

Attachment #1

**MASTER AGREEMENT FOR TAXING ENTITY COMPENSATION**

(City of Ukiah)

This Master Agreement for Taxing Entity Compensation (this "**Agreement**"), dated for reference purposes as of July 9, 2019, is entered into by and among the Successor Agency to the Ukiah Redevelopment Agency (the "**Successor Agency**") and the following public agencies (all of which are collectively referred to herein as the "**Taxing Entities**"):

Mendocino County Water Agency ("**Water Agency**");  
 City of Ukiah, a municipal corporation ("**City**");  
 County of Mendocino, a political subdivision of the State of California ("**County**");  
 Mendocino-Lake Community College District ("**MLCCD**");  
 Mendocino County Office of Education ("**COE**");  
 Ukiah Unified School District ("**UUSD**");  
 Russian River Cemetery District ("**Cemetery District**");  
 Ukiah Valley Sanitation District ("**Sanitation District**"); and  
 Russian River Flood Control and Water Conservation Improvement District ("**Flood Control District**").

RECITALS

A. Pursuant to Assembly Bill xl 26, effective February 1, 2012, the Ukiah Redevelopment Agency ("**Redevelopment Agency**") was dissolved, and pursuant to Health & Safety Code Section 34173, the City elected to serve as the Successor Agency to the dissolved Redevelopment Agency, and pursuant to Health and Safety Code Section 34173(g), the Successor Agency is a separate legal entity from the City.

B. Pursuant to Health and Safety Code Section 34191.5, the Successor Agency prepared a Long-Range Property Management Plan ("**LRPMP**") that addresses disposition of the real property owned by the former Redevelopment Agency.

C. On September 24, 2014, an amended LRPMP was approved by Resolution of the Oversight Board to the Successor Agency (the "**Oversight Board**"), a seven-member board established pursuant to Health and Safety Code Section 34179 that includes among others representatives appointed by the County Board of Supervisors, the Mayor of the City, the County Superintendent of Schools, and the Chancellor of the California Community Colleges.

D. On December 30, 2014, the State Department of Finance ("**DOF**") approved the amended LRPMP.

NOW THEREFORE, the Parties agree as follows.

1. Purpose. This Agreement is executed with reference to the facts set forth in the foregoing Recitals which are incorporated into this Agreement by this reference. The purpose of this



Agreement is to address the allocation of certain prospective revenues among the taxing entities that share in the property tax base ("**Tax Base**") for property located within the Ukiah Redevelopment Project Area (the "**Project Area**") formerly administered by the Redevelopment Agency.

2. Sites to be Sold or Conveyed for Development Consistent with Plans. The LRPMP provides that pursuant to Health & Safety Code Section 34191.5(c)(2), one (1) site (the "**Future Development Site**") formerly owned by the Redevelopment Agency will be transferred by the Successor Agency to the City for disposition consistent with the Redevelopment Plan adopted for the Project Area, the Implementation Plans adopted in connection with the Redevelopment Plan, and the Ukiah General Plan (all of the foregoing, collectively, the "**Plans**"). In addition, portions of six (6) other parcels (the "**Sale Parcels**") will be sold by the Successor Agency. The Future Development Site and Sale Parcels (individually a "**Site**" and collectively, the "**Property**") are more fully described in Exhibit A.

3. Compensation Arrangement. The Successor Agency and City agree that, consistent with the LRPMP, in connection with the subsequent conveyance of any Site, the Successor Agency or City, as the case may be, will remit the Net Unrestricted Proceeds to the Mendocino County Auditor-Controller for distribution to the Taxing Entities in accordance with each Taxing Entity's pro rata share of the Tax Base. "**Net Unrestricted Proceeds**" shall mean the proceeds of sale received by the Successor Agency or City, as the case may be, for the sale of any Site, less: (i) costs incurred by the Successor Agency or City for expenses incurred in connection with the management and disposition of the Site, including without limitation, costs incurred for property management, maintenance, insurance, marketing, appraisals, brokers' fees, escrow, closing costs, survey, title insurance, attorneys' and consultants' fees, and other reasonable costs incurred, including reasonable compensation for City staff performing functions associated with the management, maintenance and disposition of the Site, and (ii) any proceeds of sale that are restricted by virtue of the source of funds (e.g. grant funds or the proceeds of bonds) that were used for the original acquisition of the Site. Upon request, the Successor Agency or City, as applicable, shall deliver to the Taxing Entities an accounting of all such costs, expenses and restricted proceeds.

