City to use such funds in the manner consistent with the covenants applicable to the TABs. The Bond Expenditure Agreement will permit the City to spend available Excess Bond Proceeds received or retained on any project, program, or activity authorized by the City including projects that are described in the Official Statement for the TABs, as delineated within the Bond Expenditure Agreement, or as otherwise allowable under the tax certificate executed and delivered for all or a portion of the TABs.

Further, on March 15, 2016, the Successor Agency and the City entered into the Bond Expenditure Agreement, subject to approvals by the Oversight Board and California Department of Finance (the "DOF"). Consistent with the foregoing, the attached Resolution will approve the Bond Expenditure Agreement between the Successor Agency and the City, which in order to be effective will also require approval by DOF.

Therefore, consistent with the foregoing, the Bond Expenditure Agreement is recommended for approval.

FISCAL IMPACT: Approval of the Bond Expenditure Agreement will enable the Successor Agency to ensure that its Excess Bond Proceeds are used for their intended purpose in an expeditious manner.

ATTACHMENTS: Resolution.

RESOLUTION NO. 2016-03-OB

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE CALEXICO COMMUNITY REDEVELOPMENT AGENCY APPROVING A BOND EXPENDITURE AGREEMENT BETWEEN THE SUCCESSOR AGENCY TO THE CALEXICO COMMUNITY REDEVELOPMENT AGENCY AND THE CITY OF CALEXICO AND APPROVING CERTAIN RELATED ACTIONS

WHEREAS, pursuant to Health and Safety Code (the "HSC") § 34172 (a)(1), the Calexico Community Redevelopment Agency was dissolved on February 1, 2012; and

WHEREAS, consistent with the provisions of the HSC, the City Council of the City of Calexico previously elected to serve in the capacity of the Successor Agency to the Calexico Community Redevelopment Agency (the "Successor Agency"); and

WHEREAS, the Oversight Board for the Successor Agency (the "Oversight Board") was established pursuant to HSC § 34179 to assist in the wind-down of the dissolved redevelopment agency; and

WHEREAS, HSC § 34191.4 (c) allows a successor agency that has received a Finding of Completion (the "FOC") to use bond proceeds from bonds issued prior to 2011 and a percentage of proceeds from bonds issued between January 1, 2011 and June 27, 2011 for purposes for which the bonds were sold, provides that such proceeds in excess of amounts needed to satisfy approved enforceable obligations shall be expended in a manner consistent with the original bond covenants, and further provides that such expenditures shall constitute excess bond proceeds (the "Excess Bond Proceeds") obligations that shall be listed separately on a successor agency's Recognized Obligation Payment Schedule (the "ROPS"); and

WHEREAS, the HSC provides for a cooperative relationship between cities and their redevelopment agencies, as well as their successor agencies who have assumed the duties and obligations of the former redevelopment agencies; and

WHEREAS, HSC § 33220 authorizes a city to aid and cooperate in the planning, undertaking, construction, or operation of redevelopment projects; and

WHEREAS, HSC § 34178 (c) allows a successor agency and its sponsoring city to enter into agreements for the purpose of conducting the work of winding-down the former redevelopment agency as set forth in HSC § 34177.3 (b), subject to the obtaining the approval of its oversight board; and

WHEREAS, as a consequence of receiving its FOC on October 3, 2013, the Successor Agency may now utilize its Excess Bond Proceeds for their intended purposes, subject to the terms and limitations set forth in that certain Bond Expenditure Agreement between the Successor Agency and the City of Calexico (the "City"), which is attached hereto as Exhibit "A" (the "Bond Expenditure Agreement"); and

WHEREAS, the Successor Agency has Excess Bond Proceeds in the amount of \$2,582,892 from the Community Redevelopment Agency of the City of Calexico Merged Central Business District and Residential Redevelopment Project Area Tax Allocation Bonds, Issue of 2003C (the "2003C TABs") and \$6,184,410 from the Community Redevelopment Agency of the City of Calexico Merged Central Business District and Residential Redevelopment Project Area Tax Allocation Bonds, Issue of 2011 (the "2011 TABs") that together total \$8,767,302 that are to be transferred to the City of Calexico (the "City") to facilitate the management of proceeds of the TABs as more particularly set forth in the Bond Expenditure Agreement in conformity with the covenants applicable to each of the TAB issues; and

WHEREAS, the Successor Agency does not have the technical capability of causing the development of capital projects; however, the City does have the requisite technical capability of causing the development of capital projects; and

WHEREAS, consistent with the foregoing recital, the Successor Agency desires to provide the Excess Bond Proceeds to the City for the purpose of enabling the City to use such funds in the manner consistent with the covenants applicable to the TABs; and

WHEREAS, the Bond Expenditure Agreement will permit the City to spend available Excess Bond Proceeds received or retained on any project, program, or activity authorized by the City including projects that are described in the Official Statement for the TABs, as delineated within the Bond Expenditure Agreement, or as otherwise allowable under the tax certificate executed and delivered for all or a portion of the TABs; and

WHEREAS, on March 15, 2016, the Successor Agency and the City entered into the Bond Expenditure Agreement, subject to approvals by the Oversight Board and California Department of Finance (the "DOF"); and

