

City of Escondido

Agency 33352 Report Supplement

December 19, 1984

III

DESCRIPTION OF THE PHYSICAL, SOCIAL, AND ECONOMIC
CONDITIONS EXISTING IN THE PROJECT AREA

(SUPPLEMENT)

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DESCRIPTION OF THE PHYSICAL, SOCIAL, AND ECONOMIC
CONDITIONS EXISTING IN THE PROJECT AREA

(Supplement)

In addition to the evaluation process presented in Chapter 3 of the Agency 33352 Report, this supplement further documents blighted conditions characterizing the Project Area. Whereas physical, social and economic blight conditions have been previously evaluated according to their respective topical classification, the following blight descriptions rely upon separate evaluation by the various departmental disciplines and respective staff members most familiar with the local community environment. Like the previous topical evaluations, each department utilized a four (4) step blight identification process consistent with the provisions of Section 33032 of the California Health and Safety Code as the basis of its individualized discussion. Due to the individualized and directed disciplines of each department, such as Building, Fire, Police, Finance, and others, each blight discussion will be of directed scope and may or may not encompass the full topical range of physical, social, and economic conditions that predominate. Nonetheless, the foregoing evaluations provide a highly useful and accurate documentation of blight in the Project Area which will prove very useful in establishing future Agency and City policy directed toward the alleviation or reversal of such conditions and trends.

Following is a brief summary and highlight of each department's respective evaluation:

BUILDING DEPARTMENT

The evaluation, based upon a windshield survey and building inspector's familiarity and experience, provides block-by-block blight identification with respect to physical on-site conditions existing in commercial, industrial and residential areas. This evaluation utilizes a 400 scale land use map to identify blight properties and also 35mm slides to visually document representative conditions. Both the 400 scale map and 35mm slide record are on file in the Office of the City Clerk and available for review upon request.

COMMUNITY DEVELOPMENT DEPARTMENT

The evaluation, also based upon a windshield survey of all five (5) blight identified areas, provides a concise and accurate description of various blighted conditions throughout the Project Area. Area and street locations are referenced as various physical conditions are identified with respect to land use, structural, infrastructure, and overall deficiencies.

ENGINEERING DEPARTMENT

This analysis identifies physical blighted conditions caused by engineering and infrastructure deficiencies in each of the five (5) sub-areas. Specific location and item identification, such as undersized storm drains in Central Business District, is provided as documentation to the conditions which exist.

FIRE DEPARTMENT

Provides a blight identification analysis related to physical and social conditions existing in the Project Area. An area-wide evaluation is used to identify and call-out structural deficiencies, fire hazard and safety liabilities, and the effects on fire fighting and prevention service loads on existing staff and facilities.

POLICE DEPARTMENT

This evaluation is directed to resultant demands for Police response calls and additional patrolling personnel caused by social conditions impacting the Project Area. Also identified are physical curculation and traffic violation problems arising out of street improvement and design deficiencies.

CITY MANAGER'S OFFICE

This is a directed economic blight evaluation identifying specific Project Area locations and business activities which would be most impacted by continuing trends of economic dislocation, investment stagnation, underutilization and related conditions created by a shift in commercial retail patterns away from older retail activity areas.

FINANCE DEPARTMENT

This is a directed economic evaluation of historic business license activity since 1980. The analysis records City based business failures and terminations impacting the Project Area and City as a whole. Business license activity provides an ongoing and accurate account of economic and market conditions which may further and create business stagnation and other economic maladjustments.

CITY OF ESCONDIDO**memorandum**

November 16, 1984

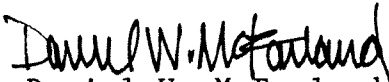
TO: Community Systems Associates
FROM: Daniel W. McFarland, Building Director
SUBJECT: Escondido Redevelopment Area Blight Survey

The attached narrative describes the general blighted conditions found during our survey conducted in late October and early November, 1984. Most of the blighted conditions were in the category of Environmental Deterioration and Physical Deterioration.

Detailed survey maps were made locating blighted properties and color 35mm slides were taken of representative conditions and neighborhoods or areas.

If you need any further information or if I can be of any assistance, please call me.

Sincerely,


Daniel W. McFarland
Building Director

1116-1/1

attachments

cc: Rod Wood, City Manager

Escondido REDEVELOPMENT AREA
BLIGHT SURVEY

The Escondido Redevelopment Area was surveyed for the presence of blighted conditions during October of 1984. A drive-by, windshield survey method was used. Instances of categorized blight we marked on 400 scale land use maps and 35mm color slides were taken of representative conditions. The following description of each sub-area discusses representative characteristics of blight found and a summary of the general area condition.

Subarea "A"

This area encompasses most of the central business core of the original city and commercial and industrial areas north and west of the Grand Avenue corridor. Blighted conditions generally involve older residences in various stages of disrepair or dilapidation interspersed with commercial and industrial uses, and deteriorated and poorly maintained industrial and commercial establishments.

The Grand Avenue corridor contains a number of old commercial structures whose alley frontage is in varying degrees of poor condition. Many of these structures are constructed of unreinforced masonry without fire sprinklers or yards for setbacks. Loading areas and adequate trash storage is generally lacking in the alleys resulting in congestion and unattractive exposures to Valley Parkway and Second Avenue.

The industrial area contains a number of old, dilapidated shacks and small housing units used for farm laborers. There are also a number of older industrial uses such as feed and grain yards, asphalt plant, concrete transit mix and similar uses that are in varying levels of maintenance. A number have unpaved yards, extensive outdoor storage and older equipment in prominent view of major circulation streets.

There are a number of vacant, abandoned structures in this area. Additionally, there are many vacant office and commercial buildings in the area.

Subarea "B"

This area includes the East Valley Parkway commercial strip, multi-family and older single family neighborhoods.

The commercial area is characterized with a number of older, poorly maintained and vacant buildings and parcels. Many of the commercial centers are between 15 to 20 years old and exhibit a lack of maintenance.

The multiple family area contains a number of older rental units that lack repair and maintenance, such as landscaping, trash and debris.

The single family neighborhood is a transitional area wherein older, poorly maintained residences are mingled with newer office and medical clinics. Most of the housing units are over 30 years old and are predominantly rental units in varying degrees of deterioration.

Subarea "C"

This subarea consists of older residential units of both multiple and single family. General deterioration and lack of maintenance is prevalent. Most of the residential structures are over 30 years old.

Subarea "D"

This area is the core of the city's industrial area. Many of the buildings or structures are agricultural uses such as packing plants and farm equipment uses. The manufacturing area is characterized by older metal buildings with varying levels of maintenance. The general condition of this area is poor with a number of outdoor storage lots, wrecking and salvage uses and materials suppliers. A meat packing plant is also in this area.

Subarea "E"

This area comprises an older residential area with a commercial strip extending down Escondido Boulevard. Almost all of the residences are over 30 years old and are generally characterized as poorly maintained. General dilapidation and disrepair is representative of the residences near the Centre City Parkway Corridor.

Commercial uses are some of the oldest in the city, excluding the Grand Avenue Area. Many are in disrepair and a general lack of maintenance is evident.

CITY OF ESCONDIDO

memorandum

RECEIVED NOV 06 1984

DRAFT COPY
FOR STUDY ONLY

November 2, 1984

TO: Marshall Krupp, Community Systems Associates
FROM: Rolf S. Gunnarson, Community Development Director
SUBJECT: Blight in Project Area

I did a windshield survey of all 5 sub-areas and noted numerous blight factors in all areas. My observations are as follows:

AREA A:

Examples of blight in Area A are as follows:

1. Broadway - Valley to Lincoln

- Vacant auto dealership at Valley and Broadway;
- Old trailer park at Park and Broadway;
- Vacant underutilized parcels in the 700 block;
- Small lots and dilapidated commercial structure between Mission and Lincoln

2. Mission Avenue

- Vacant auto dealership east of Broadway;
- Quince deadend north of Mission with dilapidated residential and non-conforming outdoor storage of heavy equipment;
- Old K-Mart commercial center with no landscaping
- Overhead utilities;
- Junk yard at Rock Springs and Mission;
- Conflicting commercial, industrial, and residential uses between Rock Springs and 78. Small lots, dilapidated buildings.

3. Metcalf - Mission to 78

- Inadequate street improvements;
- Dilapidated buildings
- Mixture of commercial, industrial and residential;
- Overhead utilities;
- Small lots.

4. Metcalf - South of Mission
 - Overhead utilities;
 - Vacant, underutilized lots;
 - Unenclosed outdoor storage;
 - Non-conforming signs;
 - Mixture of commercial and industrial uses.
5. Washington - Metcalf to 78
 - Mixture of unsightly and conflicting uses, including a slaughter house, junk yard, railroad crossing, industrial park and vacant, underutilized land, inadequate street improvements.
6. Washington - Metcalf to Centre City Parkway
 - Overhead utilities;
 - Mixture of commercial and industrial uses;
 - Unscreened outdoor storage;
 - Vacant underutilized land;
 - Inadequate street improvements;
 - Older non-conforming metal industrial buildings;
 - Non-conforming residential;
 - Non-conforming signs.
7. Washington - Escondido to Broadway
 - Clutter of signs;
 - Small lots;
 - Mixed residential and commercial uses.
8. Washington at Juniper
 - Old trailer park.
9. Clark Street
10. Clark and Waverly Neighborhood
 - Unimproved streets;
 - Pre-1950 dilapidated single family homes, poor property maintenance, small lots;
 - Poor circulation pattern.
11. Pennsylvania - Hickory to Broadway
 - Mixture of dilapidated old residential, with non-conforming commercial auto service business.
12. Kalmia and other side street between Pennsylvania and Valley
 - Inadequate street improvements;
 - Non-conforming commercial uses, including auto service and a blacksmith shop;
 - Outdoor storage unenclosed.

13. Valley - Centre City Parkway to Tulip
 - Mixture of incompatible uses - commercial, industrial, warehousing, new bank, outdoor storage, labor camp, vacant industrial building, all along prime entrance corridor to downtown.
14. Downtown - Centre City to Hickory between Valley and 2nd
 - Many narrow lots, pre-1950 buildings, overhead utilities in alleys, non-conforming signs, parking shortage, some vacant lots, several vacant buildings.
15. 3rd, 4th, and 5th - Escondido Blvd. to Juniper
 - Some old pre-1950 residential single family dwellings and overhead utilities in alleys.
16. 3rd, 4th, and 5th - Escondido Blvd. to Centre City Parkway
 - Old dilapidated residential, pre-1950;
 - Several vacant, underutilized lots;
 - Deadend streets backing to Centre City Parkway;
 - Inadequate street improvements;
 - Overhead utilities;
 - Poor property maintenance
17. 5th to 2nd between Tulip and Centre City Parkway
 - Mixture of industrial, commercial, and residential in incompatible situations with single family homes across from old unscreened industrial uses.
 - Inadequate street improvements;
 - Overhead utilities;
 - Vacant underutilized parcels;
 - Poor property maintenance

AREA B:

Examples of blight within Area B are as follows:

1. About 4 acres of vacant/underutilized land at Valley and Hickory, containing abandoned residential buildings on commercial property. Parcel is bisected by a "paper" alley and adjoins flood control channel.
2. Older non-conforming commercial properties, pre-1950, between Valley and Pennsylvania, west of Fig. No off-street parking and no building setback, resulting in over utilization of property with on-street parking overflow.
3. Vacant restaurant, 1000 block Valley Parkway; building about 30 years old.
4. Overhead utilities on Valley Parkway, full length from Hickory to Midway.

5. Commercial center at northeast corner of Valley and Rose--about 12 acre center, fractured parcelization into about 17 parcels, any less than 100' wide. No common areas, absentee property owners, poor property maintenance, no landscaping, non-conforming signs, 30 year old buildings.
6. Deadend street north of Valley between Hickory and Ash, caused by flood control channel. Example of poor planning and parcelization leading to poor utilization of land. Access problems and parcels sandwiched between rear of commercial and flood control channel. Many vacancies, and non-conforming uses: Beech, Cedar, Date, Elm.
7. Hospital Professional zone east of Palomar Hospital between Valley and Grand and west of Ash. Overutilization of land represented by overflow of parking on-street, inhibiting recycling of older residential within the area.
8. Narrow streets, south off Grand, east of hospital, overflow of parking caused by overutilization of medical office zone, inadequate circulation.
9. South of Grand, east off Hickory:
 - Small lots;
 - Old homes (pre-1950);
 - Inadequate street improvements (no sidewalks);
 - Alley lots;
 - Declining maintenance;
 - No parks or open space.

AREA C

Examples of blight in Area C are as follows:

1. North Broadway - Lincoln to El Norte
 - Overhead utilities;
 - Mixture of old single family dwellings (pre-1950 vintage) on large lots representing underutilization of land, with high density residential;
 - Older auto dealership with no on-site parking - all utilized for auto display, representing over utilization of site.
2. Escondido Blvd. - Lincoln to El Norte
 - Unimproved street including sections with no pavement;
 - Narrow lots between Escondido Blvd. and Centre City Parkway, with no direct access; partially developed with old sub-standard commercial buildings; example of poor planning;
 - Mixture of small, old, dilapidated single family homes with high density residential; very poor property maintenance;
 - Lincoln Ave. west of Escondido Blvd. deadends to Centre City Parkway. Poor access, dilapidated single family dwellings.

3. Lincoln Avenue - Metcalf to Quince

- Properties back up to 78 Freeway, residential development impacted by freeway noise;
- Mixture of old, dilapidated single family homes with high density residential;
- Poor property maintenance;
- Overhead utilities;
- Animal hospital within residential neighborhood conflicting land use problem.

AREA D:

Examples of blight in Area D are as follows:

1. Mission Avenue - 78 to Nordahl

- Overhead utilities;
- Extensive employee parking within right-of-way indicating over utilization;
- Clutter of non-conforming signs;
- Inadequate street improvements - no curb, gutters, or sidewalks, only 2 lanes;
- Access to open storm drainage ditches south side of Mission, substantially restricted by parallel railroad line and right-of-way;
- North side of Mission - properties back up to 78 Freeway; unscreened outdoor storage areas a visual blight;
- Mixture of commercial and industrial uses;
- Parcels on south side - many vacant or unsightly outdoor storage areas.

2. Don Lee

- Unsightly outdoor storage;
- Some single family dwellings amid industrial uses;
- Inadequate streets lacking curbs, gutter and sidewalks.

3. Enterprise

- Unsightly, unscreened outdoor storage;
- Overhead utilities;
- Overutilization of smaller parcels, signaled by overflow of on-street parking;
- Examples of poor property maintenance.

4. Venture, Simpson, Hale, and Industrial

- Small pockets of excessive on-street parking, overhead utilities, and single family dwellings amid industrial uses.

5. 9th, between Valley and I-15 and Del Dios

- Several vacant, underutilized parcels, and dilapidated or abandoned older single family dwellings on commercial zoned property.
- Overhead utilities.

AREA E:

1. Tulip to Centre City Parkway and 5th to 9th

- Small lots;
- Predominantly older single family dwellings pre-1950, with some multi-family dwellings mixed in;
- Narrow streets, lack of curb, gutter and sidewalks predominant;
- Many examples of poor property maintenance: weeds, debris, inoperable vehicles;
- Overhead utilities;
- Several blocks of single family residential across the street from industrial, without proper buffering or screening;
- Alley access to many dwelling units.

2. Tulip to Centre City Parkway, 9th to 13th

- Older homes, some examples of poor property maintenance;
- Some street improvements missing;
- Several units on alley access;
- Overhead utilities.

3. Tulip to Centre City Parkway, 13th to 17th

- Old mobilehome park;
- Some street improvements missing;
- Some older homes with poor property maintenance.

4. Orange Avenue - Felicita to 5th and side streets

- Predominantly old, small single family homes, small lots mostly poorly maintained, debris, inoperable vehicles;
- Overhead utilities;
- Some intermixing of High Density Residential;
- Mostly inadequate streets;
- Lacking curb, gutters, and sidewalks;
- Most side streets deadend into Centre City Parkway with adjoining properties presently poorly maintained backyards and sideyards to principal entrance corridor of the City.

5. Escondido Blvd., 5th to 17th

- Overhead utilities;
- Hodgepodge of commercial and residential uses and building types. New office buildings adjoining converted residential structures, adjoining auto repair shops. Many commercial buildings lacking parking. Several "used goods" stores; clutter of signs;
- Incomplete street improvements.

6. Maple, 5th to 17th

- Some vacant, underutilized parcels;
- Mixture of multi-family and single family dwellings;
- Many old pre-1950 single family dwellings, and multiple bungalows - many dilapidated with poor property maintenance;
- Lacking in street improvements.

7. 13th to 15th, Maple to Juniper

- Narrow streets lacking in improvements - open storm drain ditches;
- Old pre-1950 single family dwellings, many poorly maintained.

8. Escondido Blvd., south of 17th

- Mostly vacant, underutilized due to topography, and stream course;
- Some single family dwellings converted to commercial uses;
- Non-conforming signs.

9. Escondido Blvd. - south of Brotherton

- Lacking street improvements;
- Some vacant, underutilized parcels;
- Clutter of signs.

cc. Rod Wood

CITY OF ESCONDIDO

memorandum

RECEIVED NOV 16 1984

November 13, 1984

TO: Rolf Gunnarson, Planning
FROM: Ron Anderson, Engineering
SUBJECT: Escondido Redevelopment Projects

The attached is a list of projects within the Redevelopment Project area identified by Engineering as constituting blight. The projects are broken down into the five (5) geographic areas known as Blight Characteristic Identification Areas.

This list was compiled by driving the areas and noting the projects and by prior knowledge of deficiencies. The list is not all inclusive, but contains, in general, most of the deficiencies in terms of Engineering projects. Hopefully, the City's consultant can use the list in formulating the documents needed for Redevelopment.

If you or the consultant have any questions concerning our list, please contact Gary Manson or me at 741-4651.

RA:ae

ESCONDIDO REDEVELOPMENT PROJECTS

A. Central Area

1. Problem throughout the downtown area of deteriorating curbs, sidewalks and streets, most of which are around 60 years old.
2. The area abutting Grand Avenue west of CCP is an island with poor access. We need to look at alternates to open this area up to better circulation.
3. Many areas outside the Central Business District lack adequate street lighting.
4. Unimproved earthen channel west of railroad tracks from 2nd Avenue to Escondido Creek is an eyesore along with being a maintenance problem.
5. The Downtown central business district has inadequate drainage facilities and experiences periodic flooding. A new storm drain system intercepting flows in Juniper Street would relieve this problem.
6. A number of new water transmission mains are needed to provide a more reliable water system in this area (see Water Master Plan).
7. A portion of the existing sewer systems, particularly in the older areas, are badly deteriorating and in need of replacement and upgrading to support proposed development in the area (see Sewer Master Plan).
8. There are many remaining overhead utilities that need to be undergrounded, mainly along secondary streets and alleys in the downtown area. Power poles have been removed from most of the circulation streets.
9. The Grand Avenue corridor in the downtown area is older and needs to be rebuilt. Consideration should be given to alternate approaches to benefit the downtown business area.
10. The downtown alleys should be reviewed on a block-by-block basis to see if an alternate approach may enhance the downtown area. This may include closing or partially closing some alleys (example: the alley through the Escondido Public Library block).
11. The downtown area needs to be made more accessible and appealing to pedestrians. This includes sidewalk ramps, better sidewalks, rest areas with benches, etc.

B. Eastern Area

1. The area south of Valley Parkway between Date, Ash, Grand, and Fifth generally lacks adequate streets, sidewalks, street lights, drainage and alley improvements.
2. Existing improvements in the westerly portions of this area are older, deteriorating and need to be replaced. Additionally sight distance is inadequate for safety on many of the older streets.
3. Much of the sewer system now serving this area is undersized and needs to be upgraded to provide for both existing and ultimate development in this area. (See Sewer Masterplan.)
4. The major storm drainage system that serves the westerly portion of this area is undersized and needs to be upgraded. In the meantime, many of the low-lying areas are subject to periodic flooding.
5. The intersection of Ash Street and Valley Parkway is a point of traffic congestion for motorists passing through the intersection and needs up grading.
6. There are significant water distribution problems in this areas - mainly along Oak Hill Drive and the westerly portion of the area. This is caused by a network of undersized waterlines. New waterlines need to be constructed to provide a reliable water supply for existing and future developments in this area.
7. Much of the area around Valley Parkway and Rose Street is subject to flooding based on Federal Flood Hazard maps. This flooding would occur when undersized upstream storm drains overflow. The solution to this problem is to upgrade both the Midway and Citrus storm drains.
8. Overhead utilities add to visual blight throughout this area. Undergrounding should be considered on the major streets, particularly Valley Parkway.
9. There is a need to consider better access and circulation to Escondido Village Mall. Options include constructing the Harding Street bridge, relocation and upgrading of Mall access to Valley and Harding, signalization of Valley and Harding, frontage widening on Valley Parkway and Ash Street adjacent to the Mall, and upgrading of all other Mall driveways.

C. Northern Area

1. The area along North Escondido Blvd. has a patchwork of street improvements with no continuity. The remaining portions of the street needs to be improved. In addition, Escondido Boulevard "dead ends" north of Decatur Way. Provisions need to be made for this street extension north to El Norte Parkway.

2. Drainage problems now exist with flooding along Escondido Blvd. and east on Lincoln Avenue that need to be resolved by construction of a storm drain.
3. Undergrounding of overhead utilities, mainly along Escondido Blvd. and North Broadway should be considered.
4. The traffic congestion at Broadway and Hwy. 78 Caused by freeway traffic exiting onto City streets is constantly increasing. The ultimate solution involves a bridge over Broadway or a determination on the ultimate route of Hwy. 78.
5. There is need for completion of El Norte Parkway improvements in this area. This is mainly along the easterly side of the area.
6. Upgraded waterlines are needed in Escondido Blvd. and in Lincoln Avenue.

D. Western Area

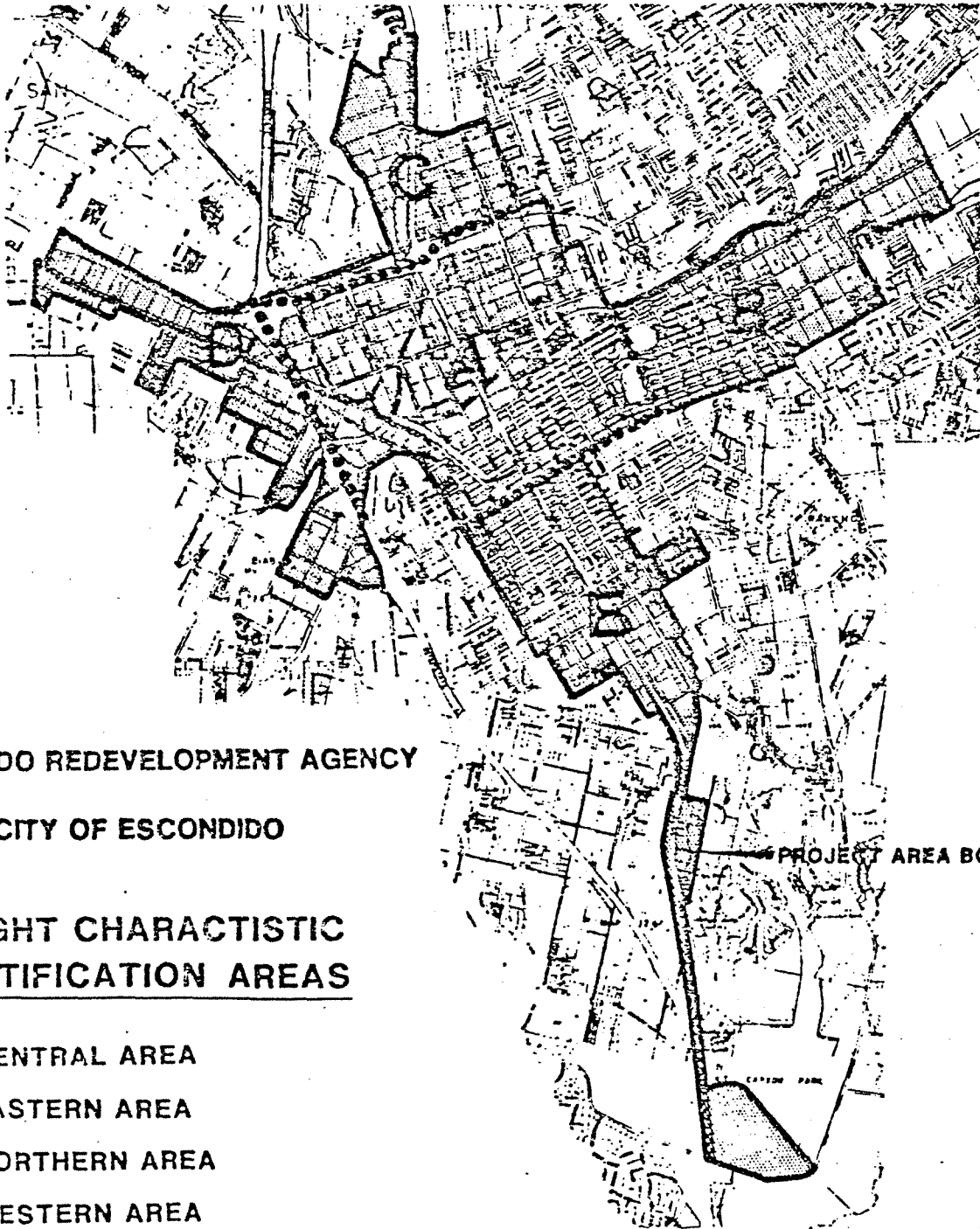
1. There is lack of street improvements along Mission Road. This is a high priority area for full street improvements with heavy traffic flow including truck traffic. This is a main corridor for the City's industrial area.
2. Flooding occurs along West Mission Road every year, over both private and public property. The extension of major storm drain facilities are needed to resolve this problem.
3. There is a lot of visual clutter from numerous overhead power poles along West Mission Road. It may be somewhat impractical to underground these lines because of their high voltage (69KV). The cost will be very high.
4. The intersection of Andreasen Drive / Mission Road / Washington Avenue is now very confusing with five legs at the intersection. Consideration should be given to improving the geometrics of this intersection including the possibility of a cul-de-sac to eliminate the leg of Washington Avenue.
5. The intersection of Mission Road, Nordahl and Citracado is one of the worst in town and should be improved. This is presently a proposed City project.
6. At the west end of this area, there is a problem with Vineyard Avenue terminating short of Citracado Parkway causing a confusing traffic situation. Vineyard should be connected with Citracado.
7. The major sewer system in this area is undersized and needs to be upgraded.

E. Southern Area

1. Escondido Blvd. is too narrow and lacks adequate drainage improvements from 6th to 13th Avenue. The widening of this street along with adequate drainage improvements would enhance this area and remove a vehicular bottleneck.
2. Many of the residential streets lack an adequate level of street improvements including sidewalks and street lights.
3. Major sewer main improvements including upgraded pump stations, force mains, and gravity mains are needed in this area along the Escondido Blvd. - Centre City Parkway corridor.
4. Underground of overhead utilities throughout this area is needed. A high priority for undergrounding would be South Escondido Blvd.

* It should be noted that extensive right-of-way is required to widen many of the streets and intersection in all areas.

ESCONDIDO REDEVELOPMENT PROJECT AREA



ESCONDIDO REDEVELOPMENT AGENCY

CITY OF ESCONDIDO

BLIGHT CHARACTERISTIC
IDENTIFICATION AREAS

- A - CENTRAL AREA
- B - EASTERN AREA
- C - NORTHERN AREA
- D - WESTERN AREA
- E - SOUTHERN AREA

PROJECT AREA BOUNDARY



ESCONDIDO REDEVELOPMENT AGENCY
211 WEST BROADWAY, ESCONDIDO, CALIFORNIA 92025
TEL: (760) 755-1234

MAP C

NOV 14 1984

CITY OF ESCONDIDO

FIRE DEPARTMENT
310 N. QUINCE STREET
ESCONDIDO, CALIFORNIA 92025



RECEIVED NOV 16 1984

November 14, 1984

Mr. Marshall Crupp
Community Systems Association
203 South Brea Blvd.
Brea, CA 92621

Dear Marshall:

Please find enclosed a copy of the Fire Department's Report on
Blight.

If you have any questions, please contact me at 741-4696.

Sincerely,


ERNIE LIEBMAN
Fire Marshal

EL:bj
encl.

The Fire Department has 5 stations at the following locations:

- Station One - 310 North Quince Street - Area "A"
- Station Two - 421 North Midway - Area "B"
- Station Three - 2165 Village Road - Area "C"
- Station Four - 3301 Bear Valley Pkwy. - Area "D"
- Station Five - 2705 Felicita - Outside Project Area (South-West)

In the 1970 General Plan, a 6th station site was identified in the Industrial Area (Area "D"), on Citracado Pkwy. This station has not been built, and therefore, the response distance and times by primary and secondary units, to that general area, are in excess of that recommended for Industrial Fires.

In 1982, the City adopted a sprinkler ordinance that requires new buildings that have a needed fire flow in excess of 2500 gallons per minute, or more than 3 stories high, to be sprinklered.

Since this was not a retroactive ordinance, there are a number of buildings with- in Project Areas A, B, D & E that exceed a needed fire flow of 2500 gallons per minute, but are not sprinklered.

The formula for figuring the needed fire flow, takes into consideration square footage, type of occupancy, type of construction, exposures and communications between buildings. The 2500 gallons per minute, was set as the amount of water that the Escondido Fire Department is capable of putting on a fire within a given time.

Area "A" presents a high level of blight due to older construction of commercial buildings, along with the availability of trash dumpsters in the alleys. This area also contains a lot of older structures that have been abandoned. These buildings constitute an attractive nuisance for young people, who break in and virtually demolish them. Within the past 3 years, there has been several fires in such buildings.

Central Elementary School, which was built in 1938, is located at 4th and Maple Street. It is doubtful that these buildings would comply with current construction requirements. This school serves a high percentage of minorities, which are housed in adjacent neighborhoods. This facility has a large basement which would be required to be sprinklered under today's code.

There is also a 2-story, wood frame, wood-sided apartment house located at 2nd and Kalmia that dates back to the early 1900's. This building is substandard by today's codes and presents a real life hazard in the event of a fire.

The Santa Fe Railroad tracks cross many of the main thoroughfares in the West portion of Area "A" and would create a real problem for Fire and Paramedic units responding to calls if the train were using the tracks. The train does a considerable amount of switching in the areas of Washington, Valley Pkwy. and 2nd, which can delay traffic for approximately five minutes.

Area "B" consists of commercial, professional, medical and residential uses. An area several square blocks in size is in a transition stage; from residential to professional uses. Three of the City's major medical facilities are in this part of the project area. Palomar Hospital has nine story and three story medical wings that are not sprinklered. Under present codes, this facility would be required to be totally protected by an automatic sprinkler system or systems. The other two facilities are convalescent homes that the fire department paramedics respond to on occasion. There are several other medical facilities and mobilehome parks within Area "B" that require numerous paramedic responses.

The commercial portion of this area includes 8 shopping centers, as well as other commercial and financial institutions. The shopping center located on Valley Parkway and Rose presents the highest potential for fires due to the unmaintained rear access. This shopping center has approximately 16 separate parcels and owners, which creates the lack of contiguous maintenance for the rear portions of their properties.

The traffic that is generated on Valley Parkway during the week, and cruising by young people on Friday and Saturday nights results in accidents which require paramedic responses. There are also many vehicle fires in this area.

During certain times of the day, Fire Department responses are hampered by the traffic congestion on Valley Parkway.

There are some very blighted neighborhoods within Area "B" which generates significant demands on fire and medical resources.

Area "C" is a relatively new area with a considerable amount of high density apartment complexes. These apartment houses generate a high number of paramedic calls. Lincoln Elementary School, which was built in 1943, is located at the corner of North Broadway and Lincoln Avenue. In all probability, it would not comply with current construction requirements.

Area "D" contains most of the City's industrial uses. As indicated above, the need for a fire station on Citracado Parkway was identified in the 1970 General Plan. This station would have provided a fire station within 1½ miles of all portions of Area "D". Almost as important as having the first responding fire units within 1½ miles is the need to have the next responding units within a reasonable response time - usually 5 to 7 minutes. This criteria is not satisfied for much of Area "D" because the second responding units come from Country Club Lane and Village Drive or from Midway Drive and Valley Parkway.

There are approximately 70 industrial businesses in the project area beyond the 1½ mile recommended travel distance from stations one and three. These businesses occupy space that range in size from 750 square feet to 50,000 square feet.

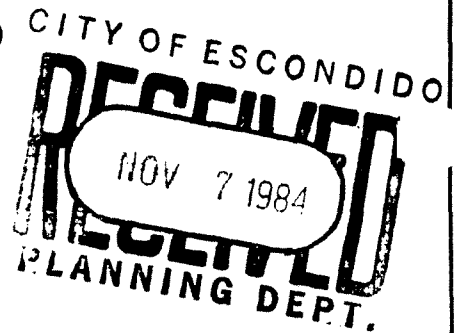
Mission Road is the primary access to large portions of Area "D" and is very heavily traveled. This congestion causes delays and safety hazards for emergency response into the area. Traffic and industrial accidents generate frequent fire, hazardous incident and medical responses by our fire trucks and paramedic units. The Santa Fe Railroad tracks also divide the industrial from main avenues of access and represents a potential for a delayed response to this area.

Area "E" contains the greatest residential blight of all the project areas. Due to the excessive amount of old construction which houses lower to middle income families, there are some very serious fire hazards that exist and are not correctable since the uniform fire code normally does not regulate family dwellings.

There are several older mobilehome parks in Area "E". These seem to attract elderly and lower-income residents which results in a greater number of emergency medical responses than experienced outside the project area.

CITY OF ESCONDIDO

memorandum



November 1, 1984

TO: Rolf Gunnarson, Director
Community Development/Planning

FROM: ~~Mc~~ Robert D. Wolford, Assistant Chief of Police

SUBJECT: Redevelopment Assessment by Area

Areas A and E

Areas A and E are fraught with problems that demand police action. These areas include a greater percentage of the original city boundaries before major development began in the late 50s. These areas then reflect older commercial buildings, residences and streets. Predictably the following major problems have developed:

1. Circulation - Major arterials in these areas are operating in excess or at maximum capacity during peak traffic hours. Some of these streets were originally collectors and have been upgraded to arterials over the past years, but they are no longer capable of responding to the increase in traffic demands. As a result, more violations of traffic regulations are occurring, which again result in more minor traffic collisions, a percentage of which are never reported to the police. These factors cause more involvement from a police standpoint because of a demand for investigations and enforcement. This also directly affects the police agency's ability to respond timely to other calls for service when it is necessary to transverse these areas. This adds to the frustrations of both the police and the public.

Another factor affecting circulation in recent years has been that of low or no maintenance on street surfaces. Rough street surfaces plus the emergence of potholes add to what is becoming a miserable traffic circulation problem.

2. Crimes in these areas are generally higher than in the more recently developed areas of the city. Most of these residences were built before new security systems were developed. A small percentage of both residential and commercial buildings in these areas have been updated security-wise, but the majority remain as they were originally installed and resultanty have become "plum orchards" for the active burglar. Generally, the perpetrators of these crimes live somewhere in the area affected or the immediate area, suffering from the

same type of physical and social deterioration. Because of the deterioration in these areas, they tend to draw the new residents who are less stable, economically deprived and/or generally socially alienated from the more affluent districts in the city. Many of these residents have arrived by various means from other countries in the past ten years. Because they must work long hours to survive, they have little time or desire to reach out and view the things about them. When they do have leisure time, they often revert to the customs and mores still held from their foreign homeland. This then results in conflict with established Anglo residents in the area. I'm speaking of excessive drinking, noise, illegally maintained pets and animals in violation of zoning laws, failing to pick up trash, etc.

Often families in these areas live in residences that are improperly maintained. Most rents are high. It is not unusual to find two or more families in one residence as they share rent for that residence. Garages in these areas are frequently converted to additional living space, but minus the necessities of plumbing and heating and, in some cases, electricity. These things, of course, lead to further social alienation, which leads to police problems, particularly with the children of these families.