4. Sale Procedures and Proceeds. The Parties acknowledge that (a) Successor Agency is obligated to sell each Sale Parcel in accordance with the LRPMP, and (b) City is obligated to convey the Future Development Site for development consistent with the Plans. The Parties further acknowledge that consistent with Senate Bill 470, prior to the disposition of the Future Development Site or any part thereof, the City may be obligated to hold a noticed public hearing and prepare a report that includes, among other things (i) an explanation of why the disposition will assist in the creation, retention, or expansion of job opportunities, increased property tax revenues, and the development of affordable housing, transit priority projects and sustainable development, and (ii) an explanation of the difference between the highest and best use value and the disposition price taking into consideration development constraints and requirements, and the covenants, conditions and development costs required by the sale or lease. The City anticipates that the disposition price for the Future Development Site may be minimal when remediation costs, the costs required for necessary public improvements and infrastructure, and other development constraints are taken into account.

5. Compensation Agreement. Health and Safety Code Section 34191.3 provides that once an LRPMP has been approved by DOF, the LRPMP supersedes all other provisions of the statute



relating to the disposition and use of the former Redevelopment Agency's real property assets. Nonetheless, in compliance with a directive from DOF, with Oversight Board consent, the Successor Agency amended the LRPMP to provide that the Successor Agency will enter into an agreement with the taxing entities that addresses disposition of the Future Development Site, and the Successor Agency has also included the Sale Parcels within this Agreement in order to confirm that the Net Unrestricted Proceeds from the sale of the Sale Parcels are intended to be distributed to the taxing entities in accordance with the LRPMP. Notwithstanding the foregoing, this section of this Agreement will not be operative if a court order, legislation or Department of Finance policy reverses the Department's directive regarding such agreements, and in such event, the City and the Successor Agency will be permitted to dispose of the Property even if this Agreement has not been executed by all Taxing Entities. Notwithstanding the foregoing, the Successor Agency and City agree that they will comply with the provisions of the LRPMP that require payment of Net Unrestricted Proceeds to the Taxing Entities.

6. Term of Agreement. This Agreement shall remain in full force and effect until the Net Unrestricted Proceeds from the sale of the last of the Sites has been paid to the County Auditor-Controller for disbursement to the Taxing Entities, at which time it shall automatically terminate.

7. Miscellaneous Provisions.

7.1 Notices. Except as otherwise specified in this Agreement, all notices to be sent pursuant to this Agreement shall be made in writing, and sent to the Parties at their respective addresses specified on the signature pages to this Agreement or to such other address as a Party may designate by written notice delivered to the other Parties in accordance with this Section. All such notices shall be sent by: (i) personal delivery, in which case notice is effective upon delivery; (ii) certified or registered mail, return receipt requested, in which case notice shall be deemed delivered on receipt if delivery is confirmed by a return receipt; or (iii) nationally recognized overnight courier, with charges prepaid or charged to the sender's account, in which case notice is effective on delivery if delivery is confirmed by the delivery service.

7.2 Headings; Interpretation. The section headings and captions used herein are solely for convenience and shall not be used to interpret this Agreement. The Parties agree that this Agreement shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if all Parties had prepared it.

7.3 Action or Approval. Whenever action and/or approval by City or Successor Agency is required under this Agreement, the City Manager or his or her designee may act on and/or approve such matter unless specifically provided otherwise, or unless the City Manager determines in his or her discretion that such action or approval requires referral to City Council or the Successor Agency for consideration.

7.4 Entire Agreement. This Agreement, including Exhibit A attached hereto and incorporated herein by this reference, contains the entire agreement among the Parties with respect to the subject matter hereof, and supersedes all prior written or oral agreements, understandings, representations or statements between the Parties with respect to the subject matter hereof.

7.5 Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which taken together shall constitute one instrument. The signature



page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto having additional signature pages executed by the other Parties. Any executed counterpart of this Agreement may be delivered to the other Parties by facsimile and shall be deemed as binding as if an originally signed counterpart was delivered.

7.6 Severability. If any term, provision, or condition of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall continue in full force and effect unless an essential purpose of this Agreement is defeated by such invalidity or unenforceability.

