

Successor Agency to the Turlock Redevelopment Agency Meeting Agenda



SEPTEMBER 23, 2014

6:00 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 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 June 24, 2014 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 January – June 2015 (ROPS 14-15B) 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 2015 (ROPS 14-15B) pursuant to Health and Safety Code Section 34177 and taking certain actions in connection therewith

7. CLOSED SESSION: None

8. ADJOURNMENT



**Successor Agency to the
Redevelopment Agency
Synopsis**

CA

September 23, 2014

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 2015 (ROPS 14-15B) pursuant to Health and Safety Code Section 34177 and taking certain actions in connection therewith

2. DISCUSSION OF ISSUE:

The January – June 2015 Recognized Obligation Payment Schedule (ROPS 14-15B) is the seventh installment before the Successor Agency for approval. After Successor Agency approval, the ROPS will be presented to the Oversight Board for their approval.

In addition to bond debt service obligations, the Enforceable Obligations on this ROPS include amounts for the mobile home subsidy program, the next phase of Avena Bella as well as amounts for the various administrative and required reporting functions for the Successor Agency. Included as an attachment to this Synopsis is a copy of the package sent to the CA Department of Finance (DOF) asking for a Letter of Final Determination related to the Avena Bella project. The City, acting in its capacity as Successor Agency for the Housing activities of the former Redevelopment Agency, is requesting this Letter so that the project can proceed through the tax credit allocation process. Obtaining this Letter from DOF is a requirement of the TCAC allocation process.

Based on direction from DOF as part of their approval process for the ROPS 14-15A (for July – December 2014), the debt service amounts for outstanding bonds have been broken into two parts. The first part is reflected on lines 1-3 and represents the interest payments that will be due on these bonds in March 2015. The second part is reflected on lines 47-49 and represents the principal payment that will be due in September 2015. Due to the timing of the revenue distributions to the Successor Agency as prescribed in the dissolution law, if the principal portion of the September 2015 debt service is not included on the ROPS 14-15B (January – June 2015), the Successor Agency would not have sufficient funds on hand to make the full principal and interest payment in September 2015. This presentation changes the way Staff had previously presented the debt service amounts. Since this change is being done at the direction of DOF, Staff anticipates that the amounts requested will be approved during DOF's review process.

This ROPS also includes amounts for the Public Safety Facility identical to what was on ROPS 14-15A prepared for the July – December 2014 time period. During the review process for the ROPS 14-15A, DOF took exception to the our request for funds related to the various contracts for the Public Safety Facility and after telephone conferences with DOF Staff and the submission of numerous additional documents, DOF denied the amounts requested.

In early July, Successor Agency Staff was contacted by DOF Staff who indicated that they were taking another look at the Public Safety Facility contracts that were on the ROPS 14-15A and asked for additional documents. Successor agency Staff has submitted the additional requested information to DOF and participated in additional telephone calls with DOF Staff. The last direction Successor Agency Staff received from DOF was to put the Public Safety Facility contract request on the ROPS 14-15B identical to what had been submitted on the ROPS 14-15A. Successor Agency Staff is still awaiting confirmation from DOF that with the submittal of the additional information, they are now going to approve the amounts previously requested, but denied. Successor Agency Staff will keep the Board apprised of the final DOF determination and any related actions.

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 } RESOLUTION NO. SA-RDA-2014-_____
RECOGNIZED OBLIGATION PAYMENT }
SCHEDULE FOR JANUARY – JUNE 2015 }
(ROPS 14-15b) 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 January – June 2015 (ROPS 14-15B) 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 2015 (ROPS 14-15B) 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 23rd day of September, 2014, by the following vote:

AYES:
NOES:
NOT PARTICIPATING:
ABSENT:

ATTEST:

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

Recognized Obligation Payment Schedule (ROPS 14-15B) - Summary

Filed for the January 1, 2015 through June 30, 2015 Period

Name of Successor Agency: Turlock
Name of County: Stanislaus

Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding Sources (B+C+D):	\$ -
B Bond Proceeds Funding (ROPS Detail)	-
C Reserve Balance Funding (ROPS Detail)	-
D Other Funding (ROPS Detail)	-
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 7,881,398
F Non-Administrative Costs (ROPS Detail)	7,756,398
G Administrative Costs (ROPS Detail)	125,000
H Current Period Enforceable Obligations (A+E):	\$ 7,881,398

