



*"Small Town Atmosphere
Outstanding Quality of Life"*

April 10, 2012

Ana Matosantos, Director
Department of Finance
Attn: Chris Hill
915 L Street
Sacramento, CA 95814

Robert Campbell
Auditor/Controller
Contra Costa County
Attn: Jay Wilverding
625 Court Street
Martinez, CA 94553

John Chiang, Controller
California State Controller's Office
Attn: Jones Kasonso
P. O. Box 942850
Sacramento, CA 94250

Subject: Town of Danville Successor Agency Oversight Board—Notification of
Actions Taken

To Whom It May Concern:

I serve as the Designated Contact Official for the Town of Danville Successor Agency Oversight Board (the "Oversight Board"). On behalf of the Town of Danville, acting in its limited capacity as successor agency (the "Successor Agency") for the former Community Development Agency of the Town of Danville, and the Oversight Board and in fulfillment of the below specified provisions of ABx1 26, you are hereby notified as follows:

1. The Oversight Board held its second meeting on May 7, 2012 and took the following actions:

510 LA GONDA WAY, DANVILLE, CALIFORNIA 94526

Administration
(925) 314-3388

Building
(925) 314-3330

Engineering & Planning
(925) 314-3310

Transportation
(925) 314-3320

Maintenance
(925) 314-3450

Police
(925) 314-3700

Parks and Recreation
(925) 314-3400

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a. In accordance with Health and Safety Code Section 34178(a) and 34180(h), the Oversight Board approved the request by the Successor Agency to reenter into the Cooperation Agreement with the Town of Danville;

b. In accordance with Health and Safety Code Section 34180(g), the Oversight Board approved the Amended First Recognized Obligation Payment Schedule for the six month period ending June 30, 2012 (the "Amended First ROPS") that was submitted by the Successor Agency for Oversight Board approval in compliance with Health and Safety Code Section 34177(l) and in compliance with the request for reconsideration of the State Department of Finance;

c. In accordance with Health and Safety Code Section 34180(g), the Oversight Board approved the Second Recognized Obligation Payment Schedule for the six month period ending December 31, 2012 (the "Second ROPS") that was submitted by the Successor Agency for Oversight Board approval in compliance with Health and Safety Code Section 34177(l).

All three of these actions were taken by unanimous vote of all seven members of the Oversight Board.

2. Copies of the Reentry Agreement, the Amended First ROPS, the Second ROPS and the supporting resolutions, as approved by the Oversight Board, are attached to this notice.

3. The Successor Agency staff is working with the Contra Costa County Auditor-Controller's office (the "CAC") on the review and certification, as to accuracy, of the First ROPS described in Health and Safety Code Section 34177(l)(2)(A). While both the Successor Agency and the CAC are working cooperatively and diligently to complete this process, the Successor Agency does not know when the process will be complete. Therefore, as requested in the guidance provided in the March 2, 2012 letter from the Director of the Department of Finance to all successor agencies, the Successor Agency is hereby transmitting the First ROPS as approved by the Oversight Board, but without the CAC certification. The Successor Agency will forward the CAC's certification of the First ROPS promptly upon receipt of such certification.

4. The approved Amended First ROPS and Second ROPS that are attached to and a subject of this notice are being transmitted to you in fulfillment of the requirements of Health and Safety Code Section 34177(l)(2)(C) and (l)(3).

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Copies of the approved Amended First ROPS and Second ROPS may be found on the Town of Danville's website at the following page:
[http://www.danville.ca.gov/Council and Government/](http://www.danville.ca.gov/Council_and_Government/)

Additional information, including the entire agenda and hyperlinks to all staff reports and resolutions reviewed and approved by the Oversight Board at their meeting of May 7, 2012, may be found on the Town of Danville's website at the following page:
[http://www.danville.ca.gov/Council and Government/Meeting Agendas and Summaries.aspx](http://www.danville.ca.gov/Council_and_Government/Meeting_Agendas_and_Summaries.aspx)

Pursuant to Health and Safety Code Section 34179(h), Oversight Board actions shall not become effective for three business days (the "Review Request Period"), pending a request for review by the Department of Finance. Please be advised that the Review Request Period for the above-described actions of the Oversight Board expires at the close of business on May 11, 2012, and if the Department of Finance has not requested a review of such actions by that time, the above-described actions of the Oversight Board shall become effective on April 12, 2012.

Questions about the matters set forth in this notice or about the Successor Agency and/or the Oversight Board in general may be directed to the undersigned, as Designated Contact Officer for the Oversight Board, at:

Phone Number: (925) 314-3371

E-mail Address: EHudson@danville.ca.gov

Sincerely,



Elizabeth Hudson

Designated Contact Official

for the Town of Danville Successor Agency

Oversight Board

Attachments: Approved Reentry Agreement, Approved Amended First ROPS,
Approved Second ROPS, Oversight Board Resolution Nos. 4,5 and 6-2012

OVERSIGHT BOARD RESOLUTION NO. 4-2012

**APPROVING AND AUTHORIZING THE SUCCESSOR AGENCY TO REENTER
INTO THE COOPERATION AGREEMENT WITH THE TOWN OF DANVILLE
AND DIRECTING THE SUCCESSOR AGENCY TO TAKE ALL ACTIONS
NECESSARY TO EFFECTUATE THE APPROVAL UNDER THIS RESOLUTION**

WHEREAS, the California state legislature enacted Assembly Bill x1 26 (the "Dissolution Act") to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*); and

WHEREAS, on January 10, 2012 and pursuant to Health and Safety Code Section 34173, the Town Council of the Town of Danville (the "Town Council") declared that the Town of Danville, a municipal corporation (the "Town"), would act in a special limited capacity as successor agency (the "Successor Agency") for the dissolved Community Development Agency of the Town of Danville (the "Dissolved CDA"), effective February 1, 2012; and

WHEREAS, on February 1, 2012, the Dissolved CDA was dissolved pursuant to Health and Safety Code Section 34172; and

WHEREAS, the Dissolution Act provides for the appointment of an oversight board (the "Oversight Board") with specific duties to approve certain Successor Agency actions pursuant to Health and Safety Code Section 34180 and to direct the Successor Agency in certain other actions pursuant to Health and Safety Code Section 34181; and

WHEREAS, the Dissolution Act requires that the Successor Agency prepare and the Oversight Board approve a Recognized Obligation Payment Schedule setting forth all "Enforceable Obligations" (as defined in Health & Safety Code Section 34171(d)) of the Dissolved CDA; and