WHEREAS, consistent with the foregoing, this Resolution approves the Bond Expenditure Agreement between the Successor Agency and the City, which in order to be effective will also require approval by DOF; and

WHEREAS, all of the prerequisites with respect to the approval of this Resolution have been met.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board for the Successor Agency to the Calexico Community Redevelopment Agency, as follows:

- Section 1.** The foregoing recitals are true and correct and are a substantive part of this Resolution.
- Section 2.** The Bond Expenditure Agreement between the Successor Agency and the City, which is attached hereto as Exhibit "A", is approved.
- Section 3.** The City Manager, as the Successor Agency's Executive Director or designee, is authorized to take such actions and execute such documents as are necessary to effectuate the intent of this Resolution.
- Section 4.** This Resolution shall take effect upon the date of its adoption and its effectiveness is subject to approval by DOF.

PASSED, APPROVED AND ADOPTED this 7th day of April 2016.

Chairman

ATTEST

Erica La Cuesta, Secretary

CERTIFICATION:

I, Erica La Cuesta, Secretary of the Oversight Board for the Successor Agency to the Calexico Community Redevelopment Agency, do hereby certify that the foregoing Resolution No. 2016-03-OB was duly adopted by the Oversight Board for the Successor Agency to the Calexico Community Redevelopment Agency, at a meeting thereof held on the 7th day of April 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Erica La Cuesta, Secretary

**BOND EXPENDITURE AGREEMENT
BETWEEN THE
SUCCESSOR AGENCY TO THE
CALEXICO COMMUNITY REDEVELOPMENT AGENCY
AND THE
CITY OF CALEXICO**

(See Attachment)

BOND EXPENDITURE AGREEMENT

This Bond Expenditure Agreement (the "Agreement") is entered into on March 1, 2016, by and between the City of Calexico, a municipal corporation (the "City") and the Successor Agency to the Calexico Community Redevelopment Agency, a public body corporate and politic (the "Successor Agency"). The City and the Successor Agency are collectively referred to herein as "Parties" or individually referred to as a "Party".

RECITALS

WHEREAS, pursuant to Health and Safety Code (the "HSC") § 34172 (a)(1), the Calexico Community Redevelopment Agency was dissolved on February 1, 2012; and

WHEREAS, consistent with the provisions of the HSC, the City Council of the City of Calexico previously elected to serve in the capacity of the Successor Agency to the Calexico Community Redevelopment Agency (the "Successor Agency"); and

WHEREAS, the Oversight Board for the Successor Agency (the "Oversight Board") has been established pursuant to HSC § 34179 to assist in the wind-down of the dissolved redevelopment agency; and

WHEREAS, HSC § 34191.4 (c) allows a successor agency that has received a Finding of Completion (the "FOC") to use bond proceeds from bonds issued prior to 2011 and a percentage of proceeds from bonds issued between January 1, 2011 and June 27, 2011 for purposes for which the bonds were sold, provides that such proceeds in excess of amounts needed to satisfy approved enforceable obligations shall be expended in a manner consistent with the original bond covenants, and further provides that such expenditures shall constitute excess bond proceeds (the "Excess Bond Proceeds") obligations that shall be listed separately on a successor agency's Recognized Obligation Payment Schedule (the "ROPS"); and

WHEREAS, the HSC provides for a cooperative relationship between cities and their redevelopment agencies, as well as their successor agencies who have assumed the duties and obligations of the former redevelopment agencies; and

WHEREAS, HSC § 33220 authorizes a city to aid and cooperate in the planning, undertaking, construction, or operation of redevelopment projects; and

WHEREAS, HSC § 34178 (c) allows a successor agency and its sponsoring city to enter into agreements for the purpose of conducting the work of winding-down the former redevelopment agency as set forth in HSC § 34177.3 (b), subject to the obtaining the approval of its oversight board; and

WHEREAS, as a consequence of receiving its FOC on October 3, 2013, the Successor Agency may now utilize its Excess Bond Proceeds for their intended purposes; and

WHEREAS, the Successor Agency has Excess Bond Proceeds in the amount of \$2,582,892 from the Community Redevelopment Agency of the City of Calexico Merged Central Business District and Residential Redevelopment Project Area Tax Allocation Bonds, Issue of 2003C (the "2003C TABs") and \$6,184,410 from the Community Redevelopment Agency of the City of Calexico Merged Central Business District and Residential Redevelopment Project Area Tax Allocation Bonds, Issue of 2011 (the "2011 TABs") that together total \$8,767,302 that are to be transferred to the City of Calexico (the "City") to facilitate the handling of proceeds of the TABs as more particularly provided herein in conformity with the covenants applicable to each of the TAB issues; and

WHEREAS, the Successor Agency does not have the technical capability of causing the development of capital projects; however, the City does have the requisite technical capability of causing the development of capital projects; and

WHEREAS, pursuant to this Agreement, the Successor Agency desires to provide the Excess Bond Proceeds to the City for the purpose of enabling the City to use such funds in the manner consistent with the covenants applicable to the 2003C TABs and 2011 TABs, respectively; and