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	7,881,398
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	-
K Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 7,881,398

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	7,881,398
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)	7,881,398

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
/s/ _____	Signature	Date

Recognized Obligation Payment Schedule (ROPS 14-15B) - ROPS Detail
January 1, 2015 through June 30, 2015
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Funding Source					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
								\$ 157,941,489		\$ -	\$ -	\$ -	\$ 7,756,398	\$ 125,000	\$ 7,881,398
1	1999 Tax Increment Bonds	Bonds Issued On or Before 12/31/10	3/1/1999	9/15/2024	US Bank	proceeds used for non-housing projects		3,376,375	N				69,293		69,293
2	2006 Tax Increment Bonds	Bonds Issued On or Before 12/31/10	8/23/2006	9/15/2036	US Bank	proceeds used for non-housing projects		38,065,970	N				538,508		538,508
3	2011 Tax Increment Bonds	Bonds Issued After 12/31/10	2/8/2011	9/15/2039	US Bank	proceeds used for non-housing projects		34,241,894	N				529,047		529,047
5	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Ross F Carroll, Inc	off-site improvements		-	N						-
6	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Diede Construction, Inc	general & specialties		5,000	N				5,000		5,000
7	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Diede Construction, Inc	doors, windows & hardware		5,000	N				5,000		5,000
8	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Bank of Ag & Commerce	retention for Diede Construction, Inc		-	N						-
9	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	George Reed Inc	demo, grading and paving		145,250	N				145,250		145,250
10	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Modern Building Co	building structural concrete		313,150	N				313,150		313,150
11	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Duley's Landscaping, Inc	landscaping		26,500	N				26,500		26,500
12	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Frazier Masonry	masonry		68,050	N				68,050		68,050
13	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Golden State Steel	structural steel		4,700	N				4,700		4,700
14	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Central Valley Comm Bank	retention for Golden State Steel		-	N						-
15	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Tarlon & Son	framing, drywall & plaster		251,750	N				251,750		251,750
16	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Graham/Prewett	roofing and waterproofing		61,150	N				61,150		61,150
17	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	LVI Faculty Services	fireproofing		17,300	N				17,300		17,300
18	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	DC Vient, Inc	painting & wall coverings		29,800	N				29,800		29,800
19	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Bobo construction	mechanical & HVAC		251,200	N				251,200		251,200
20	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Darrale Patrias Elec.	building and site electrical		425,900	N				425,900		425,900
21	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Mark III Construction	building and site plumbing		91,700	N				91,700		91,700
22	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Kone Elevators	elevators		-	N						-
23	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	Cen-Cal Fire Systems	fire protection		24,900	N				24,900		24,900
24	Public Safety Facility	OPA/DDA/Construction	4/22/2008	12/31/2015	WLC	architect and construction management			N						-
25	Public Safety Facility	OPA/DDA/Construction	5/10/2011	12/31/2015	Koehn Engineering & Design	parcel map/lot line adjustment		-	N						-
26	Public Safety Facility	OPA/DDA/Construction	4/4/2011	12/31/2015	Kleinfelder West, Inc	testing		-	N						-
27	Public Safety Facility	OPA/DDA/Construction	3/8/2011	12/31/2015	Neil O Anderson & Assoc	testing		-	N						-
28	Public Safety Facility	OPA/DDA/Construction	2/1/2011	12/31/2015	City of Turlock	contract mgmt & inspection			N						-
29	Public Safety Facility	OPA/DDA/Construction	9/1/2011	12/31/2015	Forward Inc/Republic Svcs	soils disposal			N						-

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Cash Balances

(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation. For tips on how to complete the Report of Cash Balances Form, see https://rad.dof.ca.gov/rad-sa/pdf/Cash_Balance_Agency_Tips_Sheet.pdf.

