City of Arcata

Redevelopment Agency Dissolution
Compensation Agreement
Terms Sheet v2
March 11, 2024

Purpose. The purpose of this Agreement is to address the allocation of certain prospective revenues among the Taxing Entities that share in the property tax base ("Tax Base") for property located within any of the City of Arcata redevelopment project area (the "Project Area") formerly administered by the Arcata Community Development Agency ("Redevelopment Agency").

Properties to be Retained for Development. The Long-Range Property Management Plan provides that pursuant to Health & Safety Code §34191.5(c)(2), two properties formerly owned by the Successor Agency will be transferred to the City for disposition consistent with the Implementation Plan, Economic Development Strategic Plan, General Plan, and Coastal Land Use Element, Land Use Code, and Coastal Zoning Ordinance.

Compensation.

1. The property value is agreed by the Parties to be:

Happy Valley	$ 562,000
Little Lake	200,000
Total	$ 762,000

2. The Taxing Entities will receive a share of the agreed value equal to each Taxing Entity's share of the tax rate area of the individual properties (Attachment A).
3. Educational Revenue Augmentation Fund (ERAF) will be allocated among school districts and county office of education if and to the extent the Auditor-Controller determines that ERAF is entitled to a distribution of compensation.
4. City will make payment within 90 days of entering the agreement.

Compensation Investment.

5. The Parties Agree to receive 33% of value in immediate compensation (Attachment B).
6. The difference between full market value and Taxing Entities' compensation must be invested in redeveloping the properties, increasing the Tax Base value, the benefit of which will flow to the Taxing Entities as property tax revenue.
7. City agrees to invest the balance in redeveloping the Development Properties within two years of date of agreement.
8. City agrees to invest 100% of its share into redeveloping the Development Properties.

Attachment A

Little Lake ERAF Estimated Distribution Detail

Agency	Little Lake Tax Share	Little Lake Pre-ERAF Distribution	Little Lake ERAF Distribution	Little Lake Total Distribution
City of Arcata	10.65%	$ 21,305	$ -	$ 21,305
Janes Creek Storm Drainage	0.00%	$ -	$ -	$ -
Arcata Elementry (School District)	22.28%	$ 44,560	$ 19,909	$ 64,469
County of Humboldt	15.85%	$ 31,709	$ -	$ 31,709
Northern Humboldt Unified School District	14.01%	$ 28,017	$ 12,518	$ 40,535
Pacific Union Elementary	0.00%	$ -	$ -	$ -
Redwoods Jr. College	6.04%	$ 12,088	$ 5,401	$ 17,488
Arcata Fire District	5.77%	$ 11,536	$ -	$ 11,536
County Library	1.75%	$ 3,496	$ -	$ 3,496
County School Service	1.37%	$ 2,739	$ 1,224	$ 3,962
Humboldt Bay Municipal Water	1.09%	$ 2,178	$ -	$ 2,178
North Humboldt Rec & Park District	0.94%	$ 1,872	$ -	$ 1,872
H Bay Harbor Rec & Conservation	0.72%	$ 1,450	$ -	$ 1,450
Educational Revenue Augmentation Funds (ERAF)	19.53%	$ 39,050		
Total	**100.00%**	**$ 200,000**	**$ 39,050**	**$ 200,000**

Happy Valley ERAF Estimated Distribution Detail

Agency	Happy Valley Tax Share	Happy Valley Pre-ERAF Distribution	Happy Valley ERAF Distribution	Happy Valley Total Distribution
City of Arcata	11.12%	$ 62,475	$ -	$ 62,475
Janes Creek Storm Drainage	0.43%	$ 2,402	$ -	$ 2,402
Arcata Elementry (School District)	0.00%	$ -	$ -	$ -
County of Humboldt	16.54%	$ 92,982	$ 4,034	$ 97,015
Northern Humboldt Unified School District	14.62%	$ 82,158	$ 41,262	$ 123,420
Pacific Union Elementary	18.38%	$ 103,315	$ 51,888	$ 155,202
Redwoods Jr. College	6.31%	$ 35,445	$ 17,801	$ 53,246
Arcata Fire District	6.02%	$ 33,828	$ -	$ 33,828
County Library	1.82%	$ 10,253	$ -	$ 10,253
County School Service	1.43%	$ 8,032	$ -	$ 8,032
Humboldt Bay Municipal Water	1.14%	$ 6,386	$ -	$ 6,386
North Humboldt Rec & Park District	0.98%	$ 5,489	$ -	$ 5,489
H Bay Harbor Rec & Conservation	0.76%	$ 4,252	$ -	$ 4,252
Educational Revenue Augmentation Funds (ERAF)	20.46%	$ 114,985		
Total	100.00%	$ 562,000	$ 114,985	$ 562,000

Attachment B

Payout and Investment for Combined Properties

Agency	Total Distribution	33% Immediate Payout	67% Redevelopment Investment
City of Arcata	$ 83,780	$ 27,924	$ 56,778
Janes Creek Storm Drainage	$ 2,402	$ 801	$ 1,628
Arcata Elementry (School District)	$ 64,469	$ 21,487	$ 43,691
County of Humboldt	$ 128,724	$ 42,904	$ 87,237
Northern Humboldt Unified School District	$ 163,955	$ 54,646	$ 111,112
Pacific Union Elementary	$ 155,202	$ 51,729	$ 105,181
Redwoods Jr. College	$ 70,734	$ 23,576	$ 47,937
Arcata Fire District	$ 45,363	$ 15,120	$ 30,743
County Library	$ 13,750	$ 4,583	$ 9,318
County School Service	$ 11,994	$ 3,998	$ 8,128
Humboldt Bay Municipal Water	$ 8,564	$ 2,854	$ 5,804
North Humboldt Rec & Park District	$ 7,361	$ 2,454	$ 4,989
H Bay Harbor Rec & Conservation	$ 5,701	$ 1,900	$ 3,864
Educational Revenue Augmentation Funds (ERAF)			
Total	**$ 762,000**	**$ 253,975**	**$ 516,407**