In search of some type of identity, these children band themselves together in tightly knit groups which in turn merge into neighborhood gangs. These areas have several very active, violent gangs which in turn are involved in drive-by shootings, knifings and other less serious rumbles. Threat by intimidation is a common occurrence. Most of these actions transpire during hours of darkness, and these areas lend themselves to these type of sneak attacks because of minimal street lighting. While lighting has improved along the main arterials, it has not progressed as it could have in some of the residential sections of these areas.

Generally, in these type of social and economic settings, drug abuse would become another negative contributing factor. These areas are no exception to this rule. Arrests for being under the influence, possession for sale and transportation for sale are frequently made.

Neighborhood parks in these areas require continuous daily inspection and supervision. Rape, robberies, drug deals, gang rumbles, sex perversion, excess drinking and vandalism are frequent occurrences as they reflect the attitude and character of people residing in these areas.

3. Area Maintenance - Families in these areas present other simpler problems for the police. Generally, these families fail to maintain their vehicles properly. This in turn results in a shorter life use. These vehicles are then partially dismantled in an unqualified attempt to repair

them. When this is not successful because of a lack of skills, money or both, the vehicle remains at that location in a dismantled condition until the owner/residents are forced by law to remove it. The storage of such vehicles and other similar inoperative items adds to the deterioration of these areas.

Calls for police service in these two areas make up two-thirds of all requests for police action in the city.

Area B

The majority of Area B is also a part of the original city boundaries. The things mentioned for Areas A and E are also true of Area B, but to a less degree. While the requirements for police action in these areas is still higher than some districts in the city, it is starting to decrease because of a change in use from general residential to commercial and medical. Circulation problems are again critical in this area and in the older residential areas located east of the City Hall. Many of the same deterioration factors mentioned earlier exist.

Area C

Area C is a newer developed area in the city as compared with the others previously mentioned. Major police problems in Area C are burglaries and family disturbances occurring in apartment complexes. Another service problem again is circulation. This is particularly apparent where you have elementary schools located on main arterials where it is necessary for small children to transverse that arterial to reach their school.

Area D

Problems in this area are minimal when compared with the other areas mentioned. While it is presently an area of commercial and residential development, it does have the potential for future problems similar to that of A and E, although they have not yet developed. Police problems in this area are generally limited to those involving minor circulation and occasionally a rash of burglaries occurring in either commercial or residential areas.



ERNEST W. HAHN, INC.

3666 KEARNY VILLA ROAD, SAN DIEGO, CALIFORNIA 92123 • TELEPHONE: (619) 569-4949

October 31, 1984

CITY OF ESCONDIDO
RECEIVED

NOV 2 1984

CITY MANAGER

Mr. Rod Wood
Assistant City Manager
City of Escondido
100 Valley Boulevard
Escondido, CA 92025

RE: Land Use Survey - Downtown Escondido

Dear Rod:


Per your request, I reviewed the Land Use Survey for downtown Escondido. In terms of North County Fair, or any regional center, I have identified those type of usages who generally express a preference to either be in, or near, a regional project. The enclosed list represents my findings.

In reviewing this list, please be mindful that the affect of a regional center will vary substantially based on the particular use, the price point, and even the proprietor.

Rod I hope this information is of assistance. If you have any questions or comments, please don't hesitate in contacting me.

Sincerely,

ERNEST W. HAHN, INC.


WILLIAM H.W DOYLE, CSM
Vice President Predevelopment

WHWD:ccs

Audio Visual	1	Record Shop	1
Bakery	1	Sewing Machines	1
Beauty Services:		Shoes	2
Women	13	Sporting Goods	1
Men	7	Tailor	1
Book Stores	1	Tires, Batteries,	4
Bridal Shop	1	Toys and Games	1
China & Glass	2	Travel	3
Dance Studio	1	Uniforms	1
Dental	1	Variety Store	1
Family Clothing	3	Women's Clothing	6
Florist	4	Theater	<u>1</u>
Furniture	5		
Genrl. Merchandise	1	Total	88
Gifts & Novelties	2		
Hobby Shop	1		
Jewelry	10		
(2 repair shops)			
Major Dept. Store	2		
Penney's & Wards			
Men's Store	1		
Music Store	3		
Optical	2		
Photographer	1		



CENTRE CITY PKWY

ORANGE ST

ST

ESCONDIDO BLVD

CRAND ST

MAPLE ST

ST

BROADWAY

VALLEY ST

KALMIA ST

ST

2ND AVE

AVE

JUNIPER ST

ST

PARKWAY

IVY AVE

ST

VALLEY BLVD

PENNSYLVANIA AVE

LANSING CR

HICKORY ST

PINE

5TH

4TH

3RD

AVE

AVE

ST

ST

SHERMAN

PL

MARK ST

ST

RECEIVED DEC 13 1984

CITY OF ESCONDIDO



T. R. HUNTLEY
DIRECTOR OF
MANAGEMENT SERVICES

100 VALLEY BLVD., ESCONDIDO,
CALIFORNIA 92025
(619) 741-4676

December 11, 1984

Mr. Alonzo Paedrin
Community Systems Associates, Inc.
203 South Brea Boulevard
Brea, CA 92621

Dear Alonzo:

The following is the statistical breakdown of the number of businesses which have gone out of business since January 1, 1980 in Escondido. For the year 1980, the recorded data was incomplete, covering only a three-month period. Therefore, the whole year figures and percentages for 1980 are estimated.

	<u>1980</u>	
	<u>No.</u>	<u>%</u>
City Based Business Establishments	385	44
City Based Home Occupations	280	32
Out of Town Vendors	96	11
Out of Town Contractors	<u>114</u>	<u>13</u>
TOTAL	875	100
	<u>1981</u>	
	<u>No.</u>	<u>%</u>
City Based Business Establishments	418	47
City Based Home Occupations	288	32
Out of Town Vendors	116	13
Out of Town Contractors	<u>70</u>	<u>8</u>
TOTAL	902	100
	<u>1982</u>	
	<u>No.</u>	<u>%</u>
City Based Business Establishments	383	37
City Based Home Occupations	299	29
Out of Town Vendors	152	15
Out of Town Contractors	<u>204</u>	<u>20</u>
TOTAL	1038	100

Mr. Alonzo Paedrin
December 11, 1984
Page Two

1983-1984
(As of 8-31-84, 19 month period)

	<u>No.</u>	<u>%</u>
City Based Business Establishments	851	40
City Based Home Occupations	703	33
Out of Town Vendors	233	11
Out of Town Contractors	335	16
TOTAL	2122	100

The only figures readily available for the total number of businesses in business at year end were for 1983 and 1984:

	<u>1983</u>	<u>1984</u>
In Town	4405	4728
Out of Town	1098	1266
TOTAL	5503	5994

Feel free to contact me at (619) 741-4659.

Sincerely,



VERN H. LILJENQUIST

2/1210-17/7A

VIII

THE SUMMARY REFERRED TO IN SECTION 33387
OF THE
STATE COMMUNITY REDEVELOPMENT LAW

(SUPPLEMENT)

VIII
THE SUMMARY REFERRED TO IN SECTION 33387
OF THE
STATE COMMUNITY REDEVELOPMENT LAW

(Supplement)

Attached are minutes from various Project Area Committee meetings involving the review of documents, inclusion of projects, and recommendations to the City Council.

MINUTES
REDEVELOPMENT PROJECT AREA COMMITTEE
July 20-21, 1984
Library Turrentine Room

CALL TO ORDER: The meeting was called to order at 9:30 a.m. by Jack Raymond, Chairman.

COMMITTEE MEMBERS, ALTERNATES, STAFF, AND CITIZEN OBSERVERS PRESENT: See attached list.

APPROVAL OF MINUTES: Being the first meeting, there were no minutes to be approved.

CURRENT BUSINESS:

- A. It was moved and seconded and unanimously voted to adopt Roberts Rules of Order.
- B. It was moved and seconded and unanimously voted to approve a quorum would be constituted with seven members present.
- C. Jack Raymond, Chairman, and Vernon Hazen, City Manager, made introductory remarks. Marshall Krupp, Consultant, then proceeded with a complete briefing on redevelopment law and how it applies to Escondido. This briefing, including questions from the audience, proceeded until approximately noon. The group broke for lunch and resumed at approximately 12:45.

The briefing resumed with more questions and some progress was made toward developing a project area.

During the briefing, a presentation was made by John Armstrong, Chairman of the Downtown Revitalization Committee. He outlined recommended projects for the PAC to consider.

The work of the committee on July 20 was completed at about mid-afternoon.

The PAC resumed its work on Saturday, July 21, at 9 a.m. when the meeting was reconvened. The committee proceeded to develop and complete a project area boundary and a preliminary project plan. The priority item for the plan was the Civic Center. Other projects included some of the recommendations made by the Downtown Revitalization Committee. See the attached letter from Chairman Raymond dated July 25, 1984, which lists all the motions and actions taken by the PAC regarding the preliminary redevelopment plan.

The committee broke for lunch, resumed its work and completed at about 2:30 p.m.

ADJOURNMENT: The committee adjourned at approximately 2:30 p.m.
to a meeting to be called in August.

Vernon Hazen

VERNON HAZEN
City Manager

a/801-1/4

PROJECT AREA COMMITTEE
ESCONDIDO REDEVELOPMENT AGENCY

ATTENDANCE

Project Area Committee Members

	<u>7/20/84</u>	<u>7/21/84</u>
John Armstrong	x	x
Bill Aste	x	x
Lee Covell	x	
Betty Cowan	x	x
Luis Gonzales	x	x
Roger Granbo	x	x
Etta Green	x	x
Fred Grimes	x	x
Bob Jacobson	x	x
Judith Jasso	x	x
Bob Johnson	x	x
Tom Knipstein	x	x
Doug Masson	x	x
Ernie Ottoson	x	x
Joe Ovies	x	x
Jim Palecek	x	x
Jack Raymond	x	x
John Roberts	x	
Jan Rudolph	x	
Edward Smith	x	x
Gladys Young	x	x

PAC Alternate Members

Barry Baker	x	
Fred Einer	x	x
Jim Fehlberg	x	
Larry Hancock	x	x
Chuck Herr	x	x
Ronald T. Kenney	x	
Martha Mc Makin	x	
Mary F. Tucker	x	
Gene Wilson	x	x
Kris Murphy		x

Citizen Observers

John Dailey	x	x
Steve Hawk	x	
Don Hout		
Les Lohmann		
Ed Lyon		
Kris Murphy	x	
M. Evelyn Penfield		
Mike _____		x

7/20/84

7/21/84

City Staff

Ron Anderson	x	
Gene Ervin	x	
Rolf Gunnarson	x	x
Vern Hazen	x	x
Bob Watts	x	x
Bob Wolford	x	
Rod Wood	x	x
Dennis Wilson		x
Marshall Krupp, Consultant	x	x

MINUTES
REDEVELOPMENT PROJECT AREA COMMITTEE

August 14, 1984
Library Turrentine Room

CALL TO ORDER: The meeting was called to order at 4:10 p.m. by Jack Raymond, Chairman.

COMMITTEE MEMBERS, ALTERNATES, STAFF AND CITIZEN OBSERVERS PRESENT: See attached list.

APPROVAL OF MINUTES: The minutes of the July 20-21, 1984, meetings were approved as mailed.

CURRENT BUSINESS:

Marshall Krupp started the discussion with the showing of a "proposed development project area map". Only one person (on Valley Parkway) objected to being in the project area.

Mr. Krupp referred to Attachment D showing the area recommended by the Committee at the prior meeting.

There were some comments regarding including North County Fair in the project. Rationale for including various areas, i.e., Valley Parkway and North County Fair, was explained. The new shopping center will impact the downtown detrimentally according to Mr. Krupp.

Discussion evolved regarding negotiations between City and other tax supported entities. Such negotiations cannot disrupt the progress schedule for the redevelopment process.

Joe Ovies suggested that the "Fine Arts Facility" be called "Fine Arts Museum" to be consistent with the Civic Center Committee direction.

The document under consideration indicated a proposal of 11,057 acres of non-assessable property (non-taxable), and 2,000 of assessable property.

"Project Area Plan", dated August 15, 1984, was taken page by page for explanation and for any clarification needed. Page 25, Techniques to Achieve Plan Objectives is a most important part of the document because it explains the Redevelopment Agency and its goals. Marshall Krupp pointed out, on page 31, Methods of Financing the Projects, permits loans, grants, interest income, and other specified methods of acquiring funds.

Page 37 indicates that the maximum duration of the plan is 45 years and \$250 million is the maximum monetary amount. Mr. Krupp explained what would be forthcoming as far as data is concerned and such data should be inserted in the folders available at this time.

The Redevelopment Committee has a second function; i.e., a public relations "Citizens' Participation Program Committee." Marshall explained the 4-point program needed:

- First program would be press conferences shortly after August 15, 1984.
- The second program would be workshops for the community sponsored by the project area committee. This workshop should be completed by September 19, 1984, and should be conducted during a week night.
- The third program would be the same as program # two and should be completed by November 14, 1984.

Both program numbers two and three will have newspaper notification.

- The fourth program would be a third workshop between November 14 and December 19.

The format for the above workshops will be formulated for the members by Marshall Krupp and staff.

The Committee unanimously approved sending "The Proposed Workshops to the City Council August 15 for approval."

The Committee wanted evening meetings - no Saturday meetings.

The meeting was adjourned at 5:30 p.m.

Respectfully submitted,



GENE ERVIN
Deputy City Manager

1/4-1/815-3

PERSONS IN ATTENDANCE AT THE
REDEVELOPMENT MEETING

August 14, 1984
Library Turrentine Room

PAC MEMBERS:

Etta Green
Judy Jasso
Jan Rudolph
Betty Cowan
Joe Ovies
Roger Granbo
Doug Masson
Jack Raymond
Ernie Ottoson
Gradys Young
John Armstrong
Bill Aste

PAC ALTERNATES:

Tom Knight
Ron Kenney
Sid Colquitt
Bob Shuster
Jim Fehlberg
Gene Wilson
Martha McMakin
Kris Murphy
Mary Frances Tucker

CITIZEN OBSERVER:

Ann Smith

STAFF:

Vern Hazen, City Manager
Gene Ervin, Deputy City Manager
Marshall Krupp, Consultant

1/4-1/815-4

ESCONDIDO REDEVELOPMENT AGENCY

PROJECT AREA COMMITTEE
MINUTES

October 25, 1984
7:30 P.M.
LIBRARY, TURRENTINE ROOM

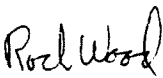
Bill Aste, on behalf of Chairman Jack Raymond, filled in as Acting Chairman of the Project Area Committee and introduced the meeting.

Marshal Krupp, the City's consultant, reviewed the Redevelopment Plan, Environmental Impact Report, and Redevelopment Process with those in the audience. It was noted that there were five members from the public in attendance. Bill Aste noted that a quorum of the Project Area Committee had not convened and that the meeting would have to be cancelled with no action taken due to this lack of quorum.

Mr. Aste asked if there were anyone in the audience who would be unable to attend the future November 6th meeting and who would like to place something into the record now. No one requested to be heard.

Rod Wood and Marshal Krupp completed the presentation for the benefit of those who were present. Acting Chairman Aste adjourned the meeting at 9:08 p.m.

1113-8/4


ROD WOOD
ASST. CITY MANAGER

MINUTES

PROJECT AREA COMMITTEE

ESCONDIDO REDEVELOPMENT AGENCY

October 30, 1984

7:30 P.M.

Jack Raymond, Chairman of the Project Area Committee opened the meeting at 7:30 p.m. and identified the purpose of the workshop was to describe the Redevelopment Plan and answer questions from the community. Mr. Raymond deferred to Rod Wood, Assistant City Manager, to present the plan.

Mr. Wood reviewed in detail the proposed redevelopment plan in the project area and the specific projects in the redevelopment area. He also reviewed the details and mechanics of tax increment financing. Mr. Wood responded to several questions from the audience clarifying specific points within the redevelopment plan.

Mr. Raymond thanked those who were present for attending the meeting, thanked the Project Area Committee and encouraged all citizens to become as informed on the redevelopment proposal as possible. He expressed appreciation for those who had taken the time that evening to attend the meeting and learn more about the proposed redevelopment.

Mr. Raymond adjourned the meeting at 8:40 pm.



RODERICK J. WOOD
Assistant City Manager
Redevelopment Project Manager

2/1119-3/4

ESCONDIDO REDEVELOPMENT AGENCY

PROJECT AREA COMMITTEE
MINUTES

November 6, 1984
7:30 P.M.
LIBRARY, TURRENTINE ROOM

The Chairman of the Project Area Committee, Jack Raymond, opened the meeting for discussion. There was a quorum present.

Rod Wood, Assistant City Manager, presented a detailed outline of the Redevelopment Plan, Environmental Impact Report and actions before the Project Area Committee and opened the matter up for public discussion.

The Project Area Committee and members of the audience discussed the specifics of the plan and the environmental impacts in some detail. Chairman Raymond asked if there was anyone who had any changes or modifications to recommend.

Barry Baker moved that the Project Area Committee recommend to the City Council that they reinclude the Mission Avenue, Escondido Blvd., Harding Street Bridge, and Tulip Street Bridge projects in the Redevelopment Plan. The motion was seconded by Jim Palecek. The motion carried unanimously.

No other items were discussed other than general questions and answers.

The Chairman adjourned the meeting at 8:25 p.m.

1113-9/4



ROD WOOD
ASST. CITY MANAGER

MINUTES
PROJECT AREA COMMITTEE
November 26, 1984
Noon

Chairman Jack Raymond opened the meeting with a quorum present.

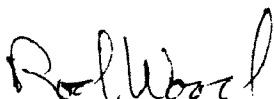
Rod Wood, Assistant City Manager, updated the Project Area Committee on the status of the redevelopment plan, public hearing scheduled for December 19, 1984, and the tax sharing agreements with the public jurisdictions.

The Project Area Committee scheduled a joint meeting with the Downtown Revitalization Committee to review the downtown study at 9 a.m. on December 7, 1984.

Chairman Raymond discussed the concepts and need for the dissemination of public information to the general public to inform them as to the redevelopment program. The appropriateness and the need to limit the effort and to information only and not to take an advocacy role was clearly identified. The pros and cons of this approach was discussed in detail.

A motion was made by John Armstrong that the chairmen of the Civic Center Committee, Project Area Committee and Downtown Revitalization Committee review the proposal together and prepare a single recommendation to the City Council and Redevelopment Agency. Fred Grimes seconded the motion. The motion carried.

Meeting was adjourned. The next meeting is scheduled for December 19, 1984 at 7:30 p.m. in the Escondido High School gymnasium.



ROD WOOD
Assistant City Manager

1211-8/4

IX

THE REPORT REQUIRED BY SECTION 65402
OF THE GOVERNMENT CODE

(SUPPLEMENT)

IX
THE REPORT REQUIRED BY SECTION 65402
OF THE GOVERNMENT CODE

(Supplement)

The foregoing are responsible agency comments on the Draft EIR received by the Redevelopment Agency after the specified 45-day comment period ending Monday, November 5, 1984. Although these comments were received after the specified time period, and consequently were not included within the Final Revised EIR, both the comments and Lead Agency responses are included in this Agency 33352 Report Supplement as an added component of the Report Required by Section 65402 of the Government Code so that they may be entered into the public record for consideration prior to approval and adoption of the Redevelopment Plan and Project Area.

Responsible and Taxing Agencies submitting comments not incorporated into the Final EIR include the following:

- 1) Escondido Union School District
Letter dated November 6, 1984
- 2) Escondido Union High School District
Letter dated November 9, 1984
- 3) Air Resources Board
Letter dated November 6, 1984

ESCONDIDO UNION SCHOOL DISTRICT
(Letter dated November 6, 1984)

COMMENT:

Basically, the District finds the EIR to be vague and inexact to the extent that the conclusions drawn cannot be validated. By admission, the EIR has been designated a "Program EIR and will be used in evaluating future, more detailed project proposals in accordance with the Plan and the need for, and focus of, additional environmental documentation, if any. When specifically detailed detailed project proposals become available further CEQA compliance may be required."(p. 1-2) This vagueness prevails in the description of the project as indicated in the statement that "some specific projects within the Project Area have been proposed, however, for the most part, the details of these projects and developments are not known at this time." (p.1-4) The inability of the Agency to define the extent of impact with any accuracy is indicated in the statement that "the present degree of specificity of anticipated projects does not permit an exhaustive and comprehensive evaluation as to probable impacts." (p.1-5)

RESPONSE:

We disagree with the School District comments as the EIR document represents a reasonable and good faith effort of disclosure consistent with CEQA guidelines and the intent of Section 15151 of said guidelines. The discussion on page 1-2, which identifies the scope of the environmental document as a Program EIR, is included to convey information on the required scope of any environmental document prepared for the adoption of a redevelopment project as set forth by Section 15180 of the guidelines. Specific projects have been designated for the Project Area and are identified in the proposed Redevelopment Plan and in the EIR. The level of details known at this time include the type, function and scale of proposed projects as indicated in the EIR, and thus enables a sound, reasoned and logical evaluation of potential impact to the School District created by such public improvement, Civic and Cultural Center, and housing and commercial rehabilitation activities. Moreover, the EIR has provided a reasoned good faith discussion of probable physical, social and economic impacts resulting from implementation of the proposed Plan. With respect to specific details, the architectural style and site design of the Civic Center is not yet determined, pending final decision and award by architectural contest; although specific public improvement locations are identified the engineering and construction details have not been set; finally, the specific programs which will utilize the required twenty percent (20%) of available tax increment funds to increase housing opportunities has not been determined, although use of such funds will be consistent with goals and objectives of the adopted General Plan and Housing Element. Evaluation of potential impacts resulting from such detailed considerations would be highly speculative and will not significantly

alter or change the type, function or scale of projects proposed in the Redevelopment Plan. Consistent with Section 15145 of the guidelines a thorough or reasonable evaluation of such details is not possible at this time, nor would knowledge of these factors significantly affect or change any potential impacts on the School District as presently identified in the EIR, therefore, their discussion has not been included.

COMMENT:

Although generally defined, the nature of the Project includes aspects that have a very direct and serve impact upon the schools. Specifically, the development of "residential, commercial, industrial, recreational, and public facilities" (p. 2-6) cause the general population to increase including the accrual of school-age children. The District is most interested in the impact on schools related to the "very-, low-, and moderate-income housing" (p. 2-7) to be made available under the project since there is some evidence that people in lower cost housing have a larger number of school-age children.

RESPONSE:

As identified on page 2-6 of the EIR, the Agency has in fact adopted numerous objectives, including "The development of property within a coordinated land use pattern of residential, commercial, industrial, recreational, and public facilities in the Project Area consistent with the goals, policies, objectives, standards, guidelines, and requirements as set forth in the City's adopted General Plan and Zoning Ordinance". In furtherance of established Agency objectives, the Agency is causing to be prepared a Redevelopment Plan including specific projects to occur within the proposed Project Area. Proposed development activity under the Plan is limited to the Civic and Cultural Center project. All other projects proposed include related public improvements, circulation improvements, educational and/or recreational facilities, commercial rehabilitation of existing businesses and housing opportunity funding as required under Section 33334.2 of the California Health and Safety Code. In essence, the Redevelopment Plan and corresponding projects specifically provide for the development of certain public facilities alone, not residential complexes, commercial centers or industrial parks. Such development activity may occur and is desired as a spin-off effect of redevelopment, but will be in accordance with land use intensities designated by the City General Plan and Zoning Laws. The future land use pattern and activity that will occur in the Project Area and City has been previously set by the General Plan. The Redevelopment Plan itself will not alter this projected land use pattern or significantly increase the rate of development throughout the City.

The estimated project impacts on school enrollments resulting from residential development activity in the Project Area was based upon and utilized a per average household enrollment index of 1.5 student/dwelling unit as recommended by school administration officials during the initial information gathering pro-

cess. The twenty percent (20%) tax increment funding set-aside for low- and moderate-income housing opportunities can and will be directed throughout the entire community. All funding assistance and subsidy using the twenty percent (20%) tax increment set-aside will be in conformance with the Housing Element and "fair share allocation" set for Escondido by SANDAG. The fair share allocation sets a reasonable attainment level of increase for low- and moderate-income housing opportunities which all cities in the region are strongly encouraged to meet. The fair share allocation is determined independently of city or redevelopment policy, but sets the goal to be achieved through local government efforts.

COMMENT:

The EIR statements regarding the impact on schools are at most inadequate, since they are based on information which has, admittedly, been determined to be unknown. Therefore, such statements in the EIR as growth in schools will be normal since the project will follow the General Plan and cannot be accepted by the District. (p. 7-3) Accelerated growth has to be one of the basic intents of a redevelopment project or there is no reason to engage in the activity.

RESPONSE:

Accelerated growth is not the basic or underlying intent of the Redevelopment Plan and Project Area, but rather the development of a nucleus and center providing necessary public service and cultural resources in response to area-wide growth which is now taking place and will continue to do so in the future. Previous and independent to the initiation of any redevelopment proposal, the Escondido Planning Area and North County Region were identified by SANDAG-Series V reports as areas which would experience accelerated growth over the following twenty (20) years. As identified in Section 3.2 of the EIR, since 1970 the City of Escondido's population has more than doubled with a projected increase of 79.8% in the Planning Area and 35.6% in the present City limits between 1980 and the year 2000. The projections represent a very active growth period affecting future service capacity of existing school facilities and which would have occurred regardless of a Redevelopment Plan and related projects. However, the Redevelopment Plan is not intended to stimulate growth within the Project Area, City or Planning Area above those rates previously projected by SANDAG. Moreover, the redevelopment project is being proposed to accommodate future service and cultural needs of the Escondido area.

COMMENT:

The District maintains that the project by design is intended to make the City of Escondido the "regional city" for the North County area with major governmental, cultural, civic, commercial, industrial, and residential components. It will move the City of Escondido out of the realm of rural suburbia and into a small metropolitan area with considerable impact on schools as well as the community at large. The recommended mitigation measures outlined in the EIR on page 3-77 are incompatible with those statements.

RESPONSE:

The City of Escondido currently commands the greatest amount of commercial, industrial and residential land use concentrations in the North County as it is, understandably, one of the two largest cities in North County. Moreover, Escondido is an historical and geographical center to the inland planning areas (i.e. San Marcos, Escondido, Valley Center, Rancho Bernardo, and Poway) which are quickly developing from long time rural environments to moderate and higher density communities containing several satellite activity centers for various commercial, industrial and administrative functions. This development trend began in the early and mid-70's and will continue throughout this century whether or not redevelopment is pursued in the City of Escondido.

The mitigation measures included in the EIR are consistent with the previous environmental analysis related to public facilities land use and demographics. Consequently, the redevelopment project will not significantly increase, alter, or change the effects on future educational services above levels corresponding with future growth and development projected by SANDAG. Nonetheless, relief measures are recommended and included in the Redevelopment Plan through provisions for cooperative and/or negotiated agreements with the School District if justification of impact resulting from redevelopment itself can be determined.

COMMENT:

To remedy the vagueness of the Project and the inadequacies of the EIR, it is recommended that the Agency and City consider one of the following options:

Option 1:

The District, Agency, and City strongly concur that the EIR with the limited information available regarding actual projects cannot determine with any accuracy the impact of the Project upon the schools of the community; therefore, the validity of the statements within the EIR are to be declared null and void.

In its place the District recommends that a scenario be developed detailing the maximum rehabilitation aspects in the Project Area and a full disclosure basis as a foundation for estimating the impact on the schools. In addition, the District recommends that adequate consideration be given to the impact of the Project upon the larger Escondido community. It is unrealistic to treat the Project as an island and without any impact on the surrounding area. The entire Escondido community needs to be included in determining the impact of the Project. The District would be pleased to assist in the development of this study. Based upon this data, the Agency and City in cooperation with the District need to agree to firm commitments to mitigate the school problem based upon the maximum impact of the Project.

Option 2:

It is recommended that the Project be scaled down to include very specific projects which can then be evaluated as far as the impact on schools is concerned. Under this option details of defined projects would be developed in keeping with the Community Redevelopment Laws:

Health and Safety Code section 33333. Every redevelopment plan shall show by diagram and in general terms:

b. Limitation on type, size, height, number, and proposed use of buildings.

c. The approximate number of dwelling units.

Health and Safety Code section 33352. For low and moderate-income housing a "neighborhood impact report, which describes in detail the impact of the project upon the residents of the project of the project area and the surrounding areas, in terms of relocation, traffic curculation, environmental quality, availability of community facilities and services, effect upon school population and quality of eduction..." be prepared.

The District would be most happy to assist the Agency and City with preparation of this information as well as assist with developing appropriate mitigation measures.

RESPONSE:

In response to Option 1; again, the environmental document has been prepared in a manner consistent with CEQA guidelines for the preparation of such reports. Moreover, a reasonable and fair evaluation of potential impacts resulting from the project itself on existing school facilities has been made and has determined that those impacts effecting the school district's need for additional facilities will result from area-wide growth previously identified and projected in the Escondido region. Further, sufficient details are known as to the type, function, and scale of proposed redevelopment projects in order to make a sound and fair assessment of associated impacts to the school district and existing facilities. In essence, the intent of the Redevelopment Plan and Project Area is to enable the development of various governmental services and cultural resources in response to, and anticipation of, growth already slated for the greater Escondido area.

In response to Option 2, scaling down the proposed project would likewise reduce the feasibility of any effective redevelopment activity, including civic and cultural facilities. Moreover, projects are known in sufficient detail to determine their relationship and potential impact on the school district as has been discussed throughout Chapter 3.0 of the EIR. In short, present school facilities will be impacted by increased enrollments associated with continued growth of the area as previously identified by regional projections and planning studies conducted separate from the Redevelopment Plan.

ESCONDIDO UNION HIGH SCHOOL DISTRICT

(Letter Dated November 9, 1984)

COMMENT:

Quality school facilities, buildings and grounds are an important and integral part of this community; there is no doubt that the redevelopment plan being proposed by the City of Escondido will have a significant impact on our schools.

At this point in time it is difficult to fully predict the total impact on the district during a forty-five year period; however, it is reasonably assumed that several "new" high schools will be needed as well as major refurbishing, replacement, and remodeling of existing high schools and district facilities.

The district expects the Escondido Redevelopment Agency to mitigate all fiscal and environmental impacts resulting from the Redevelopment Plan and that this will be accomplished by agreements at an early date.

The district expects to be considered a full partner in the redevelopment project and, as such, would receive, over the period of the total project, all tax increment funds, or appropriate capital projects and services as agreed upon, which would be appropriate for an approximate 20.76% share.

RESPONSE:

The Agency is currently carrying on agreement negotiations with various taxing jurisdictions, including the Escondido Union High School District. It is anticipated that a mutually acceptable agreement can be reached between the Agency and High School District. Such an agreement, and subsequent capital facilities, impact fees, pass-through agreement, or other device must be based on documented and justified impacts which could effect educational service levels due to the implementation of the Redevelopment Plan. The percentage share of available tax increment funding received by the High School District during the Redevelopment Project term will be set according to the level of documented impact determined and a reasonable and fair negotiation.

COMMENT:

Although the EIR, pages 3-70, provides some discussion regarding number of dwelling units occurring within the project area, no analytical information is included about the location and extent to very low, low- and moderate-income housing in or outside the project area. Also, the EIR limits discussion to growth within the project as it relates to the high schools, but analytical data about the growth outside the project during the full life of the project including the ultimate need to expand city limits which may require zone changes due to the activities of the project, are lacking.

RESPONSE:

With respect to very-low, low- and moderate-income housing, the extent of redevelopment activities directed toward this end will be limited to twenty percent (20%) of future tax increment funds available to the Agency. The twenty percent (20%) tax increment set-aside, as required under Section 33334.2 of the Health and Safety Code, will be used to supplement present housing assistance efforts by the City and County Housing Authority. In accordance with Escondido Housing Element Policy, rehabilitation and improvement of the existing housing stock is among various methods emphasized for improving housing opportunities and quality. In addition, the City will work to achieve its fair share allocation goal for housing the future needs of low- and moderate-income households as determined by SANDAG in July 1984. The five (5) year attainment goal for lower income housing in Escondido is 565 units, inclusive of elderly and family units, as determined by a 1984 region-wide needs analysis pursuant to the San Diego Regional Housing Plan of 1981. Although the twenty percent (20%) set-aside of tax increment may be used to supplement current ongoing efforts to increase housing opportunity, use of such funds will be directed City-wide as opposed to the Project Area exclusively. Regardless of a supplement using the twenty percent (20%) tax increment set-aside or, for the sake of discussion, the adoption of a Redevelopment Project, City and County Housing Authority programs will still be carried out to achieve the five (5) year fair share allocation goal of 565 units.

Analytical data related to growth activity outside the project boundaries and throughout the entire Escondido Planning Area was previously developed by the San Diego Association of Governments (SANDAG) and has been included in Section 2.3 of the EIR. SANDAG has provided Series 6 projects from 1980-2000 as part of a continuing series of demographic and housing analyses conducted for facilities planning purposes and other uses by various affected and taxing agencies throughout the region. By the year 2000 the City of Escondido population is projected to reach 83,801 with a Planning Area population of 143,632. Data related to projected family size, age distribution and dwelling unit increases within this time period have been previously formulated within various Series 6 data files.

Finally, the Redevelopment Plan and related projects do not propose expansion of City limits, enlarged Project Area boundaries, or changes to the City General Plan and Zoning designations. The Redevelopment Plan strictly conforms to the City General Plan. Moreover, the City has already been approached by numerous development interests seeking to annex large outlying unincorporated areas, as is evidenced by recent negotiations related to the Daley Ranch (3,300+ acres) to the north, and Cloverdale Ranch (700+ acres) to the east. Such development interest existed prior to the initiation of any redevelopment activities and are expected to continue into the future. Such annexation interest is based on various factors unrelated to the Redevelopment Project including: market conditions generating high growth demands within the North County; recent wastewater connection rights acquisition by outlying landowners to fund expansion of the Hale Avenue wastewater treatment plant; and early history water rights agreements between the City and Metropolitan Water District/County Water Authority, excluding all incorporated boundaries of the City from water rights limitations imposed throughout unincorporated portions of the region.

AIR RESOURCES BOARD

(Letter dated November 6, 1984)

COMMENT:

The air quality data included in the DEIR's Table 15 covers the period 1973 - 1978. More recent data is available from the San Diego County Air Pollution Control District and it should be included with the final environment impact report (FIER). The state one-hour standard for carbon monoxide (CO) has also changed from 40 ppm (parts per million) to 20 ppm and this current standard should be stated in Table 13 (page 3-38).

RESPONSE:

These comments are so noted and included herein this response so that this revised information will be entered into the public record at the Public Hearing on December 19, 1984 for certification of the final EIR and adoption of the Redevelopment Plan.

**NUMBER OF DAYS PER YEAR THAT
POLLUTANT LEVELS EXCEEDED STATE STANDARDS
ESCONDIDO MONITORING STATION**

<u>Pollutant (standard)</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>
Oxidant (1 hr = 8 pphm+)	13	20	13	14
Carbon Monoxide (1 hr = 35 pphm+)	0	0	0	0
Sulfur Oxides* (1 hr = 50 pphm+)	0	0	0	0
Non-methane Hydrocarbons (3 hrs = 24 pphm+)	264	241	236	223
Nitrogen Oxides (1 hr = 25 pphm+)	0	0	0	0
Suspended Particulates (24 hrs = 100 g/km ³)	168	138	122	127

*Sulfur oxides are not measured at Escondido

AMBIENT AIR QUALITY STANDARDS (AAQA)
CURRENTLY APPLICABLE IN CALIFORNIA

Pollutant	Averaging Time	California Standards	Federal Standards	
		Concentration	Primary	Secondary
Carbon monoxide	12 hours	10 ppm (11 mg/m ³)	—	
	8 hours	—	10 mg/m ³ (9 ppm)	Same as primary standard
	1 hour	20 ppm (23 mg/m ³)	20 mg/m ³ (17.5 ppm)	

COMMENT:

Increased traffic volumes associated with the city and regional governmental land uses are estimated at 6,600 average daily trips, while the trip generation rates of the convention and cultural centers are not defined. We suggest that the City of San Diego guidelines be used to estimate the additional vehicle trips generated by the convention and cultural centers, as well as the additional 1,216 dwelling units.