A	B	C	D	E	F	G	H	I	
Cash Balance Information by ROPS Period		Fund Sources						Comments	
		Bond Proceeds		Reserve Balance		Other	RPTTF		
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Prior ROPS period balances and DDR RPTTF balances retained	Prior ROPS RPTTF distributed as reserve for future period(s)	Rent, Grants, Interest, Etc.	Non-Admin and Admin		
ROPS 13-14B Actuals (01/01/14 - 06/30/14)									
1	Beginning Available Cash Balance (Actual 01/01/14)	3,560,998			1,157,354		13,199		
2	Revenue/Income (Actual 06/30/14) RPTTF amounts should tie to the ROPS 13-14B distribution from the County Auditor-Controller during January 2014	17,845					2,481,116		
3	Expenditures for ROPS 13-14B Enforceable Obligations (Actual 06/30/14) RPTTF amounts, H3 plus H4 should equal total reported actual expenditures in the Report of PPA, Columns L and Q				1,157,354		441,961		
4	Retention of Available Cash Balance (Actual 06/30/14) RPTTF amount retained should only include the amounts distributed for debt service reserve(s) approved in ROPS 13-14B						2,052,354		
5	ROPS 13-14B RPTTF Prior Period Adjustment RPTTF amount should tie to the self-reported ROPS 13-14B PPA in the Report of PPA, Column S	No entry required						-	
6	Ending Actual Available Cash Balance C to G = (1 + 2 - 3 - 4), H = (1 + 2 - 3 - 4 - 5)	3,569,714	-	-	-	-	-		
ROPS 14-15A Estimate (07/01/14 - 12/31/14)									
7	Beginning Available Cash Balance (Actual 07/01/14) (C, D, E, G = 4 + 6, F = H4 + F4 + F6, and H = 5 + 6)	3,569,714	-	-	2,052,354	-	-		
8	Revenue/Income (Estimate 12/31/14) RPTTF amounts should tie to the ROPS 14-15A distribution from the County Auditor-Controller during June 2014						187,638		
9	Expenditures for ROPS 14-15A Enforceable Obligations (Estimate 12/31/14)				2,052,354		187,638		
10	Retention of Available Cash Balance (Estimate 12/31/14) RPTTF amount retained should only include the amount distributed for debt service reserve(s) approved in ROPS 14-15A								
11	Ending Estimated Available Cash Balance (7 + 8 - 9 - 10)	3,569,714	-	-	-	-	-		

Recognized Obligation Payment Schedule (ROPS 14-15B) - Report of Prior Period Adjustments
 Reported for the ROPS 13-14B (January 1, 2014 through June 30, 2014) Period Pursuant to Health and Safety Code (HSC) section 34186 (a)
 (Report Amounts in Whole Dollars)

