

Successor Agency to the Turlock Redevelopment Agency Meeting Agenda



AUGUST 14, 2012

7:00 p.m.

**City of Turlock Yosemite Room
156 S. Broadway, Turlock, California**



Chairman
John S. Lazar

Agency Members
William DeHart, Jr. Mary Jackson
Forrest White Amy Bublak

Executive Director
Roy W. Wasden
Secretary
Kellie E. Weaver
City Attorney
Phaedra A. Norton

NOTICE REGARDING NON-ENGLISH SPEAKERS: The Successor Agency to the Turlock Redevelopment Agency meetings are conducted in English and translation to other languages is not provided. Please make arrangements for an interpreter if necessary.

EQUAL ACCESS POLICY: If you have a disability which affects your access to public facilities or services, please contact the City Clerk's Office at (209) 668-5540. The City is committed to taking all reasonable measures to provide access to its facilities and services. Please allow sufficient time for the City to process and respond to your request.

NOTICE: Pursuant to California Government Code Section 54954.3, any member of the public may directly address the Successor Agency to the Turlock Redevelopment Agency on any item appearing on the agenda, including Consent Calendar and Public Hearing items, before or during the Agency's consideration of the item.

AGENDA PACKETS: Prior to the Successor Agency to the Turlock Redevelopment Agency meeting, a complete Agenda Packet is available for review on the City's website at www.cityofturlock.org and in the City Clerk's Office at 156 S. Broadway, Suite 230, Turlock, during normal business hours. Materials related to an item on this Agenda submitted to the Agency after distribution of the Agenda Packet are also available for public inspection in the City Clerk's Office. Such documents may be available on the City's website subject to staff's ability to post the documents before the meeting.

1. CALL TO ORDER

2. CITIZEN PARTICIPATION:

This is the time set aside for members of the public to directly address the Successor Agency to the Turlock Redevelopment Agency on any item of interest to the public, before or during the Agency's consideration of the item, that is within the subject matter jurisdiction of the Agency. You will be allowed three (3) minutes for your comments. If you wish to speak regarding an item on the agenda, you may be asked to defer your remarks until the Agency addresses the matter.

No action or discussion may be undertaken on any item not appearing on the posted agenda, except that Agency may refer the matter to staff or request it be placed on a future agenda.

3. STAFF UPDATES:

- Legislative Update (*Pitt*)

4. DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS:

5. CONSENT CALENDAR:

Information concerning the consent items listed hereinbelow has been forwarded to each Agency Member prior to this meeting for study. Unless the Chairman, an Agency Member or member of the audience has questions concerning the Consent Calendar, the items are approved at one time by the Agency. The action taken by the Agency in approving the consent items is set forth in the explanation of the individual items.

- A. Motion: Accepting Minutes of the May 22, 2012 Regular Meeting of the Successor Agency to the Turlock Redevelopment Agency

6. PUBLIC HEARINGS: None

7. SCHEDULED MATTERS:

- A. Request to accept the Housing Asset Report and authorize its submission to the Department of Finance (DOF). (*Pitt*)

Recommended Action:

Resolution: Accepting the Housing Asset Report and authorizing its submission to the Department of Finance (DOF) as required by AB 1484.

- B. Request to approve a Recognized Obligation Payment Schedule for January – June 2013 pursuant to Health and Safety Code Section 34177 and taking certain actions in connection therewith. (*Lorenzi*)

Recommended Action:

Resolution: Approving a Recognized Obligation Payment Schedule for January – June 2013 pursuant to Health and Safety Code Section 34177 and taking certain actions in connection therewith

8. ADJOURNMENT

MAY 22, 2012
7:00 p.m.
City of Turlock Yosemite Room
156 S. Broadway, Turlock, California

DRAFT

MINUTES
Regular Meeting
Successor Agency to the
Turlock Redevelopment Agency

- 1. **CALL TO ORDER** – Chairman Lazar called the meeting to order at 8:26 p.m.
PRESENT: Agency Members Amy Bublak, Bill DeHart, Mary Jackson, Forrest White and
Chairman John S. Lazar
ABSENT: None

2. **CITIZEN PARTICIPATION:** None

3. **DECLARATION OF CONFLICT OF INTEREST AND DISQUALIFICATIONS:** None

4. **CONSENT CALENDAR**

Action: Motion by Agency Member White, seconded by Agency Member Jackson, and carried unanimously to adopt the consent calendar as follows:

- A. Motion: Accepting Minutes of the March 27, 2012 Regular Meeting of the Successor Agency to the Turlock Redevelopment Agency

5. **PUBLIC HEARINGS:** None

6. **SCHEDULED MATTERS:**

- A. Senior Accountant Marie Lorenzi presented the staff report on the request to adopt the FY 2012-2013 Budget for the Successor Agency to the Turlock Redevelopment Agency, noting green sheeted (amended) items as a result of recent discussions with the California State Department of Finance.

Chairman Lazar asked for public comment. No one spoke. Chairman Lazar closed public comment.

Action: **Resolution No. SA-RDA-2012-006** Adopting the FY 2012-2013 Budget for the Successor Agency to the Turlock Redevelopment Agency as amended was introduced by Councilmember Bublak, seconded by Councilmember DeHart, and carried unanimously.