RESPONSE:

Unfortunately, the City of San Diego does not have trip generation guidelines for the conference, auditorium and theatre (live) facilities being proposed. The City has conducted more recent trip generation surveys in the Central Balboa Park area related to the museum facilities existing. Conclusions of the study related to trip generation indicate a daily trip level of 118 ADT/developed acre of land or 10 ADT/parking space provided. Trip generation factors were not determined as a ratio to floor area and the study conclusions are given for the entire museum complex in Central Balboa Park as a whole. Consequently, a reasonable and documented estimate of vehicle trips generated by the cultural facilities is not possible without empirical evidence and traffic studies which are recommended as a form of mitigation prior to the final approval of any individual project.

With respect to residential trips generated, the Redevelopment Plan does not propose the development of 1,216 additional dwellings in the Project Area or other locations in the City. The 1,216 dwelling unit increase identified is the development potential within vacant properties of the Project Area and is subject to local housing market factors which will determine the rate of development. Consequently, specific information about potential housing unit types beyond the broad classification of the General Plan is not possible. According to the City traffic engineering officials, specific trip generation factors cannot be applied beyond a broad range of 5 ADT to 12 ADT per dwelling unit. Moreover, the period over which this will occur cannot be accurately determined. However, these limitations on increase of 1,216 dwelling units could generate between 6,080 ADT and 14,595 ADT occurring through varied and scattered sections of the Project Area and City-wide circulation network.

Based on data available for evaluation, an estimate and calculation of vehicle trips generated and corresponding emissions is too speculative for incorporation within the Program Environmental Document at this time. However, given the projected growth of the entire Escondido Planning Area through the year 2000, (60,222 population increase over 1980), the incremental increase in vehicle trips and subsequent emissions generated from 1,216 new dwelling units is not considered a significant impact on air basin quality.

COMMENT:

We were unable to determine the additional vehicle emissions which may be generated by the project, because detailed information on the proposed land uses was not included in the DEIR. Therefore, we are including two publications on URBEMIS #1, a land use-emissions model developed by the ARB staff, which can be used to calculate these air quality impacts for inclusion in the FEIR and subsequent development proposals (see Attachments A and B). Average trip lengths for these analyses should be based on the regional travel surveys conducted by the California Department of Transportation, unless more precise local information is available.

RESPONSE:

Information in any greater detail than presently know about the anticipated projects is not know at this time pending final outcome of the design competition for the Civic and Cultural Center. However, the two abovementioned documents "URBEMIS #1" and the land use emissions model developed by the ARB are hereby recommended for inclusion as part of a more detailed traffic analysis which should precede final approval of any individual Civic and Cultural Center facility.

COMMENT:

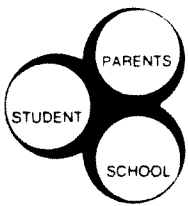
Insuring safe and convenience access to the proposed civic and cultural facilities by alternatives to the single-occupant vehicle (SOV) can be an effective way of reducing future vehicle emissions. The inclusion of additional housing increases the viability of walking, bicycling, or using transit for daily trip making.

The DEIR contains a list of measures described as feasible methods to reduce vehicular emissions. Adoption of these proposals would support the Regional Air Quality Strategy (RAQS) adopted as part of the 1982 Air Quality Plan for the San Diego Air Basis. We recommend the following actions be considered to implement the RAQS' goals:

1. Adopt a transportation systems management (TSM) plan for the redevelopment area which includes an appropriate target for alternative transportation use, which would reduce SOV trip emissions.
2. Improve bicycle access to the downtown area by adding bike lanes and by providing secure bicycle parking at major employment centers, public buildings, and downtown shopping areas.
3. Establish an incentive program for employees in both public and private sectors to use transportation alternatives through methods such as preferential parking for carpools/vanpools, employer financial incentives, and flextime options.
4. Include a SOV emission reduction target in future city leases to large employers and in the conditions of development established for individual projects proposed for the redevelopment area.

RESPONSE:

These comments are so noted and are hereby included in this response as part of the public record and recommended as additional mitigation measures to reduce vehicle emissions and implement the RAQS' goals.



ESCONDIDO UNION SCHOOL DISTRICT

980 NORTH ASH STREET ESCONDIDO, CALIFORNIA 92027 (619) 745-7000

November 6, 1984

CITY OF ESCONDIDO
RECEIVED

NOV 7 1984

Mr. Vernon Hazen, City Manager
City of Escondido
100 Valley Boulevard
Escondido, California 92025

CITY MANAGER

Dear Mr. Hazen:

The Escondido Union School District has reviewed the draft Environmental Impact Report (EIR) and takes exceptions to most of the contents as related to the schools. The District respectively requests that the Agency and the City give serious consideration to its recommendations regarding corrective action needed.

Basically, the District finds the EIR to be vague and inexact to the extent that the conclusions drawn cannot be validated. By admission, the EIR has been designated a "Program EIR and will be used in evaluating future, more detailed project proposals in accordance with the Plan and the need for, and focus of, additional environmental documentation, if any. When specifically detailed detailed project proposals become available, further CEQA compliance may be required." (p. 1-2) This vagueness prevails in the description of the project as indicated in the statement that "some specific projects within the Project Area have been proposed, however, for the most part, the details of these projects and developments are not known at this time." (p. 1-4) The inability of the Agency to define the extent of impact with any accuracy is indicated in the statement that "the present degree of specificity of anticipated projects does not permit an exhaustive and comprehensive evaluation as to probable impacts." (p. 1-5)

Although generally defined, the nature of the Project includes aspects that have a very direct and severe impact upon the schools. Specifically, the development of "residential, commercial, industrial, recreational, and public facilities" (p. 2-6) cause the general population to increase including the accural of school-age children. The District is most interested in the impact on schools related to the "very-, low-, and moderate income housing" (p. 2-7) to be made available under the project since there is some evidence that people in lower cost housing have a larger number of school-age children.

c: M. KRUPP

B. SMITH

JOHN F. LAING, D.D.S.
PRESIDENT

MARILYN V. CLOYD
VICE-PRESIDENT

PAMELA BOEGER
CLERK

M. EVELYN PENFIELD
MEMBER

ROBERT F. PIVA
MEMBER

DON D. HOUT, ED
SUPERINTENDENT

The EIR statements regarding the impact on schools are at most inadequate, since they are based on information which has, admittedly, been determined to be unknown. Therefore, such statements in the EIR as growth in schools will be normal since the project will follow the General Plan and cannot be accepted by the District. (p. 3-73) Accelerated growth has to be one of the basic intents of a redevelopment project or there is no reason to engage in the activity.

The District maintains that the project by design is intended to make the City of Escondido the "regional city" for the North County area with major governmental, cultural, civic, commercial, industrial, and residential components. It will move the City of Escondido out of the realm of rural suburbia and into a small metropolitan area with considerable impact on schools as well as the community at large. The recommended mitigation measures outlined in the EIR on page 3-77 are incompatible with those statements.

To remedy the vagueness of the Project and the inadequacies of the EIR, it is recommended that the Agency and City consider one of the following options:

Option 1

The District, Agency, and City strongly concur that the EIR with the limited information available regarding actual projects cannot determine with any accuracy the impact of the Project upon the schools of the community; therefore, the validity of the statements within the EIR are to be declared null and void.

In its place the District recommends that a scenario be developed detailing the maximum rehabilitation aspects in the Project Area and a full disclosure basis as a foundation for estimating the impact on the schools. In addition, the District recommends that adequate consideration be given to the impact of the Project upon the larger Escondido community. It is unrealistic to treat the Project as an island and without any impact on the surrounding area. The entire Escondido community needs to be included in determining the impact of the Project. The District would be pleased to assist in the development of this study. Based upon this data, the Agency and City in cooperation with the District need to agree to firm commitments to mitigate the school problem based upon the maximum impact of the Project.

Option 2

It is recommended that the Project be scaled down to include very specific projects which can then be evaluated as far

as the impact on schools is concerned. Under this option details of defined projects would be developed in keeping with the Community Redevelopment Laws:

Health and Safety Code section 33333. Every redevelopment plan shall show by diagram and in general terms:

b. Limitation on type, size, height, number, and proposed use of buildings.

c. The approximate number of dwelling units.

Health and Safety Code section 33352. For low and moderate-income housing a "neighborhood impact report, which describes in detail the impact of the project upon the residents of the project of the project area and the surrounding areas, in terms of relocation, traffic circulation, environmental quality, availability of community facilities and services, effect upon school population and quality of education..." be prepared.

The District would be most happy to assist the Agency and City with the preparation of this information as well as assist with developing appropriate mitigation measures.

Sincerely,



Don D. Hout, Ed.D.
Superintendent

cdk

ESCONDIDO UNION HIGH SCHOOL DISTRICT

DR. FOREST M. FOUTS, SUPERINTENDENT
240 SOUTH MAPLE STREET
ESCONDIDO, CALIFORNIA 92025-4182
(919) 480-3000

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November 9, 1984

CITY OF ESCONDIDO
RECEIVED

NOV 13 1984

CITY MANAGER

M. Craig
BOARD OF TRUSTEES
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STEVE VOELKER
CLERK
DONALD R. McARTHUR
MEMBER
DR. GEORGE REED
MEMBER

Mr. Vernon Hazen
City Manager
City of Escondido
100 Valley Blvd.
Escondido, CA 92025

Dear Mr. Hazen:

**Re: Response to Environmental Impact Report
Escondido Redevelopment Project**

During the past ten years the City of Escondido has experienced exceptional growth. We have watched the completion of Interstate 15, the major highway through Central North County, the continued development of shopping centers, financial institutions, and low and high density dwellings. The foregoing are some considerations that citizens contemplate before becoming a part of our community. The other important question usually is, "What kind of schools do they have?"

Quality school facilities, buildings and grounds are an important and integral part of this community; there is no doubt that the redevelopment plan being proposed by the City of Escondido will have a significant impact on our schools.

At this point in time it is difficult to fully predict the total impact on the district during a forty-five year period; however, it is reasonably assumed that several "new" high schools will be needed as well as major refurbishing, replacement and remodeling of existing high schools and district facilities.

The district expects the Escondido Redevelopment Agency to mitigate all fiscal and environmental impacts resulting from the Redevelopment Plan and that this will be accomplished by agreements at an early date.

The district expects to be considered a full partner in the redevelopment project and, as such, would receive, over the period of the total project, all tax increment funds, or appropriate capital projects and services as agreed upon, which would be appropriate for an approximate 20.76% share.

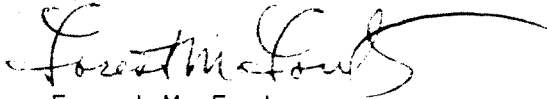
*cc: B. SMITH
M. KRUPP*

Mr. Vernon Hazen
November 9, 1984
Page 2

Although the EIR, pages 3-70, provides some discussion regarding number of dwelling units occurring within the project area, no analytical information is included about the location and extent to very low, low-end moderate-income housing in or outside the project area. Also, the EIR limits discussion to growth within the project as it relates to the high schools, but analytical data about the growth outside the project during the full life of the project including the ultimate need to expand city limits which may require zone changes due to the activities of the project, are lacking.

Please contact me if I can clarify any part of this material.

Sincerely,

A handwritten signature in cursive script, reading "Forest M. Fouts". The signature is written in dark ink and features a long, sweeping horizontal line extending to the right.

Forest M. Fouts
District Superintendent

FMF:cj

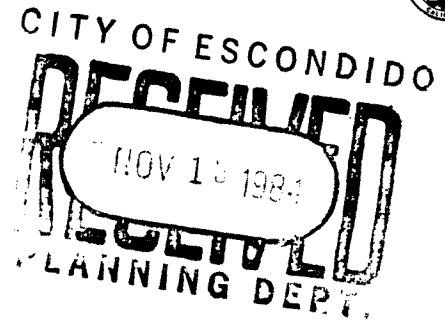
cc: Mr. Rod Wood, Assistant City Manager
Mr. Richard Pepper, Director of Business Services

RECEIVED NOV 16 1984

OFFICE OF PLANNING AND RESEARCH

1400 TENTH STREET
ACRAMENTO, CA 95814

November 9, 1984

Mr. Randi Coopersmith
Escondido Redevelopment Agency
100 Valley Boulevard
Escondido, CA 92025

Subject: SCH# 84082909, Escondido Redevelopment Agency

Dear Mr. Coopersmith:

The State Clearinghouse submitted the above named draft Environmental Impact Report (EIR) to selected state agencies for review. The review period is closed and the comments of the individual agency(ies) is(are) attached. If you would like to discuss their concerns and recommendations, please contact the staff from the appropriate agency(ies).

When preparing the final EIR, you must include all comments and responses (CEQA Guidelines, Section 15132). The certified EIR must be considered in the decision-making process for the project. In addition, we urge you to respond directly to the commenting agency(ies) by writing to them, including the State Clearinghouse number on all correspondence.

In the event that the project is approved without adequate mitigation of significant effects, the lead agency must make written findings for each significant effect and it must support its actions with a written statement of overriding considerations for each unmitigated significant effect (CEQA Guidelines Section 15091 and 15093).

If the project requires discretionary approval from any state agency, the Notice of Determination must be filed with the Secretary for Resources, as well as with the County Clerk. Please contact Mark Boehme at (916) 445-0613 if you have any questions about the environmental review process.

Sincerely,

A handwritten signature in cursive script that reads "John B. Ohanian".
John B. Ohanian
Chief Deputy Directorcc: Resources Agency
attachment

AIR RESOURCES BOARD

1102 Q STREET
P.O. BOX 2815
SACRAMENTO, CA 95812



RECEIVED
NOV 9 1984
OFFICE OF PLANNING
& RESEARCH

Date: November 6, 1984

To: 1) John Ohanian, Director
State Clearinghouse
Office of Permit Assistance
1400-10th Street
Sacramento, CA 95814
IMS A-8

2) Randi Coopersmith
Escondido Redevelopment Agency
100 Valley Boulevard
San Diego, CA 92025

Thru: Attention: Christine Goggin
Corinne Murphy Marshall
Corinne Murphy Marshall
Deputy Secretary of Environmental Affairs

From: *James D. Boyd*
James D. Boyd
Executive Officer

Subject: Escondido Redevelopment Project Area and Plan Draft Environmental Impact Report, SCH No. 84082909

Thank you for the opportunity to comment on the Escondido Redevelopment Project Area and Plan Draft Environmental Impact Report (DEIR). According to the DEIR, the 3,161-acre project is to redevelop regional, cultural, and administration facilities in the central business district and to provide circulation improvements, public facilities and housing assistance. The proposed project includes development of 90 acres of vacant infill properties which would generate a total increase of 1,216 dwelling units, or 2,797 residents above existing levels. The proposed densities are consistent with the General Plan.

Air Quality Analysis

The air quality data included in the DEIR's Table 15 covers the period 1973-1978. More recent data is available from the San Diego County Air Pollution Control District and it should be included with the final environmental impact report (FEIR). The state one-hour standard for carbon monoxide (CO) has also changed from 40 ppm (parts per million) to 20 ppm and this current standard should be stated in Table 13 (page 3-38).

Increased traffic volumes associated with the city and regional governmental land uses are estimated at 6,600 average daily trips, while the trip generation rates of the convention and cultural centers are not defined. We suggest that the City of San Diego guidelines be used to estimate the additional vehicle trips generated by the convention and cultural centers, as well as the additional 1,216 dwelling units.

We were unable to determine the additional vehicle emissions which may be generated by the project, because detailed information on the proposed land uses was not included in the DEIR. Therefore, we are including two publications on URBEMIS #1, a land use-emissions model developed by the ARB staff, which can be used to calculate these air quality impacts for inclusion in the FEIR and subsequent development proposals (see Attachments A and B). Average trip lengths for these analyses should be based on the regional travel surveys conducted by the California Department of Transportation, unless more precise local information is available.

Mitigation Measures

Insuring safe and convenient access to the proposed civic and cultural facilities by alternatives to the single-occupant vehicle (SOV) can be an effective way of reducing future vehicle emissions. The inclusion of additional housing increases the viability of walking, bicycling, or using transit for daily tripmaking.

The DEIR contains a list of measures described as feasible methods to reduce vehicular emissions. Adoption of these proposals would support the Regional Air Quality Strategy (RAQS) adopted as part of the 1982 Air Quality Plan for the San Diego Air Basin. We recommend the following actions be considered to implement the RAQS' goals:

1. Adopt a transportation systems management (TSM) plan for the redevelopment area which includes an appropriate target for alternative transportation use, which would reduce SOV trip emissions.
2. Improve bicycle access to the downtown area by adding bike lanes and by providing secure bicycle parking at major employment centers, public buildings, and downtown shopping areas.
3. Establish an incentive program for employees in both public and private sectors to use transportation alternatives through methods such as preferential parking for carpools/vanpools, employer financial incentives, and flextime options.
4. Include a SOV emission reduction target in future city leases to large employers and in the conditions of development established for individual projects proposed for the redevelopment area.

Mr. Ohanian
Mr. Coopersmith

-3-

November 6, 1984
SCH No. 84082909

We are enclosing an example of a TSM plan adopted by the City of Sacramento (Attachment C) and model parking regulations to support TSM actions (Attachment D) for your consideration. We suggest contact with the transit service agencies, Commuter Computer, and local bicycle club representatives to develop a comprehensive TSM Plan that could provide significant mitigation of the additional emissions that may result from the renewed downtown Escondido.

We would appreciate being notified of hearings on major developments in the Redevelopment area and receiving copies of the final EIR. If you have any questions concerning these comments, please contact Donna Lott of my staff at (916) 322-7047.

Enclosures

cc: Paul Sidhu, San Diego County APCD
Michael Zdon, SANDAG
Carl West, Caltrans District 11/Planning
Manny Demetre, Caltrans District 11/Commuter Computer
Joan Kugler, Metropolitan Transit Development Board
Deborah Wetter, San Diego Transit
Scott Monte, City of San Diego Paratransit Administration
Suzanne Bond, California Association of Bicycling Organizations
Donna Lott, Technical Support Division

XI

THE REPORT OF THE COUNTY FISCAL OFFICER REQUIRED BY
SECTION 33328 OF THE STATE COMMUNITY REDEVELOPMENT LAW

(SUPPLEMENT)

XI
THE REPORT OF THE COUNTY FISCAL OFFICER REQUIRED BY
SECTION 33328 OF THE STATE COMMUNITY REDEVELOPMENT LAW

(Supplement)

Section 33328 of the Health and Safety Code provides that the Auditor/Controller of the County of San Diego shall provide a report to the Redevelopment Agency and each of the taxing agencies containing the following information:

1. The total assessed valuation of all taxable property within the Project Area as shown on the base year assessment roll.
2. The identifications of each taxing agency levying taxes in the Project Area.
3. The amount of tax revenue to be derived by each taxing agency from the base year assessment roll from the Project Area, including State subventions for homeowners, business inventory, and similar such subventions.
4. The total advalorem tax revenues from all property within its boundaries, whether inside or outside the Project Area, for each taxing agency.
5. The estimated first-year taxes available to the Redevelopment Agency, if any, based upon information submitted by the Redevelopment Agency, broken down by taxing agencies.
6. The assessed valuation of the project area for the preceding year, or if requested by the Redevelopment Agency, for the preceding five years, except for state assessed property on the board roll. However, in preparing this information, the requirements of Section 33670.5 shall be observed. The assessed value shall be reported by block if the property is divided by blocks, or by any other geographical area as may be agreed upon by the agency and county officials.

On November 9, 1984, the County of San Diego Deputy CAO forwarded a copy of the revised Report of the County Fiscal Officer as required by Section 33328 of the California Health and Safety Code. This revised report replaces the original report of October 16, 1984.

ESCONDIDO REDEVELOPMENT AGENCY
ESCONDIDO REDEVELOPMENT PROJECT
BASE YEAR ASSESSMENT ROLL REPORT
PER HEALTH AND SAFETY CODE 33328

NOVEMBER 9, 1984

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ESCONDIDO REDEVELOPMENT AGENCY
ESCONDIDO REDEVELOPMENT PROJECT
BASE YEAR ASSESSMENT ROLL REPORT
PER HEALTH AND SAFETY CODE 33328

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per H.S. 33328, a

1984-85 BASE ASSESSED VALUE

HS. 33328, a

ESCONDIDO REDEVELOPMENT AGENCY
ESCONDIDO REDEVELOPMENT PROJECT
1984-85 BASE ASSESSED VALUE

Assessed Value

Secured	\$ 556,344,805
State	44,896,420
Unsecured	<u>47,001,348</u>
TOTAL	<u>\$ 648,242,573</u>

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Table II
per H.S. 33328, b,c,d

Taxing Agency Secured Base Year Revenue and Total Taxing
Agency Ad Valorem Tax Revenue

Taxing Agency Unsecured Base Year Revenue and Total Taxing
Agency Ad Valorem Tax Revenue

SCHEDULE I

Secured 1% Proposition 13

SCHEDULE II

Unsecured 1% Proposition 13

TABLE II
H.S. 33328, b,c,d

ESCONDIDO REDEVELOPMENT AGENCY
ESCONDIDO REDEVELOPMENT PROJECT
TAXING AGENCY SECURED BASE YEAR REVENUE AND
TOTAL TAXING AGENCY AD VALOREM TAX REVENUE

<u>Taxing Agency</u>	<u>Project Area Base Year Revenue</u>	<u>Total Taxing Agency Revenues</u>	
		<u>Agency Assessed Value - Base</u>	<u>Total Revenues</u>
1% Funds (See Schedule I)	\$6,012,412	\$61,508,831,521	\$615,088,315
City of Escondido	119,346	1,968,462,078	390,740
School Districts			
Gen. Elem. Escondido Union	51,985	2,645,770,828	274,631
Gen. Bond Esc. 1958-65D	43,175	2,313,919,488	174,007
Gen. Bond Esc. 1969A	23,678	2,645,770,828	105,566
Gen. Bond Orange Glen 59A-68B	2,301	331,851,340	39,557
Gen. Bond Rich Mar 1959C	21	1,522,001,313	4,109
Gen. Bond Rich Mar 1964C-73B	1,912	1,521,707,881	372,971
Hi. Bond Escondido 1959	-0-	3,235,611,981	-0-
Hi. Bond Escondido 1963A & B	14,599	3,235,611,981	79,500
Hi. Bond Esc. 1963C-69C	51,748	3,235,318,549	282,100
Unif. Bond San Marcos 1959	-0-	1,521,707,881	-0-
Unif. Bond San Marcos 1963A & B	90	1,521,707,881	17,500
Unif. Bond San Marcos 1963C-69C	319	1,521,707,881	62,238
Unif. Bond San Marcos 1973C	1,288	1,521,707,881	251,234
Palomar C.C. 1963A & B	6,373	15,181,450,471	160,923
Other Educational Purposes			
Oceanside Project 19/87001	20	13,708,431,478	35,642
Carlsbad Project 19/86001	8	13,353,125,867	13,353
Escondido Elem. Proj. 19/86901	2,104	12,949,481,344	45,323
Vista Project 19/85702	-0-	22,311,392,192	-0-
Special Districts			
Northern S.D. Hospital	26,635	8,699,586,645	385,392
San Marcos Co. Water	492	1,123,861,518	109,015
Rincon del Diablo Muni. Wtr	3,083	512,785,113	37,382
MWD Remainder thereof	55,311	11,527,232,587	179,825
MWD Rincon del Diablo	40,832	1,779,904,091	299,024
MWD Bueno Colorado	852	2,898,762,730	486,992
CWA City of Escondido D/S	39,344	1,373,561,460	97,386
CWA Rincon del D. D/S	1,924	1,065,377,524	75,535
CWA San Marcos D/S	360	1,072,787,037	77,133
Total	<u>\$6,501,212</u>		<u>\$619,145,500</u>

TABLE II
H.S. 33328, b,c,d

ESCONDIDO REDEVELOPMENT AGENCY
ESCONDIDO REDEVELOPMENT PROJECT
TAXING AGENCY UNSECURED BASE YEAR REVENUE AND
TOTAL TAXING AGENCY AD VALOREM TAX REVENUE

<u>Taxing Agency</u>	<u>Project Area Base Year Revenue</u>	<u>Total Taxing Agency Revenues</u>	
		<u>Agency Assessed Value - Base</u>	<u>Total Revenues</u>
1% Funds (See Schedule II)	\$ 470,013	\$2,641,935,907	\$26,419,359
City of Escondido	-0-	80,447,807	-0-
School Districts			
Gen. Elem. Escondido Union	4,794	81,211,253	7,707
Gen. Bond Esc. 1958-65D	3,496	68,810,974	5,271
Gen. Bond Esc. 1969A	1,908	81,211,253	3,354
Gen. Bond Orange Glen 59A-68B	55	12,400,279	1,255
Gen. Bond Rich Mar 1959C	3	60,292,528	211
Gen. Bond Rich Mar 1964C-73B	239	60,292,528	17,732
Hi. Bond Escondido 1959	162	85,283,647	298
Hi. Bond Escondido 1963A & B	1,178	85,283,647	2,175
Hi. Bond Esc. 1963C-69C	4,198	85,283,647	7,752
Unif. Bond San Marcos 1959	2	60,292,528	163
Unif. Bond San Marcos 1963A & B	12	60,292,528	898
Unif. Bond San Marcos 1963C-69C	42	60,292,528	3,141
Unif. Bond San Marcos 1973C	139	60,292,528	10,298
Palomar C.C. 1963A & B	512	306,559,455	3,341
Other Educational Purposes			
Oceanside Project 19/87001	-0-	277,357,591	832
Carlsbad Project 19/86001	-0-	257,909,599	-0-
Escondido Elem. Proj. 19/86901	207	265,227,467	1,167
Vista Project 19/85702	150	517,817,972	1,657
Special Districts			
Northern S.D. Hospital	2,529	241,481,257	12,992
San Marcos Co. Water	83	55,878,129	5,728
Rincon del Diablo Muni. Wtr	504	20,869,364	1,638
MWD Remainder thereof	6,762	424,114,130	100,515
MWD Rincon del Diablo	4,432	47,538,673	11,932
MWD Bueno Colorado	203	91,538,344	22,793
CWA City of Escondido D/S	3,094	67,704,227	4,739
CWA Rincon del D. D/S	139	15,043,189	1,053
CWA San Marcos D/S	57	55,739,019	3,902
Total	\$ 504,913		\$26,651,903

TABLE II
H.S.33328, b,c,d

SCHEDULE I

ESCONDIDO REDEVELOPMENT AGENCY
ESCONDIDO REDEVELOPMENT PROJECT
Secured 1% Proposition 13

	<u>Tax Revenue</u>
County General	\$ 1,562,190
City of Escondido	846,040
Gen. Elem. Escondido Union	1,628,098
High Escondido Union	1,241,230
Palomar Community College	371,822
Unified San Marcos	31,050
Other Educational Purposes	132,203
Escondido Cemetery District	24,614
San Marcos Cemetery District	418
Palomar Pomerado Hospital District	139,621
Palomar Resource Conservation District	547
San Marcos County Water District	1,263
Rincon del Diablo Muni. Water Imp. Dist. 1	10,441
Rincon del Diabale Muni. Water Dist. F	2
San Diego Co. Flood Control Dist. Zone 1	7
CWA City of Escondido	21,217
CWA Rincon del Diabale Muni. Wtr. Dist.	1,436
CWA San Marcos Co. Water District	<u>213</u>
TOTAL	<u><u>\$6,012,412</u></u>

TABLE II
H.S.33328, b,c,d

SCHEDULE II

ESCONDIDO REDEVELOPMENT AGENCY
ESCONDIDO REDEVELOPMENT PROJECT
Unsecured 1% Proposition 13

	<u>Tax Revenue</u>
County General	\$ 121,744
City of Escondido	66,744
Gen. Elem. Escondido Union	126,270
High Escondido Union	95,850
Palomar Community College	29,378
Unified San Marcos	3,244
Other Educational Purposes	10,305
Escondido Cemetery District	1,962
San Marcos Cemetery District	44
Palomar Pomerado Hospital District	10,870
Palomar Resource Conservation District	43
San Marcos County Water District	203
Rincon del Diablo Muni. Water Imp. Dist. 1	1,571
Rincon del Diabale Muni. Water Dist. F	-0-
San Diego Co. Flood Control Dist. Zone 1	-0-
CWA City of Escondido	1,683
CWA Rincon del Diabale Muni. Wtr. Dist.	68
CWA San Marcos Co. Water District	<u>34</u>
TOTAL	<u><u>\$ 470,013</u></u>

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Table III

per H.S. 33328, b, c, d

SCHEDULE I

Estimated Project Tax Increment based on 7.5% estimated growth.

SCHEDULE II

Estimated Project Tax Increment based on 10% estimated growth.

SCHEDULE III

Estimated Project Tax Increment based on 12% estimated growth.

SCHEDULE I

Table III
H.S. 33328, e

ESTIMATED PROJECT TAX INCREMENT
IMPACT BY FUND OVER A 20 YEAR PERIOD
ESTIMATED GROWTH 7.5%

	Base Revenue	1 Year	5 years	10 years	20 years
County General	\$1,683,934	\$ 126,295	\$2,094,848	\$8,770,128	\$44,712,711
City of Escondido	912,784	68,459	1,135,522	4,748,889	24,231,727
Gen. Elem. Escondido Union	1,754,368	131,578	2,182,470	9,136,958	46,582,915
High Escondido Union	1,337,080	100,281	1,663,354	6,963,671	35,502,859
Palomar Community College	401,200	30,090	499,101	2,089,498	10,652,878
Unified San Marcos	34,294	2,572	42,662	178,607	910,592
Other Educational Purposes	142,508	10,688	177,281	742,193	3,783,939
Escondido Cemetery District	26,576	1,993	33,059	138,405	705,630
San Marcos Cemetery District	462	35	575	2,403	12,240
Palomar Pomerado Hospital District	150,491	11,287	187,213	783,774	3,995,922
Palomar Resource Conservation District	590	44	734	3,073	15,661
San Marcos County Water District	1,466	110	1,824	7,638	38,953
Rincon del Diablo Muni. Water Imp. Dist. 1	12,012	901	14,941	62,552	318,944
Rincon del Diablo Muni. Water Dist. F	2	0	0	0	0
San Diego Co. Flood Control Dist. Zone 1	7	1	15	55	238
CWA City of Escondido	22,900	1,718	28,491	119,279	608,111
CWA Rincon del Diabla Muni. Wtr. Dist.	1,504	113	1,870	7,830	39,925
CWA San Marcos Co. Water District	247	19	309	1,295	6,590
Debt Service Funds	523,701	39,278	651,494	2,727,492	13,905,563
Total	\$7,006,126	\$525,462	\$8,715,763	\$36,483,740	\$186,025,398

Table III
H.S. 33328, e

ESTIMATED PROJECT TAX INCREMENT
IMPACT BY FUND OVER A 20 YEAR PERIOD
ESTIMATED GROWTH 10%

	Base Revenue	1 Year	5 years	10 years	20 years
County General	\$1,683,934	\$ 168,393	\$2,888,974	\$12,681,988	\$72,413,378
City of Escondido	912,784	91,278	1,565,979	6,874,323	39,251,982
Gen. Elem. Escondido Union	1,754,368	175,437	3,009,817	13,212,457	75,442,282
High Escondido Union	1,337,080	133,708	2,293,909	10,069,776	57,497,800
Palomar Community College	401,200	40,120	688,303	3,021,510	17,252,632
Unified San Marcos	34,294	3,429	58,834	258,271	1,474,709
Other Educational Purposes	142,508	14,251	244,492	1,073,263	6,128,239
Escondido Cemetery District	26,576	2,658	45,595	200,150	1,142,855
San Marcos Cemetery District	462	46	794	3,489	19,909
Palomar Pomerado Hospital District	150,491	15,049	258,181	1,133,362	6,471,446
Palomar Resource Conservation District	590	59	1,012	4,445	25,379
San Marcos County Water District	1,466	147	2,515	11,042	63,044
Rincon del Diablo Muni. Water Imp. Dist. 1	12,012	1,201	20,605	90,462	516,557
Rincon del Diablo Muni. Water Dist. F	2	0	0	0	0
San Diego Co. Flood Control Dist. Zone 1	7	1	15	58	323
CWA City of Escondido	22,900	2,290	39,288	166,468	978,793
CWA Rincon del Diabale Muni. Wtr. Dist.	1,504	150	2,576	11,312	64,623
CWA San Marcos Co. Water District	247	25	425	1,864	10,639
Debt Service Funds	523,701	52,370	898,467	3,944,086	22,520,492
Total	\$7,006,126	\$700,612	\$12,019,781	\$52,758,326	\$301,275,082

SCHEDULE III

Table III
H.S. 33328, e

ESTIMATED PROJECT TAX INCREMENT
IMPACT BY FUND OVER A 20 YEAR PERIOD
ESTIMATED GROWTH 12%

	Base Revenue	1 Year	5 years	10 years	20 years
County General	\$1,683,934	\$ 202,072	\$3,561,839	\$16,257,679	\$102,212,656
City of Escondido	912,784	109,534	1,930,712	8,812,559	55,404,908
Gen. Elem. Escondido Union	1,754,368	210,524	3,710,817	16,937,681	106,487,890
High Escondido Union	1,337,080	160,450	2,828,181	12,908,959	81,159,084
Palomar Community College	401,200	48,144	848,614	3,873,422	24,352,342
Unified San Marcos	34,294	4,115	72,536	331,084	2,081,561
Other Educational Purposes	142,508	17,101	301,431	1,375,856	8,650,059
Escondido Cemetery District	26,576	3,189	56,211	256,572	1,613,104
San Marcos Cemetery District	462	55	973	4,447	27,967
Palomar Pomerado Hospital District	150,491	18,059	318,316	1,452,922	9,134,592
Palomar Resource Conservation District	590	71	1,247	5,691	35,788
San Marcos County Water District	1,466	176	3,102	14,157	88,997
Rincon del Diablo Muni. Water Imp. Dist. 1	12,012	1,441	25,403	115,956	729,056
Rincon del Diablo Muni. Water Dist. F	2	0	0	0	0
San Diego Co. Flood Control Dist. Zone 1	7	1	15	65	420
CWA City of Escondido	22,900	2,748	48,439	221,093	1,390,004
CWA Rincon del Diabale Muni. Wtr. Dist.	1,504	180	3,176	14,506	91,228
CWA San Marcos Co. Water District	247	30	524	2,393	15,035
Debt Service Funds	523,701	62,844	1,107,724	5,056,107	42,261,979
Total	\$7,006,126	\$ 840,734	\$14,819,260	\$67,641,149	\$435,736,670

XII

THE REPORT OF THE FISCAL REVIEW COMMITTEE

(SUPPLEMENT)

XII
THE REPORT OF THE FISCAL REVIEW COMMITTEE
(Supplement)

Section 33353.5 of the California Health and Safety Code provides that:

"In the event a Fiscal Review Committee is created pursuant to Section 33353, at the conclusion of the hearing the Fiscal Review Committee shall report to the Agency on the fiscal impact of the Redevelopment Plan or the amendment to the Redevelopment Plan on each of the members of the Fiscal Review Committee.

The Fiscal Review Committee may suggest amendments to the plan, the adoption of which would alleviate or eliminate any fiscal effects which may be detrimental to the affected taxing entities."

In addition to the Fiscal Review Committee meeting of October 18, 1984, the County of San Diego Deputy CAO called for a second meeting on November 21, 1984. The agenda for the meeting was as follows:

- 1) purpose of Fiscal Review Committee meeting;
- 2) review and discuss recommendation by committee members; and
- 3) report required of Fiscal Review Committee per H.S. §33353.5.

No further action was taken by the Fiscal Review Committee at the November 21, 1984 meeting with regard to the above agenda items.



COUNTY OF SAN DIEGO

CHIEF ADMINISTRATIVE OFFICE

1600 PACIFIC HIGHWAY • SAN DIEGO, CALIFORNIA 92101

TELEPHONE (619) 236-2722

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CHIEF ADMINISTRATIVE OFFICER

RECEIVED NOV 16 1984

November 13, 1984

MEMORANDUM FOR: Members, Fiscal Review Committee

FROM: Richard W. Jacobsen
Deputy Chief Administrative Officer

ESCONDIDO REDEVELOPMENT PROJECT FISCAL REVIEW COMMITTEE
MEETING

The Fiscal Review Committee will convene on November 21, 1984, 2:00 p.m., at the County Administration Center, 1600 Pacific Highway, Room 302. Attached is the agenda for the meeting.

