



TOWN OF PARADISE

5555 SKYWAY • PARADISE, CALIFORNIA 95969-4931

TELEPHONE (530) 872-6291 FAX (530) 877-5059

www.townofparadise.com

Management Staff:

Charles L. Rough, Jr., Town Manager
Dwight L. Moore, Town Attorney
Joanna Gutierrez, Town Clerk
Lauren Gill, Assistant Town Manager
Craig Baker, Community Development Director
Gabriela Tazzari, Police Chief
Rob Cone, Interim Fire Chief
Gina Will, Finance Director/Town Treasurer

Town Council:

Steve "Woody" Culleton, Mayor
Tim Titus, Vice Mayor
Joe DiDuca, Council Member
Scott Lotter, Council Member
Alan White, Council Member

TOWN COUNCIL AGENDA

SPECIAL MEETING – 4:00 PM – June 07, 2012

In accordance with the Americans with Disabilities Act, if you need a special accommodation to participate, please contact the Town Clerk's Dept., at 872-6291 at least 48 hours in advance of the meeting. Hearing assistance devices for the hearing impaired are available from the Town Clerk.

Members of the public may address the Town Council on any agenda item, including closed session. If you wish to address the Town Council on any matter on the Agenda, it is requested that you complete a "Request to Address Council" card and give it to the Town Clerk prior to the beginning of the Council Meeting.

All writings or documents which are related to any item on an open session agenda and which are distributed to a majority of the Town Council will be available for public inspection at the Town Hall in the Town Clerk Department at 5555 Skyway, Room 3, at the same time the subject writing or document is distributed to a majority of the subject body. Regular business hours are Monday through Thursday from 8:00 a.m. to 5:00 p.m.

1. OPENING

- a. Call to Order
- b. Pledge of Allegiance to the Flag of the United States of America
- c. Roll Call

2. ITEMS FOR CONSIDERATION-ACTION CALENDAR

2a. Consider authorizing the Town of Paradise to re-enter into the following three (3) loan agreements with the Successor Agency of the Paradise Redevelopment Agency:

1. A five (5) year interest bearing loan at 4.5% interest from the Town of Paradise in the amount of \$479,613 to cover Agency non-housing administrative and program costs through June 2011. Agreement dated March 1, 2011.
2. A five (5) year interest bearing loan at 4.5% interest from the Town of Paradise in the amount of \$657,595 to cover Agency non-housing administrative and program costs through June 2009. Agreement dated March 9, 2010.
3. A five (5) year repayable loan at 4.5% interest from the Town of Paradise in the amount of \$198,712 to cover Agency non-housing administrative and program costs through September 2006. Agreement dated March 27, 2007.

3. ADJOURNMENT

STATE OF CALIFORNIA) COUNTY OF BUTTE)	SS.
I declare under penalty of perjury that I am employed by the Town of Paradise in the Town Clerk's Department and that I posted this Agenda on the bulletin Board both inside and outside of Town Hall on the following date:	
<hr/>	
TOWN/ASSISTANT TOWN CLERK SIGNATURE	

TOWN OF PARADISE
RESOLUTION NO. 12-__

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PARADISE AUTHORIZING
THE TOWN MANAGER TO EXECUTE AN AGREEMENT WITH THE SUCCESSOR AGENCY
OF THE REDEVELOPMENT AGENCY RELATING TO RE-ENTERING INTO THREE LOAN
AGREEMENTS

BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF PARADISE AS
FOLLOWS:

Section 1. The Town Council of the Town of Paradise authorizes the Town of Paradise
to re-enter into the three attached loan agreements with the Successor Agency of the
Redevelopment Agency

Section 2. The Town Manager is directed to execute the attached agreements with the
Successor Agency of the Paradise Redevelopment Agency only after receiving approval of the
Oversight Board of the Successor Agency.