WHEREAS, the expenditure of proceeds from the 2011 TABs shall be governed by the provisions of HSC § 34191.4 (c) (2), as such provisions may be amended from time to time; and

WHEREAS, the Parties intend that this Agreement shall constitute an excess bonds proceeds obligation within the meaning of HSC § 34191.4 (c) to be paid from Excess Bond Proceeds; and

WHEREAS, the Successor Agency has listed the use of Excess Bond Proceeds on its ROPS 16-17 A & B as obligations to be funded with Excess Bond Proceeds.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions set forth hereinafter, the parties agree as follows:

1. Incorporation. The foregoing Recitals are true and correct and are a substantive part of this Agreement.

2. Successor Agency's Obligations: Subsequent to the Effective Date, as defined below, the Successor Agency shall: i) transfer to the City all of the Excess Bond Proceeds from the TABs, plus all interest accrued thereon up to the date of such transfer; and ii) assign to the City all duties and responsibilities with respect to the administration of any capital projects that are funded with Excess Bond Proceeds, including without limitation, as set forth therefor in the indenture or indentures of trust under which the TABs were issued.

3. City's Obligations: The City shall have the following obligations under this Agreement:

a) Retention of Excess Bond Proceeds: The City shall accept, hold, and disburse Excess Bond Proceeds transferred to the City pursuant to this Agreement, including current Excess Bond Proceeds and future Excess Bond Proceeds. The City shall retain any Excess Bond Proceeds that it receives and shall use such funds for uses consistent with applicable bond covenants.

b) Use of Excess Bond Proceeds: The City may spend Excess Bond Proceeds received or retained under this Agreement on any project, program, or activity authorized by the City Council of the City (the "Selected Projects"). The Selected Projects may include projects that are described in the Official Statement for the TABs or as otherwise allowable under the tax certificate executed and delivered for all or a portion of the TABs. The expenditure of proceeds from the 2011 TABs shall be governed by the provisions of HSC § 34191.4 (c) (2), as such provisions may be amended from time to time. Further, the City must spend the Excess Bond Proceeds consistent with the original bond covenants applicable to the particular Excess Bond Proceeds, and must comply with all requirements of the federal tax law and all applicable requirements of the HSC as to the use of such funds. The City shall be solely responsible for ensuring that Excess Bond Proceeds are maintained and spent in accordance with bond covenants and other applicable laws.

The City shall indemnify and defend the Successor Agency, and its officers and agents, against, and shall hold the Successor Agency, and its officers and agents, harmless from, any claims causes of action, or liabilities arising from any use of Excess Bond Proceeds by the City that is inconsistent with or unallowable pursuant to the applicable bond covenant or the failure of the City to ensure that Excess Bond Proceeds are used in accordance with bond covenants, federal tax law, and the HSC.

The City assumes all contracts, if any, entered into by the Successor Agency or the former redevelopment agency related to activities to be funded by Excess Bonds Proceeds, with the exception of those contracts retained by the Successor Agency relating to Enforceable Obligations. The City shall perform its obligations hereunder, and under such assumed contracts, in accordance with the applicable provisions of federal, state and local laws, including the obligation to comply with environmental laws such as CEQA, and shall timely complete the work required for each project.

4. Entire Agreement; Waivers; and Amendments:

a) This Agreement constitutes the entire understanding and agreement of the Parties with respect to the transfer and use of Excess Bond Proceeds. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to the subject matter of this Agreement.

b) This agreement is intended solely for the benefit of the City and the Successor Agency. Notwithstanding any reference in this Agreement to persons or entities other than the City and the Successor Agency, there shall be no third party beneficiaries under this agreement.

c) All waivers of the provisions of the Agreement and all amendments to this Agreement must be in writing and signed by the authorized Representative of the Parties.

5. Severability: If any term, provisions, covenant or condition to this Agreement is held by a court of competent jurisdiction to be invalid, void of unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the Parties have been materially altered or abridged by such invalidation, voiding or unenforceability. In addition, the Parties shall cooperate in good faith in an effort to amend or modify this Agreement in a manner such that the purpose of any invalidated or voided provision, covenant, or condition can be accomplished to the maximum extent legally permissible.

6. Further Assurances: Each Party agrees to execute, acknowledge and deliver all additional documents and instruments, and to take such other actions as may be reasonably necessary to carry out the intent of this agreement.

7. Effective Date: This Agreement shall only be effective subsequent to its approval by the Successor Agency's Oversight Board and the California Department of Finance.

8. Governing Law: This Agreement shall be construed and interpreted according to the laws of the State of California.

(Signatures on Following Page)

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates indicated below.

CITY OF CALEXICO

By: _____
Joong S. Kim, Mayor

Date: _____

**SUCCESSOR AGENCY TO THE CALEXICO
COMMUNITY REDEVELOPMENT AGENCY**

By: _____
Joong S. Kim, Chairman

Date: _____

APPROVED AS TO FORM:

By: _____
Interim City Attorney

ATTEST:

By: _____
Gabriela T. Garcia, Deputy City Clerk