WHEREAS, the Dissolution Act generally provides that (with exceptions) agreements between the Dissolved CDA and the Town are not Enforceable Obligations, but Health & Safety Code Sections 34178(a) and 34180(h) authorize the Successor Agency and the Town, with Oversight Board approval, to reenter into such agreements; and

WHEREAS, on December 7, 1987, the Town and the Dissolved CDA entered into a Cooperation Agreement, as most recently amended and restated as of May 3, 2011 (as so amended and restated, the "Cooperation Agreement"), whereby the Town has made loans to the Dissolved CDA (collectively the "Town Loan") in the current outstanding amount (including unpaid principal and accrued interest) of \$8,063,813 to facilitate implementation of the redevelopment program for the Downtown Redevelopment Project Area by the Dissolved CDA, and the Dissolved CDA agreed to repay the Town Loan with specified interest to the Town in accordance with the terms of the Cooperation Agreement; and

WHEREAS, all amounts advanced by the Town through the Town Loan were loaned between 1987 and 2006, when the Dissolved CDA reached its debt incurrence deadline under the Redevelopment Law; and

WHEREAS, the Dissolved CDA used the proceeds of the Town Loan to make debt payments related to, and to otherwise pay the costs of, public improvements constructed in and of benefit to the Downtown Redevelopment Project Area to eliminate blight, stimulate private sector investment, and achieve the purposes of the Community Redevelopment Law and the Redevelopment Plan for the Downtown Redevelopment Project Area; and

WHEREAS, by action of May 1, 2012, the Town Council, acting as the governing board of the Successor Agency, approved and authorized the Successor Agency to reenter into the Cooperation Agreement pursuant to Health and Safety Code Section 34178(a), subject to approval and authorization of such reentry by the Oversight Board pursuant to Health and Safety Code Section 34180(h);

WHEREAS, attached to this Resolution as Exhibit A, is a form of Agreement Reentering Into Cooperation Agreement (the "Reentry Agreement") that would effectuate the reentry into the Cooperation Agreement by the Successor Agency and the Town, subject to Oversight Board approval; and

WHEREAS, the accompanying staff report (the "Staff Report") provides supporting information upon which the actions set forth in this Resolution are based; now, therefore, be it

RESOLVED that the Oversight Board of the Successor Agency hereby finds, resolves, and determines that the foregoing recitals are true and correct, and, together with information provided in the Staff Report and by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below; and, be it further

RESOLVED that the Oversight Board finds and declares that, for the reasons more fully set forth in the Staff Report, reentry into the Cooperation Agreement by the Successor Agency and the Town is equitable and appropriate and will benefit the local taxing agencies by enabling the Town to receive the intended Town Loan repayments for municipal purposes that will enhance the physical and economic environment within the Town, thereby stimulating private investment and reinvestment and the resulting generation of property tax and other tax revenues of benefit to the local taxing agencies; and, be it further

RESOLVED that, pursuant to Health & Safety Code Sections 34178(a) and 34180(h), the Oversight Board hereby approves and authorizes the Successor Agency to enter into the Reentry Agreement, in substantially the form attached to this Resolution as Exhibit A, and to execute such other document(s) as are appropriate, in consultation with the City Attorney acting in the capacity of counsel to the Successor Agency, to effectuate the

reentry into the Cooperation Agreement by the Successor Agency and the Town, as such Cooperation Agreement was in effect as of the date of the dissolution of the Dissolved CDA; and, be it further

RESOLVED that the Oversight Board hereby approves and authorizes the Successor Agency to take any other action necessary to effectuate and implement the validity of the Reentry Agreement and the reentered Cooperation Agreement, including but not limited to listing the Reentry Agreement/reentered Cooperation Agreement in all Recognized Obligation Payment Schedules prepared by the Successor Agency to meet the requirements of the Dissolution Act; and, be it further

RESOLVED that the Oversight Board hereby determines that the Reentry Agreement and the resulting reentered Cooperation Agreement, constitute "enforceable obligations" and "recognized obligations" for all purposes of the Dissolution Act; and, be it further

RESOLVED that nothing in this Resolution shall abrogate, waive, impair or in any other manner affect the right or ability of the Town, as a municipal corporation, to initiate and prosecute any litigation with respect to any agreement or other arrangement between the Town and the Dissolved CDA, including, without limitation, any litigation contesting the purported invalidity of such agreement or arrangement pursuant to the Dissolution Act; and, be it further

RESOLVED that this Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

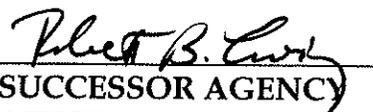
APPROVED by the Oversight Board at a special meeting on May 7, 2012, by the following vote:

AYES:	Arnerich, Black, Calabrigo, Nejedly, Nichols, Oliver, Price
NOES:	None
ABSTAIN:	None
ABSENT:	None



CHAIR

APPROVED AS TO FORM:



SUCCESSOR AGENCY
ATTORNEY

ATTEST:



BOARD SECRETARY

Exhibit A

REENTRY AGREEMENT

AGREEMENT REENTERING INTO COOPERATION AGREEMENT

This Agreement Reentering into Cooperation Agreement ("Agreement") is entered into this ____ day of ____ 2012 by and between the Town of Danville, a municipal corporation ("Town") and the Town of Danville acting in its capacity as the Successor Agency to the former Community Development Agency of the Town of Danville ("Successor Agency").

WHEREAS, on December 7, 1987, the Town and the Community Development Agency of the Town of Danville (the "Community Development Agency") entered into a Cooperation Agreement, as most recently amended and restated as of May 3, 2011 (as so amended and restated, the "Cooperation Agreement"), whereby the Town has made loans to the Community Development Agency (collectively the "Town Loan") in the current outstanding amount (including unpaid principal and accrued interest) of \$8,063,813 to facilitate implementation of the redevelopment program for the Downtown Redevelopment Project Area by the Community Development Agency, and the Community Development Agency agreed to repay the Town Loan with specified interest to the Town in accordance with the terms of the Cooperation Agreement; and

WHEREAS, a copy of the Cooperation Agreement is attached to this Agreement as Exhibit A, and is incorporated in this Agreement by this reference; and

WHEREAS, the Community Development Agency used the proceeds of the Town Loan to make debt payments related to, and to otherwise pay the costs of, public improvements constructed in and of benefit to the Downtown Redevelopment Project Area to eliminate blight, stimulate private sector investment, and achieve the purposes of the California Community Redevelopment Law and the Redevelopment Plan for the Downtown Redevelopment Project Area; and