7.7 No Third Party Beneficiaries. Except as expressly set forth herein, nothing contained in this Agreement is intended to or shall be deemed to confer upon any person, other than the Parties and their respective successors and assigns, any rights or remedies hereunder.

7.8 Parties Not Co-Venturers; Independent Contractor; No Agency Relationship. Nothing in this Agreement is intended to or shall establish the Parties as partners, co-venturers, or principal and agent with one another. The relationship of the Parties shall not be construed as a joint venture, equity venture, partnership or any other relationship.

7.9 Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws. Any action to enforce or interpret this Agreement shall be filed and heard in the Superior Court of Mendocino County, California or in the appropriate Federal District Court.

*SIGNATURES ON FOLLOWING PAGES.*

IN WITNESS WHEREOF, the Parties have executed this Agreement by their authorized representatives as indicated below.

**SUCCESSOR AGENCY TO THE UKIAH REDEVELOPMENT AGENCY**

By: Maureen Mulheren

Name: Maureen Mulheren

Title: Chair of the Successor Agency to the Ukiah Redevelopment Agency

Attest by: Kristine Lawler  
KRISTINE LAWLER, CITY CLERK

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Successor Agency Counsel

Address for Notices:

300 Seminary Ave

Ukiah, CA 95482

*SIGNATURES CONTINUE ON FOLLOWING PAGES.*

CITY OF UKIAH, a municipal corporation

By: Maureen Mulheren

Name: MAUREEN MULHEREN

Title: MAYOR

Attest by: Kristine Lawler  
KRISTINE LAWLER, CITY CLERK

APPROVED AS TO FORM:

By: [Signature]  
City Attorney

Address for Notices:

City of Ukiah

300 Seminary Ave

Ukiah, CA 95482

SIGNATURES CONTINUE ON FOLLOWING PAGES.

COUNTY OF MENDOCINO, a political subdivision of the State of California

ATTEST:

Carmel J. Angelo, Clerk of the Board  
Mendocino County Board of Supervisors

Karla Van Hagen  
**DEPUTY**

By: 

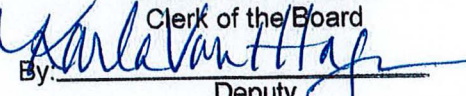
Name: Carre Brown

Title: Chair, Board of Supervisors

I hereby certify that according to the provisions of Government Code sections 25103, delivery of this document has been made.


CARMEL J ANGELO

Clerk of the Board

By:   
Deputy

Attest by: 

Approved as to form:

 , Deputy  
County Counsel

Address for Notices:

County of Mendocino


501 Low Gap Road

Ukiah, CA 95482


SIGNATURES CONTINUE ON FOLLOWING PAGES.



MENDOCINO COUNTY WATER AGENCY

By:   
Name: Carre Brown  
Title: Chair, Board of Directors

I hereby certify that according to the provisions of Government Code sections 25103, delivery of this document has been made.

CARMEL J ANGELO  
Clerk of the Board  
By:   
Deputy

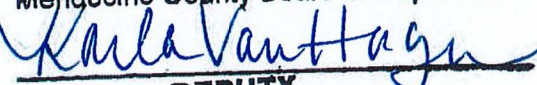
Attest by: 

Approved as to form:



Address for Notices:

Mendocino County Water Agency  
501 Low Gap Road, Room 1010  
Ukiah, CA 95482

ATTEST:  
Carmel J. Angelo, Clerk of the Board  
Mendocino County Board of Supervisors  
  
**DEPUTY**

*SIGNATURES CONTINUE ON FOLLOWING PAGES.*



**UKIAH UNIFIED SCHOOL DISTRICT**, a public school district

By: Penny Lauseng

Name: Penny Lauseng

Title: Chief Business Official

Attest by: Renee Houbart

Approved as to form:

\_\_\_\_\_

Address for Notices:

Ukiah Unified School District

511 South Orchard Ave

Ukiah, CA 95482


*SIGNATURES CONTINUE ON FOLLOWING PAGES.*

MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT, a public school district

By: 

Name: Eileen Cichocki

Title: Vice President

Attest by: 

Approved as to form:

\_\_\_\_\_

Address for Notices:

Mendocino-Lake Community College District

1000 Hensley Creek Road

Ukiah, CA 95482

*SIGNATURES CONTINUE ON FOLLOWING PAGES.*



**MENDOCINO COUNTY OFFICE OF EDUCATION**

By: Rebecca Jeffries

Name: Rebecca Jeffries

Title: Assistant Superintendent

Attest by: [Signature] Stephen Turner

Approved as to form:

Address for Notices:

Mendocino County Office of Education

2240 Old River Road

Ukiah, CA 95482

*SIGNATURES CONTINUE ON FOLLOWING PAGES*

**RUSSIAN RIVER CEMETERY DISTRICT**, a special district

By: Carol V. Connerton

Name: CAROL V. CONNERTON

Title: Chairperson, Board of Trustees

Attest by: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_

Address for Notices:

Russian River Cemetery District

940 Low Gap Road

Ukiah, CA 95482

*SIGNATURES CONTINUE ON FOLLOWING PAGES*



**UKIAH VALLEY SANITATION DISTRICT, a special district**

By: Theresa M. McNerlin

Name: THERESA M. MCNERLIN

Title: CHAIR

Attest by: Chelsea Teague

Approved as to form:

Chelsea Teague 3/13/19

Address for Notices:

Ukiah Valley Sanitation District

151 Laws Ave

Ukiah, CA 95482

*SIGNATURES CONTINUE ON FOLLOWING PAGES*

**RUSSIAN RIVER FLOOD CONTROL AND WATER CONSERVATION  
IMPROVEMENT DISTRICT, a special district**

By: John B. Reardon

Name: John B. Reardon

Title: President

Attest by: Elizabeth Salomone  
*Elizabeth Salomone, Interim General Manager*

Approved as to form:

\_\_\_\_\_

Address for Notices:

Russian River Flood Control & Water Conservation Improvement District

151 Laws Ave, Suite D

Ukiah, CA 95482



EXHIBIT A

**PROPERTY**

Future Development Site (to be conveyed for development consistent with the Plans):

1. 289 North Main Street (APN 002-192-01) public parking lot

Sale Parcels (to be sold by the Successor Agency for fair market value):

Portions of the following parcels not used for the Costco Project and/or Wetlands:

1. Vacant Land Redwood Business Park (APN 180-110-08)
2. Vacant Land Redwood Business Park (APN 180-110-10)
3. Vacant Land Redwood Business Park (APN 180-110-09)
4. Vacant Land Redwood Business Park (APN 180-110-11)
5. Vacant Land Airport Park Blvd (APN 180-110-12)
6. Vacant Land Airport Park Blvd (APN 180-110-13)

IN WITNESS WHEREOF

DEPARTMENT FISCAL REVIEW:

By: [Signature]  
DEPARTMENT HEAD DATE

Budgeted: ☒ Yes ☐ No

Budget Unit: HO

Line Item: N/A

Grant: ☐ Yes ☒ No

Grant No.: N/A

CONTRACTOR/COMPANY NAME

By: \_\_\_\_\_

Date: \_\_\_\_\_

NAME AND ADDRESS OF CONTRACTOR:

City of Ukiah

300 Seminary Ave

Ukiah, CA 95482

COUNTY OF MENDOCINO

By: [Signature]  
CARRE BROWN, Chair  
BOARD OF SUPERVISORS

Date: JUL 10 2019

By signing above, signatory warrants and represents that he/she executed this Agreement in his/her authorized capacity and that by his/her signature on this Agreement, he/she or the entity upon behalf of which he/she acted, executed this Agreement

ATTEST:

CARMEL J. ANGELO, Clerk of said Board

By: [Signature]  
Deputy JUL 10 2019

I hereby certify that according to the provisions of Government Code section 25103, delivery of this document has been made.

CARMEL J. ANGELO, Clerk of said Board

By: [Signature]  
Deputy JUL 10 2019

COUNTY COUNSEL REVIEW:

APPROVED AS TO FORM:

KATHARINE L. ELLIOTT,  
County Counsel

By: [Signature]  
Deputy

Date: 6/11/19

INSURANCE REVIEW:

By: [Signature]  
Risk Management

Date: 6/14/19

EXECUTIVE OFFICE/FISCAL REVIEW:

By: [Signature]  
Deputy CEO

Date: 6/14/19

Signatory Authority: \$0-25,000 Department; \$25,001- 50,000 Purchasing Agent; \$50,001+ Board of Supervisors

Exception to Bid Process Required/Completed ☐

Mendocino County Business License: Valid ☐

Exempt Pursuant to MCC Section: \_\_\_\_\_