- B. Sr. Accountant Marie Lorenzi presented the staff report on the request to approve an amended Recognized Obligation Payment Schedule for January – June 2012 and approve a Recognized Obligation Payment Schedule for July-December 2012 pursuant to Health and Safety Code Section 34177 and taking certain actions in connection therewith, noting green sheeted (amended) items as a result of recent discussions with the California State Department of Finance.

DRAFT

Chairman Lazar asked for public comment. No one spoke. Chairman Lazar closed public comment.

Action: **Resolution No. SA-RDA-2012-007** Approving an Amended Recognized Obligation Payment Schedule for January – June 2012 pursuant to Health and Safety Code Section 34177 as amended and taking certain actions in connection therewith was introduced by Agency Member Jackson, seconded by Agency Member DeHart, and carried unanimously.

Resolution No. SA-RDA-2012-008 Approving a Recognized Obligation Payment Schedule for July – December 2012 pursuant to Health and Safety Code Section 34177 as amended and taking certain actions in connection therewith was introduced by Agency Member Jackson, seconded by Agency Member DeHart, and carried unanimously.

7. ADJOURNMENT

Chairman Lazar adjourned the meeting at 8:37 p.m.

RESPECTFULLY SUBMITTED

Kellie E. Weaver
City Clerk



Successor Agency to the Redevelopment Agency Synopsis

7A

August 14, 2012

From: Roy W. Wasden, Executive Director

Prepared by: Maryn Pitt, Housing Program Manager

Agendized by: Roy W. Wasden, Executive Director

1. ACTION RECOMMENDED:

Resolution: Accepting the Housing Asset Report and authorizing its submission to the Department of Finance (DOF) as required by AB 1484

2. DISCUSSION OF ISSUE:

Existing law dissolved redevelopment agencies and community development agencies, as of February 1, 2012, and provided for the designation of successor agencies, as defined. Existing law requires successor agencies to wind down the affairs of the dissolved redevelopment agencies and to, among other things, make payments due for enforceable obligations, as defined, perform obligations required pursuant to any enforceable obligation, dispose of all assets of the former redevelopment agency, and to remit unencumbered balances of redevelopment agency funds, including housing funds, to the county auditor-controller for distribution to taxing entities.

Existing law authorizes the city, county, or city and county that authorized the creation of a redevelopment agency to retain the housing assets, functions, and powers previously performed by the redevelopment agency, excluding amounts on deposit in the Low and Moderate Income Housing Fund. AB 1484 modified provisions relating to the transfer of housing responsibilities associated with dissolved redevelopment agencies and defined the term "housing asset" for these purposes. The bill imposed further requirements on successor agencies with regard to the submittal of the Recognized Obligation Payment Schedule, the conducting of a due diligence review to determine the unobligated balances available for transfer to affected taxing entities, and the recovery and subsequent remittance of funds determined to have been transferred absent an enforceable obligation.

The bill authorized the Department of Finance to issue a finding of completion to a successor agency that completes the due diligence review and meets other requirements. Upon receiving a finding of completion, the bill authorized the successor agency to participate in a loan repayment program and limited

property management activities. Existing law authorizes the Department of Finance and the Controller to require any documents associated with enforceable obligations to be provided to them in a manner of their choosing. AB 1484 authorized the county auditor-controller and the Department of Finance, under specified circumstances, to require the return of funds improperly spent or transferred to a public entity and would authorize the Department of Finance and the Controller to require the State Board of Equalization and the county auditor-controller to offset sales and use tax and property tax allocations, respectively, to the local agency. Further, this bill authorized the Controller to review the activities of a successor agency to determine if an improper asset transfer had occurred between the successor agency and the city or county that created the former redevelopment agency, and would require the Controller to order the return of these assets if such an asset transfer did occur. The bill imposed new requirements on the county auditor-controller relating to the allocation of property tax revenues to affected taxing entities during a specified timeframe.

3. BASIS FOR RECOMMENDATION:

AB 1484 requires that a listing of housing assets be submitted to the Department of Finance (DOF) by August 1, 2012, with such assets to include those transferred between February 1, 2012 and the submission date of the listing. The bill requires that DOF review and objects to any asset or transfer, with any objections potentially subject to a meet and confer resolution process. Assets transferred to the housing successor entity are to be used for affordable housing activities, while disallowed assets would go to the Successor Agency for disposal or retention pursuant to an approved property management plan. The bill indicates that housing assets includes:

- a) Real and personal property acquired for low and moderate income housing with any source of funds.
- b) Funds encumbered by an enforceable obligation to build or acquire low and moderate income housing.
- c) Loans or grant receivables funded from the LMIHF from homebuyers, homeowners, developers, or other parties.
- d) Funds derived from rents or operation of properties acquired for low and moderate income housing purposes by other parties financed with any source of funds.
- e) Streams of rents or other payments from low and moderate income housing financed with any source of funds.
- f) Repayments of loans or deferrals owed to the LMIHF.

Certain other properties deemed at the Oversight Boards discretion to be housing assets, such as mixed use developments that contribute to community value or benefit local governments.

The adoption of this Resolution is necessary for the Successor Agency to comply with the Political Reform Act.