PASSED AND ADOPTED by the Town Council of the Town of Paradise on this 7th day
of June, 2012, by the following vote:

AYES;

NOES:

ABSENT:

NOT VOTING:

By: _____
Steve "Woody" Culleton, Mayor

ATTEST:

Joanna Gutierrez, CMC, Town Clerk

APPROVED AS TO FORM:

Dwight L. Moore, Town Attorney

AGREEMENT

This Agreement is entered into on _____, 2012 between the Town of Paradise (Town) and the Town of Paradise as the Successor Agency of the Paradise Redevelopment Agency (Successor Agency)

RECITALS

- A. On February 1, 2012, the Paradise Redevelopment Agency (PRA) was dissolved.
- B. Based on Health and Safety Code Section 34171, the March 1, 2011 loan agreement between the Town and the PRA that was made two years after the formation of the PRA was invalidated. However, such agreement may be re-entered into pursuant to Health and Safety Code Section 34178(a) if the Successor Agency and the Town wish to do so upon obtaining the approval of the Oversight Board of the Successor Agency.

Now, Therefore, The Town and the Successor Agency agree as follows:

- 1. Pursuant to Health and Safety Code section 34178(a), the Town and the Successor Agency hereby re-enter into the Agreement dated March 1, 2011, between the Town of Paradise and the Paradise Redevelopment Agency.
- 2. A true copy of the March 1, 2011 Agreement is attached as Exhibit "A."
- 3. All the terms, rights, and obligations of the Paradise Redevelopment Agency under the March 1, 2011 Agreement shall be assumed by the Successor Agency. All the terms, rights, and obligations of the Town under the March 1, 2011 Agreement shall be assumed by the Town.
- 4. This Agreement shall not take effect until it is approved by the Oversight Board of the Successor Agency.

Town of Paradise

Town of Paradise in the
Capacity of Successor
Agency of the
Paradise Redevelopment
Agency

Charles L. Rough, Jr.
Town Manager

Steve "Woody" Culleton
Chairperson

Attest:

Joanna Gutierrez, CMC
Town Clerk

Approved as to Form:

Dwight L. Moore
Town Attorney

EXHIBIT “A”

AGREEMENT

This Agreement is made and entered into on March 1, 2011 between the Town of Paradise, a municipal corporation ("Town") and the Paradise Redevelopment Agency, a political subdivision of the State of California, ("Agency").

RECITALS

WHEREAS, the Town Council of the Town of Paradise activated the Agency on February 12, 2002 by adopting Ordinance No. 374; and

WHEREAS, three previous start-up loans from the Town to the Agency have been fully repaid with interest; and

WHEREAS, a forth loan in the amount of \$198,712 between the Town and the Agency will be repaid by March 21, 2012 and a fifth loan in the amount of \$657,595 between the Town and the Agency will be repaid by July 1, 2015; and

WHEREAS, the Agency is young and in the initial stages of start-up in which necessary expenses need to be covered for various redevelopment administrative and program expenditures until the Agency is earning sufficient property tax increment revenues to cover such expenditures; and

WHEREAS, it is necessary for the Town again to lend funds to the Agency for the costs of general administrative and program costs.

NOW, THEREFORE, the Town and Agency do mutually agree as follows:

Section 1. The Town shall lend the Agency the amount of \$479,613 ("Loan") for the purpose of paying the costs associated with the general administration of the Agency and for professional and program services relating to carrying out the goals and objectives of the Redevelopment Plan for the Paradise Redevelopment Project. The annual simple interest of the Loan shall be four point five percent (4.5%). The loan payment schedule is attached as Exhibit "A".

Section 2. The Agency shall repay the Loan to the Town in five years by making five annual payments in the amounts set forth in Exhibit A from tax increment funds for the duly adopted Redevelopment Project Plan Area.

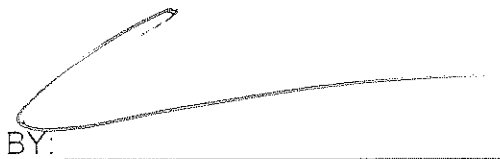
Section 3. The due date of each annual payment from the Agency shall be March 1st or sooner at the election of the Agency. The entire Loan may be repaid by the Agency prior to the due date without penalty.

Section 4. The Town agrees that this Loan is subordinate to outstanding bonds and tax allocation notes of the Agency, and the Town agrees to renegotiate the terms of the Loan if needed in order for the Agency not to default on any other loan.