ROPS 13-14B Successor Agency (SA) Self-reported Prior Period Adjustments (PPA): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS 13-14B (January through June 2014) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15B (January through June 2015) period will be offset by the SA's self-reported ROPS 13-14B prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	
Item #	Project Name / Debt Obligation	Non-RPTTF Expenditures						RPTTF Expenditures											Net SA Non-Admin and Admin PPA (Amount Used to Offset ROPS 14-15B Requested RPTTF)	SA Comments
		Bond Proceeds		Reserve Balance		Other Funds		Non-Admin					Admin							
		Authorized	Actual	Authorized	Actual	Authorized	Actual	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If K is less than L, the difference is zero)	Authorized	Available RPTTF (ROPS 13-14B distributed + all other available as of 01/1/14)	Net Lesser of Authorized / Available	Actual	Difference (If total actual exceeds total authorized, the total difference is zero)	Net Difference (M+R)		
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,221,104	\$ 1,559,182	\$ 1,559,182	\$ 1,559,182	\$ -	\$ 135,000	\$ 40,133	\$ 40,133	\$ 40,133	\$ -	\$ -		
1	1999 Tax Increment Bonds	-	-	-	-	-	-	259,149	65,433	65,433	65,433	-								
2	2006 Tax Increment Bonds	-	-	-	-	-	-	998,633	548,542	548,542	548,542	-								
3	2011 Tax Increment Bonds	-	-	-	-	-	-	794,572	534,341	534,341	534,341	-								
5	Public Safety Facility							-	-	-	-	-								
6	Public Safety Facility							79,470	6,018	6,018	6,018	-								
7	Public Safety Facility							86,265	-	-	-	-								
8	Public Safety Facility							18,415	-	-	-	-								
9	Public Safety Facility							40,800	40,800	40,800	40,800	-								
10	Public Safety Facility							161,150	161,150	161,150	161,150	-								
11	Public Safety Facility							115,700	28,584	28,584	28,584	-								
12	Public Safety Facility							-	-	-	-	-								
13	Public Safety Facility							15,850	-	-	-	-								
14	Public Safety Facility							-	-	-	-	-								
15	Public Safety Facility							525	525	525	525	-								
16	Public Safety Facility							7,900	7,900	7,900	7,900	-								
17	Public Safety Facility							4,750	4,750	4,750	4,750	-								
18	Public Safety Facility							13,000	13,000	13,000	13,000	-								
19	Public Safety Facility							37,100	37,100	37,100	37,100	-								
20	Public Safety Facility							35,650	35,650	35,650	35,650	-								
21	Public Safety Facility							25,950	25,950	25,950	25,950	-								
22	Public Safety Facility							21,250	-	-	-	-								
23	Public Safety Facility							4,650	4,650	4,650	4,650	-								
24	Public Safety Facility							-	-	-	-	-								
25	Public Safety Facility							1,950	-	-	-	-								
26	Public Safety Facility							13,050	-	-	-	-								
27	Public Safety Facility							25,850	-	-	-	-								
28	Public Safety Facility							-	-	-	-	-								
29	Public Safety Facility							-	-	-	-	-								
30	Public Safety Facility							-	-	-	-	-								
32	mobile home rental subsidy							8,000	8,000	8,000	8,000	-								
33	mobile home rental subsidy							2,000	1,630	1,630	1,630	-								
34	mobile home rental subsidy							1,000	985	985	985	-								
35	mobile home rental subsidy							17,000	17,000	17,000	17,000	-								
36	mobile home rental subsidy							4,000	3,964	3,964	3,964	-								
38	Contract for admin of MHRS program							7,000	1,115	1,115	1,115	-								
40	DDA							400,000	-	-	-	-								



ROY W. WASDEN
CITY MANAGER

OFFICE OF THE CITY MANAGER
ADMINISTRATIVE SERVICES
rwasden@turlock.ca.us

156 S. BROADWAY, SUITE 230 | TURLOCK, CALIFORNIA 95380 | PHONE 209-668-5540 EXT 1102 | FAX 209-668-5668

September 5, 2014

Ms. Justyn Howard
Assistant Program Budget Manager
State of California
Department of Finance
915 L Street
Sacramento, California 95814

RE: Request for Letter of Final Determination

Dear Ms. Howard:

On behalf of the City of Turlock acting as the City's Housing Successor Agency, the City respectfully requests the Department of Finance to provide a Letter of Final and Conclusive Determination with regard to the City of Turlock Avena Bella Phase 2 project.

As required by TCAC regulations, a written confirmation in the form of a Final and Conclusive Determination Letter ("Letter") is required from the California Department of Finance ("DOF") for all projects utilizing redevelopment funds when this determination is applicable. Prior to drafting and submitting a formal Final and Conclusive Enforceable Obligation Request Form to the DOF for a Letter, The City of Turlock must contact Kelly Wyatt at the Department of Finance to determine whether Avena Bella Phase 2 Disposition and Development Agreement is subject to a Letter. If it is subject to a Letter, then the City of Turlock must submit a request from the DOF for a Final and Conclusive Determination of an Enforceable Obligation.

The City of Turlock has received written confirmation from Ms. Wyatt that, indeed, the City's project is eligible for a Letter of Final and Conclusive determination so that the project may move forward with a tax credit application. Her email stating that fact is attached to this letter.

The purpose of this letter is a follow up to the process whereby the City of Turlock is formally requesting a formal Final and Conclusive Enforceable Obligation letter. The appropriate request form and accompanying documentation to support the issuance of the letter is included with this email packet and has been provided to the DOF at Redevelopment_Administration@dof.ca.gov per the direction on the DOF's website.