WHEREAS, on February 1, 2012, pursuant to AB1x 26 (the "Dissolution Act"), the Community Development Agency, along with all redevelopment agencies in the State of California, was dissolved; and

WHEREAS, pursuant to Health & Safety Code Section 34173, the Town elected to act as the Successor Agency, and all assets and obligations of the Community Development Agency were transferred by operation of law to the Successor Agency as of February 1, 2012; and

WHEREAS, the Dissolution Act creates an oversight board for each Community Development Agency to oversee the wind down of the Community Development Agency ("Oversight Board"); and

WHEREAS, the Dissolution Act requires that the Successor Agency prepare and the Oversight Board approve a Recognized Obligation Payment Schedule setting forth all "Enforceable Obligations" (as defined in Health & Safety Code Section 34171(d)) of

the Community Development Agency. The Dissolution Act generally provides that agreements between the Community Development Agency and the Town are not Enforceable Obligations, but Health & Safety Code Sections 34178(a) and 34180(h) authorize the Successor Agency and the Town, with Oversight Board approval, to reenter into such agreements; and

WHEREAS, at its May 7, 2012 meeting, the Oversight Board authorized the Successor Agency to reenter into the Cooperation Agreement with the Town; and

WHEREAS, the Town and the Successor Agency have determined that reentering into the Cooperation Agreement is in the best interests of the Town and the Successor Agency.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. The foregoing recitals are true and correct, and are hereby incorporated by reference and made part of this Agreement.
2. The Successor Agency and the Town hereby agree to reenter into the Cooperation Agreement under the terms and conditions set forth in the Cooperation Agreement, such reentry being evidenced by execution of this Agreement by the Successor Agency and the Town; provided, however, all references in the Cooperation Agreement to the "Community Development Agency of the Town of Danville" or "Agency" shall be deemed to refer to the Successor Agency.
3. The Town and the Successor Agency agree that notwithstanding anything set forth in the Cooperation Agreement, with approval of the Oversight Board, the Successor Agency can prepay up to the full amount owed under the Cooperation Agreement at any time without penalty.
4. In executing this Agreement and reentering into the Cooperation Agreement, the Town is acting in its capacity as a municipal corporation, while the Successor Agency is acting in its capacity as the successor to the former Community Development Agency; and both the Town and the Successor Agency are acting pursuant to the specific authority granted by the Oversight Board and by Health & Safety Code Sections 34178(a) and 34180(h) authorizing agreements between the Town and the Successor Agency. In consequence, the parties to this Agreement and the Cooperation Agreement are not merged.
5. Nothing in this Agreement shall be deemed to invalidate or amend the terms of the Cooperation Agreement. The Cooperation Agreement shall remain in full force and effect according to its original terms, notwithstanding those provisions of the Dissolution Act regarding Enforceable Obligations.

6. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.
7. This Agreement shall take effect from and after the date of execution of this Agreement by the parties; provided, however, that nothing in this Agreement or the execution hereof shall in any way affect the date of execution of the Cooperation Agreement that is reentered between the Successor Agency and the Town pursuant to this Agreement.
8. The parties shall execute any other documents or instruments deemed appropriate to effectuate the reentry by the Successor Agency and the Town into the Cooperation Agreement as contemplated by this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereof as of the date first written above.

**TOWN OF DANVILLE, a municipal
corporation**

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

**TOWN OF DANVILLE, ACTING IN ITS
CAPACITY AS SUCCESSOR AGENCY OF
THE COMMUNITY DEVELOPMENT
AGENCY OF THE TOWN OF DANVILLE**

By: _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

EXHIBIT A
COOPERATION AGREEMENT

**FOURTH AMENDMENT AND RESTATEMENT OF THE COOPERATION
AGREEMENT BETWEEN THE TOWN OF DANVILLE AND THE COMMUNITY
DEVELOPMENT AGENCY OF THE TOWN OF DANVILLE**

This fourth amendment and restatement of the Cooperation Agreement between the Town of Danville (the "Town") and the Community Development Agency of the Town of Danville (the "Agency") is effective as of May 3, 2011.

Recitals

- A. Acting pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.), the Town created the Agency and adopted the Redevelopment Plan for the Downtown Redevelopment Project (the "Redevelopment Plan") in 1986.
- B. The Redevelopment Plan provides authority for the Town and the Agency to cooperatively take action to eliminate blight within the downtown redevelopment area.
- C. On December 7, 1987, the Town and the Agency, acting to implement provisions of the Redevelopment Plan, entered into a Cooperation Agreement. The Cooperation Agreement provides, in part, that the Town may advance or expend funds on behalf of the Agency related to implementation of the Redevelopment Plan, including the acquisition of land, construction of public improvements and debt financing. Any such advances by the Town may later be reimbursed by the Agency.
- D. Since adoption of the Redevelopment Plan, the Town has assisted the Agency by paying for the installation of infrastructure and public improvements within the Project Area that assist in the elimination of blight.
- E. Prior to 2001, the Town, the Agency, the Danville Civic Improvement Corporation and the Danville Financing Authority participated in several debt financings in order to pay for acquisition of land and construction of public improvements consistent with elimination of blight as set forth in the Redevelopment Plan. All of these financings were structured so that the Agency would ultimately be responsible for all debt service payments out of the Agency's tax increment revenues. The financings also contained provisions that in the event the Agency was unable to make payments, the Town would assume responsibility for such payments, subject to reimbursement by the Agency. Those financings have been defeased or refinanced.
- F. The Town, the Agency and the Danville Financing Authority are participants in two outstanding debt financings: the 2001 Certificates of Participation for \$6,700,000 (Capital Improvement Refinancing Project) and the 2005 Certificates of Participation for \$5,600,000 (Capital Improvement Project). Both of these financings are subject to Reimbursement Agreements in which the Agency agreed to reimburse the Town for all lease payments made pursuant to the Certificates of Participation. In addition, the Agency issued and is responsible for payment of the 2001 Taxable Revenue Bonds for \$3,570,000 (Downtown Redevelopment Project Housing). The Agency's obligation to pay for all three of these financings have priority over this Cooperation Agreement and are not included within the scope of this Agreement.