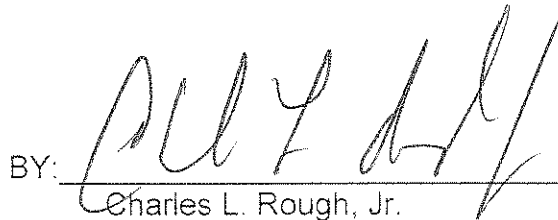
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

TOWN OF PARADISE

PARADISE REDEVELOPMENT
AGENCY

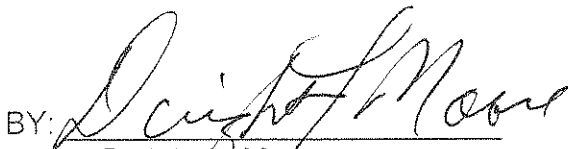
BY: 

Alan White
Mayor

BY: 

Charles L. Rough, Jr.
Executive Director

APPROVED AS TO FORM:

BY: 
Dwight L. Moore
Town Attorney

BY: 
Joanna Gutierrez
Town Clerk

PARADISE REDEVELOPMENT AGENCY
AMORTIZATION SCHEDULE

Enter values	
Loan amount	\$ 479,613.00
Annual interest rate	4.50 %
Loan period in years	5
Number of payments per year	1
Start date of loan	3/1/2011
Optional extra payments	

Lender name: TOWN OF PARADISE

Loan summary	
Scheduled payment	\$ 109,251.83
Scheduled number of payments	5
Actual number of payments	5
Total early payments	\$ -
Total interest	\$ 66,646.16

Pmt. No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	3/1/2012	\$ 479,613.00	\$ 109,251.83	\$ -	\$ 109,251.83	\$ 87,669.25	\$ 21,582.59	\$ 391,943.75	\$ 21,582.59
2	3/1/2013	\$ 391,943.75	\$ 109,251.83	\$ -	\$ 109,251.83	\$ 91,614.36	\$ 17,637.47	\$ 300,329.39	\$ 39,220.05
3	3/1/2014	\$ 300,329.39	\$ 109,251.83	\$ -	\$ 109,251.83	\$ 95,737.01	\$ 13,514.82	\$ 204,592.38	\$ 52,734.88
4	3/1/2015	\$ 204,592.38	\$ 109,251.83	\$ -	\$ 109,251.83	\$ 100,045.17	\$ 9,206.66	\$ 104,547.21	\$ 61,941.53
5	3/1/2016	\$ 104,547.21	\$ 109,251.83	\$ -	\$ 109,251.83	\$ 104,547.21	\$ 4,704.62	\$ -	\$ 66,646.16

AGREEMENT

This Agreement is entered into on _____, 2012 between the Town of Paradise (Town) and the Town of Paradise as the Successor Agency of the Paradise Redevelopment Agency (Successor Agency)

RECITALS

- A. On February 1, 2012, the Paradise Redevelopment Agency (PRA) was dissolved.
- B. Based on Health and Safety Code Section 34171, the March 9, 2010 loan agreement between the Town and the PRA that was made two years after the formation of the PRA was invalidated. However, such agreement may be re-entered into pursuant to Health and Safety Code Section 34178(a) if the Successor Agency and the Town wish to do so upon obtaining the approval of the Oversight Board of the Successor Agency.

Now, Therefore, The Town and the Successor Agency agree as follows:

- 1. Pursuant to Health and Safety Code section 34178(a), the Town and the Successor Agency hereby re-enter into the Agreement dated March 9, 2010, between the Town of Paradise and the Paradise Redevelopment Agency.
- 2. A true copy of the March 9, 2010 Agreement is attached as Exhibit "A."
- 3. All the terms, rights, and obligations of the Paradise Redevelopment Agency under the March 9, 2010 Agreement shall be assumed by the Successor Agency. All the terms, rights, and obligations of the Town under the March 9, 2010 Agreement shall be assumed by the Town.
- 4. This Agreement shall not take effect until it is approved by the Oversight Board of the Successor Agency.

