

Successor Agency to the Turlock Redevelopment Agency Special Meeting Agenda



February 26, 2013

7:00 p.m.

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



Chairman
John S. Lazar

Agency Members
William DeHart, Jr. **Steven Nascimento**
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 citizens to address the Successor Agency to the Turlock Redevelopment Agency concerning any item that has been described in the notice for the meeting before or during consideration of that item. 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.

3. DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS

4. 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 September 11, 2012 Special Meeting of the Successor Agency to the Turlock Redevelopment Agency

5. PUBLIC HEARINGS: None

6. SCHEDULED MATTERS:

- A. Request to approve a Recognized Obligation Payment Schedule for July – December 2013 pursuant to Health and Safety Code Section 34177 and taking certain actions in connection therewith and approve the Successor Agency's Administrative Budget for Fiscal Year 2013-14 and forwarding said Budget to the Oversight Board for their approval. (*Lorenzi*)

Recommended Action:

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

Motion: Approving Successor Agency's Administrative Budget for Fiscal Year 2013-14 and forwarding said Budget to the Oversight Board for their approval

7. ADJOURNMENT

The foregoing meeting is hereby called by Chairman John S. Lazar at the above mentioned date and time pursuant to California Government Code §54956.



JOHN S. LAZAR, Chairman

DRAFT

SEPTEMBER 11, 2012
7:00 p.m.
City of Turlock Yosemite Room
156 S. Broadway, Turlock, California

1. **CALL TO ORDER** – Chairman Lazar called the meeting to order at 7:50 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 Bublak, and carried unanimously to adopt the consent calendar as follows:

A. Motion: Accepting Minutes of the August 14, 2012 Meeting of the Successor Agency to the Turlock Redevelopment Agency

5. **PUBLIC HEARINGS:** None

6. **SCHEDULED MATTERS:**

A. Sr. Accountant Marie Lorenzi presented the staff report on the request to authorize the Executive Director to enter into a Contract with JJACPA, Inc. to perform an Agreed Upon Procedures – Due Diligence Review as required under AB1484 in an amount not to exceed \$10,000.

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

Action: **Resolution No. SA-RDA-2012-011** Authorizing the Executive Director to enter into a Contract with JJACPA, Inc. to perform an Agreed Upon Procedures – Due Diligence Review as required under AB1484 in an amount not to exceed \$10,000 was introduced by Agency Member White, seconded by Agency Member DeHart, and carried unanimously.

7. **ADJOURNMENT**

Chairman Lazar adjourned the meeting at 7:56 p.m.

RESPECTFULLY SUBMITTED

Kellie E. Weaver
City Clerk

DRAFT



Successor Agency to the Redevelopment Agency Synopsis

February 26, 2013

COA

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 July – December 2013 pursuant to Health and Safety Code Section 34177 and taking certain actions in connection therewith

Motion: Approving Successor Agency's Administrative Budget for Fiscal Year 2013-14 and forwarding said Budget to the Oversight Board for their approval

2. DISCUSSION OF ISSUE:

The July – December 2013 Recognized Obligation Payment Schedule (ROPS) is the fourth 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 has not changed substantively since the last time the Successor Agency reviewed and approved it before Staff presented it to the Oversight Board.

In addition to debt service, the Enforceable Obligations on this ROPS include the assumption that the construction of the Public Safety Facility will be completed and the building will be occupied during the July – December 2013 period. In addition, the first payment to the Stanislaus County Economic Development Bank is due in January 2014. This obligation has been included so as to have the funds on hand to make the payment when it is due.

DEBT SERVICE

The debt service included in this ROPS represents the amounts which will be due to bond holders in March 2014. 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 July – December 2013 ROPS contains the debt service payments for March 2014.

ADMINISTRATIVE ALLOWANCE

AB X1 26 provides for an administrative allowance equal to 3% of revenue with a minimum of \$250,000. Staff has excluded from the Administrative Allowance costs which are project specific or are annually required activities (i.e. third party trustee services, arbitrage rebates services and audit services). Attached Exhibit A outlines the proposed Administrative budget for 2013-14.

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.

The Administrative Allowance Budget will allow these costs to be included in the City's 2013-14 budget process. It will be forwarded on to the Oversight Board for their approval. Any changes made by the Oversight Board will be brought back to the Successor 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 SUCCESSION AGENCY TO THE
TURLOCK REDEVELOPMENT AGENCY**

**IN THE MATTER OF APPROVING A } RESOLUTION NO. SA-RDA-2013-_____
RECOGNIZED OBLIGATION PAYMENT }
SCHEDULE FOR JULY - DECEMBER 2013 }
PURSUANT TO HEALTH AND SAFETY }
CODE SECTION 34177 AND TAKING }
CERTAIN ACTIONS IN CONNECTION }
THEREWITH }
_____ }**

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 July – December 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 July – December 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. 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 special meeting of the Successor Agency to the Turlock Redevelopment Agency this 26th day of February, 2013, by the following vote:

AYES:
NOES:
NOT PARTICIPATING:
ABSENT:

ATTEST:

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

EXHIBIT A

**Successor to the Turlock Redevelopment Agency
Budget for Fiscal Year 2013-14**

Administrative Allowance		
Successor Agency Staff	\$	201,000
Audit Services		7,000
Contract Administration - Mobile Home Park Subsidies		12,000
Supplies, meetings, training, advertising, IT, etc		5,000
Other Contractual Services (including legal)		25,000
Total Administrative Allowance	\$	250,000

note - the above amounts are estimates. The Successor Agency is allowed a minimum of \$250,000 in annual administrative costs. Direct out-of-pockets related to Succssor Agency activities will be paid first. The balance of the \$250,000 will be applied to Successor Agency staff time.