- G. In order to provide the Town with greater certainty in future budgets, the Town and the Agency desire to establish a repayment schedule from the Agency to the Town for monies owed pursuant to this Agreement.
- H. The total amount of tax increment which the Agency is entitled to receive pursuant to the Redevelopment Plan is capped at a fixed dollar amount. Based on projections of future tax increment to be received, the Agency has determined that increment received may hit this numeric cap prior to repayment the last scheduled debt payments, which extend through 2036. In order to adequately plan for this possibility and protect both the Town and the Agency, the Agency will create a "Debt Stabilization Fund" in an amount sufficient to pay for all debt obligations of the Agency.

Now, therefore, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. The Town agrees to provide for the Agency such staff assistance, supplies, technical services and other services and facilities of the Town as the Agency may require in carrying out its functions under the Community Redevelopment Law and the Agency's Redevelopment Plan. Such assistance and services may include the services of Town officers and employees and special consultants.
2. The Town may, but is not required to, advance necessary funds to the Agency or to expend funds on behalf of the Agency for the implementation of the Redevelopment Plan, including but not limited to the costs of any surveys or studies, the costs of acquisition of property within the project area, demolition and clearance of properties acquired, building and site preparation, public improvements and relocation assistance to displaced residential and nonresidential occupants as required by law. These funds expended may include salary and overhead costs incurred by the Town in rendering these services to the Agency.
3. The Town and the Agency agree that as of the effective date of this Third Restatement and Amendment, the amount owed by the Agency to the Town pursuant to this Cooperation Agreement for all prior expenditures is \$7,939,372, including accrued interest. Of this total amount, the parties agree that \$5,712,684 represents unpaid principal. The parties further agree that this amount shall continue to accrue interest as provided for in Paragraph 6 below. The Agency agrees to repay this amount to the Town pursuant to the payment schedule attached hereto as Exhibit 1 and incorporated into this Agreement by reference. This repayment schedule includes interest accrued as provided for in Paragraph 6 below. To the extent the Agency is unable to make payments as provided for in Exhibit 1 due to state takeaways or other factors beyond the control of the Town and Agency, those unpaid amounts shall be added to remaining payments. In addition, to the extent funds are available, the Agency, in its discretion, may prepay any of the amount due under this paragraph.
4. At the end of each fiscal year, the Town shall determine any additional funds subject to reimbursement under this Agreement. For capital improvement projects subject to reimbursement, the Agency's obligation to reimburse the Town shall not arise until the fiscal year in which the Town Council accepts the

project as complete. The Agency may reimburse the Town for these expenses from any Agency funds available after the payment of a) annual payments for the 2001 Taxable Revenue Bonds, b) any payments made by the Agency pursuant to the Reimbursement Agreements entered into as part of the 2001 and 2005 Certificate of Participation financings, c) any payments made pursuant to Paragraph 3 above and d) any funds deposited into the Debt Stabilization Fund provided for in Paragraph 5 below.

5. In order to ensure the ability of the Agency to make all future payments required for its existing debt obligations, the Agency shall create a Debt Stabilization Fund (the "Fund"). The Agency shall make deposits into the Fund to the extent any tax increment revenues remain after payment of all outstanding Agency debt payments required by the 2001 Taxable Revenue Bonds, the 2001 and 2005 Certificates of Participation and Paragraph 3 of this Agreement. The total to be placed in this Fund shall be determined by the Agency based upon projections of funds needed to make all future payments. The parties acknowledge that the Town is a direct beneficiary of the Agency's obligation to create and make deposits into the Fund in that such Agency obligation will help to assure that both the Agency's obligations to make future payments required for its other existing debts and to pay the amounts owed to the Town under this Agreement can be satisfied within the limit on the total amount of tax increment the Agency is entitled to receive pursuant to the Redevelopment Plan, as further described in Recital H.
6. Any amounts not reimbursed within the fiscal year due as provided for in Paragraph 4 and any remaining principal as provided for in Paragraph 3 shall accrue interest for that year at a rate of six percent (6%). Interest shall not be compounded.
7. As a condition to the purchase of any land for public uses or the installation or construction of any building, facility, structure or other publicly owned improvement which expenditure will be subject to the provisions of this Agreement, both the Agency and the Town must first adopt, in their discretion, the necessary findings required by Health and Safety Code Section 33445. Any Town expenditures will be included in the Town's five-year Capital Improvement Program or be otherwise approved by the Town Council.
8. The obligations of the Agency under this Agreement shall constitute an indebtedness of the Agency incurred in carrying out the Redevelopment Plan and a pledge of property taxes received by the Agency or any successor from the redevelopment project area to repay such indebtedness under the provisions of the Redevelopment Plan, Article XVI, Section 16 of the Constitution of the State of California, and Health and Safety Code Section 33670, or under any applicable constitutional provision, statute, or other provision of law now existing or adopted in the future.
9. This Agreement shall be binding upon and inure to the benefit of the heirs, administrators, executors, successors in interest and assigns of each of the parties to this Agreement, whether by agreement or operation of law. Any reference in this Agreement to a specifically named party shall be deemed to apply to any

successor, heir, administrator, executor or assign of such party who has acquired an interest in compliance with the terms of this Agreement, or under law.

10. If either party breaches any other material provision of this Agreement, the other party shall first notify the breaching party in writing of the purported breach or failure, giving the breaching party thirty (30) days from receipt of such notice to cure or, if cure cannot be accomplished within thirty (30) days, to commence to cure such breach, failure, or act. In the event the breaching party does not then so cure within such thirty (30) days, or if the breach or failure is of such a nature that it cannot be cured within thirty (30) days, the breaching party fails to commence to cure within such thirty (30) days and thereafter diligently complete such cure within a reasonable time thereafter but in no event later than one hundred twenty (120) days, then the non-breaching party shall be afforded all of its rights at law or in equity, by taking all or any of the following remedies: (a) terminating in writing this Agreement; and (b) prosecuting an action for damages or specific performance.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

ATTEST:


City Clerk

TOWN OF DANVILLE


Mayor

ATTEST:


Secretary

COMMUNITY DEVELOPMENT AGENCY
OF THE TOWN OF DANVILLE


Chairman

Approved as to Form:

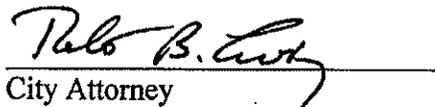

City Attorney

EXHIBIT 1

In order to repay the amounts due pursuant to Paragraph 3 of this Agreement, including interest, the Agency agrees to repay the Town pursuant to the following schedule:

Fiscal Year	Payment
2011/12	\$750,000
2012/13	\$800,000
2013/14	\$800,000
2014/15	\$800,000
2015/16	\$900,000
2016/17	\$900,000
2017/18	\$900,000
2018/19	\$1,000,000
2019/20	\$1,000,000
2020/21	\$1,000,000
2021/22	\$1,000,000
2022/23	\$1,000,000
2023/24	\$409,041

RESOLUTION NO. 5-2012

APPROVING THE AMENDED FIRST RECOGNIZED OBLIGATION PAYMENT SCHEDULE ("ROPS") IN COMPLIANCE WITH STATE DEPARTMENT OF FINANCE REQUEST FOR RECONSIDERATION OF SPECIFIED ITEMS ON THE APPROVED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD ENDING JUNE 30, 2012

WHEREAS, the California state legislature enacted Assembly Bill x1 26 (the "Dissolution Act") to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.); and

WHEREAS, on December 29, 2011, the California Supreme Court delivered its decision in *California Redevelopment Association v. Matosantos*, finding the Dissolution Act largely constitutional; and

WHEREAS, under the Dissolution Act and the California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Community Development Agency of the Town of Danville (the "Dissolved CDA"), were dissolved on February 1, 2012; and

WHEREAS, on January 10, 2012 and pursuant to Health and Safety Code Section 34173, the Town Council (the "Town Council") of the Town of Danville (the "Town") adopted a resolution declaring that the Town, a municipal corporation, would act as the successor agency (the "Successor Agency") for the Dissolved CDA; and

WHEREAS, under the Dissolution Act, the Successor Agency must prepare a "Recognized Obligation Payment Schedule" ("ROPS") that enumerates the enforceable obligations and expenses of the Successor Agency for specified six-month periods;

WHEREAS, the Successor Agency staff prepared, and on February 21, 2012, the Town Council, in its capacity as the governing board of the Successor Agency, approved the ROPS for the six-month period ending June 30, 2012 (the "First ROPS"); and

WHEREAS, pursuant to the Dissolution Act, the duly-constituted Oversight Board for the Successor Agency met at a duly-noticed public meeting on April 9, 2012, to review and consider the First ROPS, and specific obligations listed on the First ROPS, and by adoption of Oversight Board Resolution No. 2-2012, approved the First ROPS, attached hereto as Exhibit 1, incorporated herein by this reference; and

WHEREAS, Successor Agency staff posted the First ROPS on the Successor Agency's website, and transmitted the First ROPS to the Auditor-Controller of the County of Contra Costa (the "County-Auditor"), to the California State Controller (the "State Controller"), and to the California Department of Finance (the "DOF") by notice dated April 10, 2012; and

WHEREAS, under Health and Safety Code Section 34179(h), Oversight Board actions do not become effective for three (3) business days, pending request for review by the DOF. If the DOF requests a review of a given Oversight Board action, the DOF has ten (10) days from the date of its request to approve the Oversight Board action or return the action to the Oversight Board for its reconsideration and any particular disapproved item shall not become effective until approved by the DOF; and

WHEREAS, on April 11, 2012, and within the three (3) business day notice period the DOF informed the Successor Agency and the Oversight Board that the DOF was requesting review of unspecified items on the First ROPS and sent an informal request for additional information, to which the Successor Agency staff timely responded; and

WHEREAS, by letter of April 20, 2012 (the "Formal Notification Letter"), attached hereto as Exhibit 2 and incorporated herein by this reference, the DOF notified the Successor Agency and the Oversight Board that the DOF was returning the First ROPS for reconsideration by the Oversight Board, specifically requesting the Oversight Board reconsider the inclusion of the following two items on the First ROPS that were disapproved by the DOF (together the "Reconsideration Items");

1. Item 4 (described as "Town Loan/Cooperation Agreement entered into on 12/7/87", hereinafter referred to as the "Cooperation Agreement"), which was disapproved by the DOF pursuant to Health and Safety Code Section 34171(d)(2), which invalidated most types of contracts between the Dissolved CDA and the Town; and
2. Item 6 (described as and hereinafter referred to a "Housing Fund Balance"), which was disapproved by the DOF due to its interpretation of the required treatment of that balance under the Dissolution Act.

WHEREAS, the Formal Notification Letter was issued within the ten day decision period authorized by Health and Safety Code Section 34179(h), which expired on or about April 21, 2012 (the "DOF Notification Deadline"); and

WHEREAS, pursuant to the Formal Notification Letter, and consistent with the guidance issued by Ana Matosantos, the Director of the DOF, by letter dated March 2, 2012, only the Reconsideration Items are ineffective until approved by the DOF; and

WHEREAS, other than for the Reconsideration Items identified in the Formal Notification Letter and listed above, the remainder of the enforceable obligations and recognized obligations listed in the First ROPS (the "Accepted Enforceable Obligations") are deemed to constitute the First ROPS for the six-month period ending June 30, 2012, and failure by the DOF to challenge the Accepted Enforceable Obligations listed on the First ROPS forecloses the DOF's challenge of the Accepted Enforceable Obligations because of the expiration of the DOF Notification Deadline; and

WHEREAS, under Health and Safety Code Sections 34178(a) and 34180(h), a successor agency may enter or reenter into agreements with the town that formed the redevelopment agency that it is succeeding upon obtaining the approval of its oversight board; and

WHEREAS, in compliance with the Dissolution Act, and as part of the Oversight Board's reconsideration of the Cooperation Agreement as requested by the DOF, the Oversight Board adopted Oversight Board Resolution No. 4-2012, approving and authorizing reentry by the Successor Agency into the Cooperation Agreement with the Town, thereby reinstating the validity of the Cooperation Agreement as an enforceable obligation that may be included in the Amended First ROPS; now, therefore, be it

RESOLVED that the Oversight Board of the Successor Agency hereby finds, resolves, and determines as follows:

1. The foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.
2. As requested by the DOF in the Formal Notification Letter, the Oversight Board has duly considered the Reconsideration Items and hereby makes the modifications and determinations with respect to the Amended First ROPS as set forth below.
3. The Oversight Board has reconsidered the Housing Fund Balance item and hereby determines that the Housing Fund Balance item is removed from the First ROPS, and the First ROPS is hereby amended to effectuate such removal.
4. The Oversight Board has reconsidered the Cooperation Agreement and hereby finds and determines that retention and inclusion of the Cooperation Agreement on the First ROPS is appropriate because, pursuant to Health & Safety Code Sections 34178(a) and 34180(h), the Oversight Board approved and authorized the Successor Agency to reenter into the Cooperation Agreement with the Town, and, as reentered, the Cooperation Agreement constitutes an "enforceable obligation" and "recognized obligation" for all purposes of the Dissolution Act.
5. No further action of the Oversight Board is required of the Accepted Enforceable Obligations contained on the First ROPS. The Reconsideration Deadline has passed for the Accepted Enforceable Obligations without challenge by the DOF. Consequently, each of the Accepted Enforceable Obligations constitutes an "enforceable obligation" and "recognized obligation" for all purposes of the Dissolution Act, and is necessary for the continued maintenance and preservation of property owned by the Successor Agency until disposition and liquidation, the continued administration of the ongoing agreements herein approved by the Oversight Board, or the expeditious wind-down of the affairs of the Dissolved CDA by the Successor Agency.