4. FISCAL IMPACT / BUDGET AMENDMENT:

There is no immediate or direct fiscal impact. However, the Department of Finance's review of the LMIHF fund balances may affect the timing and/or funding of Avena Bella Phase 2.

5. EXECUTIVE DIRECTOR'S COMMENTS:

Recommend approval.

6. ENVIRONMENTAL DETERMINATION:

There will be no new environmental impact associated with adoption of the attached Resolution.

7. ALTERNATIVES:

None recommended at this time as the adoption of this Resolution is necessary for the Successor Agency to comply with the provision of AB 1484.

**BEFORE THE SUCCESSOR AGENCY TO THE
TURLOCK REDEVELOPMENT AGENCY**

| | | |
|---|----------------------------|------------------------------------|
| IN THE MATTER OF ACCEPTING THE HOUSING ASSET REPORT AND AUTHORIZING ITS SUBMISSION TO THE DEPARTMENT OF FINANCE AS REQUIRED BY AB 1484 | } } } } } } | RESOLUTION NO. SA-RDA-2012- |
|---|----------------------------|------------------------------------|

WHEREAS, AB 1484 requires that a listing of housing assets be submitted to the Department of Finance (DOF) by August 1, 2012, with such assets to include those transferred between February 1, 2012 and the submission date of the listing; and

WHEREAS, the bill requires that DOF review and objects to any asset or transfer, with any objections potentially subject to a meet and confer resolution process. Assets transferred to the housing successor entity are to be used for affordable housing activities, while disallowed assets would go to the Successor Agency for disposal or retention pursuant to an approved property management plan; and

WHEREAS, this bill authorized the Controller to review the activities of a successor agency to determine if an improper asset transfer had occurred between the successor agency and the city or county that created the former redevelopment agency, and would require the Controller to order the return of these assets if such an asset transfer did occur; and

WHEREAS, the City of Turlock Housing Successor Agency has submitted the required report as presented in Exhibit A to the Department of Finance by the August 1, 2012 deadline as required.

THEREFORE BE IT RESOLVED, the Successor Agency of the City of Turlock thereby accepts the Housing Asset Report and authorizes its submission to the Department of Finance as required by AB 1484.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Turlock this 14th day of August, 2012, by the following vote:

AYES:
NOES:
NOT PARTICIPATING:
ABSENT:

ATTEST:

Kellie E. Weaver, City Clerk
City of Turlock, County of Stanislaus,
State of California

**DEPARTMENT OF FINANCE
HOUSING ASSETS LIST
ASSEMBLY BILL X1 26 AND ASSEMBLY BILL 1484
(Health and Safety Code Section 34176)**

Former Redevelopment Agency: City of Turlock

Successor Agency to the Former Redevelopment Agency: City of Turlock

Entity Assuming the Housing Functions of the former Redevelopment Agency: City of Turlock

Entity Assuming the Housing Functions Contact Name: Roy W. Wasden Title City Manager Phone (209) 668-5540 E-Mail Address rwasden@turlock.ca.us

Entity Assuming the Housing Functions Contact Name: Maryn Pitt Title Housing Program Manager Phone (209) 668-5610 E-Mail Address mpitt@turlock.ca.us

All assets transferred to the entity assuming the housing functions between February 1, 2012 and the date the exhibits were created are included in this housing assets list. The following Exhibits noted with an X in the box are included as part of this inventory of housing assets:

| | |
|--------------------------------------|---|
| Exhibit A - Real Property | X |
| Exhibit B- Personal Property | |
| Exhibit C - Low-Mod Encumbrances | X |
| Exhibit D - Loans/Grants Receivables | X |
| Exhibit E - Rents/Operations | |
| Exhibit F- Rents | |
| Exhibit G - Deferrals | X |

Prepared By: Maryn Pitt, Housing Program Manager

Date Prepared: 27-Jul-12

City of Turlock
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

| Item # | Type of Asset a/ | Legal Title and Description | Carrying Value of Asset | Total square footage | Square footage reserved for low-mod housing | Is the property encumbered by a low-mod housing covenant? | Source of low-mod housing covenant b/ | Date of transfer to Housing Successor Agency | Construction or acquisition cost funded with Low-Mod Housing Fund monies | Construction or acquisition costs funded with other RDA funds | Construction or acquisition costs funded with non-RDA funds | Date of construction or acquisition by the former RDA | Interest in real property (option to purchase, easement, etc.) |
|--------|--|------------------------------|-------------------------|----------------------|---|---|--|--|--|---|---|---|--|
| 1 | commercial/office building | 300 Starr Avenue, Turlock | \$327,184 | 3,000 sft | 0 | yes | Deed restriction-California Redevelopment Law | 1/12/2012 | yes | no | no | 1-Jun-10 | In fee |
| 2 | Single family dwelling | 2180 Murray, Turlock | \$182,000 | 1400sft+/- | 1400sft | yes | Deed restriction-California Redevelopment Law | 1/10/2012 | Yes, RDA holds first deed of trust | no | yes- NSP | 3/15/2012 | In fee |
| 3 | vacant land, entitled for multi-family | 500A Linwood Avenue, Turlock | \$650,000 | 2.6 acres+/- | 96,392 sft+/- | Will be under terms of DDA and escrow closing | Deed restriction-California Redevelopment Law - Tax credit financing | 1/10/2012 | yes | no | AHP, Tax credits | 2003 | In fee |
| 4 | | | \$1,159,184 | | | | | | | | | | |
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a/ Asset types may include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