Town of Paradise

Town of Paradise in the
Capacity of Successor
Agency of the
Paradise Redevelopment
Agency

Charles L. Rough, Jr.
Town Manager

Steve "Woody" Culleton
Chairperson

Attest:

Joanna Gutierrez, CMC
Town Clerk

Approved as to Form:

Dwight L. Moore
Town Attorney

EXHIBIT “A”

AGREEMENT

This Agreement is made and entered into on March 9, 2010 between the Town of Paradise, a municipal corporation ("Town")) and the Paradise Redevelopment Agency ("Agency").

RECITALS

WHEREAS, the Town Council activated the Agency on February 12, 2002 by adopting Ordinance No. 374; and

WHEREAS, three previous start-up loans from the Town to the Agency have been fully repaid with interest; and

WHEREAS, there is an existing \$198,712 loan from the Town to the Agency with a due date of March 21, 2012; and

WHEREAS, the Agency is young and in the initial stages of start-up in which necessary expenses need to be covered for various redevelopment administrative and program expenditures until the Agency is earning sufficient property tax increment revenues to cover such expenditures; and

WHEREAS, it is necessary for the Town again to lend funds to the Agency for the costs of general administrative and program costs.

NOW, THEREFORE, the Town and Agency do mutually agree as follows:

Section 1. The Town shall lend the Agency the amount of \$657,595 ("Loan") for the purpose of paying the costs associated with the general administration of the Agency and for professional and program services relating to carrying out the goals and objectives of the Redevelopment Plan. The annual simple interest of the Loan shall be 4.5 percent. The loan payment schedule is attached as Exhibit "A".

Section 2 The Agency shall repay the Loan in five years to the Town by making five annual payments from tax increment funds for the duly adopted redevelopment project plan area.

Section 3. The due date of each annual payment from the Agency shall be July 1st or sooner at the election of the Agency. The entire Loan may be repaid by the Agency prior to date due without penalty.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

TOWN OF PARADISE

BY: _____

Scott Lotter
Mayor

PARADISE REDEVELOPMENT AGENCY

BY: _____

Charles L. Rough, Jr.
Executive Director

APPROVED AS TO FORM:

BY: _____

Dwight L. Moore
Town Attorney

BY: _____

Joanna Gutierrez
Town Clerk

PARADISE REDEVELOPMENT AGENCY
AMORTIZATION SCHEDULE

Enter Values	
Loan Amount	\$ 657,595.00
Annual Interest Rate	4.50 %
Loan Period in Years	5
Number of Payments Per Year	1
Start Date of Loan	7/1/2010
Optional Extra Payments	

Loan Summary	
Scheduled Payment	\$ 149,794.64
Scheduled Number of Payments	5
Actual Number of Payments	5
Total Early Payments	\$ -
Total Interest	\$ 91,378.22

Lender Name: TOWN OF PARADISE

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance
1	7/1/2011	\$ 657,595.00	\$ 149,794.64	\$ -	\$ 149,794.64	\$ 120,202.87	\$ 29,591.78	\$ 537,392.13
2	7/1/2012	537,392.13	149,794.64	-	149,794.64	125,612.00	24,182.65	411,780.13
3	7/1/2013	411,780.13	149,794.64	-	149,794.64	131,264.54	18,530.11	280,515.60
4	7/1/2014	280,515.60	149,794.64	-	149,794.64	137,171.44	12,623.20	143,344.16
5	7/1/2015	143,344.16	149,794.64	-	143,344.16	136,893.67	6,450.49	0.00

AGREEMENT

This Agreement is entered into on _____, 2012 between the Town of Paradise (Town) and the Town of Paradise as the Successor Agency of the Paradise Redevelopment Agency (Successor Agency)

RECITALS

- A. On February 1, 2012, the Paradise Redevelopment Agency (PRA) was dissolved.
- B. Based on Health and Safety Code Section 34171, the March 27, 2007 loan agreement between the Town and the PRA that was made two years after the formation of the PRA was invalidated. However, such agreement may be re-entered into pursuant to Health and Safety Code Section 34178(a) if the Successor Agency and the Town wish to do so upon obtaining the approval of the Oversight Board of the Successor Agency.