Enclosed is the County Auditor's final base year assessment report required by Health and Safety Code §33328.

Should you have any questions regarding the meeting, please contact me at 236-2881.

Warm regards,

RICHARD W. JACOBSEN
Deputy CAO

RWJ:cm

Attachments

cc: Escondido Redevelopment Agency

AGENDA

FISCAL REVIEW COMMITTEE

ESCONDIDO REDEVELOPMENT AGENCY

1. Purpose of Fiscal Review Committee meeting.
2. Review and discuss recommendation by committee members.
3. Report required of fiscal review committee per H.S §33353.5.

XIV

AGENCY ANALYSIS OF THE REPORT SUBMITTED BY THE COUNTY AS REQUIRED
BY SECTION 33328 OF THE STATE COMMUNITY REDEVELOPMENT LAW AND
SUMMARY OF CONSULTATION WITH COUNTY AND AFFECTED TAXING AGENCIES

(SUPPLEMENT)

XIV
AGENCY ANALYSIS OF THE REPORT SUBMITTED BY THE COUNTY AS REQUIRED
BY SECTION 33328 OF THE STATE COMMUNITY REDEVELOPMENT LAW AND
SUMMARY OF CONSULTATION WITH COUNTY AND AFFECTED TAXING AGENCIES

(Supplement)

ANALYSIS OF REPORT OF COUNTY FISCAL OFFICER

As of the date of this Agency Report three (3) reports make up the County Fiscal Officer's (Auditor-Controller's) report pursuant to Section 33328 of the California Health and Safety Code. These include the following dated documents.

- 1) State of California, Board of Equalization report providing the FY 1984-84 assessed values of state assessed property within the Escondido Redevelopment Project Area dated October 17, 1984.
- 2) County of San Diego, Office of the Auditor and Controller report providing the FY 1984-85 secured and unsecured values within the Escondido Redevelopment Project Areas dated October 17, 1984 (original report).
- 3) County of San Diego, Office of the Auditor and Controller report providing base year assessment role report per Health and Safe Code Section 33328 dated November 9, 1984 (revised report - refer to Chapter XI of this Report of the Agency).

For purposes of reference, the estimates of total assessed valuation used in the draft and final Environmental Impact Report, and other documentation of the Agency was projected at \$651,300,000.

Revised Report Analysis

The revised Report of the County Auditor and Controller indicates a FY 1984-85 base year assessed valuation for the Escondido Project Area to be set at \$648,242,573. This is consistent with the original Report of the Auditor and Controller (October 17, 1984) and the State of California Board of Equalization Report (October 17, 1984).

The Auditor and Controller's Report of November 9, 1984 indicates the base year tax revenues for the 1) Project Area; and 2) total Agency revenues.

Several significant points should be noted in evaluating this base year revenue analysis:

- 1) Although the Project Area "base year 1% fund revenue" equates to \$6,482,425 (secured and unsecured), they represent only 1.01% of the "base year total taxing agency 1% fund revenues".

2) Similarly, the assessed valuation of the Project Area set at \$648,242,573 represents only 1.01% of the total taxing agency assessed valuation base.

The base year's assessed valuation of the Project Area is broken down as follows:

ESCONDIDO REDEVELOPMENT PROJECT AREA
FY 1984-85 BASE ASSESSED VALUE

<u>Assessed Value</u>	<u>Total Dollar Value</u>	<u>% of Total</u>
Secured	\$556,344,805	85.8%
State	\$ 44,896,420	6.9%
Unsecured	<u>\$ 47,001,348</u>	<u>7.3%</u>
TOTAL	<u>\$648,242,573</u>	<u>100.0%</u>

This distribution of tax increment to the Redevelopment Agency is proposed to be based upon the one percent (1%) ad valorem tax revenues. Therefore, the indebtedness revenues will continue to flow to each of the taxing jurisdictions rather than being distributed to the Redevelopment Agency. The following shows a comparison of the base year revenues by the categories of "1% Funds" and Indebtedness Funds":

	<u>Secured</u>	<u>Unsecured</u>	<u>Total</u>
1% Fund Revenues	\$615,088,315	\$26,419,359	\$641,507,674
Indebtedness Fund Revenues	<u>4,057,194</u>	<u>232,544</u>	<u>4,289,738</u>
TOTAL FUND REVENUES	<u>\$619,145,509</u>	<u>\$26,651,903</u>	<u>\$645,797,412</u>

In order to evaluate the implications of the distribution of the "1% Fund" Tax increment revenues, it is important to view the spread of the base year "1% Fund" taxes. This is shown in Table 1.

The County has estimated the tax increment impact by fund over a 20-year period based upon an estimated annual assessed valuation growth rate of 7.5%, 10.0%, and 12.0%, respectively. These estimates included the "1% Fund" revenues as well as the "Indebtedness Fund" revenues. Consistent with the programs intent to distribute only the "1% Fund" revenues to the Agency, the County's estimates have been revised accordingly, as shown in Table 2, Table 3, and Table 4.

TABLE 1

ESCONDIDO REDEVELOPMENT PROJECT AREA
DISTRIBUTION OF 1% FUND TAX REVENUES
DETERMINED ON BASE YEAR ASSESSED VALUATION

	Secured		Unsecured		Total	
	Tax Revenues	% of Total	Tax Revenues	% of Total	Tax Revenues	% of Total
County General	\$ 1,562,190	25.98%	\$ 121,744	25.90%	\$ 1,683,934	25.98%
City of Escondido	846,040	14.07%	66,744	14.20%	912,784	14.08%
Gen. Elem. Escondido Union	1,628,098	27.08%	126,270	26.87%	1,754,368	27.06%
High Escondido Union	1,241,230	20.64%	95,850	20.39%	1,337,080	20.63%
Palomar Community College	371,822	6.18%	29,378	6.25%	401,200	6.19%
Unified San Marcos	31,050	.52%	3,244	.69%	34,294	.53%
Other Educational Purposes	132,203	2.20%	10,305	2.19%	142,508	2.20%
Escondido Cemetery District	24,614	.41%	1,962	.42%	26,576	.41%
San Marcos Cemetery District	418	.01%	44	.01%	462	.01%
Palomar Pomerado Hospital District	139,621	2.32%	10,870	2.31%	150,491	2.32%
Palomar Resource Conservation District	547	.01%	43	.01%	590	.01%
San Marcos County Water District	1,263	.02%	203	.04%	1,466	.02%
Rincon del Diablc Muni. Water Imp. Dist. 1	10,441	.17%	1,571	.33%	12,012	.19%
Rincon del Diablc Muni. Water Dist. F	2	.00003%	-0-	-0-	2	.00003%
San Diego Co. Flood Control Dist. Zone 1	7	.0001%	-0-	-0-	7	.0001%
CWA City of Escondido	21,217	.35%	1,683	.36%	22,900	.35%
CWA Rincon del Diablc Muni. Wtr. Dist.	1,436	.02%	68	.01%	1,504	.02%
CWA San Marcos Co. Water District	213	.004%	34	.007%	247	.004%
TOTAL	\$ 6,012,412	100.00% (+)	\$ 470,013	100.00% (+)	\$ 6,482,425	100.00% (+)

TABLE 2

ESTIMATED PROJECT TAX INCREMENT
IMPACT BY FUND OVER A 20-YEAR PERIOD
ESTIMATED GROWTH 7.5%

1% Fund	Base Year Revenue (1)	Tax Increment			
		1 Year	5 Years	10 Years	20 Years
County General	\$1,683,934	\$126,295	\$2,094,848	\$8,770,128	\$44,712,711
City of Escondido	912,784	68,459	1,135,522	4,748,889	24,231,727
Gen. Elem. Escondido Union	1,754,368	131,578	2,162,470	9,136,958	46,582,915
High Escondido Union	1,337,080	100,281	1,663,354	6,963,671	35,502,859
Palomar Community College	401,200	30,390	499,101	2,089,498	10,652,870
Unified San Marcos	34,294	2,572	42,662	178,067	910,592
Other Educational Purposes	142,508	10,688	177,281	742,193	3,783,939
Escondido Cemetery District	26,576	1,993	33,059	138,405	705,630
San Marcos Cemetery District	462	35	575	2,403	12,240
Palomar Pomerado Hospital District	150,491	11,287	187,213	783,774	3,995,922
Palomar Resource Conservation District	590	44	734	3,073	15,661
San Marcos County Water District	1,466	110	1,824	7,638	38,953
Rincon del Diablo Muni. Water Imp. Dist. 1	12,012	901	14,941	62,552	318,944
Rincon del Diablo Muni. Water Dist. F	2	0	0	0	0
San Diego Co. Flood Control Dist. Zone 1	7	1	15	55	238
CWA City of Escondido	22,900	1,718	28,491	119,279	608,111
CWA Rincon del Diablo Muni. Wtr. Dist.	1,504	113	1,670	7,830	39,625
CWA San Marcos Co. Water District	247	19	309	1,295	6,590
SUB-TOTAL	\$6,482,425	\$486,184⁽²⁾	\$8,064,269⁽²⁾	\$33,756,248⁽²⁾	\$172,119,535⁽²⁾
Indebtedness Funds	523,701	39,278	651,494	2,727,492	13,905,563
SUB-TOTAL	\$ 523,701	\$ 52,370⁽³⁾	\$ 898,467⁽³⁾	\$ 3,944,086⁽³⁾	\$ 22,250,492⁽³⁾
TOTAL	\$7,006,126	\$525,462	\$8,715,763	\$36,483,740	\$186,025,098

- (1) Base year revenues including "1% Fund" and "Indebtedness Funds" to be distributed to each taxing jurisdiction as if no Redevelopment Plan had been adopted.
- (2) 1% Fund revenues to be distributed to Redevelopment Agency
- (3) Indebtedness Fund revenues to be distributed to taxing agencies as appropriate.

TABLE 3
ESTIMATED PROJECT TAX INCREMENT
IMPACT BY FUND OVER A 20-YEAR PERIOD
ESTIMATED GROWTH 10%

1% Fund	Base Year Revenue (1)	Tax Increment			
		1 Year	5 Years	10 Years	20 Years
County General	\$1,683,934	\$168,393	\$2,888,974	\$12,681,988	\$ 72,413,378
City of Escondido	912,784	91,278	1,565,979	6,874,323	39,251,982
Gen. Elem. Escondido Union	1,754,368	175,437	3,009,817	13,212,457	75,442,282
High Escondido Union	1,337,080	133,708	2,293,909	10,069,776	57,497,800
Palomar Community College	401,200	40,120	688,303	3,021,510	17,252,632
Unified San Marcos	34,294	3,429	58,834	258,271	1,474,709
Other Educational Purposes	142,508	14,251	244,492	1,073,263	6,128,239
Escondido Cemetery District	26,576	2,658	45,595	200,150	1,142,855
San Marcos Cemetery District	462	46	794	3,489	19,909
Palomar Pomerado Hospital District	150,491	15,049	258,181	1,133,362	6,471,446
Palomar Resource Conservation District	590	59	1,012	4,445	25,379
San Marcos County Water District	1,466	147	2,515	11,042	63,044
Rincon del Diablo Muni. Water Imp. Dist. 1	12,012	1,201	20,605	90,462	516,557
Rincon del Diabla Muni. Water Dist. F	2	0	0	0	0
San Diego Co. Flood Control Dist. Zone 1	7	1	15	58	323
CWA City of Escondido	22,900	2,290	39,288	186,468	978,793
CWA Rincon del Diabla Muni. Wtr. Dist.	1,504	150	2,576	11,312	64,623
CWA San Marcos Co. Water District	247	25	425	1,864	10,639
SUB-TOTAL	\$6,482,425	\$648,242⁽²⁾	\$11,121,314⁽²⁾	\$48,814,240⁽²⁾	\$278,754,590⁽²⁾ (4)
Indebtedness Funds	523,701	52,370	898,467	3,944,086	22,250,492
SUB-TOTAL	\$ 523,701	\$ 52,370⁽³⁾	\$ 898,467⁽³⁾	\$ 3,944,086⁽³⁾	\$ 22,250,492⁽³⁾
TOTAL	\$7,006,126	\$700,612	\$12,019,781	\$52,758,326	\$301,005,082

- (1) Base year revenues including "1% Fund" and "Indebtedness Funds" to be distributed to each taxing jurisdiction as if no Redevelopment Plan had been adopted.
- (2) 1% Fund revenues to be distributed to Redevelopment Agency
- (3) Indebtedness Fund revenues to be distributed to taxing agencies as appropriate.
- (4) Agency is only entitled to received \$250,000,000 due to the financial limit in the Redevelopment Plan; therefore, the excess \$28,754,590 will be distributed back to the appropriate taxing agencies.

TABLE 4
ESTIMATED PROJECT TAX INCREMENT
IMPACT BY FUND OVER A 20-YEAR PERIOD
ESTIMATED GROWTH 12%

<u>1% Fund</u>	<u>Base Year Revenue (1)</u>	<u>Tax Increment</u>			
		<u>1 Year</u>	<u>5 Years</u>	<u>10 Years</u>	<u>20 Years</u>
County General	\$1,683,934	\$202,072	\$ 3,561,839	\$16,257,679	\$102,212,656
City of Escondido	912,784	109,534	1,930,712	8,812,559	55,404,908
Gen. Elem. Escondido Union	1,754,368	210,524	3,710,817	16,937,681	106,467,890
High Escondido Union	1,337,080	160,450	2,828,181	12,908,959	81,159,084
Palomar Community College	401,200	48,144	848,614	3,873,422	24,352,342
Unified San Marcos	34,294	4,115	72,356	331,884	2,081,561
Other Educational Purposes	142,508	17,101	301,431	1,375,856	8,650,059
Escondido Cemetery District	26,576	3,189	56,211	256,572	1,613,104
San Marcos Cemetery District	462	55	973	4,447	27,967
Palomar Pomerado Hospital District	150,491	18,059	318,316	1,452,922	9,134,592
Palomar Resource Conservation District	590	71	1,247	5,691	35,788
San Marcos County Water District	1,466	176	3,102	14,157	88,997
Rincon del Diablo Muni. Water Imp. Dist. 1	12,012	1,441	25,403	115,956	729,056
Rincon del Diablo Muni. Water Dist. F	2	0	0	0	0
San Diego Co. Flood Control Dist. Zone 1	7	1	15	65	420
CWA City of Escondido	22,900	2,748	48,439	221,093	1,390,004
CWA Rincon del Diablo Muni. Wtr. Dist.	1,504	180	3,176	14,506	91,328
CWA San Marcos Co. Water District	247	30	524	2,393	15,035
SUB-TOTAL	\$6,482,425	\$777,890(2)	\$13,711,536(2)	\$62,585,042(2)	\$393,474,691(2)(4)
Indebtedness Funds	523,701	62,844	1,107,724	5,056,107	42,261,979
SUB-TOTAL	\$ 523,701	\$ 62,844(3)	\$ 1,107,724(3)	\$ 5,056,107(3)	\$ 42,261,979(3)
TOTAL	\$7,006,126	\$840,734	\$14,819,260	\$67,641,149	\$435,736,670

- (1) Base year revenues including "1% Fund" and "Indebtedness Funds" to be distributed to each taxing jurisdiction as if no Redevelopment Plan had been adopted.
- (2) 1% Fund revenues to be distributed to Redevelopment Agency
- (3) Indebtedness Fund revenues to be distributed to taxing agencies as appropriate. 15,926,984
- (4) Agency is only entitled to received \$250,000,000 due to the financial limit in the Redevelopment Plan; therefore, the excess \$143,474,691 will be distributed back to the appropriate taxing agencies.

It should be noted that the financial limits of the Plan preclude the distribution of tax increment to the Agency in excess of specified limits, as follows:

"Section 700.80 Financing Limitations

The Agency shall herein establish a limitation of \$117 million of taxes which may be divided and allocated to the Agency or if bonds are issued or reimbursement agreements are entered into with other public agencies and/or private entities, a cumulative total of \$250 million, plus the amounts described within and/or resulting from the entering into reimbursement agreements with affected taxing agencies. Taxes will not be divided and will not be allocated to the Agency beyond such limitation except by an amendment of the Redevelopment Plan....."

Therefore, the 20-year projection using the 10% and 12% growth rates would result in excess tax increment of \$28,754,590 and \$143,474,619, respectively, which the Agency would not receive.

The County projections are made using a straight line growth rate of 7.5%, 10% and 12% annual increase in assessed valuation. The Agency estimates that the annual growth rate in the Project Area should be more realistically projected at 7% and 5% over the first 20-years, and at 5% and 3% for years 21-45. These projections are shown in Table 5 and Table 6 using the County's revised base year assessed valuation of \$648,242,573. The 5%/3% projection would attain the \$250,000,000 limit in Year No. 31. The 7%/5% projection would attain the \$250,000,000 limit in Year No. 25.

Table 7 identifies the impact on taxing jurisdictions based upon the Plan's limitations and assumes the County's distribution of tax increment based upon the November 9, 1984 report. This is further amplified in Table 8 and Table 9, which show the 20-year and 45-year annual diversion of tax increment based upon the Plan's limitation.

Section 33676 Resolutions

Section 33676 of the Community Redevelopment Law (Sections 33000 et seq., of the Health and Safety Code of the State of California) provides that any affected taxing agency may elect to be allocated, in addition to the portion of taxes allocated to the County pursuant to subdivision (a) of Section 33670 of said Law, all or any portion of the tax revenue allocated to a Redevelopment Agency pursuant to subdivision (b) of said section 33670 attributable to increases in tax rates which occur after a Redevelopment Plan becomes effective.

The Agency has received one one resolution, herein attached, as of the preparation of this supplemental report.

It is recommended that the Agency accept and file said resolution, as submitted to the Agency prior to the December 19, 1984 public hearing.



The Metropolitan Water District of Southern California

Office of Board of Directors

October 15, 1984

CITY OF ESCONDIDO
RECEIVED

The Governing Body
Escondido Redevelopment Agency
100 Valley Boulevard
Escondido, California 92025

03 11 1984

CITY MANAGER

Attention City Manager

Gentlemen:

Escondido Redevelopment Project
City of Escondido

Enclosed is a certified copy of Resolution 8035 electing to receive allocation of taxes pursuant to provisions of the Community Redevelopment Law. This resolution was adopted by the Board of Directors of The Metropolitan Water District of Southern California at its meeting of October 9, 1984.

Very truly yours,


Karen E. Dorff
Executive Secretary

Enclosure

RESOLUTION 8035


RESOLUTION OF THE BOARD OF DIRECTORS OF THE
METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
ELECTING TO RECEIVE ALLOCATION OF TAXES PURSUANT
TO PROVISIONS OF THE COMMUNITY REDEVELOPMENT LAW

WHEREAS, Section 33676 of the Community Redevelopment Law (Sections 33,000 et seq., of the Health and Safety Code of the State of California) provides that any affected taxing agency, such as the District, may elect to be allocated, in addition to that portion of taxes allocated to the District pursuant to subdivision (a) of Section 33670 of said Law, all or any portion of the tax revenues allocated to a redevelopment agency pursuant to subdivision (b) of said Section 33670 attributable to increases in the District's tax rate which occur after a redevelopment plan becomes effective.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Metropolitan Water District of Southern California that this District hereby elects to be allocated, in addition to the portion of taxes allocated to this District pursuant to subdivision (a) of Section 33670 of the Community Redevelopment Law (Sections 33,000 et seq., of the Health and Safety Code of the State of California), all of the tax revenues allocated to the Escondido Redevelopment Project in the City of Escondido pursuant to subdivision (b) of said Section 33670 attributable to any increases in this District's tax rates which occur after the tax year in which the ordinance adopting the redevelopment plan for the Escondido Redevelopment Project in the City of Escondido becomes effective.

BE IT FURTHER RESOLVED, that the Executive Secretary is hereby directed to file forthwith certified copies of this resolution with the governing body of the Escondido Community Development Department, the Auditor-Controller, and the Tax Collector for the County of San Diego.

I HEREBY CERTIFY, that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California, at its meeting held October 9, 1984.



Executive Secretary
The Metropolitan Water District
of Southern California

TABLE 5

CITY OF ESCONDIDO
ESTIMATED TAX INCREMENT REVENUE PROJECTIONS

ESCONDIDO REDEVELOPMENT PROJECT (2004 Assessed Acres)
Revenue Projections
Assessed Valuation and Tax Increment
(Assumes 5/3 Percentage Annual Increase)

Year	Proposed Base Year: FY 1984-1985			Projected Base Year Assessed Valuation: \$648,242,573					
	Annual Assessed Valuation	Forecasted Percent Increase	Other Assessed Valuation Increase	Assessed Valuation Increase	Total Assessed Valuation	Incremental Valuation	Estimated Annual Tax Increment	Cumulative Tax Increment	% Increase over Base Year
1	648,242,573	5.0	0	32,412,129	680,654,702	32,412,129	324,121	324,121	5.0
2	680,654,702	5.0	0	34,032,735	714,687,437	66,444,864	664,449	988,570	10.3
3	714,687,437	5.0	0	35,734,372	750,421,809	102,179,236	1,021,792	2,010,362	13.8
4	750,421,809	5.0	0	37,521,090	787,942,899	139,700,326	1,397,003	3,407,365	21.6
5	787,942,899	5.0	0	39,397,145	827,340,044	179,097,471	1,790,975	5,198,340	27.6
6	827,340,044	5.0	0	41,367,002	868,707,046	220,464,473	2,204,645	7,402,985	34.0
7	868,707,046	5.0	0	43,435,352	912,142,398	263,899,825	2,638,998	10,041,983	40.7
8	912,142,398	5.0	0	45,607,120	957,749,518	309,506,945	3,095,069	13,137,052	47.7
9	957,749,518	5.0	0	47,887,476	1,005,636,994	357,394,421	3,573,944	16,710,996	55.1
10	1,005,636,994	5.0	0	50,281,850	1,055,918,844	407,676,271	4,076,763	20,787,759	62.9
11	1,055,918,844	5.0	0	52,795,942	1,108,714,786	460,472,213	4,604,722	25,392,481	71.0
12	1,108,714,786	5.0	0	55,435,739	1,164,150,525	515,907,952	5,159,080	30,551,561	79.6
13	1,164,150,525	5.0	0	58,207,526	1,222,358,051	574,115,478	5,741,155	36,292,716	88.6
14	1,222,358,051	5.0	0	61,117,903	1,283,475,954	635,233,381	6,352,334	42,645,050	98.0
15	1,283,475,954	5.0	0	64,173,798	1,347,649,752	699,407,179	6,994,072	49,639,122	107.9
16	1,347,649,752	5.0	0	67,382,488	1,415,032,240	766,789,667	7,667,897	57,307,019	118.3
17	1,415,032,240	5.0	0	70,751,612	1,485,783,852	837,541,279	8,375,413	65,682,432	129.2
18	1,485,783,852	5.0	0	74,289,193	1,560,073,045	911,830,472	9,118,305	74,800,737	140.7
19	1,560,073,045	5.0	0	78,003,652	1,638,076,697	983,834,124	9,898,341	84,699,078	152.7
20	1,638,076,697	5.0	0	81,903,835	1,719,980,532	1,071,737,959	10,717,380	95,416,458	165.3
21	1,719,980,532	3.0	0	51,599,416	1,771,579,948	1,123,337,375	11,233,374	106,649,832	173.3
22	1,771,579,948	3.0	0	53,147,398	1,824,727,346	1,176,484,773	11,764,848	118,414,680	181.5
23	1,824,727,346	3.0	0	54,741,820	1,879,469,166	1,231,226,593	12,312,266	130,726,946	189.9
24	1,879,469,166	3.0	0	56,384,075	1,935,853,241	1,287,610,668	12,876,107	143,603,053	198.6
25	1,935,853,241	3.0	0	58,075,597	1,993,928,838	1,345,686,265	13,456,863	157,059,916	207.6



TABLE 5
(continued)

CITY OF ESCONDIDO
ESTIMATED TAX INCREMENT REVENUE PROJECTIONS

ESCONDIDO REDEVELOPMENT PROJECT (2004 Assessed Acres)
Revenue Projections
Assessed Valuation and Tax Increment
(Assumes 5/3 Percentage Annual Increase)

Year	Proposed Base Year: FY 1984-1985		Forecasted Percent Increase	Assessed Valuation Increase	Other Assessed Valuation Increase	Total Assessed Valuation	Incremental Valuation	Estimated Annual Tax Increment	Cumulative Tax Increment	% Increase over Base Year
	Annual Assessed Valuation	Assessed Valuation Increase								
26	1,993,928,838	59,817,865	3.0	59,817,865	0	2,053,746,703	1,405,504,130	14,055,041	171,114,957	216.8
27	2,033,746,703	61,612,401	3.0	61,612,401	0	2,115,359,104	1,467,116,531	14,671,165	185,786,122	226.3
28	2,115,359,104	63,460,773	3.0	63,460,773	0	2,178,819,877	1,530,577,304	15,305,773	201,091,895	236.1
29	2,178,819,877	65,364,596	3.0	65,364,596	0	2,244,184,473	1,595,941,900	15,959,419	217,051,314	246.2
30	2,244,184,473	67,325,534	3.0	67,325,534	0	2,311,510,007	1,663,267,434	16,632,674	233,683,988	256.6
31	2,311,510,007	69,345,300	3.0	69,345,300	0	2,380,855,307	1,732,612,734	17,326,127	251,010,115	267.3
32	2,380,855,307	71,425,659	3.0	71,425,659	0	2,452,280,966	1,804,038,393	18,040,384	269,050,499	278.3
33	2,452,280,966	73,568,429	3.0	73,568,429	0	2,525,849,395	1,877,606,822	18,776,068	287,826,567	289.6
34	2,525,849,395	75,775,482	3.0	75,775,482	0	2,601,624,877	1,953,382,304	19,533,823	307,360,390	301.3
35	2,601,624,877	78,048,746	3.0	78,048,746	0	2,679,673,623	2,031,431,050	20,314,311	327,674,701	313.4
36	2,679,673,623	80,390,209	3.0	80,390,209	0	2,760,063,832	2,111,821,259	21,118,213	348,792,914	325.8
37	2,760,063,832	82,801,915	3.0	82,801,915	0	2,842,865,747	2,194,623,174	21,946,232	370,739,146	338.5
38	2,842,865,747	85,285,972	3.0	85,285,972	0	2,928,151,719	2,279,909,146	22,799,091	393,538,237	351.7
39	2,928,151,719	87,844,552	3.0	87,844,552	0	3,015,996,271	2,367,753,698	23,677,537	417,215,774	365.3
40	3,015,996,271	90,479,888	3.0	90,479,888	0	3,106,476,159	2,458,233,586	24,582,336	441,798,110	379.2
41	3,106,476,159	93,194,285	3.0	93,194,285	0	3,199,670,444	2,551,427,871	25,514,279	467,312,389	393.6
42	3,199,670,444	95,990,113	3.0	95,990,113	0	3,295,660,557	2,647,417,984	26,474,180	493,786,569	408.4
43	3,295,660,557	98,869,817	3.0	98,869,817	0	3,394,530,374	2,746,287,801	27,462,878	521,249,447	423.7
44	3,394,530,374	101,835,911	3.0	101,835,911	0	3,496,366,285	2,848,123,712	28,481,237	549,730,684	439.4
45	3,601,257,274	108,037,718	3.0	108,037,718	0	3,709,294,992	3,061,052,419	30,610,524	580,341,208	472.2

Projected Base Year Assessed Valuation: \$648,242,573

TABLE 6
CITY OF ESCONDIDO
ESTIMATED TAX INCREMENT REVENUE PROJECTIONS

ESCONDIDO REDEVELOPMENT PROJECT (2004 Assessed Acres)
Revenue Projections
Assessed Valuation and Tax Increment
(Assumes 7/5 Percentage Annual Increase)

Year	Proposed Base Year: FY 1984-1985			Other			Projected Base Year Assessed Valuation: \$648,242,573		
	Annual Assessed Valuation	Forecasted Percent Increase	Assessed Valuation Increase	Assessed Valuation Increase	Total Assessed Valuation	Incremental Valuation	Estimated Annual Tax Increment	Cumulative Tax Increment	% Increase over Base Year
1	648,242,573	7.0	45,376,980	0	693,619,553	45,376,980	453,770	453,770	7.0
2	693,619,553	7.0	48,553,369	0	742,172,922	93,930,349	939,303	1,393,073	14.5
3	742,172,922	7.0	51,952,105	0	794,125,027	145,882,454	1,458,825	2,851,898	22.5
4	794,125,027	7.0	55,588,752	0	849,713,779	201,471,206	2,014,712	4,866,610	31.1
5	849,713,779	7.0	59,479,965	0	909,193,744	260,951,171	2,609,512	7,476,122	40.3
6	909,193,744	7.0	63,643,562	0	972,837,306	324,594,733	3,245,947	10,722,069	50.1
7	972,837,306	7.0	68,098,611	0	1,040,935,917	392,693,344	3,926,933	14,649,002	60.6
8	1,040,935,917	7.0	72,865,514	0	1,113,801,431	465,558,858	4,655,589	19,304,591	71.8
9	1,113,801,431	7.0	77,966,100	0	1,191,767,531	543,524,958	5,435,250	24,739,841	83.8
10	1,191,767,531	7.0	83,423,727	0	1,275,191,258	626,948,685	6,269,487	31,009,328	96.7
11	1,275,191,258	7.0	89,263,388	0	1,364,454,646	716,212,073	7,162,121	38,171,449	110.5
12	1,364,454,646	7.0	95,511,825	0	1,459,966,471	811,723,898	8,117,239	46,288,688	125.2
13	1,459,966,471	7.0	102,197,653	0	1,562,164,124	913,921,551	9,139,216	55,427,904	141.0
14	1,562,164,124	7.0	109,351,489	0	1,671,515,613	1,023,273,040	10,232,730	65,660,634	157.9
15	1,671,515,613	7.0	117,006,093	0	1,788,521,706	1,140,279,133	11,402,791	77,063,425	175.9
16	1,788,521,706	7.0	125,196,519	0	1,913,718,225	1,265,475,652	12,654,757	89,718,182	195.2
17	1,913,718,225	7.0	133,960,276	0	2,047,678,501	1,399,435,928	13,994,359	103,712,541	215.9
18	2,047,678,501	7.0	143,337,495	0	2,191,015,996	1,542,773,423	15,427,734	119,140,275	238.0
19	2,191,015,996	7.0	153,371,120	0	2,344,387,116	1,696,144,543	16,961,445	136,101,720	261.7
20	2,344,387,116	7.0	164,107,098	0	2,508,494,214	1,860,251,641	18,602,516	154,704,236	287.0
21	2,508,494,214	5.0	125,424,711	0	2,633,918,925	1,985,676,352	19,856,764	174,561,000	306.3
22	2,633,918,925	5.0	131,695,946	0	2,765,614,871	2,117,372,298	21,173,723	195,734,723	326.6
23	2,765,614,871	5.0	138,280,744	0	2,903,895,615	2,255,653,042	22,556,530	218,291,253	348.0
24	2,903,895,615	5.0	145,194,781	0	3,049,090,396	2,400,847,823	24,008,478	242,299,731	370.4
25	3,049,090,396	5.0	152,454,520	0	3,201,544,916	2,553,302,343	25,533,023	267,832,754	393.9

TABLE 6
(continued)

CITY OF ESCONDIDO
ESTIMATED TAX INCREMENT REVENUE PROJECTIONS
ESCONDIDO REDEVELOPMENT PROJECT (2004 Assessed Acres)
Revenue Projections
Assessed Valuation and Tax Increment
(Assumes 7/5 Percentage Annual Increase)

Year	Proposed Base Year: FY 1984-1985			Projected Base Year Assessed Valuation: \$648,242,573					
	Annual Assessed Valuation	Forecasted Percent Increase	Assessed Valuation Increase	Other Assessed Valuation Increase	Total Assessed Valuation	Incremental Valuation	Estimated Annual Tax Increment	Cumulative Tax Increment	% Increase over Base Year
26	3,201,544,916	5.0	160,077,246	0	3,361,622,162	2,713,379,589	27,133,796	294,966,550	418.6
27	3,361,622,162	5.0	168,081,108	0	3,529,703,270	2,881,460,697	28,814,607	323,781,157	444.5
28	3,529,703,270	5.0	176,485,164	0	3,706,188,434	3,057,945,861	30,579,459	354,360,616	471.7
29	3,706,188,434	5.0	185,309,422	0	3,891,497,856	3,243,255,283	32,432,553	386,793,169	500.3
30	3,891,497,856	5.0	194,574,893	0	4,086,072,749	3,437,830,176	34,378,302	421,171,471	530.3
31	4,086,072,749	5.0	204,303,637	0	4,290,376,386	3,642,133,813	36,421,338	457,592,809	561.8
32	4,290,376,386	5.0	214,518,819	0	4,504,895,205	3,856,652,632	38,566,526	496,159,335	594.9
33	4,504,895,205	5.0	225,244,760	0	4,730,139,965	4,081,897,392	40,818,974	536,978,309	629.7
34	4,730,139,965	5.0	236,506,998	0	4,966,646,963	4,318,404,390	43,184,044	580,162,353	666.2
35	4,966,646,963	5.0	248,332,348	0	5,214,979,311	4,566,736,738	45,667,367	625,829,720	704.5
36	5,214,979,311	5.0	260,748,966	0	5,475,728,277	4,827,485,704	48,274,857	674,104,577	744.7
37	5,475,728,277	5.0	273,786,414	0	5,749,514,691	5,101,272,118	51,012,721	725,117,298	786.9
38	5,749,514,691	5.0	287,475,735	0	6,036,990,426	5,388,747,853	53,887,479	779,004,777	831.3
39	6,036,990,426	5.0	301,849,521	0	6,338,839,947	5,690,597,374	56,903,974	835,910,751	877.8
40	6,338,839,947	5.0	316,941,997	0	6,655,781,944	6,007,539,371	60,075,394	895,986,145	926.7
41	6,655,781,944	5.0	332,789,097	0	6,988,571,041	6,340,328,468	63,403,285	959,389,430	978.1
42	6,988,571,041	5.0	349,428,552	0	7,337,999,593	6,688,757,020	66,897,570	1,026,287,000	1,032.0
43	7,337,999,593	5.0	366,899,980	0	7,704,899,573	7,056,657,000	70,566,570	1,096,853,570	1,088.6
44	7,704,899,573	5.0	385,244,979	0	8,090,144,552	7,441,901,979	74,419,020	1,171,272,590	1,148.0
45	8,090,144,552	5.0	404,507,228	0	8,494,651,780	7,846,409,207	78,464,092	1,249,736,682	1,210.4

TABLE 7

ESCONDIDO REDEVELOPMENT PLAN
PRELIMINARY ESTIMATES OF
TAX INCREMENT IMPACT ON TAXING JURISDICTIONS

Preliminary Estimates of Revenue Impact (+)

	<u>Percentage (%) of Tax Increment (1)</u>	<u>Plan Limitations \$117,000,000 \$250,000,000</u>
County General	25.98%	30,396,600
City of Escondido	14.08%	16,473,600
Gen. Elem. Escondido Union	27.06%	31,660,200
High Escondido Union	20.63%	24,137,100
Palomar Community College	6.19%	7,242,300
Unified San Marcos	.53%	620,100
Other Educational Purposes	2.20%	2,574,000
Escondido Cemetery District	.41%	479,700
San Marcos Cemetery District	.01%	11,700
Palomar Pomerado Hospital District	2.32%	2,714,400
Palomar Resource Conservation District	.01%	11,700
San Marcos County Water District	.02%	23,400
Rincon del Diablo Muni. Water Imp. Dist. I	.19%	222,300
Rincon del Diablo Muni. Water Dist. F	.00003%	35
San Diego Co. Flood Control Dist. Zone I	.0001%	117
CWA City of Escondido	.35%	409,500
CWA Rincon del Diabale Muni. Wtr. Dist.	.02%	21,400
CWA San Marcos Co. Water District	.004%	4,680

(1) This is an approximate amount based upon 1983-84 AB-8 apportionments. Percent may vary depending on tax rate area and number of taxing jurisdictions.