City of Turlock
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

| Item # | Type of Asset a/ | Description | Carrying Value of Asset | Date of transfer to Housing Successor Agency | Acquisition cost funded with Low-Mod Housing Fund monies | Acquisition costs funded with other RDA funds | Acquisition costs funded with non-RDA funds | Date of acquisition by the former RDA |
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a/ Asset types any personal property provided in residences, including furniture and appliances, all housing-related files and loan documents, office supplies, software licenses, and mapping programs, that were acquired for low and moderate income housing purposes, either by purchase or through a loan, in whole or in part, with any source of funds.

City of Turlock
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

| Item # | Type of housing built or acquired with enforceably obligated funds a/ | Date contract for Enforceable Obligation was executed | Contractual counterparty | Total amount currently owed for the Enforceable Obligation | Is the property encumbered by a low-mod housing covenant? | Source of low-mod housing covenant b/ | Current owner of the property | Construction or acquisition cost funded with Low-Mod Housing Fund monies | Construction or acquisition costs funded with other RDA funds | Construction or acquisition costs funded with non-RDA funds | Date of construction or acquisition of the property |
|--------|---|---|---|--|---|---------------------------------------|---|--|---|---|---|
| 1 | Multi-family- Avena Bella Phase 2 | April 27, 2010 and April 12, 2011 | EAH, Inc | \$4,000,000 | Through the DDA | Development Agreement | City of Turlock | \$4,000,000 | \$0 | \$12,000,000 | Acquired 2003 Construction began February 2012 |
| 2 | Rent subsidy for Senior affordable housing | 1-Apr-07 | JCS Properties dba Sun Garden Mobile Home Park | 10,200 | Contract | Redevelopment Law | JCS Properties dba Sun Garden Mobile Home Park | N/A | \$0 | \$0 | N/A |
| 3 | Rent subsidy for Senior affordable housing | 1-Apr-07 | Robinson Family Trust dba Mulberry Mobile Home Park | 1,200 | Contract | Redevelopment Law | Robinson Family Trust dba Mulberry Mobile Home Park | N/A | \$0 | \$0 | N/A |
| 4 | Rent subsidy for Senior affordable housing | 16-May-07 | Fernando Perenza dba Magic Sands Mobile Home Park | 3,000 | Contract | Redevelopment Law | Fernando Perenza dba Magic Sands Mobile Home Park | N/A | \$0 | \$0 | N/A |
| 5 | Rent subsidy for Senior affordable housing | 3-Apr-07 | Western View Mobile Home Ranch LLC | 18,000 | Contract | Redevelopment Law | Western View Mobile Home Ranch LLC | N/A | \$0 | \$0 | N/A |
| 6 | Rent subsidy for Senior affordable housing | 19-Apr-07 | John F. Watkins dba Westfork Estates Mobile Home Park | 4,200 | Contract | Redevelopment Law | John F. Watkins dba Westfork Estates Mobile Home Park | N/A | \$0 | \$0 | N/A |
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a/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

City of Turlock
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

| Item # | Was the Low-Mod Housing Fund amount issued for a loan or a grant? | Amount of the loan or grant | Date the loan or grant was issued | Person or entity to whom the loan or grant was issued | Purpose for which the funds were loaned or granted | Are there contractual requirements specifying the purposes for which the funds may be used? | Repayment date, if the funds are for a loan | Interest rate of loan | Current outstanding loan balance | Was loan amount used as match? |
|--------|---|-----------------------------|-----------------------------------|---|--|---|---|-----------------------|----------------------------------|--------------------------------|
| 1 | Loan | \$16,500 | 10/28/2010 | Akin, S. | DPA | Yes | 2050 | 3% | 16,500 | Yes |
| 2 | Loan | \$15,000 | 1/21/2005 | Casillas, R. | DPA | Yes | 2045 | 5% | 18,750 | Yes |
| 3 | Loan | 40,000 | 5/4/2004 | Garcia, J. | DPA | Yes | 2044 | 5% | 46,000 | No |
| 4 | Loan | 17,500 | 3/17/2005 | Gaolani, D | DPA | Yes | 2045 | 5% | 19,250 | Yes |
| 5 | Loan | 182,000 | 4/26/2011 | Hernandez, L. | DPA | Yes | 2066 | 3% | 182,000 | No |
| 6 | Loan | 15,000 | 3/10/2005 | Khalilisbet, G. | DPA | Yes | 2045 | 5% | 18,750 | Yes |
| 7 | Loan | 12,000 | 6/2/2005 | Montecinos, P. | DPA | Yes | 2045 | 5% | 13,200 | Yes |
| 8 | Loan | 15,000 | 1/6/2005 | Perry, J. | DPA | Yes | 2045 | 5% | 18,750 | Yes |
| 9 | Loan | 17,500 | 10/28/2004 | Shakir, P. | DPA | Yes | 2044 | 5% | 24,063 | Yes |
| 10 | Loan | 40,000 | 5/4/2004 | Soltero, R. | DPA | Yes | 2044 | 5% | 46,000 | Yes |
| 11 | Loan | 17,500 | 1/6/2005 | Souza, Y. | DPA | Yes | 2045 | 5% | 18,750 | Yes |
| 12 | Loan | 12,000 | 5/19/2005 | Tejeda, J. | DPA | Yes | 2045 | 5% | 13,200 | Yes |
| 13 | Loan | \$40,000 | 11/18/2004 | Westby, H. | DPA | Yes | 2044 | 5% | 46,000 | No |
| 14 | Loan | \$17,500 | 11/18/2004 | Yang, C. | DPA | Yes | 2044 | 5% | 18,750 | Yes |