Now, Therefore, The Town and the Successor Agency agree as follows:

- 1. Pursuant to Health and Safety Code section 34178(a), the Town and the Successor Agency hereby re-enter into the Agreement dated March 27, 2007, between the Town of Paradise and the Paradise Redevelopment Agency.
- 2. A true copy of the March 27, 2007 Agreement is attached as Exhibit "A."
- 3. All the terms, rights, and obligations of the Paradise Redevelopment Agency under the March 27, 2007 Agreement shall be assumed by the Successor Agency. All the terms, rights, and obligations of the Town under the March 27, 2007 Agreement shall be assumed by the Town.
- 4. This Agreement shall not take effect until it is approved by the Oversight Board of the Successor Agency.

Town of Paradise

Town of Paradise in the
Capacity of Successor
Agency of the
Paradise Redevelopment
Agency

Charles L. Rough, Jr.
Town Manager

Steve "Woody" Culleton
Chairperson

Attest:

Joanna Gutierrez, CMC
Town Clerk

Approved as to Form:

Dwight L. Moore
Town Attorney

EXHIBIT “A”

AGREEMENT

This Agreement is made and entered into on MARCH 27, 2007 between the Town of Paradise, a municipal corporation ("Town") and the Paradise Redevelopment Agency ("Agency").

RECITALS

WHEREAS, the Town Council activated the Agency on February 12, 2002 by adopting Ordinance No. 374; and

WHEREAS, two previous start-up loans from the Town to the Agency have been fully repaid with interest; and

WHEREAS, there is an existing \$124,149 loan from the Town to the Agency with a due date of June 28, 2007; and

WHEREAS, the Agency is in the initial stages of start-up in which necessary expenses need to be covered for various redevelopment administrative and program expenditures until the Agency is earning sufficient property tax increment revenues to cover such expenditures; and

WHEREAS, it is necessary for the Town again to lend funds to the Agency for the costs of general administrative and program costs.

NOW, THEREFORE, the Town and Agency do mutually agree as follows:

Section 1. The Town shall lend the Agency the amount of \$198,712 ("Loan") for the purpose of paying the costs associated with the general administration of the Agency and for professional and program services relating to carrying out the goals and objectives of the Redevelopment Plan. The annual simple interest of the Loan shall be 4.5 percent. The loan payment schedule is attached as Exhibit "A".

Section 2. The Agency shall repay the Loan in five years to the Town by making five annual payments from tax increment funds for the duly adopted redevelopment project plan area.

Section 3. The due date of each annual payment from the Agency shall be 14 days after the Agency receives its annual payment of tax increment funds from the County of Butte for the redevelopment plan project area or sooner at the election of the Agency. The entire Loan may be repaid by the Agency prior to date due without penalty.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first written above.

TOWN OF PARADISE

BY: Steve "Woody" Culleton
Steve "Woody" Culleton
Mayor

PARADISE REDEVELOPMENT AGENCY

BY: Charles L. Rough, Jr.
Charles L. Rough, Jr.
Executive Director

APPROVED AS TO FORM:

BY: Dwight L. Moore
Dwight L. Moore
Town Attorney

ATTEST:

BY: Joanna Gutierrez
Joanna Gutierrez
Town Clerk

EXHIBIT A

RDA - LOAN FROM GENERAL FUND

DATE 3/21/2007

DATE

VARIABLES:

Principal= \$198,712.00
 Interest= 4.50%
 Periods= 5
 Frequency/Year= 1
 Advance/Arrears(1/0)= 0
 Payment= \$45,264.93
 100.00%

Payments: Monthly 5 Years 4.50%

PMT #	Due Date	Rent Payment	Savings Option	To		Running Principal Balance
				Principal	Interest	
1		\$45,264.93		\$36,322.89	8,942.04	198,712.00
2		45,264.93		37,957.42	7,307.51	162,389.11
3		45,264.93		39,665.50	5,599.43	124,431.69
4		45,264.93		41,450.45	3,814.48	84,766.19
5		45,264.93		43,315.74	1,949.21	43,315.74
TOTALS				198,712.00	27,612.67	0.00