

# Successor Agency to the Turlock Redevelopment Agency Meeting Agenda



**MARCH 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](http://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. **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 February 26, 2013 Special Meeting of the Successor Agency to the Turlock Redevelopment Agency
- B. Resolution: Approving the execution of a Cooperative Agreement for advance and reimbursement of administrative, overhead and other expenses by and between the Successor Agency to the Turlock Redevelopment Agency and the City of Turlock and taking certain actions in connection therewith

**5. PUBLIC HEARINGS: None**

**6. SCHEDULED MATTERS: None**

**7. ADJOURNMENT**

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the City Hall bulletin board not less than 72 hours prior to the meeting. Dated this 22<sup>nd</sup> day of March, 2013.

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Kellie E. Weaver  
City Clerk

1. **CALL TO ORDER** – Chairman Lazar called the meeting to order at 7:34 p.m.  
PRESENT: Agency Members Bill DeHart, Steven Nascimento, Amy Bublak, 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 Bublak, seconded by Agency Member DeHart, and carried unanimously to adopt the consent calendar as follows:

- 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. Sr. Accountant Marie Lorenzi presented the staff report on the 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 to forward said Budget to the Oversight Board for their approval. Ms. Lorenzi noted the green sheet on this item.

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

**Action:** **Resolution No. SA-RDA-2013-001** Approving a Recognized Obligation Payment Schedule for July – December 2013 (as presented in amended green sheet) pursuant to Health and Safety Code Section 34177 and taking certain actions in connection therewith was introduced by Councilmember Bublak, seconded by Councilmember White, and carried unanimously.

Motion by Councilmember Bublak, seconded by Councilmember White, Approving Successor Agency's Administrative Budget for Fiscal Year 2013-14 and forwarding said Budget to the Oversight Board for their approval. Motion carried unanimously.

DRAFT

7. ADJOURNMENT

Chairman Lazar adjourned the meeting at 7:46 p.m.

RESPECTFULLY SUBMITTED

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Kellie E. Weaver  
City Clerk

DRAFT



## Successor Agency to the Redevelopment Agency Synopsis

4B

March 26, 2013

From: Roy W. Wasden, Executive Director

Prepared by: Marie Lorenzi, Senior Accountant

Agendized by: Roy W. Wasden, Executive Director

### 1. ACTION RECOMMENDED:

Resolution: Approving the execution of a Cooperative Agreement for advance and reimbursement of administrative, overhead and other expenses by and between the Successor Agency to the Turlock Redevelopment Agency and the City of Turlock and taking certain actions in connection therewith

### 2. DISCUSSION OF ISSUE:

Upon dissolution of the Turlock Redevelopment Agency on February 1, 2012 pursuant to Part 1.85 of the Community Redevelopment Law ("Part 1.85"), the Successor Agency to the Turlock Redevelopment Agency was constituted and is governed by a board of directors consisting of the members of the City Council. The Successor Agency is required to undertake a number of actions pursuant to Part 1.85, including winding down the affairs of the former Turlock Redevelopment Agency ("Agency") pursuant to Health and Safety Code Section 34177(h).

The Legislature adopted AB 1484 on June 27, 2012, significantly amending Part 1.85, including Health and Safety Code Section 34173(h) to authorize the City to loan or grant funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at the City's discretion and to specify that an enforceable obligation shall be deemed to be created for repayment of such loans. Pursuant to Health and Safety Code Sections 34178(a) and 34180(h), with the approval of the Oversight Board, the Successor Agency may enter into agreements with the City.

The need for this agreement arises out of the cashflow issues associated with the distribution of the Redevelopment Property Tax Trust Fund (RPTTF) dollars. These monies were previously known as tax increment dollars. As the Board may recall, in the dissolution laws a hierarchy was established for the distribution of RPTTF dollars. As these distributions relate to monies received by Turlock's Successor Agency, the order of distribution is bond debt service payments, other enforceable obligations, and then administrative costs.

At this time, there is not sufficient RPTTF distributed to Turlock's Successor Agency to fund administrative costs. Therefore, the City of Turlock is currently funding these costs. In order to be in a position that the Successor Agency reimburses the City when there are sufficient revenues, our legal counsel has advised that the attached Resolution approving the Agreement be adopted. Then the City will keep track of the funding advanced for administrative costs and when there is sufficient RPTTF available, include a claim for these costs on a future ROPS.

Staff anticipates that there will be RPTTF available to pay for administrative costs once the public safety facility is completed. As with all other enforceable obligations, the enforceability of this agreement will be up to the California Department of Finance who, absent litigation, has final say as to the validity of all enforceable obligations.

**3. BASIS FOR RECOMMENDATION:**

The attached Resolution approves a Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and Other Expenses between the City and the Successor Agency. The Cooperative Agreement provides for the Successor Agency to use the City's staff, facilities, and other resources for the administration and operations of the Successor Agency, for the City to make loans pursuant to Health and Safety Code Section 34173(h), and for the Successor Agency to reimburse the City for such loans and advances.