TOTAL \$457,500 483,463

| | | | | | | | | | | |
|----|-----------------------|-----------|-----------|----------------------|------------------|-----|-----------|----|--------------|-----|
| 15 | Residual Receipt Loan | 5,000,000 | 4/27/2010 | EAH, Inc | New Construction | Yes | 4/27/2065 | 3% | 5,120,000.00 | Yes |
| 16 | Residual Receipt Loan | 4,000,000 | 4/26/2005 | CVCAH/ Crane Terrace | New Construction | Yes | 4/26/2060 | 3% | \$4,920,698 | Yes |
| 17 | Residual Receipt Loan | \$600,000 | 6/12/2000 | Cherry Tree Village | New Construction | Yes | 6/12/2040 | 5% | \$878,621 | No |

TOTAL 9,600,000 10,919,319.00

City of Turlock
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

| Item # | Type of payment a/ | Type of property with which they payments are associated b/ | Property owner | Entity that collects the payments | Entity to which the collected payments are ultimately remitted | Purpose for which the payments are used | Is the property encumbered by a low-mod housing covenant? | Source of low-mod housing covenant c/ | Item # from Exhibit A the rent/operation is associated with (if applicable) |
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a/ May include revenues from rents, operation of properties, residual receipt payments from developers, conditional grant repayments, costs savings and proceeds from refinancing, and principal and interest payments from homebuyers subject to enforceable income limits.

b/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

c/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

City of Turlock
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

| Item # | Type of payment a/ | Type of property with which the payments are associated b/ | Property owner | Entity that collects the payments | Entity to which the collected payments are ultimately remitted | Purpose for which the payments are used | Is the property encumbered by a low-mod housing covenant? | Source of low-mod housing covenant c/ | Item # from Exhibit A the rent is associated with (if applicable) |
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a/ May include rents or home loan payments.

b/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

c/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

City of Turlock

Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

| Item # | Purpose for which funds were deferred | Fiscal year in which funds were deferred | Amount deferred | Interest rate at which funds were to be repaid | Current amount owed | Date upon which funds were to be repaid |
|--------|---|--|-----------------|--|---------------------|---|
| 1 | NONE | | | | | |
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| 4 | In the DPA loans, there are some terms that defer interest for the first 59 months of | | | | | |
| 5 | the loan. There are no other deferrals. | | | | | |
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Successor Agency to the Redevelopment Agency Synopsis

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August 14, 2012

From: Roy W. Wasden, Executive Director
Prepared by: Marie Lorenzi, Senior Accountant
Agendized by: Roy W. Wasden, Executive Director

1. ACTION RECOMMENDED:

Resolution: Approving a Recognized Obligation Payment Schedule for January – June 2013 pursuant to Health and Safety Code Section 34177 and taking certain actions in connection therewith

2. DISCUSSION OF ISSUE:

The January – June 2013 Recognized Obligation Payment Schedule (ROPS) is the third installment before the Successor Agency for approval. After Successor Agency approval, the ROPS will be presented to the Oversight Board for their approval. The format of the document before the Successor Agency for approval has changed since the last installment due to the passage of AB 1484. The page detailing enforceable obligation funding for January – June 2013 now includes information related to when the obligation ends and the projected funding source for each obligation. Gone is the requirement to estimate funding needs on a monthly basis. New is a page reconciling amounts requested with amounts actually expended. For the January – June 2013 ROPS, the reconciliation page is for the January – June 2012 time period.

The only new enforceable obligation on this ROPS (when compared to the July – December 2012 ROPS) is furnishings for the public safety facility. Staff anticipates that during the January – June 2013 timeframe, the building will be far enough along that all the furnishings and equipment necessary to function within the building will be ordered and installation will begin (if not be completed). This item was part of the budget approved by the City Council when the construction contracts were approved and, like the construction contracts, the funding identified for this acquisition was RDA tax increment and/or bond proceeds.

DEBT SERVICE

The debt service included in this ROPS represents the amounts which will be due to bond holders in September 2013. As noted in prior reports to the Successor Agency, due to the inconsistencies between the timing of revenue receipts and the expenditures, the debt service payments on any ROPS will be that due in the six month period which follows the time period of the ROPS. Therefore the January – June 2013 ROPS contains the debt service payments for September 2013.

ADMINISTRATIVE ALLOWANCE

AB X1 26 provides for an administrative allowance equal to 3% of revenue with a minimum of \$250,000. The amount requested on the January – June 2013 ROPS represents the difference between \$250,000 and the amount requested on the July – December 2012 ROPS.