Please contact Maryn Pitt, Assistant to the City Manager for Housing and Economic Development at (209) 668-5542 Extension 2227 or by email at mpitt@turlock.ca.us if you have further questions.

Sincerely,

Roy W. Wasden
City Manager

Maryn Pitt

From: Wyatt, Kelly <Kelly.Wyatt@dof.ca.gov>
Sent: Wednesday, August 13, 2014 9:18 AM
To: Maryn Pitt; Redevelopment Administration
Cc: Marie Lorenzi; David.Egan@EAHHousing.org; Hill, Chris; Dunham, Brian
Subject: Turlock, Avena Bella, F&C Inquiry

Ms. Pitt,

This is in response to your July 10, 2014 email inquiring as to whether a Final and Conclusive determination is either unnecessary or not applicable regarding Avena Bella (Project), a two phase 141-unit multi-family affordable housing development in the City of Turlock.

The former Redevelopment Agency to the City of Turlock (Agency) entered into a Disposition and Development Agreement (DDA) with EAH, Inc. (Developer) in 2010 for Phase I of the Project on land conveyed by the Agency to Developer. My understanding is that construction of the 80 units encompassed within Phase I began in early 2012.

The Agency and Developer entered into the Phase II DDA on April 12, 2011 to develop the remaining 61 units and to provide additional Agency funding in the amount of \$4,000,000 from its Low-Mod Income Housing Fund. Based upon review of that DDA, Finance concluded that the second phase was an enforceable obligation of the Agency and, therefore, the Project was eligible for Redevelopment Property Tax Trust Funds (RPTTF) funding. Thus far, Finance has authorized funding for this obligation on the Successor Agency's ROPS covering the period July 2013 through December 2014 totaling \$900,000. Finance expects to continue to authorize RPTTF funding for the balance of this obligation on future ROPS.

HSC section 34177.5 (i), which sets forth the criteria for obligations that are eligible for a Final and Conclusive determination, states that the determination is eligible for enforceable obligations that provide for an irrevocable commitment of property tax revenue, and where allocation of such revenues is expected to occur over time. Finance has concluded that the loan commitment is an enforceable obligation of the Agency, for which authorized for RPTTF funding has been provided on more than one ROPS. Based upon the stated criteria, Phase II of the Avena Bella development in the City of Turlock would be eligible for a Final and Conclusive determination to the extent that the April 12, 2011 DDA obligates the Successor Agency.

Should you have any questions in regard to the above, please don't hesitate to contact me.

Regards,

Kelly Wyatt

Analyst, Local Government Unit
Department of Finance
(916) 445-1546, extension 3728



FINAL AND CONCLUSIVE DETERMINATION REQUEST FORM

Instructions: Please fill out this form in its entirety to request Finance to provide a final and conclusive determination on an approved enforceable obligation. Additional supporting documents may be included with the submittal of this form as justification related to the enforceable obligation, including documents that may have been previously submitted. Upon completion, email a PDF version of this document (including any attachments) to:

Redevelopment_Administration@dof.ca.gov

The subject line should state "[Agency Name] Final and Conclusive Determination Request". Finance will contact the requesting agency upon receipt for any additional information that may be necessary. Questions related to the final and conclusive determination process should be directed to (916) 445-1546 or by email to Redevelopment_Administration@dof.ca.gov.

Health and Safety Code (HSC) section 34177.5 (i), allows a Successor Agency to request the Department of Finance (Finance) to provide written confirmation that its determination of such enforceable obligation as approved in a Recognized Obligation Payment Schedule (ROPS) is final and conclusive, and reflects Finance's approval of subsequent payments made pursuant to the enforceable obligation.

GENERAL INFORMATION:

Agency Name: **City of Turlock**

ROPS Period: July- December 2014

Date of Finance's Determination/Approval Letter: May 27, 2014

DETAIL OF REQUEST -Summary of Enforceable Obligation:

ROPS Line Number: #40

Project Name: DDA- Avena Bella- Phase 2

Contract/Agreement Execution and Termination Date: April 12, 2011

Payee: EAH, Inc

Funding Source: Tax Increment/ RPPTF

Total Outstanding Debt or Obligation: \$3,900,000.