TABLE 8

ESCONDIDO REDEVELOPMENT PLAN
PRELIMINARY ESTIMATES OF
TAX INCREMENT IMPACT ON TAXING JURISDICTIONS

	\$117,000,000 Limit		20-Year Average Annual Diversion	45-Year Average Annual Diversion
	Percentage (%) of Tax Increment (1)	Plan Limitation \$117,000,000		
County General	25.98%	\$ 30,396,600	\$1,519,830	\$ 675,480
City of Escondido	14.08%	16,473,600	823,680	366,080
Gen. Elem. Escondido Union	27.06%	31,660,200	1,583,010	703,560
High Escondido Union	20.63%	24,137,100	1,206,855	536,380
Palomar Community College	6.19%	7,242,300	362,115	160,940
Unified San Marcos	.53%	620,100	31,005	13,780
Other Educational Purposes	2.20%	2,574,000	128,700	57,200
Escondido Cemetery District	.41%	479,700	23,985	10,660
San Marcos Cemetery District	.01%	11,700	585	260
Palomar Pomerado Hospital District	2.32%	2,714,400	135,720	60,320
Palomar Resource Conservation District	.01%	11,700	585	260
San Marcos County Water District	.02%	23,400	1,170	520
Rincon del Diablo Muni. Water Imp. Dist. 1	.19%	222,300	11,115	4,940
Rincon del Diablo Muni. Water Dist. F	.00003%	35	2	1
San Diego Co. Flood Control Dist. Zone 1	.0001%	117	6	3
CWA City of Escondido	.35%	409,500	20,475	9,100
CWA Rincon del Diablo Muni. Wtr. Dist.	.02%	23,400	1,170	520
CWA San Marcos Co. Water District	.004%	4,680	234	104

(1) This is an approximate amount based upon 1983-84 AB-8 apportionments. Percent may vary depending on tax rate area and number of taxing jurisdictions.

TABLE 9

ESCONDIDO REDEVELOPMENT PLAN
PRELIMINARY ESTIMATES OF
TAX INCREMENT IMPACT ON TAXING JURISDICTIONS

	\$250,000,000 Limit		Plan Limitation \$117,000,000	20-Year Average Annual Diversion	45-Year Average Annual Diversion
	Percentage (%) of Tax Increment (1)	Preliminary Estimates of Revenue Impact (+)			
County General	25.98%		\$ 64,950,000	\$3,247,500	\$1,443,333
City of Escondido	14.08%		35,200,000	1,760,000	782,222
Gen. Elem. Escondido Union	27.06%		67,650,000	3,382,500	1,503,333
High Escondido Union	20.63%		51,575,000	2,578,750	1,146,111
Palomar Community College	6.19%		15,475,000	773,750	343,889
Unified San Marcos	.53%		1,325,000	55,250	29,444
Other: Educational Purposes	2.20%		5,500,000	275,000	122,222
Escondido Cemetery District	.41%		1,025,000	51,250	22,778
San Marcos Cemetery District	.01%		25,000	1,250	556
Palomar Pomerado Hospital District	2.32%		5,800,000	290,000	128,889
Palomar Resource Conservation District	.01%		25,000	1,250	556
San Marcos County Water District	.02%		50,000	2,500	1,111
Rincon del Diablo Muni. Water Imp. Dist. I	.19%		475,000	23,750	10,556
Rincon del Diablo Muni. Water Dist. F	.00003%		75	4	2
San Diego Co. Flood Control Dist. Zone I	.0001%		250	13	6
CWA City of Escondido	.35%		875,000	43,750	19,444
CWA Rincon del Diablo Muni. Wtr. Dist.	.02%		50,000	2,500	1,111
CWA San Marcos Co. Water District	.004%		10,000	500	222

(1) This is an approximate amount based upon 1983-84 AB-8 apportionments. Percent may vary depending on tax rate area and number of taxing jurisdictions.

SUMMARY OF CONSULTATION WITH COUNTY AFFECTED TAXING AGENCIES

On December 12, 1984 at a joint public hearing, the Redevelopment Agency and City Council approved tax sharing agreements for nine (9) affected taxing jurisdictions. Approval was given for one (1) agreement in final written form involving the San Diego County Administrative Office. The Agency and Council approved agreements in a draft written form for the remaining eight (8) taxing jurisdictions, subject to final review and language modifications by the following agencies:

- 1) North County Cemetery District
- 2) San Marcos Unified School District
- 3) Palomar/Pomerado Hospital District
- 4) Escondido High School District
- 5) Escondido Union Elementary School District
- 6) Rincon del Diablo Water District
- 7) Palomar Community College
- 8) Superintendent of Schools Office of Education

The agreements, as prepared, are the result of negotiated agreements in concept to all the substantive issues and are herein attached as part of this Report.

VERNON HAZEN
CITY MANAGER

CITY OF ESCONDIDO

100 VALLEY BLVD., ESCONDIDO,
CALIFORNIA 92025
(619) 741-4631



December 13, 1984

Mr. Richard "Jake" Jacobson
San Diego County Administrative
Office
1600 Pacific Highway
San Diego, CA 92101

Dear Mr. Jacobson:

Please find enclosed the Tax Sharing Agreement. The City Council approved this agreement December 12, 1984. I believe these agreements contain all the substantive issues that have been agreed upon. I recognize and so identified to the City Council that the agreements may undergo some language changes as a result of your review. They authorized the Mayor to sign the agreements once the final language is developed.

Would you please review this agreement as soon as possible. We would like to get your Board's approval as soon as possible.

If you have any questions, please call.

Sincerely,

A handwritten signature in cursive script that reads "Roderick J. Wood".

Roderick J. Wood
Assistant City Manager

1213-2/4

TAX SHARING AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 1984, by and between the ESCONDIDO REDEVELOPMENT AGENCY ("Agency), the CITY OF ESCONDIDO ("City"), and the COUNTY OF SAN DIEGO ("County").

R E C I T A L S

A. On December 19, 1984, the City Council of the City of Escondido shall hold a hearing to consider adopting an Ordinance to approve the Redevelopment Plan for the Escondido Redevelopment Project.

B. The City Council intends to determine whether or not the Escondido Redevelopment Project is a blighted area within the meaning of the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq.) because of the existence of properties which are stagnant, improperly utilized, and unproductive because of defective or inadequate street layout, faulty lot layout in relation to size, shape, accessibility, or usefulness, because of the existence of inadequate public improvements which cannot be remedied by private or governmental action without redevelopment, and for other reasons.

C. The Planning Commission of City and the Project Area Committee of the Agency have both reviewed the proposed Redevelopment Plan and have recommended its approval.

D. The County is a taxing agency which may be affected by the adoption of the Redevelopment Plan and the allocation of tax increment revenues to the Agency pursuant to Health and Safety Code Section 33670(b).

E. Health and Safety Code Section 33401 authorizes the Agency to enter into agreements to pay to any taxing agency with territory located within the Escondido Redevelopment Project, other than the City, any amounts of money which in the

12/12/84

Agency's determination are appropriate to alleviate any financial burden or detriment caused to the taxing agency by said Project.

F. The County has advised the Agency of the potential financial impact resulting from the adoption and implementation of the Escondido Redevelopment Plan on the County.

G. The parties hereby find that the Agency's implementation of the Redevelopment Plan may result in an increased need for certain County services in and around the Redevelopment Project and that the Plan may thereby cause a financial burden on and detriment to the County.

H. The County and Agency wish to enter into an agreement to alleviate the financial burden which may be caused to the County because of redevelopment activities in the Escondido Redevelopment Project.

I. The County and Agency further wish to enter into a cooperative agreement to provide mutual aid and assistance in the redevelopment of the Escondido Redevelopment Project through the construction, operation, and maintenance of certain facilities and improvements of benefit to the City, the Agency, and the County.

A G R E E M E N T

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

1. Definitions.

The words and terms used in this Agreement shall have the following meanings:

1.1 "Agency" shall mean the Escondido Redevelopment Agency.

1.2 "Bonds" shall mean any bond, note, interim certificate, debenture, or other obligation issued by the Agency, pursuant to Article V of Chapter 6 of Part 1 of Division 24 of the Health and Safety Code beginning with Section 33640.

1.3 "City" shall mean the City of Escondido, a municipal corporation.

1.4 "County" shall mean the County of San Diego, a political subdivision of the State of California acting in its capacity as a taxing agency for purposes of Section 33670 and related sections of the Health and Safety Code.

1.5 "Escondido Redevelopment Project" or "Project Area" shall mean the project area identified in the Ordinance adopting the Redevelopment Plan, the redevelopment of which is necessary to effectuate the public purposes specified in the Redevelopment Plan.

1.6 "Fiscal Year" shall mean the period from July 1 to and including the following June 30.

1.7 "Indebtedness" shall mean the principal of and any interest on loans, monies advanced to, or other indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the implementation of the Redevelopment Plan.

1.8 "Ordinance" shall mean the Ordinance of the City adopting the Redevelopment Plan.

1.9 "Redevelopment Plan" shall mean the Plan prepared by the Agency and adopted by the City Council for the Escondido Redevelopment Project pursuant to Ordinance, as required by law.

1.10 "Tax Revenues" shall be used herein when referring generally to both of the following categories:

1.10.1 "Agency Tax Revenues" shall mean those taxes which are allocated to and received by the Agency pursuant to Section 33670(b) of the Health and Safety Code from increases in valuation of real property within the Project Area from and after the effective date of the Ordinance.

1.10.2 "County Tax Revenues" shall mean tax revenues which County shall receive, pursuant to Section 33670(a) of the Health and Safety Code, and all tax revenues received pursuant to Section 33670(b) of the Health and Safety Code, which are attributable to increases in the rate of tax levied by or for the benefit of the County; which levy occurs in or after Fiscal Year 1984-85, and which County shall receive pursuant to Health and Safety Code Section 33676.

2. Payment of Tax Revenues.

Subject to the specific provisions of this Agreement, Tax Revenues shall be allocated each year as follows:

2.1 All County Tax Revenues shall be allocated to the County.

2.2 All Agency Tax Revenues shall be allocated as provided for in Attachment "A" to this Agreement.

3. Agency Obligations Constitute Indebtedness.

The County and Agency agree that the Agency's obligations hereunder to make payments, construct improvements, or provide improvements or services to the County, or the Agency's direction to the County to make such payments to the County, constitute an indebtedness of the Agency within the meaning of Health and Safety Code Section 33675.

4. Housing Set Aside Funds.

The County and Agency agree that the Agency Tax Revenues received by the Agency and paid to the County or used to construct improvements or provide improvements or services to the County hereunder shall not constitute a receipt of tax increment by the Agency for the purposes of Health and Safety Code Section 33334.2. In the event that a final court judgment against the Agency determines to the contrary, any future amounts payable to the County under this Agreement shall be reduced by twenty percent (20%). Reimbursement of payments already made to the

County shall be limited to those not barred by the applicable statute of limitations.

5. Limitation on Payments.

Notwithstanding any other provision of this Agreement to the contrary, the amounts payable to or for the benefit of the County for any single year shall not exceed the amount of property tax revenues which would have been received by the County for such year if all the property tax revenues from the Redevelopment Project had been allocated to all the affected taxing agencies without regard to the division of taxes required by California Health and Safety Code Section 33670.

6. County, Agency, and City Cooperation in Project Area Development.

6.1 It is the intent and desire of the County, Agency, and City to expedite and facilitate the implementation of eligible projects by the County for the Escondido Redevelopment Project, and which benefit said Project and the goals and objectives of the Redevelopment Plan. In accordance with their policies, rules, and regulations, the County and Agency will expend Tax Revenues as provided for in this Agreement for the effective implementation of projects, programs, and services of mutual benefit to the County, Agency, and City consistent with the goals and objectives of the Redevelopment Plan.

6.2 In particular, and not by way of limitation of the foregoing, the County, Agency, and City agree to the projects, programs, and services as set forth in Attachment "A", all of which directly or indirectly benefit the Project Area.

6.3 In general, County, Agency, and City agree to assist one another in the implementation of the Redevelopment Plan in accordance with applicable state and federal laws. The County, Agency, and City shall supply to one another such information and reports as from time to time either may reasonably require in order to undertake their respective obligations.

7. Conditions.

7.1 The following events are conditions precedent to any duties or obligations to be performed herein by any party to this Agreement:

7.1.1 The adoption by Agency of the Redevelopment Plan for the Escondido Redevelopment Project.

7.1.2 No lawsuit is filed, within the time allowed by statute, challenging the Redevelopment Plan, its adoption, or the environmental review of the Project.

7.1.3 In the event a lawsuit is filed challenging the Project or the environmental review of the Project, there is a successful defense of the challenge, and all periods of appeal or right to rehearing or right to reconsideration have, to the Agency's satisfaction, expired.

7.1.4 In the event an election is required pursuant to City Ordinance No. 83-4 (which relates to limitations on Capital Expenditures), or by referendum, that such election shall be held and a majority of the votes cast are in favor of the project and allowing the expenditures to be made.

7.2 As a condition subsequent to the parties' obligations herein, if any action is taken pursuant to California law which results in terminating the Project Area or Redevelopment Plan, the parties shall have no further duties or obligations hereunder.

8. Payment of Funds - Procedures.

8.1 As required by the Act, the Agency shall file, each year, a Statement of Indebtedness with the County and this Tax Sharing Agreement will be included as a part of each year's statement.

8.2 Agency will request, and it is the intention of the parties, that any amounts payable to County pursuant to this Agreement shall be withheld and credited to the County by the County officials responsible for allocating the Tax Revenues.

8.3 Any tax funds paid to Agency to be retained by Agency for District purposes or for the benefit of County, pursuant to this Agreement, shall at all times be kept by the Agency in a special fund, particularly established for this purpose, which shall be called the County of San Diego Redevelopment Fund.

9. Legal.

The County, Agency, and City agree that in the event litigation is initiated attacking the validity of all or any portion of this Agreement, all parties shall in good faith defend and seek to uphold this Agreement.

10. Cooperation at Public Hearing.

County agrees to have a representative attend the public hearing for the adoption of the Escondido Redevelopment Plan and to testify in support of adoption of the Redevelopment Plan.

11. General Provisions.

11.1 Settlement. By this Agreement, the parties intend to resolve any differences with respect to the Redevelopment Plan, and County agrees to forebear suit challenging the validity of the Redevelopment Plan, the Project Area, the Environmental Impact Report in relation to this Project, or any related matters.

11.2 Effective Date and Term. This Agreement shall become effective upon the effective date of the Ordinance of the City Council adopting the Redevelopment Plan for the Escondido Redevelopment Project.

11.3 Term of Agreement; Amendment. This Agreement shall remain in effect during the entire term of the Redevelopment Plan and shall not be changed or modified except by written agreement of the parties.

11.4 Term of the Redevelopment Plan; Amendment. The Agency shall not terminate the Redevelopment Plan earlier than the date set forth herein unless the County consents to an earlier termination.

11.5 Severability. Each paragraph and provision of this Agreement is severable from each other provision, and if any provision or part hereof is declared invalid, the remaining provisions shall nevertheless remain in full force and effect.

11.6 Entire Agreement. This Agreement constitutes the entire, complete, and final expression of the Agreement of the parties.

Attest:
By _____
Secretary

ESCONDIDO REDEVELOPMENT AGENCY
By _____
Chairman

Attest:
By _____
City Clerk

CITY OF ESCONDIDO
By _____
Mayor

Attest
By _____
Clerk

COUNTY OF SAN DIEGO
By _____
Chairman

Approved as to form:
COUNTY COUNSEL
By _____

Approved as to form:
RONALD E. NULL, INC.
By _____
Agency Special Counsel

ATTACHMENT "A"
TO
TAX SHARING AGREEMENT
WITH
COUNTY OF SAN DIEGO

Any duty imposed on the Agency by this Agreement is based upon the existence of Agency Tax Revenues sufficient to allow Agency to perform as required herein. No representations or assurances are made by the Agency as to when, if ever, sufficient tax revenues will be available for these purposes.

1. Pursuant to the provisions of the Redevelopment Plan, the County, the Agency, and the City agree that the Agency Tax Revenues to be allocated and paid pursuant to Sections 33670 and 33675 of the Health and Safety Code shall be used as follows:

1.1 Upon the earliest occurring of the expiration of six (6) years from the effective date of this Agreement or until such time as sufficient annual Agency Tax Revenues are allocated and paid to the Agency to pay (a) principal and interest on bonds to be issued by the Agency ("Debt Service") for the purpose of financing the construction of the Agency's Civic Center/Cultural Facility Project; and (b) those funds necessary to allow the Agency to fulfill its low/moderate income housing requirements as imposed by law, that portion of the Agency Tax Revenues, which would have been received by the County for such year if all the property tax revenues from the Redevelopment Plan had been allocated to all of the affected taxing agencies without regard to the division of taxes required by Health and Safety Code Section 33670 (25.98% of the total Agency Tax Revenues), shall be divided equally between the Agency and the County.

1.2 The portion of any additional Agency Tax Revenues that is the subject of this Agreement (25.98%), if any exists, in excess of the amounts required to

finance those items set forth in Sections 1.1(a) and (b) above shall be allocated and paid one-third (1/3) to the Agency and two-thirds (2/3) to the County.

1.3 When the Agency has received \$64,950,000 ($\$250,000,000 \times 25.98\%$) from the County's share of Tax Revenues, based on the division of Agency Tax Revenues provided for in Sections 1.1 and 1.2 above, the division of Tax Revenues as related to County's share of Agency Tax Revenues shall terminate and County shall receive 25.98% of the Agency Tax Revenue.

1.4 The Agency's Civic Center/Cultural Facility Project shall include the following:

- (a) City Hall
- (b) Governmental Office Facility
- (c) Community Theater
- (d) Auditorium
- (e) Fine Arts Facility
- (f) Convention Facility
- (g) Ancillary Facilities to the Civic Center/Cultural Facility Project.
- (h) Furnishings, fixtures, and equipment for all of the above-referenced facilities.

2. Agency agrees to provide for the County the following projects:

2.1 The Agency agrees to provide the County with 60,000 square feet of gross floor area of unimproved administrative office space in a building to be constructed in the City of Escondido. The land for the building shall be acquired and the building constructed at no cost to the County. The County will be responsible for the interior improvements, furnishings, and fixtures, to the 60,000 square feet. The County agrees to pay for any operational and maintenance costs incurred by the Agency for the 60,000 square feet until such time as all bonded indebtedness used to acquire the land and construct the building is paid, at which time fee title to the land and subject building shall be conveyed to County by

grant deed free of all liens and encumbrances. All space in the subject building used by agencies other than the County, including the Agency or the City, shall continue to be made available to the agencies at actual operational and maintenance cost, after fee title has passed to the County. The maximum cost of the building to be provided to the County pursuant to this Section shall not exceed \$100 per square foot with 1985 as the base year, with the cost to be adjusted based upon the Los Angeles Engineering New Index. It is further agreed that "operational and maintenance cost", as used herein, shall mean the actual cost of utilities, janitorial service, and maintenance service, calculated in accordance with the City of Escondido (or County after title passes) Rules and Regulations from time to time established for the use of City/Redevelopment buildings and other public facilities. Construction on the subject office building shall commence no later than June 1, 1988, and be expeditiously completed within a reasonable period of time thereafter.

If the building is not constructed and available for use by June 1, 1990, unless the delay in construction is due to action of the County, the Agency shall either (a) pay to the County \$6,000,000 for the purpose of the County's constructing office space in place of the 60,000 square feet, or (b) if in the discretion of the City/Agency it is determined that the City needs larger police facilities to expand the level of police services in the community or to contract to provide police services to other communities, the City shall convey to the County, free and clear of any encumbrances, the real property with the improvements thereon, described in Exhibit A attached hereto, commonly known as the Escondido Police Building.

In the event the office building to be constructed contains usable floor space in addition to the amount of floor space being provided for hereinabove, County shall have the right of first refusal to lease such additional

space at fair market rental rates, upon initial occupancy or any time thereafter when occupancy of additional office space changes.

Agency agrees to provide to the County for use in conjunction with the 60,000 square feet of office space, 200 parking spaces to be provided at no cost to the County. Any additional parking spaces desired by the County will be provided at its cost.

2.2 The Agency agrees to provide the County use of the Community Theater and Conference/Meeting Facility at the actual cost of operation and maintenance. The number of event days may be determined annually between the County, Agency, and City, but in the no event be less than five (5) days annually. "Event day" as used herein means a minimum of eight (8) hours each day between the hours of 7:00 a.m. and 11:00 p.m.

3. The Agency, in making expenditures for low and moderate income housing, hereby gives due recognition (a sign on the site during construction, a building plaque after construction) that a proportionate share of such expenditures and of the improvement in the supply of low and moderate income housing is a result of the cooperation of the County in the Agency's Redevelopment efforts. The Agency shall annually prepare and submit to the County a written report regarding the funds available and the use of funds pursuant to Health and Safety Code Section 33334.2.

4. This funding shall be sufficient to allow the Agency to adopt a Resolution containing the findings required by Health and Safety Code Section 33401.

5. The maximum amount of Agency Tax Revenues that are the subject of this Agreement is 25.98% of the total Agency Tax Revenues to be allocated and paid pursuant to Health and Safety Code Sections 33670(b) and 33675.

6. County agrees to support the formation of the Agency, and to support and not challenge the project area and the adoption of the Redevelopment Plan.

7. The City of Escondido agrees and covenants as follows:

7.1 City agrees to the Redevelopment Plan and this Tax Sharing Agreement.

7.2 The projects will be funded on a cash basis as Agency Tax Revenues become available, unless agreed otherwise between Agency, County and City.

8. The Agency and City, at such time as the Civic Center/Cultural Facility Project is completed, shall cause a plaque to be located on each building giving recognition that the Project was constructed as a result of the cooperation of the County in the Agency's redevelopment efforts.

9. All monies due to the City, pursuant to the California Park and Recreational Facilities Act of 1984, Sections 5096.225 through 5096.267 of the Public Resources Code, for Fiscal Years 1984-85 and 1985-86 in the total amount of \$73,136.00, which funds are commonly referred as "Proposition 18" funds, shall be paid to the County. The City agrees to make the allocation for these funds and cooperate fully with the County to ensure the County's receipt of these funds.

10. The Agency, the City, and the County agree to investigate the possibility of entering into a joint powers agreement for the development of the area known as Deer Park, owned by County north of the City, as a regional park.

(End of Attachment "A")

VERNON HAZEN
CITY MANAGER

CITY OF ESCONDIDO

100 VALLEY BLVD., ESCONDIDO,
CALIFORNIA 92025
(619) 741-4631



December 13, 1984

Mr. Dewey Ausmus
North County Cemetery District
2640 Glenridge Road
Escondido, CA 92027

Dear Mr. Ausmus:

Please find enclosed the Tax Sharing Agreement. The City Council approved this agreement December 12, 1984. I believe these agreements contain all the substantive issues that have been agreed upon. I recognize and so identified to the City Council that the agreements may undergo some language changes as a result of your review. They authorized the Mayor to sign the agreements once the final language is developed.

Would you please review this agreement as soon as possible. We would like to get your Board's approval as soon as possible.

If you have any questions, please call.

Sincerely,

Roderick J. Wood
Assistant City Manager

1213-2/4

DRAFT COPY

TAX SHARING AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 1984, by and between the ESCONDIDO REDEVELOPMENT AGENCY ("Agency), the CITY OF ESCONDIDO ("City"), and the NORTH COUNTY CEMETERY DISTRICT ("District").

R E C I T A L S

A. On December 19, 1984, the City Council of the City of Escondido shall hold hearing to consider adopting an Ordinance to approve the Redevelopment Plan for the Escondido Redevelopment Project.

B. The City Council intends to determine whether or not the Escondido Redevelopment Project is a blighted area within the meaning of the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq.) because of the existence of properties which are stagnant, improperly utilized, and unproductive because of defective or inadequate street layout, faulty lot layout in relation to size, shape, accessibility, or usefulness, because of the existence of inadequate public improvements which cannot be remedied by private or governmental action without redevelopment, and for other reasons.

C. The Planning Commission of City and the Project Area Committee of the Agency have both reviewed the proposed Redevelopment Plan and have recommended its approval.

D. The District is a taxing agency which may be affected by the adoption of the Redevelopment Plan and the allocation of tax increment revenues to the Agency pursuant to Health and Safety Code Section 33670(b).

E. Health and Safety Code Section 33401 authorizes the Agency to enter into agreements to pay to any taxing agency with territory located within the Escondido Redevelopment Project, other than the City, any amounts of money which in the

Agency's determination are appropriate to alleviate any financial burden or detriment caused to the taxing agency by said Project.

F. The District has advised the Agency of the potential financial impact resulting from the adoption and implementation of the Escondido Redevelopment Plan on the District.

G. The parties hereby find that the Agency's implementation of the Redevelopment Plan may result in an increased need for certain District services in and around the Redevelopment Project and that the Plan may thereby cause a financial burden on and detriment to the District.

H. The District and Agency wish to enter into an agreement to alleviate the financial burden which may be caused to the District because of redevelopment activities in the Escondido Redevelopment Project.

I. The District and Agency further wish to enter into a cooperative agreement to provide mutual aid and assistance in the redevelopment of the Escondido Redevelopment Project through the construction, operation, and maintenance of certain facilities and improvements of benefit to the City, the Agency, and the District.

A G R E E M E N T

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

1. Definitions.

The words and terms used in this Agreement shall have the following meanings:

1.1 "Agency" shall mean the Escondido Redevelopment Agency.

1.2 "Bonds" shall mean any bond, note, interim certificate, debenture, or other obligation issued by the Agency, pursuant to Article V of Chapter 6 of Part 1 of Division 24 of the Health and Safety Code beginning with Section 33640.

1.3 "City" shall mean the City of Escondido, a municipal corporation.

1.4 "County" shall mean the County of San Diego, a public agency.

1.5 "District" shall mean the North County Cemetery District.

1.6 "Escondido Redevelopment Project" or "Project Area" shall mean the project area identified in Ordinance No. _____, the redevelopment of which is necessary to effectuate the public purposes specified in the Redevelopment Plan.

1.7 "Fiscal Year" shall mean the period from July 1 to and including the following June 30.

1.8 "Indebtedness" shall mean the principal of and any interest on loans, monies advanced to, or other indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the implementation of the Redevelopment Plan.

1.9 "Redevelopment Plan" shall mean the Plan prepared by the Agency and adopted by the City Council for the Escondido Redevelopment Project pursuant to Ordinance No. _____.

1.10 "Tax Revenues", as used herein, shall refer generally to all of the following categories and shall specifically be defined as follows:

1.10.1 "Agency Tax Increment in Excess of Plan Limit" shall mean the Agency's Tax Increment in excess of \$250,000,000 as received by the Agency pursuant to the Redevelopment Plan.

1.10.2 "Agency Tax Revenues" shall mean those taxes which would be allocated to the Agency pursuant to Section 33670(b) of the Health and Safety Code from and after the effective date of the Ordinance.

1.10.3 "District Tax Revenues" shall mean tax revenues to which the District would be entitled to receive, pursuant to Section 33670(a) of the Health and Safety Code, and all tax revenues to which the Agency would be entitled to

receive pursuant to Section 33670(b) of the Health and Safety Code, which are attributable to increases in the rate of tax levied by or for the benefit of the District; which levy occurs in or after fiscal year 1985-86, and which District shall receive pursuant to Health and Safety Code Section 33676.

1.10.4 "Excess Agency Tax Increment" shall mean that portion of the the Agency Tax Revenues in excess of (a) the debt service requirements for the Civic Center/Cultural Facility Project, and (b) the financing requirements of the Agency for low or moderate income housing as required by law, or the Agency Tax Revenues in excess of an annual 5% increase in the assessed valuation of property in the Project Area, whichever is greater.

2. Payment of Tax Revenues.

Subject to the specific provisions of this Agreement, Tax Revenues shall be allocated each year as follows:

2.1 All District Tax Revenues shall be allocated to the District.

2.2 All Agency Tax Revenues shall be allocated to the Agency with the Agency Tax Increment in Excess of Plan Limit and Excess Agency Tax Increment to be allocated as herein set forth.

3. Agency Obligations Constitute Indebtedness.

The District and Agency agree that the Agency's obligations hereunder to make payments, construct improvements, or provide improvements or services to the District, or the Agency's direction to the County to make such payments to the District, constitute an indebtedness of the Agency within the meaning of Health and Safety Code Section 33675.

4. Housing Set Aside Funds.

The District and Agency agree that the Excess Agency Tax Increment and the Agency Tax Increment in Excess of the Plan Limit received by the Agency and paid to the District or used to construct improvements or provide improvements or services

to the District hereunder shall not constitute a receipt of tax increment by the Agency for the purposes of Health and Safety Code Section 33334.2. In the event that a final court judgment against the Agency determines to the contrary, any amounts payable to the District and under this Agreement shall be reduced by twenty percent (20%).

5. Limitation on Payments.

Notwithstanding any other provision of this Agreement to the contrary, the amounts payable to or for the benefit of the District for any single year shall not exceed the amount of property tax revenues which would have been received by the District for such year if all the property tax revenues from the Redevelopment Project had been allocated to all the affected taxing agencies without regard to the division of taxes required by California Health and Safety Code Section 33670.

6. District, Agency, and City Cooperation in Project Area Development.

6.1 It is the intent and desire of the District, Agency, and City to expedite and facilitate the implementation of eligible projects by the District which are within or outside of the Escondido Redevelopment Project, and which benefit said Project and the goals and objectives of the Redevelopment Plan. In accordance with their policies, rules, and regulations, the District and Agency will expend Tax Revenues as provided for in this Agreement for the effective implementation of projects, programs, and services of mutual benefit to the District, Agency, and City consistent with the goals and objectives of the Redevelopment Plan.

6.2 In particular, and not by way of limitation of the foregoing, the District and Agency agree to the projects, programs, and services as set forth in Attachment A, which directly or indirectly benefit the Project Area.

6.3 Subject to satisfaction of the requirements of this paragraph and applicable state and federal laws, at the request of the District, Agency will use

its best efforts consistent with prudent business practice to issue bonds, notes or other evidence of indebtedness in order to finance the cost of constructing, acquiring, or equipping the capital outlay projects of the District, which obligations shall be secured solely by a pledge of the sums payable to the District under this Agreement.

6.4 In the event Agency issues any Bonds, the Agency shall retain all of the required portion of District Tax Revenues or Excess Agency Tax Increment or Agency Tax Increment in Excess of Plan Limit available to the Agency for the purpose of paying the principal and interest for any such Bonds, which cost may be financed from the proceeds thereof.

6.5 In general, District and Agency agree to assist one another in the implementation of the Redevelopment Plan in accordance with applicable state and federal laws. The District and Agency shall supply to one another such information and reports as from time to time either may reasonably require in order to undertake their respective obligations.

7. Conditions Precedent.

The following events are conditions precedent to any duties or obligations to be performed herein by any party to this Agreement:

7.1 The adoption by Agency of the Redevelopment Plan for the Escondido Redevelopment Project.

7.2 No lawsuit is filed, within the time allowed by statute, challenging the Redevelopment Plan, its adoption, or the environmental review of the Project.

7.3 In the event a lawsuit is filed challenging the Project or the environmental review of the Project, there is a successful defense of the challenge, and all periods of appeal or right to rehearing or right to reconsideration have, to the Agency's satisfaction, expired.

7.4 In the event an election is required pursuant to City Ordinance No. 83-4 (which relates to limitations on Capital Expenditures), that such election shall be held and a majority of the votes cast are in favor of allowing the expenditures to be made.

7.5 In the event there is placed before the City electorate a ballot measure requesting voter approval of proceeding with the Escondido Redevelopment Project at a November 1985 special or general City election, that such election be held and a majority of the votes cast are in favor of allowing the Escondido Redevelopment Project to proceed.

8. Payment of Funds - Procedures.

8.1 As required by the Act, the Agency shall file, each year, a Statement of Indebtedness with the County and this Tax Sharing Agreement will be included as a part of each year's statement.

8.2 Agency will request, and it is the intention of the parties, that any amounts payable to District pursuant to this Agreement shall be paid directly to the District by the County officials responsible for allocating the Tax Revenues.

8.3 In the event County will not pay funds directly to District and the funds are paid to Agency, Agency shall pay the funds to District within thirty (30) days from the date of receipt from the County officials.

8.4 Any tax funds paid to Agency to be retained by Agency for District purposes or for the benefit of District, pursuant to this Agreement, shall at all times be kept by the Agency in a special fund, particularly established for this purpose, which shall be called the North County Cemetery District Redevelopment Fund.

9. Legal.

The District, Agency, and City agree that in the event litigation is initiated attacking the validity of all or any portion of this Agreement, all parties shall in good faith defend and seek to uphold this Agreement.

10. General Provisions.

10.1 Settlement. By this Agreement, the parties intend to resolve any differences with respect to the Redevelopment Plan, and District agrees to forebear suit challenging the validity of the Redevelopment Plan.

10.2 Effective Date and Term. This Agreement shall become effective upon the effective date of the Ordinance of the City Council adopting the Redevelopment Plan for the Escondido Redevelopment Project.

10.3 Term of Agreement; Amendment. This Agreement shall remain in effect during the entire term of the Redevelopment Plan and shall not be changed or modified except by written agreement of the parties.

10.4 Term of the Redevelopment Plan; Amendment. The Agency shall not terminate the Redevelopment Plan earlier than the date set forth herein unless the District consents to an earlier termination.

10.5 Severability. Each paragraph and provision of this Agreement is severable from each other provision, and if any provision or part hereof is declared invalid, the remaining provisions shall nevertheless remain in full force and effect.

10.6 Entire Agreement. This Agreement constitutes the entire, complete, and final expression of the Agreement of the parties.

ATTEST:
By _____
Secretary

ESCONDIDO REDEVELOPMENT AGENCY
By _____
Chairman

ATTEST:
By _____
City Clerk

CITY OF ESCONDIDO
By _____
Mayor

ATTEST:
By _____
Secretary

NORTH COUNTY CEMETERY DISTRICT
By _____
Chairman

ATTACHMENT "A"
TO
TAX SHARING AGREEMENT
WITH
NORTH COUNTY CEMETERY DISTRICT

1. The District agrees to relinquish any claim to or interest in the Agency Tax Revenues for the life of the Escondido Redevelopment Project (45 years).

2. The District and Agency agree to the following priorities in the use of the Agency Tax Revenues:

2.1 The Agency shall first place up to a maximum of 20% of these funds in a special fund to be called "the Low and Moderate Income Housing Fund" to fulfill the low/moderate housing requirements imposed on the Agency.

2.2 Following the funding of the Low and Moderate Income Housing Fund as required in Section 2.1, the Agency shall secondly receive and use the Agency Tax Revenue funds for the purpose of financing the Agency's Civic Center/Cultural Facility Project, said Project to include the following:

- (a) City Hall
- (b) Governmental Office Facility
- (c) Community Theater
- (d) Auditorium
- (e) Fine Arts Facility
- (f) Convention Facility
- (g) Ancillary Facilities to the Civic Center/Cultural Facility Project.

The funding is based on the Tax Increment derived from the first 5% of growth in Assessed Valuation.

3. After the items set forth in Sections 2.1 and 2.2 are funded, the Agency shall use the District's share of Excess Agency Tax Increment and Agency Tax Increment in Excess of the Plan Limit, if any exists, to fund the following projects for the District.

3.1 The Agency shall extend its bonding authority and capacity to finance projects requested by the District to implement its master plan.

4. Agency agrees to provide District with the following project:

4.1 The Agency and City agree to allow the District reasonable use of the Conference/Meeting Facility at the actual cost of operation and maintenance. The number of event days to be determined mutually between the District, Agency, and City. "Event days", as used herein, shall mean two (2) separate days of eight (8) hours each, the days to be determined through a scheduling procedure to be established by the Agency.

5. This funding shall be sufficient to allow the Agency to make the findings required by Health and Safety Code Section 33401.

6. The maximum amount of Excess Agency Tax Increment and Tax Increment in Excess of the Plan Limit that Agency is hereby obligated to use on behalf of District shall be determined by the following method:

The total amount of Agency Tax Revenues for the term of the Redevelopment Plan (45 years) minus the maximum financial limits of the Plan (\$250,000,000) multiplied by _____%.