3. BASIS FOR RECOMMENDATION:

These items are before the Successor Agency to the Turlock Redevelopment Agency as required by Health and Safety Code Section 34177.

4. FISCAL IMPACT / BUDGET AMENDMENT:

Preparation of a Recognized Obligation Payment Schedule will allow the Successor Agency to pay enforceable obligations of the former redevelopment agency.

5. EXECUTIVE DIRECTOR'S COMMENTS:

Recommend approval.

6. ENVIRONMENTAL DETERMINATION:

N/A

7. ALTERNATIVES:

None recommended at this time as the preparation of a Recognized Obligation Payment Schedule is required by law in order for the Successor Agency to continue to pay obligations of the former Turlock Redevelopment Agency.

**BEFORE THE SUCCESOR AGENCY TO THE
TURLOCK REDEVELOPMENT AGENCY**

**IN THE MATTER OF APPROVING A }
RECOGNIZED OBLIGATION PAYMENT }
SCHEDULE FOR JANUARY – JUNE 2013 }
PURSUANT TO HEALTH AND SAFETY CODE }
SECTION 34177 AND TAKING CERTAIN }
ACTIONS IN CONNECTION THEREWITH }
_____ }**

RESOLUTION NO. SA-RDA-2012-

WHEREAS, AB X1 26 and AB X1 27 were signed by the Governor of California on June 29, 2011, making certain changes to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the "Redevelopment Law"), including adding Part 1.8 (commencing with Section 34161) ("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85"); and

WHEREAS, the California Redevelopment Association and League of California Cities filed a lawsuit in the Supreme Court of California (*California Redevelopment Association, et al. v. Matosantos, et al.* (Case No. S194861)) alleging that AB X1 26 and AB X1 27 are unconstitutional. On December 29, 2011, the Supreme Court issued its opinion in the Matosantos case largely upholding AB X1 26, invalidating AB X1 27, and holding that AB X1 26 may be severed from AB X1 27 and enforced independently; and

WHEREAS, the Supreme Court generally revised the effective dates and deadlines for performance of obligations in Part 1.85 arising before May 1, 2012, to take effect four months later; and

WHEREAS, as a result of the Supreme Court's decision, the Turlock Redevelopment Agency (the "Redevelopment Agency"), a redevelopment agency in the City of Turlock (the "City"), created pursuant to the Redevelopment Law, was dissolved pursuant to Part 1.85 on February 1, 2012; and

WHEREAS, by its Resolution No. 2012-009, adopted on January 10, 2012, the City Council of the City made an election to serve as the successor agency for the Redevelopment Agency under Part 1.85 (the "Successor Agency"); and

WHEREAS, by its Resolution No. 2012-023, adopted on February 14, 2012, the City Council, acting as the governing board for the Successor Agency, established rules and regulations applicable to the governance and operation of the Successor Agency, and pursuant to such resolution provided that the Successor Agency will be governed by a Board of Directors (the "Board") consisting of the members of the City Council of the City; and

WHEREAS, Health and Safety Code Section 34177(l), as modified by the California Supreme Court, provides that the Successor Agency must prepare a Recognized Obligation Payment Schedule for each calendar 6-month period for the enforceable obligations of the former Redevelopment Agency, in accordance with the requirements of paragraph (l). The schedule must be reviewed and certified, as to its accuracy, by an external auditor designated at the county auditor-controller's direction pursuant to Health and Safety Code Section 34182. The certified Recognized Obligation Payment Schedule must be submitted to and approved by the Oversight Board. Finally, after approval by the Oversight Board, a copy of the approved Recognized Obligation Payment Schedule must be submitted to the county auditor-controller, the State Controller and the State Department of Finance ("DOF"), and be posted on the Successor Agency's web site; and

WHEREAS, accordingly, the Board desires to adopt this Resolution approving a Recognized Obligation Payment Schedule for January – June 2013 in accordance with the above paragraph.

NOW, THEREFORE, the Board of Directors of the Successor Agency to the Turlock Redevelopment Agency hereby finds, determines, resolves, and orders as follows:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. This Resolution is adopted pursuant to Health and Safety Code Section 34177.

Section 3. The Board hereby approves the Recognized Obligation Payment Schedule for January – June 2013 substantially in the form attached as Exhibit A to this Resolution and incorporated herein by reference (the “ROPS”). The Executive Director of the Successor Agency, in consultation with the Successor Agency’s legal counsel, may modify the ROPS as the Executive Director or the Successor Agency’s legal counsel deems necessary or advisable.

Section 4. The Board hereby designates the Senior Accountant as the official to whom the DOF may make requests for review in connection with the ROPS and who shall provide the DOF with the telephone number and e-mail contact information for the purpose of communicating with the DOF.

Section 5. Staff is hereby authorized and directed to post a copy of the Oversight Board-approved ROPS No. 3 on the Successor Agency’s Internet website (being a page on the Internet website of the City of Turlock).

Section 6. The officers and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including submitting the certified Recognized Obligation Payment Schedule to the oversight board for approval, and any such actions previously taken by such officers are hereby ratified and confirmed.