The agreement was approved by the Oversight Board on February 27, 2013. It is now before the Successor Agency as well as the Turlock City Council for approval.

Staff recommends that the Successor Agency Board approve the attached Resolution as a means to provide a cashflow resource for the administrative costs associated with the operations of the Successor Agency.

After approval by all parties, the Agreement will be sent to the California Department of Finance for their consideration.

**4. FISCAL IMPACT ANALYSIS**

This agreement provides a means to reimburse the City of Turlock for administrative costs it is paying on behalf of the Successor Agency. The current annual budget for administrative costs is \$250,000. This should be considered the maximum annual amount that the City would be advancing to the Agency. Staff believes the actual amount will be less, but the exact amount will not be known until the end of the fiscal year.

**5. EXECUTIVE DIRECTOR'S COMMENTS:**

Recommend approval.

**6. ENVIRONMENTAL DETERMINATION:**

N/A

**7. ALTERNATIVES:**

None recommended at this time as the attached Agreement is the only means by which the City and Successor Agency have an opportunity to enter into the reimbursement agreement necessary to provide the cash flow funding for current administrative costs associated with the Successor Agency's administrative functions.

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

**IN THE MATTER OF APPROVING THE }  
EXECUTION OF A COOPERATIVE }  
AGREEMENT FOR ADVANCE AND }  
REIMBURSEMENT OF ADMINISTRATIVE, }  
OVERHEAD AND OTHER EXPENSES BY }  
AND BETWEEN THE SUCCESSOR }  
AGENCY TO THE TURLOCK }  
REDEVELOPMENT AGENCY AND THE }  
CITY OF TURLOCK AND TAKING }  
CERTAIN ACTIONS IN CONNECTION }  
THEREWITH }**

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**RESOLUTION NO. SA-2013-**

**WHEREAS**, Pursuant to Part 1.85 of the Community Redevelopment Law (commencing with Health and Safety Code Section 34170) ("Part 1.85"), the Successor Agency to the Turlock Redevelopment Agency ("Successor Agency") is required to undertake a number of actions related to winding down the affairs of the former Redevelopment Agency pursuant to Health and Safety Code Section 34177(h); and

**WHEREAS**, In connection with the administration and operations of the Successor Agency, the Successor Agency is and will be utilizing the staff, facilities, and other resources of the City. The City Manager of the City serves as Executive Director of the Successor Agency, the Finance Director of the City serves as Finance Officer of the Successor Agency, and the City Clerk serves as Secretary to the Successor Agency. Planning, finance, engineering, public works, and other City departments devote and are expected to devote substantial time with respect to the administration and operations of the Successor Agency, including gathering information relating to the Redevelopment Agency's enforceable obligations, conferring with public officials representing governmental agencies, and undertaking other activities in connection with administration and operations of the Successor Agency; and

**WHEREAS**, By providing and making available to the Successor Agency the staff, facilities, services, and other resources of the City, including, without limitation, consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency, the City has advanced and will continue to advance the cost of the foregoing to the Successor Agency. The City and the Successor Agency desire to enter into an agreement to provide for an appropriate method of reimbursement of such advances by the Successor Agency to the City; and

**WHEREAS**, Pursuant to Health and Safety Code Section 34171(d)(1)(F), contracts or agreements necessary for the administration or operation of the Successor Agency are enforceable obligations; and

**WHEREAS**, Pursuant to Health and Safety Code Section 34173(h), the City may loan or grant funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at the City's discretion and to specify that an enforceable obligation shall be deemed to be created for repayment of such loans; and

**WHEREAS**, Pursuant to Health and Safety Code Sections 34178(a) and 34180(h), the Oversight Board for the Successor Agency (the "Oversight Board") adopted its Resolution No. OB-2013-005 approving the Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead and other Expenses by and between the Successor Agency and the City attached hereto as Exhibit A and incorporated herein by reference (the "Agreement").

**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. The Board hereby approves the Agreement and the Chair and Executive Director are hereby authorized and directed, acting singly, to execute the Agreement.

Section 3. 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, and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

**PASSED AND ADOPTED** at a special meeting of the Successor Agency to the Turlock Redevelopment Agency this 26<sup>th</sup> day of March, 2013, by the following vote:

AYES:  
NOES:  
NOT PARTICIPATING:  
ABSENT:

ATTEST:

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

## **COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES**

This COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES (this "Agreement") is entered into as of February 1, 2013, by and between the City of Turlock the "City") and the Successor Agency to the Turlock Redevelopment Agency (the "Successor Agency").