7. Excess Agency Tax Increment shall be used for the financing of the Projects set forth in Section 3 above at such time as the Excess Agency Tax Increment becomes available for this use. In the event there are no Excess Agency Tax Increment funds, then Agency has no duty or obligation to fund any of the Projects. Agency agrees to fund the Projects earlier than when Excess Agency Tax Increment is available to the extent other funds are received by the Agency from other sources which may be used for this purpose.

8. The Projects will be funded on a cash basis as Excess Agency Tax Increment becomes available, unless agreed otherwise between the Agency, District and City.

9. District agrees to support the formation of the Agency, and to support and not challenge the project area and the adoption of the Redevelopment Plan.

10. The City of Escondido agrees and covenants as follows:

10.1 City agrees to the Redevelopment Plan and this Tax Sharing Agreement.

10/2 City agrees to allow District a reasonable number of events in the Community Theater and Conference/Meeting Facility at operating and maintenance cost.

(End of Attachment "A")

VERNON HAZEN
CITY MANAGER

CITY OF ESCONDIDO

100 VALLEY BLVD., ESCONDIDO,
CALIFORNIA 92025
(619) 741-4631



December 13, 1984

Mr. William Streshly
San Marcos Unified School Dist.
Administration Office
270 W. San Marcos Blvd.
San Marcos, CA 92069

Dear Mr. Streshly:

Please find enclosed the Tax Sharing Agreement. The City Council approved this agreement December 12, 1984. I believe these agreements contain all the substantive issues that have been agreed upon. I recognize and so identified to the City Council that the agreements may undergo some language changes as a result of your review. They authorized the Mayor to sign the agreements once the final language is developed.

Would you please review this agreement as soon as possible. We would like to get your Board's approval as soon as possible.

If you have any questions, please call.

Sincerely,

A handwritten signature in cursive script that reads "Roderick J. Wood".

Roderick J. Wood
Assistant City Manager

1213-2/4

DRAFT COPY

TAX SHARING AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 1984, by and between the ESCONDIDO REDEVELOPMENT AGENCY ("Agency), the CITY OF ESCONDIDO ("City"), and the SAN MARCOS UNIFIED SCHOOL DISTRICT ("District").

R E C I T A L S

A. On December 19, 1984, the City Council of the City of Escondido shall hold hearing to consider adopting an Ordinance to approve the Redevelopment Plan for the Escondido Redevelopment Project.

B. The City Council intends to determine whether or not the Escondido Redevelopment Project is a blighted area within the meaning of the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq.) because of the existence of properties which are stagnant, improperly utilized, and unproductive because of defective or inadequate street layout, faulty lot layout in relation to size, shape, accessibility, or usefulness, because of the existence of inadequate public improvements which cannot be remedied by private or governmental action without redevelopment, and for other reasons.

C. The Planning Commission of City and the Project Area Committee of the Agency have both reviewed the proposed Redevelopment Plan and have recommended its approval.

D. The District is a taxing agency which may be affected by the adoption of the Redevelopment Plan and the allocation of tax increment revenues to the Agency pursuant to Health and Safety Code Section 33670(b).

E. Health and Safety Code Section 33401 authorizes the Agency to enter into agreements to pay to any taxing agency with territory located within the Escondido Redevelopment Project, other than the City, any amounts of money which in the

Agency's determination are appropriate to alleviate any financial burden or detriment caused to the taxing agency by said Project.

F. The District has advised the Agency of the potential financial impact resulting from the adoption and implementation of the Escondido Redevelopment Plan on the District.

G. The parties hereby find that the Agency's implementation of the Redevelopment Plan may result in an increased need for certain District services in and around the Redevelopment Project and that the Plan may thereby cause a financial burden on and detriment to the District.

H. The District and Agency wish to enter into an agreement to alleviate the financial burden which may be caused to the District because of redevelopment activities in the Escondido Redevelopment Project.

I. The District and Agency further wish to enter into a cooperative agreement to provide mutual aid and assistance in the redevelopment of the Escondido Redevelopment Project through the construction, operation, and maintenance of certain facilities and improvements of benefit to the City, the Agency, and the District.

A G R E E M E N T

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

1. Definitions.

The words and terms used in this Agreement shall have the following meanings:

1.1 "Agency" shall mean the Escondido Redevelopment Agency.

1.2 "Bonds" shall mean any bond, note, interim certificate, debenture, or other obligation issued by the Agency, pursuant to Article V of Chapter 6 of Part 1 of Division 24 of the Health and Safety Code beginning with Section 33640.

1.3 "City" shall mean the City of Escondido, a municipal corporation.

1.4 "County" shall mean the County of San Diego, a public agency.

1.5 "District" shall mean the San Marcos Unified School District.

1.6 "Escondido Redevelopment Project" or "Project Area" shall mean the project area identified in Ordinance No. _____, the redevelopment of which is necessary to effectuate the public purposes specified in the Redevelopment Plan.

1.7 "Fiscal Year" shall mean the period from July 1 to and including the following June 30.

1.8 "Indebtedness" shall mean the principal of and any interest on loans, monies advanced to, or other indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the implementation of the Redevelopment Plan.

1.9 "Redevelopment Plan" shall mean the Plan prepared by the Agency and adopted by the City Council for the Escondido Redevelopment Project pursuant to Ordinance No. _____.

1.10 "Tax Revenues", as used herein, shall refer generally to all of the following categories and shall specifically be defined as follows:

1.10.1 "Agency Tax Increment in Excess of Plan Limit" shall mean the Agency's Tax Increment in excess of \$250,000,000 as received by the Agency pursuant to the Redevelopment Plan.

1.10.2 "Agency Tax Revenues" shall mean those taxes which would be allocated to the Agency pursuant to Section 33670(b) of the Health and Safety Code from and after the effective date of the Ordinance.

1.10.3 "District Tax Revenues" shall mean tax revenues to which the District would be entitled to receive, pursuant to Section 33670(a) of the Health and Safety Code, and all tax revenues to which the Agency would be entitled to

receive pursuant to Section 33670(b) of the Health and Safety Code, which are attributable to increases in the rate of tax levied by or for the benefit of the District; which levy occurs in or after fiscal year 1985-86, and which District shall receive pursuant to Health and Safety Code Section 33676.

1.10.4 "Excess Agency Tax Increment" shall mean that portion of the the Agency Tax Revenues in excess of (a) the debt service requirements for the Civic Center/Cultural Facility Project, and (b) the financing requirements of the Agency for low or moderate income housing as required by law, or the Agency Tax Revenues in excess of an annual 5% increase in the assessed valuation of property in the Project Area, whichever is greater.

2. Payment of Tax Revenues.

Subject to the specific provisions of this Agreement, Tax Revenues shall be allocated each year as follows:

2.1 All District Tax Revenues shall be allocated to the District.

2.2 All Agency Tax Revenues shall be allocated to the Agency with the Agency Tax Increment in Excess of Plan Limit and Excess Agency Tax Increment to be allocated as herein set forth.

3. Agency Obligations Constitute Indebtedness.

The District and Agency agree that the Agency's obligations hereunder to make payments, construct improvements, or provide improvements or services to the District, or the Agency's direction to the County to make such payments to the District, constitute an indebtedness of the Agency within the meaning of Health and Safety Code Section 33675.

4. Housing Set Aside Funds.

The District and Agency agree that the Excess Agency Tax Increment and the Agency Tax Increment in Excess of the Plan Limit received by the Agency and paid to the District or used to construct improvements or provide improvements or services

to the District hereunder shall not constitute a receipt of tax increment by the Agency for the purposes of Health and Safety Code Section 33334.2. In the event that a final court judgment against the Agency determines to the contrary, any amounts payable to the District and under this Agreement shall be reduced by twenty percent (20%).

5. Limitation on Payments.

Notwithstanding any other provision of this Agreement to the contrary, the amounts payable to or for the benefit of the District for any single year shall not exceed the amount of property tax revenues which would have been received by the District for such year if all the property tax revenues from the Redevelopment Project had been allocated to all the affected taxing agencies without regard to the division of taxes required by California Health and Safety Code Section 33670.

6. District, Agency, and City Cooperation in Project Area Development.

6.1 It is the intent and desire of the District, Agency, and City to expedite and facilitate the implementation of eligible projects by the District which are within or outside of the Escondido Redevelopment Project, and which benefit said Project and the goals and objectives of the Redevelopment Plan. In accordance with their policies, rules, and regulations, the District and Agency will expend Tax Revenues as provided for in this Agreement for the effective implementation of projects, programs, and services of mutual benefit to the District, Agency, and City consistent with the goals and objectives of the Redevelopment Plan.

6.2 In particular, and not by way of limitation of the foregoing, the District and Agency agree to the projects, programs, and services as set forth in Attachment A, which directly or indirectly benefit the Project Area.

6.3 Subject to satisfaction of the requirements of this paragraph and applicable state and federal laws, at the request of the District, Agency will use

its best efforts consistent with prudent business practice to issue bonds, notes or other evidence of indebtedness in order to finance the cost of constructing, acquiring, or equipping the capital outlay projects of the District, which obligations shall be secured solely by a pledge of the sums payable to the District under this Agreement.

6.4 In the event Agency issues any Bonds, the Agency shall retain all of the required portion of District Tax Revenues or Excess Agency Tax Increment or Agency Tax Increment in Excess of Plan Limit available to the Agency for the purpose of paying the principal and interest for any such Bonds, which cost may be financed from the proceeds thereof.

6.5 In general, District and Agency agree to assist one another in the implementation of the Redevelopment Plan in accordance with applicable state and federal laws. The District and Agency shall supply to one another such information and reports as from time to time either may reasonably require in order to undertake their respective obligations.

7. Conditions Precedent.

The following events are conditions precedent to any duties or obligations to be performed herein by any party to this Agreement:

7.1 The adoption by Agency of the Redevelopment Plan for the Escondido Redevelopment Project.

7.2 No lawsuit is filed, within the time allowed by statute, challenging the Redevelopment Plan, its adoption, or the environmental review of the Project.

7.3 In the event a lawsuit is filed challenging the Project or the environmental review of the Project, there is a successful defense of the challenge, and all periods of appeal or right to rehearing or right to reconsideration have, to the Agency's satisfaction, expired.

7.4 In the event an election is required pursuant to City Ordinance No. 83-4 (which relates to limitations on Capital Expenditures), that such election shall be held and a majority of the votes cast are in favor of allowing the expenditures to be made.

7.5 In the event there is placed before the City electorate a ballot measure requesting voter approval of proceeding with the Escondido Redevelopment Project at a November 1985 special or general City election, that such election be held and a majority of the votes cast are in favor of allowing the Escondido Redevelopment Project to proceed.

8. Payment of Funds - Procedures.

8.1 As required by the Act, the Agency shall file, each year, a Statement of Indebtedness with the County and this Tax Sharing Agreement will be included as a part of each year's statement.

8.2 Agency will request, and it is the intention of the parties, that any amounts payable to District pursuant to this Agreement shall be paid directly to the District by the County officials responsible for allocating the Tax Revenues.

8.3 In the event County will not pay funds directly to District and the funds are paid to Agency, Agency shall pay the funds to District within thirty (30) days from the date of receipt from the County officials.

8.4 Any tax funds paid to Agency to be retained by Agency for District purposes or for the benefit of District, pursuant to this Agreement, shall at all times be kept by the Agency in a special fund, particularly established for this purpose, which shall be called the San Marcos Unified School District Redevelopment Fund.

9. Legal.

The District, Agency, and City agree that in the event litigation is initiated attacking the validity of all or any portion of this Agreement, all parties shall in good faith defend and seek to uphold this Agreement.

10. General Provisions.

10.1 Settlement. By this Agreement, the parties intend to resolve any differences with respect to the Redevelopment Plan, and District agrees to forebear suit challenging the validity of the Redevelopment Plan.

10.2 Effective Date and Term. This Agreement shall become effective upon the effective date of the Ordinance of the City Council adopting the Redevelopment Plan for the Escondido Redevelopment Project.

10.3 Term of Agreement; Amendment. This Agreement shall remain in effect during the entire term of the Redevelopment Plan and shall not be changed or modified except by written agreement of the parties.

10.4 Term of the Redevelopment Plan; Amendment. The Agency shall not terminate the Redevelopment Plan earlier than the date set forth herein unless the District consents to an earlier termination.

10.5 Severability. Each paragraph and provision of this Agreement is severable from each other provision, and if any provision or part hereof is declared invalid, the remaining provisions shall nevertheless remain in full force and effect.

10.6 Entire Agreement. This Agreement constitutes the entire, complete, and final expression of the Agreement of the parties.

ATTEST:

By _____
Secretary

ESCONDIDO REDEVELOPMENT AGENCY

By _____
Chairman

ATTEST:

By _____
City Clerk

CITY OF ESCONDIDO

By _____
Mayor

ATTEST:

By _____
Secretary

SAN MARCOS UNIFIED SCHOOL DISTRICT

By _____
Chairman

ATTACHMENT "A"
TO
TAX SHARING AGREEMENT
WITH
SAN MARCOS UNIFIED SCHOOL DISTRICT

1. The District agrees to relinquish any claim to or interest in the Agency Tax Revenues for the life of the Escondido Redevelopment Project (45 years).

2. The District and Agency agree to the following priorities in the use of the Agency Tax Revenues:

2.1 The Agency shall first place up to a maximum of 20% of these funds in a special fund to be called "the Low and Moderate Income Housing Fund" to fulfill the low/moderate housing requirements imposed on the Agency.

2.2 Following the funding of the Low and Moderate Income Housing Fund as required in Section 2.1, the Agency shall secondly receive and use the Agency Tax Revenue funds for the purpose of financing the Agency's Civic Center/Cultural Facility Project, said Project to include the following:

- (a) City Hall
- (b) Governmental Office Facility
- (c) Community Theater
- (d) Auditorium
- (e) Fine Arts Facility
- (f) Convention Facility
- (g) Ancillary Facilities to the Civic Center/Cultural Facility Project.

3. After the items set forth in Sections 2.1 and 2.2 are funded, the Agency shall use the District's share of Excess Agency Tax Increment and Agency Tax Increment in Excess of the Plan Limit, if any exists, to fund the following projects for the District.

3.1 The Agency will use its bonding authority and capabilities to finance capital improvement projects for the District, limited to those projects which may

be funded from the District's proportionate share of Excess Agency Tax Increment and, provided, the total bonded indebtedness of the Agency at any one time does not exceed \$117,000,000.00.

3.2 The Agency agrees to fund any capital improvement projects, requested by the District. These projects shall be funded from District's proportionate share of the Agency Tax Increment in Excess of Plan Limit. The projects funded by Agency shall further be limited to those projects which benefit the Project Area as allowed and provided for in the California Community Redevelopment Act.

4. Agency agrees to provide District with the following projects:

4.1 The Agency agrees to provide use of the Community Theater and Conference/Meeting Facility at the actual cost of operation and maintenance. The number of event days to be determined mutually between the District, Agency, and City. "Event day" as used herein means five (5) separate days of eight (8) hours each, the days to be determined through a scheduling procedure to be established by the Agency.

5. This funding shall be sufficient to allow the Agency to make the findings required by Health and Safety Code Section 33401.

6. The maximum amount of Excess Agency Tax Increment and Tax Increment in Excess of the Plan Limit that Agency is hereby obligated to use on behalf of District shall be determined by the following method:

The total amount of Agency Tax Revenue for the term of the Redevelopment Plan (45 years) minus the maximum financial limits of the Plan (\$250,000,000) multiplied by _____%.

7. Excess Agency Tax Increment shall be used for the financing of the Projects set forth in Section 3 above at such time as the Excess Agency Tax

Increment becomes available for this use. In the event there are no Excess Agency Tax Increment funds, then Agency has no duty or obligation to fund any of the Projects. Agency agrees to fund the Projects earlier than when Excess Agency Tax Increment is available to the extent other funds are received by the Agency from other sources which may be used for this purpose.

8. The Projects will be funded on a cash basis as Excess Agency Tax Increment becomes available, unless agreed otherwise between the Agency, District and City.

9. District agrees to support the formation of the Agency, and to support and not challenge the project area and the adoption of the Redevelopment Plan.

10. The City of Escondido agrees and covenants as follows:

10.1 City agrees to the Redevelopment Plan and this Tax Sharing Agreement.

10.2 City agrees to allow District a reasonable number of events in the Community Theater and Conference/Meeting Facility at operating and maintenance cost.

(End of Attachment "A")

VERNON HAZEN
CITY MANAGER

CITY OF ESCONDIDO

100 VALLEY BLVD., ESCONDIDO,
CALIFORNIA 92025
(619) 741-4631



December 13, 1984

Mr. Robert M. Edwards
Executive Director
Palomar/Pomerado Hospital District
215 S. Hickory, Suite 310
Escondido, CA 92025

Dear Mr. Edwards:

Please find enclosed the Tax Sharing Agreement. The City Council approved this agreement December 12, 1984. I believe these agreements contain all the substantive issues that have been agreed upon. I recognize and so identified to the City Council that the agreements may undergo some language changes as a result of your review. They authorized the Mayor to sign the agreements once the final language is developed.

Would you please review this agreement as soon as possible. We would like to get your Board's approval as soon as possible.

If you have any questions, please call.

Sincerely,

A handwritten signature in cursive script that reads "Roderick J. Wood".

Roderick J. Wood
Assistant City Manager

1213-2/4

DRAFT COPY

TAX SHARING AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 1984, by and between the ESCONDIDO REDEVELOPMENT AGENCY ("Agency), the CITY OF ESCONDIDO ("City"), and the PALOMAR/POMERADO HOSPITAL DISTRICT ("District").

R E C I T A L S

A. On December 19, 1984, the City Council of the City of Escondido shall hold hearing to consider adopting an Ordinance to approve the Redevelopment Plan for the Escondido Redevelopment Project.

B. The City Council intends to determine whether or not the Escondido Redevelopment Project is a blighted area within the meaning of the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq.) because of the existence of properties which are stagnant, improperly utilized, and unproductive because of defective or inadequate street layout, faulty lot layout in relation to size, shape, accessibility, or usefulness, because of the existence of inadequate public improvements which cannot be remedied by private or governmental action without redevelopment, and for other reasons.

C. The Planning Commission of City and the Project Area Committee of the Agency have both reviewed the proposed Redevelopment Plan and have recommended its approval.

D. The District is a taxing agency which may be affected by the adoption of the Redevelopment Plan and the allocation of tax increment revenues to the Agency pursuant to Health and Safety Code Section 33670(b).

E. Health and Safety Code Section 33401 authorizes the Agency to enter into agreements to pay to any taxing agency with territory located within the Escondido Redevelopment Project, other than the City, any amounts of money which in the

11/23/84

Agency's determination are appropriate to alleviate any financial burden or detriment caused to the taxing agency by said Project.

F. The District has advised the Agency of the potential financial impact resulting from the adoption and implementation of the Escondido Redevelopment Plan on the District.

G. The parties hereby find that the Agency's implementation of the Redevelopment Plan may result in an increased need for certain District services in and around the Redevelopment Project and that the Plan may thereby cause a financial burden on and detriment to the District.

H. The District and Agency wish to enter into an agreement to alleviate the financial burden which may be caused to the District because of redevelopment activities in the Escondido Redevelopment Project.

I. The District and Agency further wish to enter into a cooperative agreement to provide mutual aid and assistance in the redevelopment of the Escondido Redevelopment Project through the construction, operation, and maintenance of certain facilities and improvements of benefit to the City, the Agency, and the District.

A G R E E M E N T

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

1. Definitions.

The words and terms used in this Agreement shall have the following meanings:

1.1 "Agency" shall mean the Escondido Redevelopment Agency.

1.2 "Bonds" shall mean any bond, note, interim certificate, debenture, or other obligation issued by the Agency, pursuant to Article V of Chapter 6 of Part 1 of Division 24 of the Health and Safety Code beginning with Section 33640.

1.3 "City" shall mean the City of Escondido, a municipal corporation.

1.4 "County" shall mean the County of San Diego, a public agency.

1.5 "District" shall mean the Palomar/Pomerado Hospital District.

1.6 "Escondido Redevelopment Project" or "Project Area" shall mean the project area identified in Ordinance No. _____, the redevelopment of which is necessary to effectuate the public purposes specified in the Redevelopment Plan.

1.7 "Fiscal Year" shall mean the period from July 1 to and including the following June 30.

1.8 "Indebtedness" shall mean the principal of and any interest on loans, monies advanced to, or other indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the implementation of the Redevelopment Plan.

1.9 "Redevelopment Plan" shall mean the Plan prepared by the Agency and adopted by the City Council for the Escondido Redevelopment Project pursuant to Ordinance No. _____.

1.10 "Tax Revenues", as used herein, shall refer generally to all of the following categories and shall specifically be defined as follows:

1.10.1 "Agency Tax Increment in Excess of Plan Limit" shall mean the Agency's Tax Increment in excess of \$250,000,000 as received by the Agency pursuant to the Redevelopment Plan.

1.10.2 "Agency Tax Revenues" shall mean those taxes which would be allocated to the Agency pursuant to Section 33670(b) of the Health and Safety Code from and after the effective date of the Ordinance.

1.10.3 "District Tax Revenues" shall mean tax revenues to which the District would be entitled to receive, pursuant to Section 33670(a) of the Health and Safety Code, and all tax revenues to which the Agency would be entitled to

receive pursuant to Section 33670(b) of the Health and Safety Code, which are attributable to increases in the rate of tax levied by or for the benefit of the District; which levy occurs in or after fiscal year 1985-86, and which District shall receive pursuant to Health and Safety Code Section 33676.

1.10.4 "Excess Agency Tax Increment" shall mean that portion of the the Agency Tax Revenues in excess of (a) the debt service requirements for the Civic Center/Cultural Facility Project, and (b) the financing requirements of the Agency for low or moderate income housing as required by law, or the Agency Tax Revenues in excess of an annual 5% increase in the assessed valuation of property in the Project Area, whichever is greater.

2. Payment of Tax Revenues.

Subject to the specific provisions of this Agreement, Tax Revenues shall be allocated each year as follows:

2.1 All District Tax Revenues shall be allocated to the District.

2.2 All Agency Tax Revenues shall be allocated to the Agency with the Agency Tax Increment in Excess of Plan Limit and Excess Agency Tax Increment to be allocated as herein set forth.

3. Agency Obligations Constitute Indebtedness.

The District and Agency agree that the Agency's obligations hereunder to make payments, construct improvements, or provide improvements or services to the District, or the Agency's direction to the County to make such payments to the District, constitute an indebtedness of the Agency within the meaning of Health and Safety Code Section 33675.

4. Housing Set Aside Funds.

The District and Agency agree that the Excess Agency Tax Increment and the Agency Tax Increment in Excess of the Plan Limit received by the Agency and paid to the District or used to construct improvements or provide improvements or services

to the District hereunder shall not constitute a receipt of tax increment by the Agency for the purposes of Health and Safety Code Section 33334.2. In the event that a final court judgment against the Agency determines to the contrary, any amounts payable to the District and under this Agreement shall be reduced by twenty percent (20%).

5. Limitation on Payments.

Notwithstanding any other provision of this Agreement to the contrary, the amounts payable to or for the benefit of the District for any single year shall not exceed the amount of property tax revenues which would have been received by the District for such year if all the property tax revenues from the Redevelopment Project had been allocated to all the affected taxing agencies without regard to the division of taxes required by California Health and Safety Code Section 33670.

6. District, Agency, and City Cooperation in Project Area Development.

6.1 It is the intent and desire of the District, Agency, and City to expedite and facilitate the implementation of eligible projects by the District which are within or outside of the Escondido Redevelopment Project, and which benefit said Project and the goals and objectives of the Redevelopment Plan. In accordance with their policies, rules, and regulations, the District and Agency will expend Tax Revenues as provided for in this Agreement for the effective implementation of projects, programs, and services of mutual benefit to the District, Agency, and City consistent with the goals and objectives of the Redevelopment Plan.

6.2 In particular, and not by way of limitation of the foregoing, the District and Agency agree to the projects, programs, and services as set forth in Attachment A, which directly or indirectly benefit the Project Area.

6.3 Subject to satisfaction of the requirements of this paragraph and applicable state and federal laws, at the request of the District, Agency will use

its best efforts consistent with prudent business practice to issue bonds, notes or other evidence of indebtedness in order to finance the cost of constructing, acquiring, or equipping the capital outlay projects of the District, which obligations shall be secured solely by a pledge of the sums payable to the District under this Agreement.

6.4 In the event Agency issues any Bonds, the Agency shall retain all of the required portion of District Tax Revenues or Excess Agency Tax Increment or Agency Tax Increment in Excess of Plan Limit available to the Agency for the purpose of paying the principal and interest for any such Bonds, which cost may be financed from the proceeds thereof.

6.5 In general, District and Agency agree to assist one another in the implementation of the Redevelopment Plan in accordance with applicable state and federal laws. The District and Agency shall supply to one another such information and reports as from time to time either may reasonably require in order to undertake their respective obligations.

7. Conditions Precedent.

The following events are conditions precedent to any duties or obligations to be performed herein by any party to this Agreement:

7.1 The adoption by Agency of the Redevelopment Plan for the Escondido Redevelopment Project.

7.2 No lawsuit is filed, within the time allowed by statute, challenging the Redevelopment Plan, its adoption, or the environmental review of the Project.

7.3 In the event a lawsuit is filed challenging the Project or the environmental review of the Project, there is a successful defense of the challenge, and all periods of appeal or right to rehearing or right to reconsideration have, to the Agency's satisfaction, expired.

7.4 In the event an election is required pursuant to City Ordinance No. 83-4 (which relates to limitations on Capital Expenditures), that such election shall be held and a majority of the votes cast are in favor of allowing the expenditures to be made.

7.5 In the event there is placed before the City electorate a ballot measure requesting voter approval of proceeding with the Escondido Redevelopment Project at a November 1985 special or general City election, that such election be held and a majority of the votes cast are in favor of allowing the Escondido Redevelopment Project to proceed.

8. Payment of Funds - Procedures.

8.1 As required by the Act, the Agency shall file, each year, a Statement of Indebtedness with the County and this Tax Sharing Agreement will be included as a part of each year's statement.

8.2 Agency will request, and it is the intention of the parties, that any amounts payable to District pursuant to this Agreement shall be paid directly to the District by the County officials responsible for allocating the Tax Revenues.

8.3 In the event County will not pay funds directly to District and the funds are paid to Agency, Agency shall pay the funds to District within thirty (30) days from the date of receipt from the County officials.

8.4 Any tax funds paid to Agency to be retained by Agency for District purposes or for the benefit of District, pursuant to this Agreement, shall at all times be kept by the Agency in a special fund, particularly established for this purpose, which shall be called the Palomar/Pomerado Hospital District Redevelopment Fund.

9. Legal.

The District, Agency, and City agree that in the event litigation is initiated attacking the validity of all or any portion of this Agreement, all parties shall in good faith defend and seek to uphold this Agreement.

10. General Provisions.

10.1 Settlement. By this Agreement, the parties intend to resolve any differences with respect to the Redevelopment Plan, and District agrees to forebear suit challenging the validity of the Redevelopment Plan.

10.2 Effective Date and Term. This Agreement shall become effective upon the effective date of the Ordinance of the City Council adopting the Redevelopment Plan for the Escondido Redevelopment Project.

10.3 Term of Agreement; Amendment. This Agreement shall remain in effect during the entire term of the Redevelopment Plan and shall not be changed or modified except by written agreement of the parties.

10.4 Term of the Redevelopment Plan; Amendment. The Agency shall not terminate the Redevelopment Plan earlier than the date set forth herein unless the District consents to an earlier termination.

10.5 Severability. Each paragraph and provision of this Agreement is severable from each other provision, and if any provision or part hereof is declared invalid, the remaining provisions shall nevertheless remain in full force and effect.

10.6 Entire Agreement. This Agreement constitutes the entire, complete, and final expression of the Agreement of the parties.

ATTEST:

By _____
Secretary

ESCONDIDO REDEVELOPMENT AGENCY

By _____
Chairman

ATTEST:

By _____
City Clerk

CITY OF ESCONDIDO

By _____
Mayor

ATTEST:

By _____
Secretary

PALOMAR/POMERADO HOSPITAL DISTRICT

By _____
Chairman

ATTACHMENT "A"
TO
TAX SHARING AGREEMENT
WITH
PALOMAR/POMERADO HOSPITAL DISTRICT

1. The District agrees to relinquish any claim to or interest in the Agency Tax Revenues for the life of the Escondido Redevelopment Project (45 years).

2. The District and Agency agree to the following priorities in the use of the Agency Tax Revenues:

2.1 The Agency shall first place up to a maximum of 20% of these funds in a special fund to be called "the Low and Moderate Income Housing Fund" to fulfill the low/moderate housing requirements imposed on the Agency.

2.2 Following the funding of the Low and Moderate Income Housing Fund as required in Section 2.1, the Agency shall secondly receive and use the Agency Tax Revenue funds for the purpose of financing the Agency's Civic Center/Cultural Facility Project, said Project to include the following:

- (a) City Hall
- (b) Governmental Office Facility
- (c) Community Theater
- (d) Auditorium
- (e) Fine Arts Facility
- (f) Convention Facility
- (g) Ancillary Facilities to the Civic Center/Cultural Facility Project.

3. After the items set forth in Sections 2.1 and 2.2 are funded, the Agency shall use the District's share of Excess Agency Tax Increment and Agency Tax Increment in Excess of the Plan Limit, if any exists, to fund the following projects for the District.

3.1 The Agency agrees to extend its bonding authority and capacity to the District to fund District capital improvement projects.

3.2 The Agency agrees to share equally with the District the cost for the construction of a 5,000 square foot, fully-equipped North County Regional Emergency Operations and Communication Center.

3.3 The Agency agrees to fund the Grand Avenue Street improvements. The Agency agrees to fund the District's share of these improvements as provided for in that certain Agreement between the City and the District, dated _____.

4. Agency agrees to provide District with the following projects:

4.2 The Agency agrees to provide use of the Community Theater and Conference/Meeting Facility at the actual cost of operation and maintenance. The number of event days to be determined mutually between the District, Agency, and City. "Event day" as used herein means five (5) separate days of eight (8) hours each, the days to be determined through a scheduling procedure to be established by the Agency.

5. This funding shall be sufficient to allow the Agency to make the findings required by Health and Safety Code Section 33401.

6. The maximum amount of Excess Agency Tax Increment and Tax Increment in Excess of the Plan Limit that Agency is hereby obligated to use on behalf of District shall be determined by the following method:

The total amount of Agency Tax Revenues for the term of the Redevelopment Plan (45 years) minus the maximum financial limits of the Plan (\$250,000,000) multiplied by _____%.

7. Excess Agency Tax Increment shall be used for the financing of the Projects set forth in Section 3 above at such time as the Excess Agency Tax Increment becomes available for this use. In the event there are no Excess Agency Tax Increment funds, then Agency has no duty or obligation to fund any of the Projects. Agency agrees to fund the Projects earlier than when Excess Agency Tax Increment is available to the extent other funds are received by the Agency from other sources which may be used for this purpose.

8. The Projects will be funded on a cash basis as Excess Agency Tax Increment becomes available, unless agreed otherwise between the Agency, District and City.

9. District agrees to support the formation of the Agency, and to support and not challenge the project area and the adoption of the Redevelopment Plan.

10. The City of Escondido agrees and covenants as follows:

10.1 City agrees to the Redevelopment Plan and this Tax Sharing Agreement.

10.2 City agrees to allow District a reasonable number of events in the Community Theater and Conference/Meeting Facility at operating and maintenance cost.

VERNON HAZEN
CITY MANAGER

CITY OF ESCONDIDO

100 VALLEY BLVD., ESCONDIDO,
CALIFORNIA 92025
(619) 741-4631



December 13, 1984

Mr. Forest Fouts, Superintendent
Escondido Union High School District
240 S. Maple
Escondido, CA 92025

Dear Mr. Fouts:

Please find enclosed the Tax Sharing Agreement. The City Council approved this agreement December 12, 1984. I believe these agreements contain all the substantive issues that have been agreed upon. I recognize and so identified to the City Council that the agreements may undergo some language changes as a result of your review. They authorized the Mayor to sign the agreements once the final language is developed.

Would you please review this agreement as soon as possible. We would like to get your Board's approval as soon as possible.

If you have any questions, please call.

Sincerely,

A handwritten signature in cursive script that reads "Rod Wood".

Roderick J. Wood
Assistant City Manager

1213-2/4

DRAFT COPY

TAX SHARING AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 1984, by and between the ESCONDIDO REDEVELOPMENT AGENCY ("Agency), the CITY OF ESCONDIDO ("City"), and the ESCONDIDO UNION HIGH SCHOOL DISTRICT ("District").

R E C I T A L S

A. On December 19, 1984, the City Council of the City of Escondido shall hold hearing to consider adopting an Ordinance to approve the Redevelopment Plan for the Escondido Redevelopment Project.

B. The City Council intends to determine whether or not the Escondido Redevelopment Project is a blighted area within the meaning of the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq.) because of the existence of properties which are stagnant, improperly utilized, and unproductive because of defective or inadequate street layout, faulty lot layout in relation to size, shape, accessibility, or usefulness, because of the existence of inadequate public improvements which cannot be remedied by private or governmental action without redevelopment, and for other reasons.

C. The Planning Commission of City and the Project Area Committee of the Agency have both reviewed the proposed Redevelopment Plan and have recommended its approval.

D. The District is a taxing agency which may be affected by the adoption of the Redevelopment Plan and the allocation of tax increment revenues to the Agency pursuant to Health and Safety Code Section 33670(b).

E. Health and Safety Code Section 33401 authorizes the Agency to enter into agreements to pay to any taxing agency with territory located within the Escondido Redevelopment Project, other than the City, any amounts of money which in the

Agency's determination are appropriate to alleviate any financial burden or detriment caused to the taxing agency by said Project.

F. The District has advised the Agency of the potential financial impact resulting from the adoption and implementation of the Escondido Redevelopment Plan on the District.

G. The parties hereby find that the Agency's implementation of the Redevelopment Plan may result in an increased need for certain District services in and around the Redevelopment Project and that the Plan may thereby cause a financial burden on and detriment to the District.

H. The District and Agency wish to enter into an agreement to alleviate the financial burden which may be caused to the District because of redevelopment activities in the Escondido Redevelopment Project.

I. The District and Agency further wish to enter into a cooperative agreement to provide mutual aid and assistance in the redevelopment of the Escondido Redevelopment Project through the construction, operation, and maintenance of certain facilities and improvements of benefit to the City, the Agency, and the District.

A G R E E M E N T

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

1. Definitions.

The words and terms used in this Agreement shall have the following meanings:

1.1 "Agency" shall mean the Escondido Redevelopment Agency.

1.2 "Bonds" shall mean any bond, note, interim certificate, debenture, or other obligation issued by the Agency, pursuant to Article V of Chapter 6 of Part 1 of Division 24 of the Health and Safety Code beginning with Section 33640.

1.3 "City" shall mean the City of Escondido, a municipal corporation.

1.4 "County" shall mean the County of San Diego, a public agency.

1.5 "District" shall mean the Escondido Union High School District.

1.6 "Escondido Redevelopment Project" or "Project Area" shall mean the project area identified in Ordinance No. _____, the redevelopment of which is necessary to effectuate the public purposes specified in the Redevelopment Plan.

1.7 "Fiscal Year" shall mean the period from July 1 to and including the following June 30.

1.8 "Indebtedness" shall mean the principal of and any interest on loans, monies advanced to, or other indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the implementation of the Redevelopment Plan.

1.9 "Redevelopment Plan" shall mean the Plan prepared by the Agency and adopted by the City Council for the Escondido Redevelopment Project pursuant to Ordinance No. _____.

1.10 "Tax Revenues", as used herein, shall refer generally to all of the following categories and shall specifically be defined as follows:

1.10.1 "Agency Tax Increment in Excess of Plan Limit" shall mean the Agency's Tax Increment in excess of \$250,000,000 as received by the Agency pursuant to the Redevelopment Plan.

1.10.2 "Agency Tax Revenues" shall mean those taxes which would be allocated to the Agency pursuant to Section 33670(b) of the Health and Safety Code from and after the effective date of the Ordinance.