6. To memorialize the amendment to the First ROPS and the other actions set forth in this Resolution, and to comply with its duty to reconsider the Reconsideration Items as requested by the DOF, the Oversight Board hereby approves the Amended First Recognized Obligation Payment Schedule (the "Amended First ROPS") in the form attached to this Resolution as Exhibit 3 and incorporated in this Resolution by this reference. The Oversight Board hereby declares its intent that the Amended First ROPS (Exhibit 3) shall amend, replace, and supersede the First ROPS (Exhibit 1) in its entirety.
7. The Oversight Board authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to post this Resolution on the Successor Agency website, transmit a copy of this Resolution to the Auditor-Controller, to the State Controller and the DOF, and to take any other actions necessary to effectuate the actions and decision of the Oversight Board in this Resolution.
8. Nothing in this Resolution shall abrogate, waive, impair or in any other manner affect the right or ability of the Town, in its capacity as a municipal corporation or in its capacity as Successor Agency, to initiate and prosecute any litigation with respect to any agreement or other arrangement between the Town and the Dissolved CDA, including, without limitation, any litigation contesting the purported invalidity of the Cooperation Agreement as stated in the Formal Notification Letter.
9. This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

APPROVED by the Oversight Board at a special meeting on May 7, 2012, by the following vote:

AYES:	Arnerich, Black, Calabrigo, Nejedly, Nichols, Oliver, Price
NOES:	None
ABSTAINED:	None
ABSENT:	None



CHAIR

APPROVED AS TO FORM:


**SUCCESSOR AGENCY
 ATTORNEY**

ATTEST:


BOARD SECRETARY

EXHIBIT 1

FIRST ROPS

Name of Former
Redevelopment Agency:
Project Area(s)

Community Development Agency of the Town of Danville
Downtown Redevelopment Project

TOWN OF DANVILLE ACTING AS SUCCESSOR AGENCY
FIRST RECOGNIZED OBLIGATION PAYMENT SCHEDULE APPROVED BY OVERSIGHT BOARD
Per ABX1 26

Project Name / Debt Obligation	Payee	Description	Payment Source**	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by Month						Total
						Jan	Feb	Mar	Apr	May	Jun	
1) 2001 Certificates of Participation/Reimbursement Agreement	Town of Danville	COP refinancing for capital projects in project area/Agency reimburses Town for lease payments made on COPS	C, D, F	6,756,755.00	455,775.00	0.00	113,137.50	0.00	0.00	0.00	348,137.50*	461,275.00
2) 2001 Taxable Revenue Bonds/ Loan Repayment Agreement	Danville Financing Authority	Bonds sold by Financing Authority to finance affordable housing project in project area/ Agency borrowed bond proceeds and repays loan to Authority	A, B	6,302,195.00	346,817.50	0.00	0.00	0.00	0.00	0.00	217,140.00*	354,280.00
3) 2005 Certificates of Participation/Reimbursement Agreement	Town of Danville	COP issue to fund public parking facility and other capital projects within project area/Agency reimburses Town for lease payments made on COPS	C, D	8,041,761.90	343,616.26	0.00	234,308.13	0.00	0.00	0.00	106,808.13*	341,116.26
4) Town Loan/Cooperation Agreement entered into on 12/7/87	Town of Danville	Town loaned Agency funds necessary for Agency to make debt payments and pay for capital improvements within the project area	C, D, F	8,063,813.98	750,000.00	0.00	0.00	0.00	0.00	0.00	750,000.00	750,000.00
5) Successor Agency Administrative Costs	Town of Danville	Staff and consultant/vendor costs (legal, audit, bond disclosures, fiscal agent, etc.) necessary to carry out duties of Successor Agency	F	0.00	52,542.00	8,757.00	8,757.00	8,757.00	8,757.00	8,757.00	8,757.00	52,542.00
6) Housing Fund Balance	Successor Housing Agency	Transfers to Successor Housing Agency if SB 654 enacted	A	53,093.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7) Property Management 115-125 Hartz Avenue	SPM Properties, Inc.	Property management for commercial property at 115-125 Hartz Avenue-monthly fee equal to 3.5% of gross rents	E	0.00	6,600.00	550.00	550.00	550.00	550.00	550.00	550.00	3,300.00
8) Pass Through Agreement	Contra Costa County/County Library District/County Flood Control District	Section 33401 Agreement	D	1,084,500.00	112,080.00	0.00	0.00	0.00	0.00	0.00	56,040.00	56,040.00
Total - Less Pass-Through Agreement				\$ 29,217,618.88	\$ 1,955,350.76	\$ 146,447.00	\$ 356,752.63	\$ 9,307.00	\$ 9,307.00	\$ 9,307.00	\$ 1,431,392.63	\$ 1,962,513.26
Grand Total - Including Pass-Through Agreement				\$ 30,302,118.88	\$ 2,067,430.76	\$ 146,447.00	\$ 356,752.63	\$ 9,307.00	\$ 9,307.00	\$ 9,307.00	\$ 1,431,392.63	\$ 2,018,553.26

*These payments reflect debt service payments due in July and August 2012 and are necessary in order to ensure timely payment of those obligations.

