

**REGULAR MEETING OF THE  
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY  
TO THE FORMER MADERA REDEVELOPMENT AGENCY**

**Monday, September 16, 2013**

**9:00 a.m. – Regular Session**

City of Madera City Hall – Council Chambers  
205 West Fourth Street, Madera, California

**Action/Summary Minutes**

**1. CALL TO ORDER – REGULAR SESSION**

Meeting called to order by Recording Secretary Claudia Mendoza at 9:00 a.m.

**ROLL CALL**

**Board Members Present:**

Gary Svanda, Chairperson  
Stell Manfredi, Vice-Chairperson  
Donald Horal, Board Member  
Bob Wilson, Board Member  
Max Rodriguez, Board Member  
Ric Arredondo, Board Member  
Cecilia Massetti, Ed.D, Board Member

**Board Members Absent:**

None

**Successor Agency Staff Members Present:**

General Counsel Brent Richardson and Recording Secretary Claudia Mendoza

**Election of Officers**

**Nomination of Chairperson**

Vice Chairperson Manfredi opened nominations to replace former Chairperson, Council Member Brett Frazier. Vice-Chairperson Manfredi nominated Board Member Svanda. There were no other nominations.

**Action:** Elected Gary Svanda as Chairperson

**Moved by:** Vice-Chairperson Manfredi; seconded by Board Member Rodriguez

**Vote:** Unanimous (7/0)

**Nomination of Vice-Chairperson**

Chairperson Svanda opened nominations for the position of Vice-Chairperson. There was no nominations offered or expressed interest to depose Vice-Chairperson Manfredi

**Action:** Stell Manfredi will remain Vice-Chairperson

The Pledge of Allegiance was led by Board Member Wilson.

**PUBLIC COMMENT**

The first fifteen minutes of the meeting are reserved for members of the public to address the Board on items which are within the subject matter jurisdiction of the Board. Speakers shall be limited to three minutes. Speakers will be asked to identify themselves and state the subject of their comment. If the subject is an item on the Agenda, the Chairperson has the option of asking the speaker to hold the comment until that item is called. Comments on items listed as a Public Hearing on the Agenda should be held until the hearing is opened. The Board is prohibited by law from taking any action on matters discussed that are not on the Agenda, and no adverse conclusions should be drawn if the Board does not respond to public comment at this time.

*Chairperson Svanda opened the public comment portion of the meeting. There being no comments offered, the public comment portion of the meeting was closed.*

## **2. CONSENT CALENDAR**

### **2.1 Minutes of the Regular Meeting of the Oversight Board for July 15, 2013**

**Action:** Approval of the Consent Calendar item as presented.

**Moved by:** Board Member Arredondo; seconded by Board Member Rodriguez.

**Vote:** Unanimous (7/0)

## **3. PRESENTATIONS/ADMINISTRATIVE REPORTS**

### **3.1 Consideration of a Resolution Adopting the Madera Recognized Obligation Payment Schedule 13-14 B (ROPS) Representing the Period January 1, 2014 to June 30, 2014**

#### **Summary of staff report:**

Successor Agency Executive Director Jim Taubert presented the staff report advising that AB 1484 requires the submittal of an approved ROPS by October 1, 2013. Failure to comply can result in a fine of \$10,000.00 per day. As has been the Department of Finance's history on August 15, 2013 we were notified that they were once again changing the reporting format for the ROPS. During our past ROPS period, we have received our Finding of Completion and submitted a Long Range Property Management Plan. This allows the Successor Agency to proceed with the expenditure of bond proceeds. Also, per AB 1484 H&S Code Section 34176(g)(1)(A) the Successor Housing Agency has notified the Successor Agency that funding would be needed for the following: Riverside Villas – Relocate storm drainage line and make lot line adjustments; and Riverwalk Subdivision – Construct Riverwalk Drive between A and C Streets – Initiate negotiations for the church, Cappelluti, and Gee properties.

Discussion followed.

**Action:** Adoption of Resolution No. OB 13-10, approving the Adoption of the Madera Recognized Obligation Payment Schedule 13-14 B (ROPS) Representing the Period January 1, 2014 to June 30, 2014.