PASSED AND ADOPTED at a meeting of the Successor Agency to the Turlock Redevelopment Agency this 14th day of August, 2012, by the following vote:

AYES:
NOES:
NOT PARTICIPATING:
ABSENT:

ATTEST:

Kellie E. Weaver, City Clerk,
City of Turlock, County of Stanislaus,
State of California

SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Filed for the January 1, 2013 to June 30, 2013 Period

Name of Successor Agency: Successor Agency to Turlock Redevelopment Agency

| | Total Outstanding Debt or Obligation |
|--|---|
| Outstanding Debt or Obligation | 18,415,529.35 |
| Current Period Outstanding Debt or Obligation | Six-Month Total |
| A Available Revenues Other Than Anticipated RPTTF Funding | 5,764,377.90 |
| B Enforceable Obligations Funded with RPTTF | 2,960,000.61 |
| C Administrative Allowance Funded with RPTTF | 118,500.00 |
| D Total RPTTF Funded (B + C = D) | 3,078,500.61 |
| Total Current Period Outstanding Debt or Obligation (A + B + C = E) <i>Should be same amount as ROPS form six-month total</i> | 8,842,878.51 |
| E Enter Total Six-Month Anticipated RPTTF Funding | 3,100,000.00 |
| F Variance (D - E = F) <i>Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding</i> | 21,499.39 |
| Prior Period (January 1, 2012 through June 30, 2012) Estimated vs. Actual Payments (as required in HSC section 34186 (a)) | |
| G Enter Estimated Obligations Funded by RPTTF <i>(Should be the same amount as RPTTF approved by Finance, including admin allowance)</i> | 3,200,882.52 |
| H Enter Actual Obligations Paid with RPTTF | 2,950,882.52 |
| I Enter Actual Administrative Expenses Paid with RPTTF | 250,000.00 |
| J Adjustment to Redevelopment Obligation Retirement Fund (G - (H + I) = J) | 0.00 |
| K Adjustment to RPTTF | 3,078,500.61 |

Certification of Oversight Board Chairman:
Pursuant to Section 34177(m) of the Health and Safety code,
I hereby certify that the above is a true and accurate Recognized
Obligation Payment Schedule for the above named agency.

| | |
|-----------|-------|
| _____ | _____ |
| Name | Title |
| _____ | _____ |
| Signature | Date |

Name of Successor Agency: Successor Agency to Turlock Redevelopment Agency
 County: Stanislaus

Pursuant to Health and Safety Code section 34186 (a)
 PRIOR PERIOD ESTIMATED OBLIGATIONS vs. ACTUAL PAYMENTS
 RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS I)
 January 1, 2012 through June 30, 2012