1.10.3 "District Tax Revenues" shall mean tax revenues to which the District would be entitled to receive, pursuant to Section 33670(a) of the Health and Safety Code, and all tax revenues to which the Agency would be entitled to

receive pursuant to Section 33670(b) of the Health and Safety Code, which are attributable to increases in the rate of tax levied by or for the benefit of the District; which levy occurs in or after fiscal year 1985-86, and which District shall receive pursuant to Health and Safety Code Section 33676.

1.10.4 "Excess Agency Tax Increment" shall mean that portion of the the Agency Tax Revenues in excess of (a) the debt service requirements for the Civic Center/Cultural Facility Project, and (b) the financing requirements of the Agency for low or moderate income housing as required by law, or the Agency Tax Revenues in excess of an annual 5% increase in the assessed valuation of property in the Project Area, whichever is greater.

2. Payment of Tax Revenues.

Subject to the specific provisions of this Agreement, Tax Revenues shall be allocated each year as follows:

2.1 All District Tax Revenues shall be allocated to the District.

2.2 All Agency Tax Revenues shall be allocated to the Agency with the Agency Tax Increment in Excess of Plan Limit and Excess Agency Tax Increment to be allocated as herein set forth.

3. Agency Obligations Constitute Indebtedness.

The District and Agency agree that the Agency's obligations hereunder to make payments, construct improvements, or provide improvements or services to the District, or the Agency's direction to the County to make such payments to the District, constitute an indebtedness of the Agency within the meaning of Health and Safety Code Section 33675.

4. Housing Set Aside Funds.

The District and Agency agree that the Excess Agency Tax Increment and the Agency Tax Increment in Excess of the Plan Limit received by the Agency and paid to the District or used to construct improvements or provide improvements or services

to the District hereunder shall not constitute a receipt of tax increment by the Agency for the purposes of Health and Safety Code Section 33334.2. In the event that a final court judgment against the Agency determines to the contrary, any amounts payable to the District and under this Agreement shall be reduced by twenty percent (20%).

5. Limitation on Payments.

Notwithstanding any other provision of this Agreement to the contrary, the amounts payable to or for the benefit of the District for any single year shall not exceed the amount of property tax revenues which would have been received by the District for such year if all the property tax revenues from the Redevelopment Project had been allocated to all the affected taxing agencies without regard to the division of taxes required by California Health and Safety Code Section 33670.

6. District, Agency, and City Cooperation in Project Area Development.

6.1 It is the intent and desire of the District, Agency, and City to expedite and facilitate the implementation of eligible projects by the District which are within or outside of the Escondido Redevelopment Project, and which benefit said Project and the goals and objectives of the Redevelopment Plan. In accordance with their policies, rules, and regulations, the District and Agency will expend Tax Revenues as provided for in this Agreement for the effective implementation of projects, programs, and services of mutual benefit to the District, Agency, and City consistent with the goals and objectives of the Redevelopment Plan.

6.2 In particular, and not by way of limitation of the foregoing, the District and Agency agree to the projects, programs, and services as set forth in Attachment A, which directly or indirectly benefit the Project Area.

6.3 Subject to satisfaction of the requirements of this paragraph and applicable state and federal laws, at the request of the District, Agency will use

its best efforts consistent with prudent business practice to issue bonds, notes or other evidence of indebtedness in order to finance the cost of constructing, acquiring, or equipping the capital outlay projects of the District, which obligations shall be secured solely by a pledge of the sums payable to the District under this Agreement.

6.4 In the event Agency issues any Bonds, the Agency shall retain all of the required portion of District Tax Revenues or Excess Agency Tax Increment or Agency Tax Increment in Excess of Plan Limit available to the Agency for the purpose of paying the principal and interest for any such Bonds, which cost may be financed from the proceeds thereof.

6.5 In general, District and Agency agree to assist one another in the implementation of the Redevelopment Plan in accordance with applicable state and federal laws. The District and Agency shall supply to one another such information and reports as from time to time either may reasonably require in order to undertake their respective obligations.

7. Conditions Precedent.

The following events are conditions precedent to any duties or obligations to be performed herein by any party to this Agreement:

7.1 The adoption by Agency of the Redevelopment Plan for the Escondido Redevelopment Project.

7.2 No lawsuit is filed, within the time allowed by statute, challenging the Redevelopment Plan, its adoption, or the environmental review of the Project.

7.3 In the event a lawsuit is filed challenging the Project or the environmental review of the Project, there is a successful defense of the challenge, and all periods of appeal or right to rehearing or right to reconsideration have, to the Agency's satisfaction, expired.

7.4 In the event an election is required pursuant to City Ordinance No. 83-4 (which relates to limitations on Capital Expenditures), that such election shall be held and a majority of the votes cast are in favor of allowing the expenditures to be made.

7.5 In the event there is placed before the City electorate a ballot measure requesting voter approval of proceeding with the Escondido Redevelopment Project at a November 1985 special or general City election, that such election be held and a majority of the votes cast are in favor of allowing the Escondido Redevelopment Project to proceed.

8. Payment of Funds - Procedures.

8.1 As required by the Act, the Agency shall file, each year, a Statement of Indebtedness with the County and this Tax Sharing Agreement will be included as a part of each year's statement.

8.2 Agency will request, and it is the intention of the parties, that any amounts payable to District pursuant to this Agreement shall be paid directly to the District by the County officials responsible for allocating the Tax Revenues.

8.3 In the event County will not pay funds directly to District and the funds are paid to Agency, Agency shall pay the funds to District within thirty (30) days from the date of receipt from the County officials.

8.4 Any tax funds paid to Agency to be retained by Agency for District purposes or for the benefit of District, pursuant to this Agreement, shall at all times be kept by the Agency in a special fund, particularly established for this purpose, which shall be called the Escondido Union High School District Redevelopment Fund.

9. Legal.

The District, Agency, and City agree that in the event litigation is initiated attacking the validity of all or any portion of this Agreement, all parties shall in good faith defend and seek to uphold this Agreement.

10. General Provisions.

10.1 Settlement. By this Agreement, the parties intend to resolve any differences with respect to the Redevelopment Plan, and District agrees to forebear suit challenging the validity of the Redevelopment Plan.

10.2 Effective Date and Term. This Agreement shall become effective upon the effective date of the Ordinance of the City Council adopting the Redevelopment Plan for the Escondido Redevelopment Project.

10.3 Term of Agreement; Amendment. This Agreement shall remain in effect during the entire term of the Redevelopment Plan and shall not be changed or modified except by written agreement of the parties.

10.4 Term of the Redevelopment Plan; Amendment. The Agency shall not terminate the Redevelopment Plan earlier than the date set forth herein unless the District consents to an earlier termination.

10.5 Severability. Each paragraph and provision of this Agreement is severable from each other provision, and if any provision or part hereof is declared invalid, the remaining provisions shall nevertheless remain in full force and effect.

10.6 Entire Agreement. This Agreement constitutes the entire, complete, and final expression of the Agreement of the parties.

ATTEST:

By _____
Secretary

ESCONDIDO REDEVELOPMENT AGENCY

By _____
Chairman

ATTEST:

By _____
City Clerk

CITY OF ESCONDIDO

By _____
Mayor

ATTEST:

By _____
Secretary

ESCONDIDO UNION HIGH SCHOOL DISTRICT

By _____
Chairman

ATTACHMENT "A"
TO
TAX SHARING AGREEMENT
WITH
ESCONDIDO UNION HIGH SCHOOL DISTRICT

1. The District agrees to relinquish any claim to or interest in the Agency Tax Revenues for the life of the Escondido Redevelopment Project (45 years).

2. The District and Agency agree to the following priorities in the use of the Agency Tax Revenues:

2.1 The Agency shall first place up to a maximum of 20% of these funds in a special fund to be called "the Low and Moderate Income Housing Fund" to fulfill the low/moderate housing requirements imposed on the Agency.

2.2 Following the funding of the Low and Moderate Income Housing Fund as required in Section 2.1, the Agency shall secondly receive and use the Agency Tax Revenue funds for the purpose of financing the Agency's Civic Center/Cultural Facility Project, said Project to include the following:

- (a) City Hall
- (b) Governmental Office Facility
- (c) Community Theater
- (d) Auditorium
- (e) Fine Arts Facility
- (f) Convention Facility
- (g) Ancillary Facilities to the Civic Center/Cultural Facility Project.

3. After the items set forth in Sections 2.1 and 2.2 are funded, the Agency shall use the District's share of Excess Agency Tax Increment and Agency Tax Increment in Excess of the Plan Limit, if any exists, to fund the following projects for the District.

3.1 The Agency agrees to fund three (3) new high schools, including the cost of property acquisition or exchange.

3.2 The Agency agrees to fund ~~a new~~^{two} continuation high schools, including the cost of property acquisition or exchange.

3.3 The Agency agrees to fund the rehabilitation and construction of additional classrooms, on a one-time basis, at all existing District schools.

3.4 The Agency agrees to pay \$550.00 per unit, from the Low and Moderate Income Housing Fund provided for in Section 2.1 hereof, for "Senior Citizen Housing" to the District for very low, low, and moderate income units upon the following conditions being met:

3.4.1 Civic Center/Cultural Facility Project financed and the debt therefor retired.

3.4.2 The Senior Citizen Housing complies with California Community Redevelopment Law low and moderate 20% set-aside requirements.

3.4.3 District will certify to compliance with the requirements in 3.4.2 above.

4. Agency agrees to provide District with the following projects:

4.1 The Agency agrees to fund computer hardware and software.

4.2 The Agency agrees to provide the District with 10,000 square feet of unimproved administrative office space in the First Regional Governmental Building. The District will be responsible for the interior improvements and furnishings and fixtures. The Agency and City agree to lease this space at operational and maintenance cost. The Agency shall provide a meeting room for up to 80 people to be shared by all the tenants of the First Regional Governmental Building. The furnishings and fixtures for this meeting room are to be funded from the tenants' District Tax Revenues, Excess Agency Tax Increment, or Agency Tax Increment in Excess of Plan Limit.

4.3 The Agency agrees to provide reasonable use of the Community Theater and Conference/Meeting Facility, the charge for which shall be the actual operating

and maintenance cost. The Agency agrees to provide up to 20 days per year in either the Community Theater ^{or} and Conference/Meeting Facility, the charge for which shall be the actual operating and maintenance cost only.

5. This funding shall be sufficient to allow the Agency to make the findings required by Health and Safety Code Section 33401.

6. The maximum amount of Excess Agency Tax Increment and Tax Increment in Excess of the Plan Limit that Agency is hereby obligated to use on behalf of District shall be determined by the following method:

The total amount of Agency Tax Revenues for the term of the Redevelopment Plan (45 years) minus the maximum financial limits of the Plan (\$250,000,000) multiplied by _____%.

7. Excess Agency Tax Increment shall be used for the financing of the Projects set forth in Section 3 above at such time as the Excess Agency Tax Increment becomes available for this use. In the event there are no Excess Agency Tax Increment funds, then Agency has no duty or obligation to fund any of the Projects. Agency agrees to fund the Projects earlier than when Excess Agency Tax Increment is available to the extent other funds are received by the Agency from other sources which may be used for this purpose.

8. The Projects will be funded on a cash basis as Excess Agency Tax Increment becomes available, unless agreed otherwise between the Agency, District and City.

9. District agrees to support the formation of the Agency, and to support and not challenge the project area and the adoption of the Redevelopment Plan.

10. The City of Escondido agrees and covenants as follows:

10.1 City agrees to the Redevelopment Plan and this Tax Sharing Agreement.

12.2 City agrees to allow the District use of the Community Theater and Conference/Meeting Facility as provided for in Section 4.3 above.

12.3 City shall loan funds with interest to the Agency for the purpose of paying the cost of making improvements to the District's [REDACTED] facilities at the various high school locations. The amount loaned shall not exceed ^{#500,000.00} ~~\$350,000.00~~, principal amount, and is to be repaid with interest from Excess Agency Tax Increment. The rate of interest to be paid by Agency shall be the maximum amount allowed by the California Community Redevelopment Act.

(End of Attachment "A")

VERNON HAZEN
CITY MANAGER

CITY OF ESCONDIDO

100 VALLEY BLVD., ESCONDIDO,
CALIFORNIA 92025
(619) 741-4631



December 13, 1984

Dr. Don Hout, Superintendent
Escondido Union Elementary
School District
980 N. Ash
Escondido, CA 92027

Dear Dr. Hout:

Please find enclosed the Tax Sharing Agreement. The City Council approved this agreement December 12, 1984. I believe these agreements contain all the substantive issues that have been agreed upon. I recognize and so identified to the City Council that the agreements may undergo some language changes as a result of your review. They authorized the Mayor to sign the agreements once the final language is developed.

Would you please review this agreement as soon as possible. We would like to get your Board's approval as soon as possible.

If you have any questions, please call.

Sincerely,

A handwritten signature in cursive script that reads "Roderick J. Wood".

Roderick J. Wood
Assistant City Manager

1213-2/4

DRAFT COPY

TAX SHARING AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 1984, by and between the ESCONDIDO REDEVELOPMENT AGENCY ("Agency), the CITY OF ESCONDIDO ("City"), and the ESCONDIDO UNION SCHOOL DISTRICT ("District").

R E C I T A L S

A. On December 19, 1984, the City Council of the City of Escondido shall hold hearing to consider adopting an Ordinance to approve the Redevelopment Plan for the Escondido Redevelopment Project.

B. The City Council intends to determine whether or not the Escondido Redevelopment Project is a blighted area within the meaning of the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq.) because of the existence of properties which are stagnant, improperly utilized, and unproductive because of defective or inadequate street layout, faulty lot layout in relation to size, shape, accessibility, or usefulness, because of the existence of inadequate public improvements which cannot be remedied by private or governmental action without redevelopment, and for other reasons.

C. The Planning Commission of City and the Project Area Committee of the Agency have both reviewed the proposed Redevelopment Plan and have recommended its approval.

D. The District is a taxing agency which may be affected by the adoption of the Redevelopment Plan and the allocation of tax increment revenues to the Agency pursuant to Health and Safety Code Section 33670(b).

E. Health and Safety Code Section 33401 authorizes the Agency to enter into agreements to pay to any taxing agency with territory located within the Escondido Redevelopment Project, other than the City, any amounts of money which in the

Agency's determination are appropriate to alleviate any financial burden or detriment caused to the taxing agency by said Project.

F. The District has advised the Agency of the potential financial impact resulting from the adoption and implementation of the Escondido Redevelopment Plan on the District.

G. The parties hereby find that the Agency's implementation of the Redevelopment Plan may result in an increased need for certain District services in and around the Redevelopment Project and that the Plan may thereby cause a financial burden on and detriment to the District.

H. The District and Agency wish to enter into an agreement to alleviate the financial burden which may be caused to the District because of redevelopment activities in the Escondido Redevelopment Project.

I. The District and Agency further wish to enter into a cooperative agreement to provide mutual aid and assistance in the redevelopment of the Escondido Redevelopment Project through the construction, operation, and maintenance of certain facilities and improvements of benefit to the City, the Agency, and the District.

A G R E E M E N T

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

1. Definitions.

The words and terms used in this Agreement shall have the following meanings:

1.1 "Agency" shall mean the Escondido Redevelopment Agency.

1.2 "Bonds" shall mean any bond, note, interim certificate, debenture, or or other obligation issued by the Agency, pursuant to Article V of Chapter 6 of Part 1 of Division 24 of the Health and Safety Code beginning with Section 33640.

1.3 "City" shall mean the City of Escondido, a municipal corporation.

1.4 "County" shall mean the County of San Diego, a public agency.

1.5 "District" shall mean the Escondido Union School District.

1.6 "Escondido Redevelopment Project" or "Project Area" shall mean the project area identified in Ordinance No. _____, the redevelopment of which is necessary to effectuate the public purposes specified in the Redevelopment Plan.

1.7 "Fiscal Year" shall mean the period from July 1 to and including the following June 30.

1.8 "Indebtedness" shall mean the principal of and any interest on loans, monies advanced to, or other indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the implementation of the Redevelopment Plan.

1.9 "Redevelopment Plan" shall mean the Plan prepared by the Agency and adopted by the City Council for the Escondido Redevelopment Project pursuant to Ordinance No. _____.

1.10 "Tax Revenues", as used herein, shall refer generally to all of the following categories and shall specifically be defined as follows:

1.10.1 "Agency Tax Increment in Excess of Plan Limit" shall mean the Agency's Tax Increment in excess of \$250,000,000 as received by the Agency pursuant to the Redevelopment Plan.

1.10.2 "Agency Tax Revenues" shall mean those taxes which would be allocated to the Agency pursuant to Section 33670(b) of the Health and Safety Code from and after the effective date of the Ordinance.

1.10.3 "District Tax Revenues" shall mean tax revenues to which the District would be entitled to receive, pursuant to Section 33670(a) of the Health and Safety Code, and all tax revenues to which the Agency would be entitled to

receive pursuant to Section 33670(b) of the Health and Safety Code, which are attributable to increases in the rate of tax levied by or for the benefit of the District; which levy occurs in or after fiscal year 1985-86, and which District shall receive pursuant to Health and Safety Code Section 33676.

1.10.4 "Excess Agency Tax Increment" shall mean that portion of the the Agency Tax Revenues in excess of (a) the debt service requirements for the Civic Center/Cultural Facility Project, and (b) the financing requirements of the Agency for low or moderate income housing as required by law, or the Agency Tax Revenues in excess of an annual 5% increase in the assessed valuation of property in the Project Area, whichever is greater.

2. Payment of Tax Revenues.

Subject to the specific provisions of this Agreement, Tax Revenues shall be allocated each year as follows:

2.1 All District Tax Revenues shall be allocated to the District.

2.2 All Agency Tax Revenues shall be allocated to the Agency with the Agency Tax Increment in Excess of Plan Limit and Excess Agency Tax Increment to be allocated as herein set forth.

3. Agency Obligations Constitute Indebtedness.

The District and Agency agree that the Agency's obligations hereunder to make payments, construct improvements, or provide improvements or services to the District, or the Agency's direction to the County to make such payments to the District, constitute an indebtedness of the Agency within the meaning of Health and Safety Code Section 33675.

4. Housing Set Aside Funds.

The District and Agency agree that the Excess Agency Tax Increment and the Agency Tax Increment in Excess of the Plan Limit received by the Agency and paid to the District or used to construct improvements or provide improvements or services

to the District hereunder shall not constitute a receipt of tax increment by the Agency for the purposes of Health and Safety Code Section 33334.2. In the event that a final court judgment against the Agency determines to the contrary, any amounts payable to the District and under this Agreement shall be reduced by twenty percent (20%).

5. Limitation on Payments.

Notwithstanding any other provision of this Agreement to the contrary, the amounts payable to or for the benefit of the District for any single year shall not exceed the amount of property tax revenues which would have been received by the District for such year if all the property tax revenues from the Redevelopment Project had been allocated to all the affected taxing agencies without regard to the division of taxes required by California Health and Safety Code Section 33670.

6. District, Agency, and City Cooperation in Project Area Development.

6.1 It is the intent and desire of the District, Agency, and City to expedite and facilitate the implementation of eligible projects by the District which are within or outside of the Escondido Redevelopment Project, and which benefit said Project and the goals and objectives of the Redevelopment Plan. In accordance with their policies, rules, and regulations, the District and Agency will expend Tax Revenues as provided for in this Agreement for the effective implementation of projects, programs, and services of mutual benefit to the District, Agency, and City consistent with the goals and objectives of the Redevelopment Plan.

6.2 In particular, and not by way of limitation of the foregoing, the District and Agency agree to the projects, programs, and services as set forth in Attachment A, which directly or indirectly benefit the Project Area.

6.3 Subject to satisfaction of the requirements of this paragraph and applicable state and federal laws, at the request of the District, Agency will use

its best efforts consistent with prudent business practice to issue bonds, notes or other evidence of indebtedness in order to finance the cost of constructing, acquiring, or equipping the capital outlay projects of the District, which obligations shall be secured solely by a pledge of the sums payable to the District under this Agreement.

6.4 In the event Agency issues any Bonds, the Agency shall retain all of the required portion of District Tax Revenues or Excess Agency Tax Increment or Agency Tax Increment in Excess of Plan Limit available to the Agency for the purpose of paying the principal and interest for any such Bonds, which cost may be financed from the proceeds thereof.

6.5 In general, District and Agency agree to assist one another in the implementation of the Redevelopment Plan in accordance with applicable state and federal laws. The District and Agency shall supply to one another such information and reports as from time to time either may reasonably require in order to undertake their respective obligations.

7. Conditions Precedent.

The following events are conditions precedent to any duties or obligations to be performed herein by any party to this Agreement:

7.1 The adoption by Agency of the Redevelopment Plan for the Escondido Redevelopment Project.

7.2 No lawsuit is filed, within the time allowed by statute, challenging the Redevelopment Plan, its adoption, or the environmental review of the Project.

7.3 In the event a lawsuit is filed challenging the Project or the environmental review of the Project, there is a successful defense of the challenge, and all periods of appeal or right to rehearing or right to reconsideration have, to the Agency's satisfaction, expired.

7.4 In the event an election is required pursuant to City Ordinance No. 83-4 (which relates to limitations on Capital Expenditures), that such election shall be held and a majority of the votes cast are in favor of allowing the expenditures to be made.

7.5 In the event there is placed before the City electorate a ballot measure requesting voter approval of proceeding with the Escondido Redevelopment Project at a November 1985 special or general City election, that such election be held and a majority of the votes cast are in favor of allowing the Escondido Redevelopment Project to proceed.

8. Payment of Funds - Procedures.

8.1 As required by the Act, the Agency shall file, each year, a Statement of Indebtedness with the County and this Tax Sharing Agreement will be included as a part of each year's statement.

8.2 Agency will request, and it is the intention of the parties, that any amounts payable to District pursuant to this Agreement shall be paid directly to the District by the County officials responsible for allocating the Tax Revenues.

8.3 In the event County will not pay funds directly to District and the funds are paid to Agency, Agency shall pay the funds to District within thirty (30) days from the date of receipt from the County officials.

8.4 Any tax funds paid to Agency to be retained by Agency for District purposes or for the benefit of District, pursuant to this Agreement, shall at all times be kept by the Agency in a special fund, particularly established for this purpose, which shall be called the Escondido Union School District Redevelopment Fund.

9. Legal.

The District, Agency, and City agree that in the event litigation is initiated attacking the validity of all or any portion of this Agreement, all parties shall in good faith defend and seek to uphold this Agreement.

10. General Provisions.

10.1 Settlement. By this Agreement, the parties intend to resolve any differences with respect to the Redevelopment Plan, and District agrees to forebear suit challenging the validity of the Redevelopment Plan.

10.2 Effective Date and Term. This Agreement shall become effective upon the effective date of the Ordinance of the City Council adopting the Redevelopment Plan for the Escondido Redevelopment Project.

10.3 Term of Agreement; Amendment. This Agreement shall remain in effect during the entire term of the Redevelopment Plan and shall not be changed or modified except by written agreement of the parties.

10.4 Term of the Redevelopment Plan; Amendment. The Agency shall not terminate the Redevelopment Plan earlier than the date set forth herein unless the District consents to an earlier termination.

10.5 Severability. Each paragraph and provision of this Agreement is severable from each other provision, and if any provision or part hereof is declared invalid, the remaining provisions shall nevertheless remain in full force and effect.

10.6 Entire Agreement. This Agreement constitutes the entire, complete, and final expression of the Agreement of the parties.

ATTEST:

By _____
Secretary

ESCONDIDO REDEVELOPMENT AGENCY

By _____
Chairman

ATTEST:

By _____
City Clerk

CITY OF ESCONDIDO

By _____
Mayor

ATTEST:

By _____
Secretary

ESCONDIDO UNION SCHOOL DISTRICT

By _____
Chairman

ATTACHMENT "A"
TO
TAX SHARING AGREEMENT
WITH
ESCONDIDO UNION SCHOOL DISTRICT

1. The District agrees to relinquish any claim to or interest in the Agency Tax Revenues for the life of the Escondido Redevelopment Project (45 years).

2. The District and Agency agree to the following priorities in the use of the Agency Tax Revenues:

2.1 The Agency shall first place up to a maximum of 20% of these funds in a special fund to be called "the Low and Moderate Income Housing Fund" to fulfill the low/moderate housing requirements imposed on the Agency.

2.2 Following the funding of the Low and Moderate Income Housing Fund as required in Section 2.1, the Agency shall secondly receive and use the Agency Tax Revenue funds for the purpose of financing the Agency's Civic Center/Cultural Facility Project, said Project to include the following:

- (a) City Hall
- (b) Governmental Office Facility
- (c) Community Theater
- (d) Auditorium
- (e) Fine Arts Facility
- (f) Convention Facility
- (g) Ancillary Facilities to the Civic Center/Cultural Facility Project.

3. After the items set forth in Sections 2.1 and 2.2 are funded, the Agency shall use the District's share of Excess Agency Tax Increment and Agency Tax Increment in Excess of the Plan Limit, if any exists, to fund the following projects for the District.

3.1 The Agency agrees to fund eight (8) new elementary schools, including the cost of property acquisition or exchange.

3.2 The Agency agrees to fund the rehabilitation and construction of additional classrooms as needed at all existing District schools.

3.3 The Agency agrees to fund two (2) new middle schools, including the cost of property, acquisition, or exchange.

3.4 The Agency agrees to relocate any existing schools in the District when requested to do so by the District. "Relocate" as used herein shall mean acquiring a school site, building and furnishing the school. Title to the site from which any school is relocated shall be conveyed to the Agency free and clear of all encumbrances.

3.5 Any sites acquired pursuant to Section 3.4 above shall be sold or otherwise disposed of, as allowed by law, within a reasonable period of time after acquisition by the Agency.

4. Agency agrees to provide District with the following projects:

4.1 The Agency agrees to provide the District with 15,000 square feet of unimproved administrative office space in the First Regional Governmental Building. The District will be responsible for the interior improvements and furnishings and fixtures. The Agency and City agree to lease this space at operational and maintenance cost. The Agency shall provide a meeting room for up to 80 people to be shared by all the tenants of the First Regional Governmental Building. The furnishings and fixtures for this meeting room are to be funded from the tenants' District Tax Revenue, Excess Agency Tax Increment, or Agency Tax Increment in Excess of Plan Limit.

4.2 The Agency will provide computer hardware and software.

4.3 The Agency agrees to provide use of the Community Theater and Conference/Meeting Facility at the actual cost of operation and maintenance. The

number of event days to be determined mutually between the District, Agency, and City. "Event day" as used herein means five (5) separate days of eight (8) hours each, the days to be determined through a scheduling procedure to be established by the Agency.

5. This funding shall be sufficient to allow the Agency to make the findings required by Health and Safety Code Section 33401.

6. The maximum amount of Excess Agency Tax Increment and Tax Increment in Excess of the Plan Limit that Agency is hereby obligated to use on behalf of District shall be determined by the following method:

The total amount of Agency Tax Revenues for the term of the Redevelopment Plan (45 years) minus the maximum financial limits of the Plan (\$250,000,000) multiplied by _____%.

7. Excess Agency Tax Increment shall be used for the financing of the Projects set forth in Section 3 above at such time as the Excess Agency Tax Increment becomes available for this use. In the event there are no Excess Agency Tax Increment funds, then Agency has no duty or obligation to fund any of the Projects. Agency agrees to fund the Projects earlier than when Excess Agency Tax Increment is available to the extent other funds are received by the Agency from other sources which may be used for this purpose.

8. The Projects will be funded on a cash basis as Excess Agency Tax Increment becomes available, unless agreed otherwise between the Agency, District and City.

9. The District agrees that it may loan funds to the Agency, from any source available to the District, for the purpose of Agency constructing for the District one (1) elementary school during a five (5)-year period after the adoption of the Redevelopment Plan. Agency shall repay these loans from District's share of Excess Agency Tax Increment.

10. Reserved.

11. District agrees to support the formation of the Agency, and to support and not challenge the project area and the adoption of the Redevelopment Plan.

12. The City of Escondido agrees and covenants as follows:

12.1 City agrees to the Redevelopment Plan and this Tax Sharing Agreement.

12.2 City agrees to allow District a reasonable number of events in the Community Theater and Conference/Meeting Facility at operating and maintenance cost.

12.3 City agrees to loan the principal amount of not to exceed \$900,000 to the Agency, with interest, to pay for the following:

(1) not to exceed \$200,000 for sewer and water improvements in conjunction with the currently proposed new elementary school in the North Broadway area of the City.

(2) \$700,000, to be paid in equal installments of \$100,000 each, for school projects.

From these funds, District will construct two traffic signals within three (3) years at locations mutually agreed to by the District and the City. These loans are to be repaid from the District's share of Excess Agency Tax Increment. The interest rate to be charged for the loans in this paragraph shall be the legal maximum allowed under the California Community Redevelopment Act.

12.4 Agency shall repay these loans from the District's share of Excess Agency Tax Increment.

(End of Attachment "A")

VERNON HAZEN
CITY MANAGER

CITY OF ESCONDIDO

100 VALLEY BLVD., ESCONDIDO,
CALIFORNIA 92025
(619) 741-4631



December 13, 1984

Mr. Gary Arant
Rincon Del Diablo Water District
1920 N. Iris Lane
Escondido, CA 92026

Dear Mr. Arant:

Please find enclosed the Tax Sharing Agreement. The City Council approved this agreement December 12, 1984. I believe these agreements contain all the substantive issues that have been agreed upon. I recognize and so identified to the City Council that the agreements may undergo some language changes as a result of your review. They authorized the Mayor to sign the agreements once the final language is developed.

Would you please review this agreement as soon as possible. We would like to get your Board's approval as soon as possible.

If you have any questions, please call.

Sincerely,

A handwritten signature in cursive script that reads "Rod Wood".

Roderick J. Wood
Assistant City Manager

1213-2/4

DRAFT COPY

TAX SHARING AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 1984, by and between the ESCONDIDO REDEVELOPMENT AGENCY ("Agency), the CITY OF ESCONDIDO ("City"), and the RINCON DEL DIABLO MUNICIPAL WATER DISTRICT ("District").

R E C I T A L S

A. On December 19, 1984, the City Council of the City of Escondido shall hold hearing to consider adopting an Ordinance to approve the Redevelopment Plan for the Escondido Redevelopment Project.

B. The City Council intends to determine whether or not the Escondido Redevelopment Project is a blighted area within the meaning of the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq.) because of the existence of properties which are stagnant, improperly utilized, and unproductive because of defective or inadequate street layout, faulty lot layout in relation to size, shape, accessibility, or usefulness, because of the existence of inadequate public improvements which cannot be remedied by private or governmental action without redevelopment, and for other reasons.

C. The Planning Commission of City and the Project Area Committee of the Agency have both reviewed the proposed Redevelopment Plan and have recommended its approval.

D. The District is a taxing agency which may be affected by the adoption of the Redevelopment Plan and the allocation of tax increment revenues to the Agency pursuant to Health and Safety Code Section 33670(b).

E. Health and Safety Code Section 33401 authorizes the Agency to enter into agreements to pay to any taxing agency with territory located within the Escondido Redevelopment Project, other than the City, any amounts of money which in the

Agency's determination are appropriate to alleviate any financial burden or detriment caused to the taxing agency by said Project.

F. The District has advised the Agency of the potential financial impact resulting from the adoption and implementation of the Escondido Redevelopment Plan on the District.

G. The parties hereby find that the Agency's implementation of the Redevelopment Plan may result in an increased need for certain District services in and around the Redevelopment Project and that the Plan may thereby cause a financial burden on and detriment to the District.

H. The District and Agency wish to enter into an agreement to alleviate the financial burden which may be caused to the District because of redevelopment activities in the Escondido Redevelopment Project.

I. The District and Agency further wish to enter into a cooperative agreement to provide mutual aid and assistance in the redevelopment of the Escondido Redevelopment Project through the construction, operation, and maintenance of certain facilities and improvements of benefit to the City, the Agency, and the District.

A G R E E M E N T

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

1. Definitions.

The words and terms used in this Agreement shall have the following meanings:

1.1 "Agency" shall mean the Escondido Redevelopment Agency.

1.2 "Bonds" shall mean any bond, note, interim certificate, debenture, or other obligation issued by the Agency, pursuant to Article V of Chapter 6 of Part 1 of Division 24 of the Health and Safety Code beginning with Section 33640.

1.3 "City" shall mean the City of Escondido, a municipal corporation.

1.4 "County" shall mean the County of San Diego, a public agency.

1.5 "District" shall mean the Rincon Del Diablo Municipal Water District.

1.6 "Escondido Redevelopment Project" or "Project Area" shall mean the project area identified in Ordinance No. _____, the redevelopment of which is necessary to effectuate the public purposes specified in the Redevelopment Plan.

1.7 "Fiscal Year" shall mean the period from July 1 to and including the following June 30.

1.8 "Indebtedness" shall mean the principal of and any interest on loans, monies advanced to, or other indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the implementation of the Redevelopment Plan.

1.9 "Redevelopment Plan" shall mean the Plan prepared by the Agency and adopted by the City Council for the Escondido Redevelopment Project pursuant to Ordinance No. _____.

1.10 "Tax Revenues", as used herein, shall refer generally to all of the following categories and shall specifically be defined as follows:

1.10.1 "Agency Tax Increment in Excess of Plan Limit" shall mean the Agency's Tax Increment in excess of \$250,000,000 as received by the Agency pursuant to the Redevelopment Plan.

1.10.2 "Agency Tax Revenues" shall mean those taxes which would be allocated to the Agency pursuant to Section 33670(b) of the Health and Safety Code from and after the effective date of the Ordinance.

1.10.3 "District Tax Revenues" shall mean tax revenues to which the District would be entitled to receive, pursuant to Section 33670(a) of the Health and Safety Code, and all tax revenues to which the Agency would be entitled to

receive pursuant to Section 33670(b) of the Health and Safety Code, which are attributable to increases in the rate of tax levied by or for the benefit of the District; which levy occurs in or after fiscal year 1985-86, and which District shall receive pursuant to Health and Safety Code Section 33676.

1.10.4 "Excess Agency Tax Increment" shall mean that portion of the the Agency Tax Revenues in excess of (a) the debt service requirements for the Civic Center/Cultural Facility Project, and (b) the financing requirements of the Agency for low or moderate income housing as required by law, or the Agency Tax Revenues in excess of an annual 5% increase in the assessed valuation of property in the Project Area, whichever is greater.

2. Payment of Tax Revenues.

Subject to the specific provisions of this Agreement, Tax Revenues shall be allocated each year as follows:

2.1 All District Tax Revenues shall be allocated to the District.

2.2 All Agency Tax Revenues shall be allocated to the Agency with the Agency Tax Increment in Excess of Plan Limit and Excess Agency Tax Increment to be allocated as herein set forth.

3. Agency Obligations Constitute Indebtedness.

The District and Agency agree that the Agency's obligations hereunder to make payments, construct improvements, or provide improvements or services to the District, or the Agency's direction to the County to make such payments to the District, constitute an indebtedness of the Agency within the meaning of Health and Safety Code Section 33675.

4. Housing Set Aside Funds.

The District and Agency agree that the Excess Agency Tax Increment and the Agency Tax Increment in Excess of the Plan Limit received by the Agency and paid to the District or used to construct improvements or provide improvements or services

to the District hereunder shall not constitute a receipt of tax increment by the Agency for the purposes of Health and Safety Code Section 33334.2. In the event that a final court judgment against the Agency determines to the contrary, any amounts payable to the District and under this Agreement shall be reduced by twenty percent (20%).

5. Limitation on Payments.

Notwithstanding any other provision of this Agreement to the contrary, the amounts payable to or for the benefit of the District for any single year shall not exceed the amount of property tax revenues which would have been received by the District for such year if all the property tax revenues from the Redevelopment Project had been allocated to all the affected taxing agencies without regard to the division of taxes required by California Health and Safety Code Section 33670.

6. District, Agency, and City Cooperation in Project Area Development.

6.1 It is the intent and desire of the District, Agency, and City to expedite and facilitate the implementation of eligible projects by the District which are within or outside of the Escondido Redevelopment Project, and which benefit said Project and the goals and objectives of the Redevelopment Plan. In accordance with their policies, rules, and regulations, the District and Agency will expend Tax Revenues as provided for in this Agreement for the effective implementation of projects, programs, and services of mutual benefit to the District, Agency, and City consistent with the goals and objectives of the Redevelopment Plan.

