

RESOLUTION NO. 09-18

RESOLUTION OF THE MEMBERS OF THE RICHMOND COMMUNITY REDEVELOPMENT AGENCY BOARD ACCEPTING A TRANSFER OF GENERAL FUND REVENUES FROM THE CITY OF RICHMOND IN THE AMOUNT OF \$2.5 MILLION TO PROVIDE FUNDING FOR AND AUTHORIZING A LOAN IN SUCH AMOUNT TO THE EAST BAY CENTER FOR THE PERFORMING ARTS OR AN AFFILIATED NONPROFIT PUBLIC BENEFIT CORPORATION FOR RENOVATION OF THE WINTERS BUILDING

WHEREAS, the City Council of the City of Richmond (the "City Council") adopted the Amended and Restated Redevelopment Plan for Project Area No. 10-A (Downtown), adopted by Ordinance No. 29-99, dated July 13, 1999 (the "Redevelopment Plan"); and

WHEREAS, the Redevelopment Plan sets forth a plan for redevelopment of Project Area No. 10-A (the "Project Area"); and

WHEREAS, the Richmond Community Redevelopment Agency (the "Agency") is responsible for carrying out the Redevelopment Plan for the Project Area; and

WHEREAS, the Agency has determined that renovation of the Winters Building will assist with the elimination of blight and is strategically important as it is located within the Project Area; and

WHEREAS, East Bay Center for the Performing Arts ("EBCPA") is a California nonprofit public benefit corporation that has been in existence and active in Contra Costa County since 1969, that offers programs and training in theater, music and dance; and

WHEREAS, at their July 31, 2007 meeting, the Agency Board approved an agreement (the "Agreement") between the Agency and EBCPA for transfer of the Winters Building and the expenditure of \$1.2 million for seismic improvements to the Winters Building; and

WHEREAS, at their May 19, 2009 meeting, the Agency Board approved a First Amendment to the Agreement to provide an additional \$2.0 million to EBCPA for renovation of the Winters Building; and

WHEREAS, to further the financing for the renovation, EBCPA has requested a loan from the Agency in the amount of \$2.5 million (the "Loan") with a three year term; and

WHEREAS, in connection with the Loan, the City Council has offered to provide to the Agency an advance of funds from the City's general fund revenues in the amount of \$2.5 million to allow the Agency to fund the Loan to EBCPA; and

WHEREAS, the Agency wishes to accept such funds from the City's general fund revenues in the amount of \$2.5 million to allow the Agency to fund the Loan to EBCPA; and

WHEREAS, EBCPA may request that the Loan be made to an affiliated nonprofit public benefit corporation which is expected to receive group exemption from the Internal Revenue Service; and

WHEREAS, any such affiliated nonprofit public benefit corporation will be controlled by EBCPA; and

WHEREAS, it is anticipated that EBCPA or its affiliated nonprofit public benefit corporation will repay \$1,000,000 of the Loan within the next six months upon its receipt of a California Cultural and Heritage Endowment grant; and

WHEREAS, it is also anticipated that EBCPA or its affiliated nonprofit public benefit corporation will repay the remaining \$1,500,000 over the next three years; and

WHEREAS, only when EBCPA or its affiliated nonprofit public benefit corporation makes a payment on the Loan to the Agency will the Agency make payment in a like amount to

the City; the Agency itself is under no obligation to make loan payments to the City to the extent that EBCPA or its affiliated nonprofit public benefit corporation fails to make payments to the Agency.

NOW, THEREFORE, BE IT RESOLVED that the Agency Board affirms that the Winters Building renovation project is a matter of public purpose, benefits the health and welfare of the community, and advances the elimination of blight while assisting in community revitalization.

BE IT FURTHER RESOLVED that the Agency Board hereby accepts transfer of the sum of \$2.5 million from the general fund of the City of Richmond to enable the Agency to make the Loan to the East Bay Center for the Performing Arts, or any affiliated non-profit public benefit corporation, for renovation of the Winters Building.

BE IT FURTHER RESOLVED that the Agency Board hereby authorizes the Richmond Community Redevelopment Agency to make a loan in the not-to-exceed amount of \$2,500,000 to East Bay Center for the Performing Arts, or any affiliated non-profit public benefit corporation, for renovation of the Winters Building.

BE IT FURTHER RESOLVED that the Agency Board hereby authorizes and directs the Executive Director of the Richmond Community Redevelopment Agency to do any and all things and to execute and deliver to East Bay Center of the Performing Arts any and all documents which the Agency deems necessary or advisable in order to carry out, give effect to and comply with the terms of this Resolution, including, but not limited to, the execution and delivery to of a loan agreement, deed of trust and/or promissory note evidencing the Loan as described above.

I certify that the foregoing resolution was passed and adopted by the members of the Richmond Community Redevelopment Agency Board at a special joint meeting of the Agency Board and the City Council held on May 26, 2009, by the following vote:

AYES: Boardmembers/Councilmembers Bates, Butt, Ritterman, Rogers, Vice Chairperson/Vice Mayor Lopez, and Chairperson/Mayor McLaughlin.

NOES: None.

ABSTENTIONS: None.

ABSENT: Boardmember/Councilmember Viramontes.

DIANE HOLMES
Clerk of the Redevelopment Agency

[SEAL]

Approved:

GAYLE McLAUGHLIN
Agency Chairperson

Approved as to form:

RANDY RIDDLE
Agency Attorney

State of California }
County of Contra Costa : ss.
City of Richmond }