| Page/Form | Line | Project Name / Debt Obligation | Payee | Description/Project Scope | Project Area | LMIHF | | Bond Proceeds | | Reserve Balance | | Admin Allowance | | RPTTF | | Other | |
|-----------|------|---|---|---|--------------|----------|--------|---------------|--------------|-----------------|--------------|-----------------|------------|--------------|--------------|----------|--------|
| | | | | | | Estimate | Actual | Estimate | Actual | Estimate | Actual | Estimate | Actual | Estimate | Actual | Estimate | Actual |
| | | Grand Total | | | | \$ - | \$ - | 8,186,777.73 | 6,966,528.33 | 6,885,094.51 | 4,400,451.25 | 250,000.00 | 250,000.00 | 2,950,882.52 | 2,950,882.52 | 0.00 | 0.00 |
| 1 | 1 | 1999 Tax Increment Bonds | US Bank | proceeds used for non-housing projects | | | | | | | | | | 336,672.50 | 336,672.50 | | |
| 1 | 2 | 2006 Tax Increment Bonds | US Bank | proceeds used for non-housing projects | | | | | | | | | | 1,545,066.26 | 1,545,066.26 | | |
| 1 | 3 | 2011 Tax Increment Bonds | US Bank | proceeds used for non-housing projects | | | | | | | | | | 1,069,143.76 | 1,069,143.76 | | |
| 1 | 5 | Public Safety Facility | Ross F Carroll, Inc | off-site improvements | | | | 236,664.25 | | 77,869.97 | 267,458.12 | | | | | | |
| 1 | 6 | Public Safety Facility | Diede Construction, Inc | general & specialties | | | | 451,456.62 | 222,840.00 | 148,543.38 | | | | | | | |
| 1 | 7 | Public Safety Facility | Bank of Ag & Commerce | retention for Diede Construction, Inc | | | | 50,161.85 | 24,760.00 | 16,504.82 | | | | | | | |
| 1 | 8 | Public Safety Facility | George Reed Inc | demo, grading and paving | | | | 451,456.62 | | 148,543.38 | | | | | | | |
| 1 | 9 | Public Safety Facility | Modern Building Co | building structural concrete | | | | 752,427.70 | 939,567.90 | 247,572.30 | | | | | | | |
| 1 | 10 | Public Safety Facility | Duley's Landscaping, Inc | landscaping | | | | 105,339.88 | 47,111.09 | 34,660.12 | | | | | | | |
| 1 | 11 | Public Safety Facility | Frazier Masonry | masonry | | | | 477,791.59 | 295,869.14 | 157,208.41 | | | | | | | |
| 1 | 12 | Public Safety Facility | Golden State Steel | structural steel | | | | 428,883.79 | 631,923.53 | 141,116.21 | | | | | | | |
| 1 | 13 | Public Safety Facility | Central Valley Comm Bank | retention for Golden State Steel | | | | 47,653.76 | 70,213.72 | 15,679.58 | | | | | | | |
| 1 | 14 | Public Safety Facility | Tarleton & Son | framing, drywall & plaster | | | | 1,226,457.15 | 1,084,419.00 | 403,542.85 | | | | | | | |
| 1 | 15 | Public Safety Facility | Graham/Prewett | roofing and waterproofing | | | | 425,121.65 | 232,665.10 | 139,878.35 | | | | | | | |
| 1 | 16 | Public Safety Facility | Diede Construction, Inc | doors, windows & hardware | | | | 474,029.45 | 99,252.00 | 155,970.55 | | | | | | | |
| 1 | 17 | Public Safety Facility | Bank of Ag & Commerce | retention for Diede Construction, Inc | | | | 52,669.95 | 11,028.00 | 17,330.06 | | | | | | | |
| 1 | 18 | Public Safety Facility | LVI Facility Services | fireproofing | | | | 115,121.44 | | 37,878.56 | | | | | | | |
| 1 | 19 | Public Safety Facility | DC Vient, Inc | painting & wall coverings | | | | 150,485.54 | | 49,514.46 | | | | | | | |
| 1 | 20 | Public Safety Facility | Bobo construction | mechanical & HVAC | | | | 752,427.70 | 579,731.66 | 247,572.30 | | | | | | | |
| 1 | 21 | Public Safety Facility | Darrale Patrias Elec. | building and site electrical | | | | 884,102.55 | 1,381,547.80 | 290,897.45 | | | | | | | |
| 1 | 22 | Public Safety Facility | Mark III Construction | building and site plumbing | | | | 124,150.57 | 339,534.00 | 40,849.43 | | | | | | | |
| 1 | 23 | Public Safety Facility | Kone Elevators | elevators | | | | 112,864.15 | | 37,135.85 | | | | | | | |
| 1 | 24 | Public Safety Facility | Gen-Cal Fire Systems | fire protection | | | | 158,009.82 | 113,596.42 | 51,990.18 | | | | | | | |
| 1 | 25 | Public Safety Facility | WLC | architect and construction management | | | | 519,175.11 | 667,502.27 | 170,824.89 | | | | | | | |
| 1 | 26 | Public Safety Facility | Koehn Engineering & Design | parcel map/lot line adjustment | | | | 1,467.23 | | 482.77 | | | | | | | |
| 1 | 27 | Public Safety Facility | Kleinfelder West, Inc | testing | | | | 26,334.97 | 1,040.00 | 8,665.03 | | | | | | | |
| 1 | 28 | Public Safety Facility | Neil O Anderson & Assoc | testing | | | | 56,432.08 | 130,105.00 | 18,567.92 | | | | | | | |
| 1 | 29 | Public Safety Facility | City of Turlock | contract mgmt & inspection | | | | 106,092.31 | 93,621.70 | 34,907.69 | | | | | | | |
| 2 | 1 | mobile home rental subsidy | JCS Properties Inc | mobile home rental subsidy | | | | | | 10,200.00 | 10,288.98 | | | | | | |
| 2 | 2 | mobile home rental subsidy | Magic Sands Mobile Home | mobile home rental subsidy | | | | | | 3,000.00 | 1,579.08 | | | | | | |
| 2 | 3 | mobile home rental subsidy | Mulberry Mobile Park | mobile home rental subsidy | | | | | | 1,200.00 | 1,068.58 | | | | | | |
| 2 | 4 | mobile home rental subsidy | Western View Mobile Ranc | mobile home rental subsidy | | | | | | 18,000.00 | 17,809.21 | | | | | | |
| 2 | 5 | mobile home rental subsidy | Westfork Estates | mobile home rental subsidy | | | | | | 4,200.00 | 4,170.14 | | | | | | |
| 2 | 8 | Downtown Housing Plan | City of Turlock | downtown housing plan | | | | | | 58,900.00 | 2,189.21 | | | | | | |
| 2 | 9 | RDA Special Legal Counsel | Richards, Watson & Gersho | legal counsel | | | | | | | | 15,600.00 | 8,899.10 | | | | |
| 2 | 10 | Annual Audit | Caporizzi & Larson | audit services | | | | | | | | 5,550.00 | 2,774.00 | | | | |
| 2 | 11 | DDA | Avena Bella - Phase I | low- & mod-income housing project | | | | | | 4,095,888.00 | 4,095,887.93 | | | | | | |
| 2 | 12 | DDA | Avena Bella - Phase II | low- & mod-income housing project | | | | | | 0.00 | | | | | | | |
| 2 | 13 | Econ Dev Proj Funding Agmt | Stan Cty Econ Dev Land B | loan repayment | | | | | | 0.00 | | | | | | | |
| 2 | 15 | Personnel Costs and other Agency administrative costs | various employees and benefit providers | salary and benefit costs for RDA paid employees | | | | | | | | 228,850.00 | 238,326.90 | | | | |