### **RECITALS:**

- A. The Successor Agency is required to undertake a number of actions pursuant to Part 1.85 of the Community Redevelopment Law (commencing with Health and Safety Code Section 34170) ("Part 1.85"), including winding down the affairs of the former Turlock Redevelopment Agency (the "Agency") pursuant to Health and Safety Code Section 34177(h).
- B. The Legislature adopted AB 1484 on June 27, 2012, significantly amending Part 1.85, including Health and Safety Code Section 34173(h) to authorize the City to loan or grant funds to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses at the City's discretion and to specify that an enforceable obligation shall be deemed to be created for repayment of such loans.
- C. Pursuant to Health and Safety Code Sections 34178(a) and 34180(h), with the approval of the oversight board, the Successor Agency may enter into agreements with the City.
- D. In connection with the administration and operations of the Successor Agency, the Successor Agency is and will be utilizing the staff, facilities, and other resources of the City.
- E. The City Manager of the City serves as Executive Director of the Successor Agency, the Finance Director of the City serves as Finance Officer of the Successor Agency, and the City Clerk serves as Secretary to the Successor Agency. Planning, finance, engineering, public works, and other City departments devote and are expected to devote substantial time with respect to the administration and operations of the Successor Agency, including gathering information relating to the Agency's enforceable obligations, conferring with public officials representing governmental agencies, and undertaking other activities in connection with winding down the affairs of the Agency.
- F. By providing and making available to the Successor Agency the staff, facilities, services, and other resources of the City, including, without limitation, consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency, the City has advanced and will continue to advance the cost of the foregoing to the Successor Agency.

- G. The City and the Successor Agency desire to enter into this Agreement to acknowledge the foregoing recitals and to provide for an appropriate method of reimbursement of such advances by the Successor Agency to the City.

**NOW, THEREFORE, THE PARTIES DO HEREBY AGREE AS FOLLOWS:**

**Section 1.** The City shall make available to the Successor Agency: (a) its staff, facilities, services, and other resources, including, without limitation, consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency and the Successor Agency shall have access to the foregoing staff, facilities, services, and other resources of the City, and (b) funds for administrative costs, enforceable obligations, or project-related expenses.

**Section 2.** The value of the City staff, including all employee retirement and other benefits, facilities, services, and other resources of the City, including, without limitation, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency made, and to be made, available to the Successor Agency for each six-month fiscal period beginning with the fiscal period commencing on July 1, 2012 and ending on December 31, 2012, determined in accordance with Section 3 hereof, shall constitute an advance to the Successor Agency by the City for each six-month fiscal period, to be repaid in accordance with Section 4 of this Agreement.

**Section 3.** Following the end of each six-month fiscal period, beginning with the fiscal period commencing on July 1, 2012 and ending on December 31, 2012, the City Manager shall prepare and present to the Successor Agency: (i) an invoice for immediately preceding six-month fiscal period for (A) the value of City staff, including all employee retirement and other benefits, based on time records prepared by City staff, which shall describe the time devoted exclusively to matters directly related to the administration and operations of the Successor Agency, (B) the value of consultants and legal counsel based on invoices for services devoted exclusively to matters directly related to the administration and operations of the Successor Agency, (C) the fair rental value of office space and equipment made available to the Successor Agency, and (D) the value of supplies, insurance and other services and facilities provided by the City to the Successor Agency; and (ii) an invoice for any outstanding loans or advances, including any loan to the Successor Agency for administrative costs, enforceable obligations, or project-related expenses, pursuant to Health and Safety Code Section 34173(h), or any outstanding advances described in clause (i) above.

**Section 4.** Within a reasonable time after the City submits an invoice to the Successor Agency pursuant to Section 3, the Successor Agency shall pay to the City the amount of the invoice from available funds of the Successor Agency. In the event that insufficient funds are available to the Successor Agency, any unpaid amounts shall be carried over to the next six-month fiscal period and shall be included on the invoice presented to the Successor Agency pursuant to clause (ii) of Section 3 of this Agreement.

**Section 5.** The parties hereto agree to take all appropriate steps and execute any documents which may reasonably be necessary or convenient to implement the intent of this Agreement.

**Section 6.** Each party shall maintain books and records regarding its duties pursuant to this Agreement. Such books and records shall be available for inspection by the officers and agents of the other party at all reasonable times.

**Section 7.** This Agreement is made in the State of California under the Constitution and laws of the State of California, and is to be so construed.

**Section 8.** This Agreement will become effective upon approval of the Oversight Board to the Successor Agency.

**Section 9.** This Agreement may be amended at any time, and from time to time, by an agreement executed by both parties to this Agreement and approved by the Oversight Board to the Successor Agency.

**SUCCESSOR AGENCY TO THE TURLOCK REDEVELOPMENT AGENCY**

By \_\_\_\_\_  
Chair

ATTEST:  
\_\_\_\_\_  
Secretary

**CITY OF TURLOCK**  
By \_\_\_\_\_  
Mayor

ATTEST:  
\_\_\_\_\_  
City Clerk

APPROVED: \_\_\_\_\_  
Date

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE TURLOCK REDEVELOPMENT AGENCY**