**PAYMENT SOURCES: (A) Former CDA Low and Moderate Housing Fund, (B) Former CDA debt service funds, (C) Encumbered reserve balances, (D) Redevelopment Property Tax Trust Fund, (E) Rental Income, (F) Administrative Cost Allowance, (G) Other Sources

EXHIBIT 2

FORMAL NOTIFICATION LETTER



DEPARTMENT OF
FINANCE

EDMUND G. BROWN JR. • GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

April 20, 2012

Elizabeth Hudson
Town of Danville
510 La Gonda Way
Danville, CA 94526

Dear Ms. Hudson:

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the Town of Danville Successor Agency submitted a Recognized Obligation Payment Schedule (ROPS) to the California Department of Finance (Finance) on April 10, 2012. Finance staff contacted you for clarification of items listed in the ROPS.

HSC section 34171 (d) lists enforceable obligations characteristics. Based on our application of the law, the following items are not Enforceable Obligations (EO):

- Item No. 4 - Operating advances in the amount of \$8,063,814. HSC section 34171 (d) (2) states that loans between the entity that created the redevelopment agency (RDA) and the former RDA are not EO.
- Item No. 6 – Housing fund balance in the amount of \$53,093. HSC section 34177 (d) requires that all unencumbered balances in the Low and Moderate Income Housing Fund be remitted to the county auditor controller for distribution to the taxing entities.

As authorized by HSC section 34179 (h), Finance is returning your ROPS for your reconsideration. This action will cause the specific ROPS items noted above to be ineffective until Finance approval. Furthermore, items listed on future ROPS will be subject to review and may be denied as EOs.

If you believe we have reached this conclusion in error, please provide further evidence that the items questioned above meet the definition of an EO.

Please direct any inquiries to Robert Scott, Supervisor or Doug Evans, Lead Analyst at (916) 322-2985.

Sincerely,

MARK HILL
Program Budget Manager

cc: Mr. Robert Ewing, City Attorney, Danville
Mr. Bob Campbell, Auditor-Controller, Contra Costa County
Mr. Robert Ewing, City Attorney

EXHIBIT 3

AMENDED FIRST ROPS

Name of Former Redevelopment Agency: Community Development Agency of the Town of Danville
 Project Area(s): Downtown, Redevelopment Project

**TOWN OF DANVILLE ACTING AS SUCCESSOR AGENCY
 AMENDED FIRST RECOGNIZED OBLIGATION PAYMENT SCHEDULE**
 Per ABX1. 26

Project Name / Debt Obligation	Payee	Description	Payment Source**	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by Month						Total	
						Jan	Feb	Mar	Apr	May	Jun		
1) 2001 Certificates of Participation/Reimbursement Agreement	Town of Danville	COP refinancing for capital projects in project area/Agency reimburses Town for lease payments made on COPS	B (\$67,402.24) D (\$45,735.26)	6,756,755.00	455,775.00	0.00	113,137.50	0.00	0.00	0.00	0.00	348,137.50*	\$ 461,275.00
2) 2001 Taxable Revenue Bonds/Loan Repayment Agreement	Danville Financing Authority	Bonds sold by Financing Authority to finance affordable housing project in project area/Agency borrowed bond proceeds and repays loan to Authority	A (\$101,592.69) B (\$34,547.31)	6,302,195.00	346,817.50	0.00	0.00	0.00	0.00	0.00	0.00	217,140.00*	\$ 354,280.00
3) 2005 Certificates of Participation/Reimbursement Agreement	Town of Danville	COP issue to fund public parking facility and other capital projects within project area/Agency reimburses Town for lease payments made on COPS	B (\$67,402.25) D (\$166,905.89)	8,041,761.90	343,616.26	0.00	234,308.13	0.00	0.00	0.00	0.00	106,808.13*	\$ 341,116.26
4) Town Loan/Cooperation Agreement entered into on 12/7/87, reentered by Successor Agency on 5/7/12	Town of Danville	Town loaned Agency funds necessary for Agency to make debt payments and pay for capital improvements within the project area. Oversight Board approved Successor Agency reentering agreement 5/7/12	C	8,063,813.98	750,000.00	0.00	0.00	0.00	0.00	0.00	0.00	750,000.00	\$ 750,000.00
5) Successor Agency Administrative Costs	Town of Danville	Staff and consultant/vendor costs (legal, audit, bond disclosures, fiscal agent, etc.) necessary to carry out duties of Successor Agency	E	0***	52,542.00	8,757.00	8,757.00	8,757.00	8,757.00	8,757.00	8,757.00	8,757.00	\$ 52,542.00
6) Property Management 115-125 Hantz Avenue Inc.	SPM Properties, Inc.	Property management for commercial property at 115-125 Hantz Avenue-monthly fee equal to 3.5% of gross rents	D	0***	6,600.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	\$ 3,300.00
Grand Total				\$ 29,164,525.88	\$ 1,955,350.76	\$ 146,447.00	\$ 356,752.63	\$ 9,307.00	\$ 9,307.00	\$ 9,307.00	\$ 9,307.00	\$ 1,431,392.63	\$ 1,962,513.26

NOTE: Items 1-3 and 5-6 approved by Department of Finance on 4/29/12.

*These payments reflect debt service payments due in July and August 2012 and will be reflected on the Second ROFS. They are shown here simply to ensure timely payment of those obligations.

**PAYMENT SOURCES: (A) Former CDA Low and Moderate Housing Tax Fund, (B) Other-Former CDA Tax Increment Fund, (C) Redevelopment Property Tax Trust Fund, (D) Other-Rental Income, (E) Administrative Cost Allowance

*** No total obligation shown because it is impossible to determine the term of these obligations.

OVERSIGHT BOARD RESOLUTION NO. 6-2012

APPROVING THE SECOND RECOGNIZED OBLIGATION PAYMENT SCHEDULE ("ROPS") FOR THE PERIOD ENDING DECEMBER 31, 2012

WHEREAS, pursuant to AB 1x 26 (the "Dissolution Act"), enacted on June 28, 2011, the former Community Development Agency of the Town of Danville (the "CDA") was dissolved effective February 1, 2012; and

WHEREAS, on January 10, 2012, acting in accordance with Health and Safety Code Sections 34171(j) and 34173, the Danville Town Council adopted Resolution No. 6-2012, accepting the designation to serve as the Successor Agency to the CDA; and

WHEREAS, pursuant to Health and Safety Code Sections 34179-34180, an Oversight Board to the Successor Agency (the "Oversight Board") has been created; and

WHEREAS, the Town of Danville, in its capacity as Successor Agency, prepared, and the Town Council approved on February 21, 2012, a "Recognized Obligation Payment Schedule" ("the First ROPS") that enumerated the enforceable obligations and expenses of the Successor Agency for the six-month period ending June 30, 2012; and

WHEREAS, the First ROPS was approved by the Oversight Board on April 9, 2012; and

WHEREAS, the Successor Agency is required to adopt a Second ROPS covering the period from July 1, 2012 through December 31, 2012, which Second ROPS must be approved by the Oversight Board; and

WHEREAS, after reviewing the Second ROPS presented to and recommended for approval to the Oversight Board by Successor Agency staff, and after reviewing written and oral comments from the public relating thereto and the staff report and all other written materials presented by Successor Agency staff, the Oversight Board desires to approve the Second ROPS and to make the following accompanying findings, resolutions and determinations; now, therefore, be it

RESOLVED that the Oversight Board of the Successor Agency for the former CDA hereby finds, resolves, and determines as follows:

SECTION 1. The foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, including the staff report accompanying this resolution, form the basis for the approvals, findings, resolutions, and determinations set forth below.