6.2 In particular, and not by way of limitation of the foregoing, the District and Agency agree to the projects, programs, and services as set forth in Attachment A, which directly or indirectly benefit the Project Area.

6.3 Subject to satisfaction of the requirements of this paragraph and applicable state and federal laws, at the request of the District, Agency will use

its best efforts consistent with prudent business practice to issue bonds, notes or other evidence of indebtedness in order to finance the cost of constructing, acquiring, or equipping the capital outlay projects of the District, which obligations shall be secured solely by a pledge of the sums payable to the District under this Agreement.

6.4 In the event Agency issues any Bonds, the Agency shall retain all of the required portion of District Tax Revenues or Excess Agency Tax Increment or Agency Tax Increment in Excess of Plan Limit available to the Agency for the purpose of paying the principal and interest for any such Bonds, which cost may be financed from the proceeds thereof.

6.5 In general, District and Agency agree to assist one another in the implementation of the Redevelopment Plan in accordance with applicable state and federal laws. The District and Agency shall supply to one another such information and reports as from time to time either may reasonably require in order to undertake their respective obligations.

7. Conditions Precedent.

The following events are conditions precedent to any duties or obligations to be performed herein by any party to this Agreement:

7.1 The adoption by Agency of the Redevelopment Plan for the Escondido Redevelopment Project.

7.2 No lawsuit is filed, within the time allowed by statute, challenging the Redevelopment Plan, its adoption, or the environmental review of the Project.

7.3 In the event a lawsuit is filed challenging the Project or the environmental review of the Project, there is a successful defense of the challenge, and all periods of appeal or right to rehearing or right to reconsideration have, to the Agency's satisfaction, expired.

7.4 In the event an election is required pursuant to City Ordinance No. 83-4 (which relates to limitations on Capital Expenditures), that such election shall be held and a majority of the votes cast are in favor of allowing the expenditures to be made.

7.5 In the event there is placed before the City electorate a ballot measure requesting voter approval of proceeding with the Escondido Redevelopment Project at a November 1985 special or general City election, that such election be held and a majority of the votes cast are in favor of allowing the Escondido Redevelopment Project to proceed.

8. Payment of Funds - Procedures.

8.1 As required by the Act, the Agency shall file, each year, a Statement of Indebtedness with the County and this Tax Sharing Agreement will be included as a part of each year's statement.

8.2 Agency will request, and it is the intention of the parties, that any amounts payable to District pursuant to this Agreement shall be paid directly to the District by the County officials responsible for allocating the Tax Revenues.

8.3 In the event County will not pay funds directly to District and the funds are paid to Agency, Agency shall pay the funds to District within thirty (30) days from the date of receipt from the County officials.

8.4 Any tax funds paid to Agency to be retained by Agency for District purposes or for the benefit of District, pursuant to this Agreement, shall at all times be kept by the Agency in a special fund, particularly established for this purpose, which shall be called the Rincon Del Diablo Municipal Water District Redevelopment Fund.

9. Legal.

The District, Agency, and City agree that in the event litigation is initiated attacking the validity of all or any portion of this Agreement, all parties shall in good faith defend and seek to uphold this Agreement.

10. General Provisions.

10.1 Settlement. By this Agreement, the parties intend to resolve any differences with respect to the Redevelopment Plan, and District agrees to forebear suit challenging the validity of the Redevelopment Plan.

10.2 Effective Date and Term. This Agreement shall become effective upon the effective date of the Ordinance of the City Council adopting the Redevelopment Plan for the Escondido Redevelopment Project.

10.3 Term of Agreement; Amendment. This Agreement shall remain in effect during the entire term of the Redevelopment Plan and shall not be changed or modified except by written agreement of the parties.

10.4 Term of the Redevelopment Plan; Amendment. The Agency shall not terminate the Redevelopment Plan earlier than the date set forth herein unless the District consents to an earlier termination.

10.5 Severability. Each paragraph and provision of this Agreement is severable from each other provision, and if any provision or part hereof is declared invalid, the remaining provisions shall nevertheless remain in full force and effect.

10.6 Entire Agreement. This Agreement constitutes the entire, complete, and final expression of the Agreement of the parties.

ATTEST:

By _____
Secretary

ESCONDIDO REDEVELOPMENT AGENCY

By _____
Chairman

ATTEST:

By _____
City Clerk

CITY OF ESCONDIDO

By _____
Mayor

ATTEST:

By _____
Secretary

RINCON DEL DIABLO MUNICIPAL WATER
DISTRICT

By _____
Chairman

ATTACHMENT "A"
TO
TAX SHARING AGREEMENT
WITH
RINCON DEL DIABLO MUNICIPAL WATER DISTRICT

1. The District agrees to relinquish any claim to or interest in the Agency Tax Revenues for the life of the Escondido Redevelopment Project (45 years).

2. The District and Agency agree to the following priorities in the use of the Agency Tax Revenues:

2.1 The Agency shall first place up to a maximum of 20% of these funds in a special fund to be called "the Low and Moderate Income Housing Fund" to fulfill the low/moderate housing requirements imposed on the Agency.

2.2 Following the funding of the Low and Moderate Income Housing Fund as required in Section 2.1, the Agency shall secondly receive and use the Agency Tax Revenue funds for the purpose of financing the Agency's Civic Center/Cultural Facility Project, said Project to include the following:

- (a) City Hall
- (b) Governmental Office Facility
- (c) Community Theater
- (d) Auditorium
- (e) Fine Arts Facility
- (f) Convention Facility
- (g) Ancillary Facilities to the Civic Center/Cultural Facility Project.

The Agency shall pass through the Tax Increment based on the first 2% of growth in Assessed Valuation

3. After the items set forth in Sections 2.1 and 2.2 are funded, the Agency shall use the District's share of Excess Agency Tax Increment and Agency Tax Increment in Excess of the Plan Limit, if any exists, to fund the following projects for the District.

3.1 The Agency agrees to extend its bonding authority and capacity to the District to fund District capital improvement projects.

4. This funding shall be sufficient to allow the Agency to make the findings required by Health and Safety Code Section 33401.

5. The maximum amount of Excess Agency Tax Increment and Tax Increment in Excess of the Plan Limit that Agency is hereby obligated to use on behalf of District shall be determined by the following method:

The total amount of Agency Tax Revenues for the term of the Redevelopment Plan (45 years) minus the maximum financial limits of the Plan (\$250,000,000) multiplied by _____%.

6. Excess Agency Tax Increment shall be used for the financing of the Projects set forth in Section 3 above at such time as the Excess Agency Tax Increment becomes available for this use. In the event there are no Excess Agency Tax Increment funds, then Agency has no duty or obligation to fund any of the Projects. Agency agrees to fund the Projects earlier than when Excess Agency Tax Increment is available to the extent other funds are received by the Agency from other sources which may be used for this purpose.

7. The Projects will be funded on a cash basis as Excess Agency Tax Increment becomes available, unless agreed otherwise between the Agency, District and City.

8. District agrees to support the formation of the Agency, and to support and not challenge the project area and the adoption of the Redevelopment Plan.

9. The City of Escondido agrees and covenants as follows:

9.1 City agrees to the Redevelopment Plan and this Tax Sharing Agreement.

(End of Attachment "A")

VERNON HAZEN
CITY MANAGER

CITY OF ESCONDIDO

100 VALLEY BLVD., ESCONDIDO,
CALIFORNIA 92025
(619) 741-4631



December 13, 1984

Dr. Omar H. Scheidt, President
and District Superintendent
Palomar Community College
1140 W. Mission Road
San Marcos, CA 92069

Dear Dr. Scheidt:

Please find enclosed the Tax Sharing Agreement. The City Council approved this agreement December 12, 1984. I believe these agreements contain all the substantive issues that have been agreed upon. I recognize and so identified to the City Council that the agreements may undergo some language changes as a result of your review. They authorized the Mayor to sign the agreements once the final language is developed.

Would you please review this agreement as soon as possible. We would like to get your Board's approval as soon as possible.

If you have any questions, please call.

Sincerely,

A handwritten signature in cursive script that reads "Roderick J. Wood".

Roderick J. Wood
Assistant City Manager

1213-2/4

DRAFT COPY

TAX SHARING AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 1984, by and between the ESCONDIDO REDEVELOPMENT AGENCY ("Agency), the CITY OF ESCONDIDO ("City"), and the PALOMAR COMMUNITY COLLEGE DISTRICT ("District").

R E C I T A L S

A. On December 19, 1984, the City Council of the City of Escondido shall hold hearing to consider adopting an Ordinance to approve the Redevelopment Plan for the Escondido Redevelopment Project.

B. The City Council intends to determine whether or not the Escondido Redevelopment Project is a blighted area within the meaning of the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq.) because of the existence of properties which are stagnant, improperly utilized, and unproductive because of defective or inadequate street layout, faulty lot layout in relation to size, shape, accessibility, or usefulness, because of the existence of inadequate public improvements which cannot be remedied by private or governmental action without redevelopment, and for other reasons.

C. The Planning Commission of City and the Project Area Committee of the Agency have both reviewed the proposed Redevelopment Plan and have recommended its approval.

D. The District is a taxing agency which may be affected by the adoption of the Redevelopment Plan and the allocation of tax increment revenues to the Agency pursuant to Health and Safety Code Section 33670(b).

E. Health and Safety Code Section 33401 authorizes the Agency to enter into agreements to pay to any taxing agency with territory located within the Escondido Redevelopment Project, other than the City, any amounts of money which in the

Agency's determination are appropriate to alleviate any financial burden or detriment caused to the taxing agency by said Project.

F. The District has advised the Agency of the potential financial impact resulting from the adoption and implementation of the Escondido Redevelopment Plan on the District.

G. The parties hereby find that the Agency's implementation of the Redevelopment Plan may result in an increased need for certain District services in and around the Redevelopment Project and that the Plan may thereby cause a financial burden on and detriment to the District.

H. The District and Agency wish to enter into an agreement to alleviate the financial burden which may be caused to the District because of redevelopment activities in the Escondido Redevelopment Project.

I. The District and Agency further wish to enter into a cooperative agreement to provide mutual aid and assistance in the redevelopment of the Escondido Redevelopment Project through the construction, operation, and maintenance of certain facilities and improvements of benefit to the City, the Agency, and the District.

A G R E E M E N T

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

1. Definitions.

The words and terms used in this Agreement shall have the following meanings:

1.1 "Agency" shall mean the Escondido Redevelopment Agency.

1.2 "Bonds" shall mean any bond, note, interim certificate, debenture, or or other obligation issued by the Agency, pursuant to Article V of Chapter 6 of Part 1 of Division 24 of the Health and Safety Code beginning with Section 33640.

1.3 "City" shall mean the City of Escondido, a municipal corporation.

1.4 "County" shall mean the County of San Diego, a public agency.

1.5 "District" shall mean the Palomar Community College District.

1.6 "Escondido Redevelopment Project" or "Project Area" shall mean the project area identified in Ordinance No. _____, the redevelopment of which is necessary to effectuate the public purposes specified in the Redevelopment Plan.

1.7 "Fiscal Year" shall mean the period from July 1 to and including the following June 30.

1.8 "Indebtedness" shall mean the principal of and any interest on loans, monies advanced to, or other indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the implementation of the Redevelopment Plan.

1.9 "Redevelopment Plan" shall mean the Plan prepared by the Agency and adopted by the City Council for the Escondido Redevelopment Project pursuant to Ordinance No. _____.

1.10 "Tax Revenues", as used herein, shall refer generally to all of the following categories and shall specifically be defined as follows:

1.10.1 "Agency Tax Increment in Excess of Plan Limit" shall mean the Agency's Tax Increment in excess of \$250,000,000 as received by the Agency pursuant to the Redevelopment Plan.

1.10.2 "Agency Tax Revenues" shall mean those taxes which would be allocated to the Agency pursuant to Section 33670(b) of the Health and Safety Code from and after the effective date of the Ordinance.

1.10.3 "District Tax Revenues" shall mean tax revenues to which the District would be entitled to receive, pursuant to Section 33670(a) of the Health and Safety Code, and all tax revenues to which the Agency would be entitled to

receive pursuant to Section 33670(b) of the Health and Safety Code, which are attributable to increases in the rate of tax levied by or for the benefit of the District; which levy occurs in or after fiscal year 1985-86, and which District shall receive pursuant to Health and Safety Code Section 33676.

1.10.4 "Excess Agency Tax Increment" shall mean that portion of the the Agency Tax Revenues in excess of (a) the debt service requirements for the Civic Center/Cultural Facility Project, and (b) the financing requirements of the Agency for low or moderate income housing as required by law, or the Agency Tax Revenues in excess of an annual 5% increase in the assessed valuation of property in the Project Area, whichever is greater.

2. Payment of Tax Revenues.

Subject to the specific provisions of this Agreement, Tax Revenues shall be allocated each year as follows:

2.1 All District Tax Revenues shall be allocated to the District.

2.2 All Agency Tax Revenues shall be allocated to the Agency with the Agency Tax Increment in Excess of Plan Limit and Excess Agency Tax Increment to be allocated as herein set forth.

3. Agency Obligations Constitute Indebtedness.

The District and Agency agree that the Agency's obligations hereunder to make payments, construct improvements, or provide improvements or services to the District, or the Agency's direction to the County to make such payments to the District, constitute an indebtedness of the Agency within the meaning of Health and Safety Code Section 33675.

4. Housing Set Aside Funds.

The District and Agency agree that the Excess Agency Tax Increment and the Agency Tax Increment in Excess of the Plan Limit received by the Agency and paid to the District or used to construct improvements or provide improvements or services

to the District hereunder shall not constitute a receipt of tax increment by the Agency for the purposes of Health and Safety Code Section 33334.2. In the event that a final court judgment against the Agency determines to the contrary, any amounts payable to the District and under this Agreement shall be reduced by twenty percent (20%).

5. Limitation on Payments.

Notwithstanding any other provision of this Agreement to the contrary, the amounts payable to or for the benefit of the District for any single year shall not exceed the amount of property tax revenues which would have been received by the District for such year if all the property tax revenues from the Redevelopment Project had been allocated to all the affected taxing agencies without regard to the division of taxes required by California Health and Safety Code Section 33670.

6. District, Agency, and City Cooperation in Project Area Development.

6.1 It is the intent and desire of the District, Agency, and City to expedite and facilitate the implementation of eligible projects by the District which are within or outside of the Escondido Redevelopment Project, and which benefit said Project and the goals and objectives of the Redevelopment Plan. In accordance with their policies, rules, and regulations, the District and Agency will expend Tax Revenues as provided for in this Agreement for the effective implementation of projects, programs, and services of mutual benefit to the District, Agency, and City consistent with the goals and objectives of the Redevelopment Plan.

6.2 In particular, and not by way of limitation of the foregoing, the District and Agency agree to the projects, programs, and services as set forth in Attachment A, which directly or indirectly benefit the Project Area.

6.3 Subject to satisfaction of the requirements of this paragraph and applicable state and federal laws, at the request of the District, Agency will use

its best efforts consistent with prudent business practice to issue bonds, notes or other evidence of indebtedness in order to finance the cost of constructing, acquiring, or equipping the capital outlay projects of the District, which obligations shall be secured solely by a pledge of the sums payable to the District under this Agreement.

6.4 In the event Agency issues any Bonds, the Agency shall retain all of the required portion of District Tax Revenues or Excess Agency Tax Increment or Agency Tax Increment in Excess of Plan Limit available to the Agency for the purpose of paying the principal and interest for any such Bonds, which cost may be financed from the proceeds thereof.

6.5 In general, District and Agency agree to assist one another in the implementation of the Redevelopment Plan in accordance with applicable state and federal laws. The District and Agency shall supply to one another such information and reports as from time to time either may reasonably require in order to undertake their respective obligations.

7. Conditions Precedent.

The following events are conditions precedent to any duties or obligations to be performed herein by any party to this Agreement:

7.1 The adoption by Agency of the Redevelopment Plan for the Escondido Redevelopment Project.

7.2 No lawsuit is filed, within the time allowed by statute, challenging the Redevelopment Plan, its adoption, or the environmental review of the Project.

7.3 In the event a lawsuit is filed challenging the Project or the environmental review of the Project, there is a successful defense of the challenge, and all periods of appeal or right to rehearing or right to reconsideration have, to the Agency's satisfaction, expired.

7.4 In the event an election is required pursuant to City Ordinance No. 83-4 (which relates to limitations on Capital Expenditures), that such election shall be held and a majority of the votes cast are in favor of allowing the expenditures to be made.

7.5 In the event there is placed before the City electorate a ballot measure requesting voter approval of proceeding with the Escondido Redevelopment Project at a November 1985 special or general City election, that such election be held and a majority of the votes cast are in favor of allowing the Escondido Redevelopment Project to proceed.

8. Payment of Funds - Procedures.

8.1 As required by the Act, the Agency shall file, each year, a Statement of Indebtedness with the County and this Tax Sharing Agreement will be included as a part of each year's statement.

8.2 Agency will request, and it is the intention of the parties, that any amounts payable to District pursuant to this Agreement shall be paid directly to the District by the County officials responsible for allocating the Tax Revenues.

8.3 In the event County will not pay funds directly to District and the funds are paid to Agency, Agency shall pay the funds to District within thirty (30) days from the date of receipt from the County officials.

8.4 Any tax funds paid to Agency to be retained by Agency for District purposes or for the benefit of District, pursuant to this Agreement, shall at all times be kept by the Agency in a special fund, particularly established for this purpose, which shall be called the Palomar Community College District Redevelopment Fund.

9. Legal.

The District, Agency, and City agree that in the event litigation is initiated attacking the validity of all or any portion of this Agreement, all parties shall in good faith defend and seek to uphold this Agreement.

10. General Provisions.

10.1 Settlement. By this Agreement, the parties intend to resolve any differences with respect to the Redevelopment Plan, and District agrees to forebear suit challenging the validity of the Redevelopment Plan.

10.2 Effective Date and Term. This Agreement shall become effective upon the effective date of the Ordinance of the City Council adopting the Redevelopment Plan for the Escondido Redevelopment Project.

10.3 Term of Agreement; Amendment. This Agreement shall remain in effect during the entire term of the Redevelopment Plan and shall not be changed or modified except by written agreement of the parties.

10.4 Term of the Redevelopment Plan; Amendment. The Agency shall not terminate the Redevelopment Plan earlier than the date set forth herein unless the District consents to an earlier termination.

10.5 Severability. Each paragraph and provision of this Agreement is severable from each other provision, and if any provision or part hereof is declared invalid, the remaining provisions shall nevertheless remain in full force and effect.

10.6 Entire Agreement. This Agreement constitutes the entire, complete, and final expression of the Agreement of the parties.

ATTEST:

By _____
Secretary

ESCONDIDO REDEVELOPMENT AGENCY

By _____
Chairman

ATTEST:

By _____
City Clerk

CITY OF ESCONDIDO

By _____
Mayor

ATTEST:

By _____
Secretary

PALOMAR COMMUNITY COLLEGE DISTRICT

By _____
Chairman

ATTACHMENT "A"
TO
TAX SHARING AGREEMENT
WITH
PALOMAR COMMUNITY COLLEGE DISTRICT

1. The District agrees to relinquish any claim to or interest in the Agency Tax Revenues for the life of the Escondido Redevelopment Project (45 years).

2. The District and Agency agree to the following priorities in the use of the Agency Tax Revenues:

2.1 The Agency shall first place up to a maximum of 20% of these funds in a special fund to be called "the Low and Moderate Income Housing Fund" to fulfill the low/moderate housing requirements imposed on the Agency.

2.2 Following the funding of the Low and Moderate Income Housing Fund as required in Section 2.1, the Agency shall secondly receive and use the Agency Tax Revenue funds for the purpose of financing the Agency's Civic Center/Cultural Facility Project, said Project to include the following:

- (a) City Hall
- (b) Governmental Office Facility
- (c) Community Theater
- (d) Auditorium
- (e) Fine Arts Facility
- (f) Convention Facility
- (g) Ancillary Facilities to the Civic Center/Cultural Facility Project.

3. After the items set forth in Sections 2.1 and 2.2 are funded, the Agency shall use the District's share of Excess Agency Tax Increment and Agency Tax Increment in Excess of the Plan Limit, if any exists, to fund the following projects for the District.

3.1 The Agency agrees to use its bonding authority and capacity to fund District projects.

4. Agency agrees to provide District with the following projects:

4.1 The Agency agrees to provide classroom space, athletic facilities, maintenance facilities, and computer equipment.

4.3 The Agency shall provide a meeting room for up to 80 people to be shared by all of the tenants of the First Regional Governmental Building. The furnishings and fixtures for this meeting room are to be funded from the tenants' District Tax Revenues, Excess Agency Tax Increment, and Agency Tax Increment in Excess of the Plan Limit.

4.4 The Agency and City agree to provide the District with reasonable use of the Community Theater and Conference/Meeting Facility to be provided at the actual operational and maintenance cost. The number of event days to be determined mutually between the District, Agency, and City. "Event day", as used herein, means ___ separate days of eight (8) hours each, the days to be determined through a scheduling procedure to be established by the Agency.

4.5 The Agency could, if requested by the District, provide some classroom space in conjunction with the Theater or provide performing arts technical skills education, such as lighting, sound and stage handling. The Theater may also be able to provide the students with paid employment for the professional productions.

5. This funding shall be sufficient to allow the Agency to make the findings required by Health and Safety Code Section 33401.

6. The maximum amount of Excess Agency Tax Increment and Tax Increment in Excess of the Plan Limit that Agency is hereby obligated to use on behalf of District shall be determined by the following method:

The total amount of Agency Tax Revenues for the term of the Redevelopment Plan (45 years) minus the maximum financial limits of the Plan (\$250,000,000) multiplied by _____%.

7. Excess Agency Tax Increment shall be used for the financing of the Projects set forth in Section 3 above at such time as the Excess Agency Tax Increment becomes available for this use. In the event there are no Excess Agency Tax Increment funds, then Agency has no duty or obligation to fund any of the Projects. Agency agrees to fund the Projects earlier than when Excess Agency Tax Increment is available to the extent other funds are received by the Agency from other sources which may be used for this purpose.

8. The Projects will be funded on a cash basis as Excess Agency Tax Increment becomes available, unless agreed otherwise between the Agency, District and City.

9. District agrees to support the formation of the Agency, and to support and not challenge the project area and the adoption of the Redevelopment Plan.

10. The City of Escondido agrees and covenants as follows:

10.1 City agrees to the Redevelopment Plan and this Tax Sharing Agreement.

10.2 City agrees to allow District a reasonable number of events in the Community Theater and Conference/Meeting Facility at operating and maintenance cost.

VERNON HAZEN
CITY MANAGER

CITY OF ESCONDIDO

100 VALLEY BLVD., ESCONDIDO,
CALIFORNIA 92025
(619) 741-4631



December 13, 1984

Dr. Dick Adams
Superintendent of Schools
Office of Education
6401 Linda Vista Road
San Diego, CA 92111

Dear Dr. Adams:

Please find enclosed the Tax Sharing Agreement. The City Council approved this agreement December 12, 1984. I believe these agreements contain all the substantive issues that have been agreed upon. I recognize and so identified to the City Council that the agreements may undergo some language changes as a result of your review. They authorized the Mayor to sign the agreements once the final language is developed.

Would you please review this agreement as soon as possible. We would like to get your Board's approval as soon as possible.

If you have any questions, please call.

Sincerely,

Roderick J. Wood
Roderick J. Wood
Assistant City Manager

1213-2/4

DRAFT COPY

TAX SHARING AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 1984, by and between the ESCONDIDO REDEVELOPMENT AGENCY ("Agency), the CITY OF ESCONDIDO ("City"), and the ~~SAH DIEGO COUNTY DEPARTMENT OF EDUCATION~~ ("District").

R E C I T A L S

A. On December 19, 1984, the City Council of the City of Escondido shall hold hearing to consider adopting an Ordinance to approve the Redevelopment Plan for the Escondido Redevelopment Project.

B. The City Council intends to determine whether or not the Escondido Redevelopment Project is a blighted area within the meaning of the California Community Redevelopment Law (Health and Safety Code Section 33000, et seq.) because of the existence of properties which are stagnant, improperly utilized, and unproductive because of defective or inadequate street layout, faulty lot layout in relation to size, shape, accessibility, or usefulness, because of the existence of inadequate public improvements which cannot be remedied by private or governmental action without redevelopment, and for other reasons.

C. The Planning Commission of City and the Project Area Committee of the Agency have both reviewed the proposed Redevelopment Plan and have recommended its approval.

D. The District is a taxing agency which may be affected by the adoption of the Redevelopment Plan and the allocation of tax increment revenues to the Agency pursuant to Health and Safety Code Section 33670(b).

E. Health and Safety Code Section 33401 authorizes the Agency to enter into agreements to pay to any taxing agency with territory located within the Escondido Redevelopment Project, other than the City, any amounts of money which in the

11/23/84

Agency's determination are appropriate to alleviate any financial burden or detriment caused to the taxing agency by said Project.

F. The District has advised the Agency of the potential financial impact resulting from the adoption and implementation of the Escondido Redevelopment Plan on the District.

G. The parties hereby find that the Agency's implementation of the Redevelopment Plan may result in an increased need for certain District services in and around the Redevelopment Project and that the Plan may thereby cause a financial burden on and detriment to the District.

H. The District and Agency wish to enter into an agreement to alleviate the financial burden which may be caused to the District because of redevelopment activities in the Escondido Redevelopment Project.

I. The District and Agency further wish to enter into a cooperative agreement to provide mutual aid and assistance in the redevelopment of the Escondido Redevelopment Project through the construction, operation, and maintenance of certain facilities and improvements of benefit to the City, the Agency, and the District.

A G R E E M E N T

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

1. Definitions.

The words and terms used in this Agreement shall have the following meanings:

1.1 "Agency" shall mean the Escondido Redevelopment Agency.

1.2 "Bonds" shall mean any bond, note, interim certificate, debenture, or or other obligation issued by the Agency, pursuant to Article V of Chapter 6 of Part 1 of Division 24 of the Health and Safety Code beginning with Section 33640.

1.3 "City" shall mean the City of Escondido, a municipal corporation.

1.4 "County" shall mean the County of San Diego, a public agency.

1.5 "District" shall mean the North County Cemetery District.

1.6 "Escondido Redevelopment Project" or "Project Area" shall mean the project area identified in Ordinance No. _____, the redevelopment of which is necessary to effectuate the public purposes specified in the Redevelopment Plan.

1.7 "Fiscal Year" shall mean the period from July 1 to and including the following June 30.

1.8 "Indebtedness" shall mean the principal of and any interest on loans, monies advanced to, or other indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the implementation of the Redevelopment Plan.

1.9 "Redevelopment Plan" shall mean the Plan prepared by the Agency and adopted by the City Council for the Escondido Redevelopment Project pursuant to Ordinance No. _____.

1.10 "Tax Revenues", as used herein, shall refer generally to all of the following categories and shall specifically be defined as follows:

1.10.1 "Agency Tax Increment in Excess of Plan Limit" shall mean the Agency's Tax Increment in excess of \$250,000,000 as received by the Agency pursuant to the Redevelopment Plan.

1.10.2 "Agency Tax Revenues" shall mean those taxes which would be allocated to the Agency pursuant to Section 33670(b) of the Health and Safety Code from and after the effective date of the Ordinance.

1.10.3 "District Tax Revenues" shall mean tax revenues to which the District would be entitled to receive, pursuant to Section 33670(a) of the Health and Safety Code, and all tax revenues to which the Agency would be entitled to

to the District hereunder shall not constitute a receipt of tax increment by the Agency for the purposes of Health and Safety Code Section 33334.2. In the event that a final court judgment against the Agency determines to the contrary, any amounts payable to the District and under this Agreement shall be reduced by twenty percent (20%).

5. Limitation on Payments.

Notwithstanding any other provision of this Agreement to the contrary, the amounts payable to or for the benefit of the District for any single year shall not exceed the amount of property tax revenues which would have been received by the District for such year if all the property tax revenues from the Redevelopment Project had been allocated to all the affected taxing agencies without regard to the division of taxes required by California Health and Safety Code Section 33670.

6. District, Agency, and City Cooperation in Project Area Development.

6.1 It is the intent and desire of the District, Agency, and City to expedite and facilitate the implementation of eligible projects by the District which are within or outside of the Escondido Redevelopment Project, and which benefit said Project and the goals and objectives of the Redevelopment Plan. In accordance with their policies, rules, and regulations, the District and Agency will expend Tax Revenues as provided for in this Agreement for the effective implementation of projects, programs, and services of mutual benefit to the District, Agency, and City consistent with the goals and objectives of the Redevelopment Plan.

6.2 In particular, and not by way of limitation of the foregoing, the District and Agency agree to the projects, programs, and services as set forth in Attachment A, which directly or indirectly benefit the Project Area.

6.3 Subject to satisfaction of the requirements of this paragraph and applicable state and federal laws, at the request of the District, Agency will use

its best efforts consistent with prudent business practice to issue bonds, notes or other evidence of indebtedness in order to finance the cost of constructing, acquiring, or equipping the capital outlay projects of the District, which obligations shall be secured solely by a pledge of the sums payable to the District under this Agreement.

6.4 In the event Agency issues any Bonds, the Agency shall retain all of the required portion of District Tax Revenues or Excess Agency Tax Increment or Agency Tax Increment in Excess of Plan Limit available to the Agency for the purpose of paying the principal and interest for any such Bonds, which cost may be financed from the proceeds thereof.

6.5 In general, District and Agency agree to assist one another in the implementation of the Redevelopment Plan in accordance with applicable state and federal laws. The District and Agency shall supply to one another such information and reports as from time to time either may reasonably require in order to undertake their respective obligations.

7. Conditions Precedent.

The following events are conditions precedent to any duties or obligations to be performed herein by any party to this Agreement:

7.1 The adoption by Agency of the Redevelopment Plan for the Escondido Redevelopment Project.

7.2 No lawsuit is filed, within the time allowed by statute, challenging the Redevelopment Plan, its adoption, or the environmental review of the Project.

7.3 In the event a lawsuit is filed challenging the Project or the environmental review of the Project, there is a successful defense of the challenge, and all periods of appeal or right to rehearing or right to reconsideration have, to the Agency's satisfaction, expired.

7.4 In the event an election is required pursuant to City Ordinance No. 83-4 (which relates to limitations on Capital Expenditures), that such election shall be held and a majority of the votes cast are in favor of allowing the expenditures to be made.

7.5 In the event there is placed before the City electorate a ballot measure requesting voter approval of proceeding with the Escondido Redevelopment Project at a November 1985 special or general City election, that such election be held and a majority of the votes cast are in favor of allowing the Escondido Redevelopment Project to proceed.

8. Payment of Funds - Procedures.

8.1 As required by the Act, the Agency shall file, each year, a Statement of Indebtedness with the County and this Tax Sharing Agreement will be included as a part of each year's statement.

8.2 Agency will request, and it is the intention of the parties, that any amounts payable to District pursuant to this Agreement shall be paid directly to the District by the County officials responsible for allocating the Tax Revenues.

8.3 In the event County will not pay funds directly to District and the funds are paid to Agency, Agency shall pay the funds to District within thirty (30) days from the date of receipt from the County officials.

8.4 Any tax funds paid to Agency to be retained by Agency for District purposes or for the benefit of District, pursuant to this Agreement, shall at all times be kept by the Agency in a special fund, particularly established for this purpose, which shall be called the North County Cemetery District Redevelopment Fund.

9. Legal.

The District, Agency, and City agree that in the event litigation is initiated attacking the validity of all or any portion of this Agreement, all parties shall in good faith defend and seek to uphold this Agreement.

10. General Provisions.

10.1 Settlement. By this Agreement, the parties intend to resolve any differences with respect to the Redevelopment Plan, and District agrees to forebear suit challenging the validity of the Redevelopment Plan.

10.2 Effective Date and Term. This Agreement shall become effective upon the effective date of the Ordinance of the City Council adopting the Redevelopment Plan for the Escondido Redevelopment Project.

10.3 Term of Agreement; Amendment. This Agreement shall remain in effect during the entire term of the Redevelopment Plan and shall not be changed or modified except by written agreement of the parties.

10.4 Term of the Redevelopment Plan; Amendment. The Agency shall not terminate the Redevelopment Plan earlier than the date set forth herein unless the District consents to an earlier termination.

10.5 Severability. Each paragraph and provision of this Agreement is severable from each other provision, and if any provision or part hereof is declared invalid, the remaining provisions shall nevertheless remain in full force and effect.

10.6 Entire Agreement. This Agreement constitutes the entire, complete, and final expression of the Agreement of the parties.

ATTEST:

By _____
Secretary

ESCONDIDO REDEVELOPMENT AGENCY

By _____
Chairman

ATTEST:

By _____
City Clerk

CITY OF ESCONDIDO

By _____
Mayor

ATTEST:

By _____
Secretary

NORTH COUNTY CEMETERY DISTRICT

By _____
Chairman

ATTACHMENT "A"
TO
TAX SHARING AGREEMENT
WITH
NORTH COUNTY CEMETERY DISTRICT

1. The District agrees to relinquish any claim to or interest in the Agency Tax Revenues for the life of the Escondido Redevelopment Project (45 years).

2. The District and Agency agree to the following priorities in the use of the Agency Tax Revenues:

2.1 The Agency shall first place up to a maximum of 20% of these funds in a special fund to be called "the Low and Moderate Income Housing Fund" to fulfill the low/moderate housing requirements imposed on the Agency.

2.2 Following the funding of the Low and Moderate Income Housing Fund as required in Section 2.1, the Agency shall secondly receive and use the Agency Tax Revenue funds for the purpose of financing the Agency's Civic Center/Cultural Facility Project, said Project to include the following:

- (a) City Hall
- (b) Governmental Office Facility
- (c) Community Theater
- (d) Auditorium
- (e) Fine Arts Facility
- (f) Convention Facility
- (g) Ancillary Facilities to the Civic Center/Cultural Facility Project.

3. After the items set forth in Sections 2.1 and 2.2 are funded, the Agency shall use the District's share of Excess Agency Tax Increment and Agency Tax Increment in Excess of the Plan Limit, if any exists, to fund the following projects for the District.

3.1 The Agency shall extend its bonding authority and capacity to finance projects requested by the District to implement its master plan.

4. Agency agrees to provide District with the following project:

4.1 The Agency and City agree to allow the District reasonable use of the Conference/Meeting Facility at the actual cost of operation and maintenance. The number of event days to be determined mutually between the District, Agency, and City. "Event days", as used herein, shall mean two (2) separate days of eight (8) hours each, the days to be determined through a scheduling procedure to be established by the Agency.

5. This funding shall be sufficient to allow the Agency to make the findings required by Health and Safety Code Section 33401.

6. The maximum amount of Excess Agency Tax Increment and Tax Increment in Excess of the Plan Limit that Agency is hereby obligated to use on behalf of District shall be determined by the following method:

The total amount of Agency Tax Revenues for the term of the Redevelopment Plan (45 years) minus the maximum financial limits of the Plan (\$250,000,000) multiplied by _____%.

7. Excess Agency Tax Increment shall be used for the financing of the Projects set forth in Section 3 above at such time as the Excess Agency Tax Increment becomes available for this use. In the event there are no Excess Agency Tax Increment funds, then Agency has no duty or obligation to fund any of the Projects. Agency agrees to fund the Projects earlier than when Excess Agency Tax Increment is available to the extent other funds are received by the Agency from other sources which may be used for this purpose.

8. The Projects will be funded on a cash basis as Excess Agency Tax Increment becomes available, unless agreed otherwise between the Agency, District and City.

9. District agrees to support the formation of the Agency, and to support and not challenge the project area and the adoption of the Redevelopment Plan.

10. The City of Escondido agrees and covenants as follows:

10.1 City agrees to the Redevelopment Plan and this Tax Sharing Agreement.

10/2 City agrees to allow District a reasonable number of events in the Community Theater and Conference/Meeting Facility at operating and maintenance cost.

10.3 The Agency agrees to provide up to 5,000 square feet gross floor area unimproved. The District may option to construct additional space at its own expense. The cost for additional space would be based on building, land and parking requirements.

(End of Attachment "A")