Total Due During Fiscal Year: \$3,900,000

Six Month Total: \$3,900,000

SUMMARY OF REQUEST

- Background/History (Provide relevant background/history, if applicable)

On March 23, 2010, the Turlock Redevelopment Agency approved and authorized the execution of the Disposition and Development Agreement between the Redevelopment Agency of the City of Turlock and EAH, Inc. to provide a \$4,000,000, loan as Financial assistance to EAH housing, Inc. to develop an affordable multi-family housing located at 500 West Linwood, Turlock (APN# 044-064-004). The total number of units in the project was to be 141.

Subsequently, on March 8, 2011, the Agency agreed to and authorized Amendment # 1 to the Disposition and Development Agreement between the Redevelopment Agency of the City of Turlock and EAH, Inc. to provide an additional \$1,000,000, to the already approved \$4,000,000 loan as Financial assistance to EAH housing, Inc. to develop an affordable multi-family housing located at 500 West Linwood, Turlock (APN# 044-064-004) as well as reduce the footprint of the project and splitting the project into two phases. The first phase would move forward with 80 units. The phasing of the project was intended to make the project more competitive in the TCAC process. However, from its inception, the intent was always to fully develop the site with the 141 units.

On April 12, 2011, the Turlock Redevelopment Agency Board of Directors approved by resolution the Disposition and Development Agreement for Phase 2 of the project, thereby committing up to \$4,000,000 in the form of a loan to the project. Of the funds committed to the project, up to \$500,000, was to be used for pre-development costs. EAH, under the DDA was required to prepare the project for funding, which includes submission of building plans, etc. and make the project building permit ready. All of the building permit work was completed and the project moved forward with the first the funding application submitted to Federal Home Loan Bank to qualify for AHP funds.

Tax credits were awarded through TCAC in July 2011 for the first phase of the project. Construction on Phase 1 of the project began in February 2012. The project was completed and fully occupied by December 2013.

On August 2013, Federal Home Loan Bank notified EAH, that funding in the amount of \$750,000 had been awarded to the Phase 2 project.

The Successor Agency to the Turlock Redevelopment Agency has placed the Avena Bella Phase 2 on every Recognized Obligation Payment Schedule since the dissolution of the Redevelopment Agencies in February 2012. The listing with \$100,000 for pre development costs was approved by the Department of Finance for the 2013-2014A schedule as well as for \$400,000

Initial ROPS – 2012 – Page 2 Line # 12	\$4,000,000
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ROPS III – Line#40	\$4,000,000
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ROPS Approved payments to Date

July 1- December 31, 2013	\$100,000
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January 1-June 1, 2014	\$400,000.
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- Justification for Request (Provide additional attachments to this form, as necessary)

DOF issued an email, on August 13, 2014, confirming the DDA's eligibility for a Final and Conclusive determination

A Final Letter of Determination is required by the city to confirm that the state of California's DOF considers the DDA to be an enforceable obligation by and between the City of Turlock and EAH Inc, for the development of Phase 2 of the Avena Bella multifamily affordable housing community. The Final and Conclusive Determination will provide assurance to the city that funds will be available through the ROPS process to fully satisfy the funding obligation set forth in the DDA, and therefore permit city to adequately plan the funding of the stated funding obligation.

Attachments:

- Avena Bella DDA**
- Avena Bella DDA - Amendment #1**
- Avena Bella DDA – Phase 2**
- AHP award letter for Avena Bella-Phase 2**
- DOF Email Issued for TCAC Application Purposes**

Agency Contact Information

Name:	Maryn Pitt	Name:	Roy Wasden
Title:	Assistant to the City Manager	Title:	City Manager
Phone:	(209) 668-5542 Extension 2227	Phone:	(209) 668-5540
Email:	mpitt@turlock.ca.us	Email:	rwasden@turlock.ca.us
Date:	July 7, 2014	Date:	July 7, 2014

Department of Finance Local Government Unit Use Only

DETERMINATION OF FINAL AND CONCLUSIVE STATUS: APPROVED DENIED

APPROVED/DENIED BY: _____ DATE: _____

APPROVAL OR DENIAL LETTER PROVIDED: YES DATE AGENCY NOTIFIED: _____