SECTION 2. Under Health and Safety Code Section 34180(g), establishment of a ROPS for the Successor Agency must be approved by the Oversight Board.

SECTION 3. The Oversight Board hereby approves the Second ROPS in the form presented to the Oversight Board and attached hereto as Exhibit 1, including the agreements and obligations described in the Second ROPS, and hereby determines that such agreements and obligations constitute "enforceable obligations" and "recognized obligations" for all purposes of the Dissolution Act. In connection with such approval, the Oversight Board makes the specific findings set forth below.

SECTION 4. The Oversight Board has examined the items contained on the Second ROPS and finds that each of them is necessary for the continued maintenance and preservation of property owned by the Successor Agency until disposition and liquidation, the continued administration of the ongoing agreements herein approved by the Oversight Board, or the expeditious wind-down of the affairs of the Former CDA by the Successor Agency.

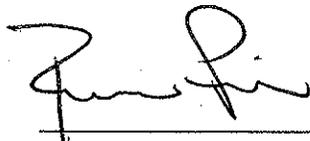
SECTION 5. The Successor Agency is authorized and directed to enter into any agreements and amendments to agreements necessary to memorialize and implement the agreements and obligations in the Second ROPS and herein approved by the Oversight Board.

SECTION 6. The Oversight Board authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to post the Second ROPS on the Successor Agency website, transmit the Second ROPS to the Auditor-Controller of the County of Contra Costa and to the State Controller and the State Department of Finance, and to take any other actions necessary to ensure the validity of the Second ROPS and the validity of any enforceable obligation approved by the Oversight Board in this Resolution.

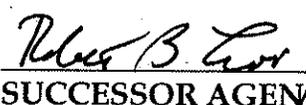
SECTION 7. This Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

APPROVED by the Oversight Board at a special meeting on May 7, 2012, by the following vote:

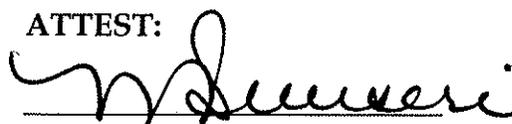
AYES: Arnerich, Black, Calabrigo, Nejedly, Nichols, Oliver, Price
NOES: None
ABSTAINED: None
ABSENT: None



CHAIR

APPROVED AS TO FORM:


SUCCESSOR AGENCY
ATTORNEY

ATTEST:


BOARD SECRETARY

Name of Former
Redevelopment Agency:
Project Area(s)

Community Development Agency of the Town of Danville
Downtown Redevelopment Project

TOWN OF DANVILLE ACTING AS SUCCESSOR AGENCY
SECOND RECOGNIZED OBLIGATION PAYMENT SCHEDULE
Per ABXI 26

Project Name / Debt Obligation	Payee	Description	Payment Source**	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by Month						Total	
						Jul	Aug	Sep	Oct	Nov	Dec		
1) 2001 Certificates of Participation/Reimbursement Agreement	Town of Danville	COP refinancing for capital projects in project area / Agency reimburses Town for lease payments made on COPS	A	6,756,117.50	456,575.00	0.00	348,137.50	0.00	0.00	0.00	0.00	108,437.50*	456,575.00
2) 2001 Taxable Revenue Bonds/ Loan Repayment Agreement	Danville Financing Authority	Bonds sold by Financing Authority to finance affordable housing project in project area / Agency borrowed bond proceeds and repays loan to Authority	A	6,165,055.00	351,020.00	217,140.00	0.00	0.00	0.00	0.00	0.00	133,880.00*	351,020.00
3) 2005 Certificates of Participation/Reimbursement Agreement	Town of Danville	COP issue to fund public parking facility and other capital projects within project area / Agency reimburses Town for lease payments made on COPS	A	7,807,453.68	338,616.26	0.00	106,808.13	0.00	0.00	0.00	0.00	231,808.13*	338,616.26
4) Town Loan/Cooperation Agreement entered into on 12/7/87, reentered by Successor Agency on 5/7/12	Town of Danville	Town loaned Agency funds necessary for Agency to make debt payments and pay for capital improvements within the project area. Oversight Board approved Successor Agency reentering agreement on 5/7/12	A	8,063,813.98	800,000.00	0.00	0.00	0.00	0.00	0.00	0.00	400,000.00	400,000.00
5) Successor Agency Administrative Costs	Town of Danville	Staff and consultant/ vendor costs (legal, audit, bond disclosures, fiscal agent, etc.) necessary to carry out duties of Successor Agency	C	0***	60,204.00	5,017.00	5,017.00	5,017.00	5,017.00	5,017.00	5,017.00	5,017.00	30,102.00
6) Property Management 115-125 Hartz Avenue Inc.	SPM Properties, Inc.	Property management for commercial property at 115-125 Hartz Avenue-monthly fee equal to 3.5% of gross rents	B	0***	6,600.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	3,300.00
Grand Total				\$ 28,792,440.16	\$ 2,013,015.26	\$ 222,707.00	\$ 460,512.63	\$ 5,567.00	\$ 5,567.00	\$ 5,567.00	\$ 5,567.00	\$ 879,692.63	\$ 1,579,613.26

NOTE: Items 1,2,3,5 and 6 approved by Department of Finance on 4/20/12.

**These payments reflect debt service payments due in January and February 2013 and will be reflected on the Third ROPS. They are shown here simply to ensure timely payment of those obligations.

***PAYMENT SOURCES: (A) Redevelopment Property Tax Trust Fund, (B) Other-Rental Income, (C) Administrative Cost Allowance

*** No total obligation shown because it is impossible to determine the term of these obligations.

EXHIBIT 1