**Moved by:** Board Member Manfredi; seconded by Board Member Arredondo.

**Vote:** Unanimous (7/0)

### **3.2 Consideration of a Resolution Approving the Administrative Budget of the Successor Agency for the Period January 1, 2014 – June 30, 2014**

#### **Summary of staff report:**

Successor Agency Executive Director Jim Taubert presented the staff report noting that consistent with the ROPS, we also need to have the Oversight Board approve an administrative budget. We are given an allocation of \$250,000 to wind down the Redevelopment Agency. Other sources to fund administrative costs include: Low and Moderate Income Housing Fund; Bond Proceeds; and Grants.

Discussion followed.

**Action:** Adoption of Resolution No. OB 13-11, approving the Successor Agency Administrative Budget for January 1, 2014 through June 30, 2014.

**Moved by:** Board Member Massetti; seconded by Board Member Wilson.

**Vote:** Unanimous (7/0)

### **3.3 Update on Legislative Activities**

#### **Summary of staff report:**

Successor Agency Executive Director Jim Taubert provided the Oversight Board with an update of redevelopment related legislation. When this report was prepared, these and a number of other bills were in play. Many of these bills passed both houses. However, at the Governor's request, they were not sent to him. His attitude is that we are not far enough along in the dissolution process. The State Controller's Office has done less than 100 out of the 450 agency audits. Currently, they have over a150 lawsuits pending.

Discussion followed.

**Action:** None

4. **NEW BUSINESS**

There are no items for this section.

5. **GENERAL**

There are no items for this section.

6. **BOARD MEMBER REPORTS**

Board Member Massetti reported that Dr. Castro with Fresno State will be at a reception on November 21, 2013. She will send a follow up email.

No other reports were offered.

7. **ADJOURNMENT**

The meeting was adjourned at 9:23 a.m.

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Claudia Mendoza, Agency Secretary

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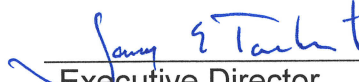
Gary Svanda, Chairperson

/cm

**REPORT TO THE OVERSIGHT BOARD  
OF THE SUCCESSOR AGENCY TO THE FORMER  
MADERA REDEVELOPMENT AGENCY**

BOARD MEETING OF: January 13, 2014  
AGENDA ITEM NUMBER: 3.1

APPROVED BY:

  
\_\_\_\_\_  
Executive Director

**Subject: Consideration of a Resolution Amending the ROPS 13-14B for the Purpose of Funding the Yosemite / Elm Traffic Signal with Bond Proceeds.**

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**Summary: The Oversight Board will consider a resolution approving amended ROPS 13-14B for the purpose of funding the Yosemite / Elm Traffic Signal**

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**HISTORY/BACKGROUND**

The former redevelopment agency has an agreement with Ironhorse Development, LLC to construct a traffic signal at Yosemite Avenue and Elm Street. The Department of Finance has denied funding for the project during the past two (2) ROPS periods. The Agency received a "Finding of Completion" on May 7, 2013. Per the statute we are now permitted to utilize proceeds derived from bonds issued prior to January 1, 2011.

**RECOMMENDATION**

Staff recommends the Oversight Board approve the amended ROPS 13-14B.

JET:cm

Attachment:  
-Resolution (Agency)



**RESOLUTION NO. OB 14-\_\_**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR  
AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY  
APPROVING THE AMENDED RECOGNIZED OBLIGATION PAYMENT  
SCHEDULE FOR THE PERIOD JANUARY 1, 2014 THROUGH JUNE  
30, 2014**

WHEREAS, the Oversight Board to the Successor Agency to the former Madera Redevelopment Agency has been appointed pursuant to the provision of Health and Safety Code Section 34179; and

WHEREAS, Health and Safety Code Section 34177(l)(2)(B) and 34180(g) require the approval of the Recognized Obligation Payment Schedule (ROPS) by the Oversight Board; and

WHEREAS, a Amended Recognized Obligation Payment Schedule for the period January 1, 2014 through June 30, 2014 has been prepared in a format provided by the California Department of Finance; and

WHEREAS, on January 8, 2014, the Successor Agency to the former Madera Redevelopment Agency approved the Amended Recognized Obligation Payment Schedule for the period January 1, 2014 through June 30, 2014; and

WHEREAS, the Amended Recognized Obligation Payment Schedule, in a form approved by the Successor Agency to the former Madera Redevelopment Agency, is presented to the Oversight Board for its consideration at a regular meeting of the Oversight Board held on January 13, 2014.

NOW, THEREFORE, the Oversight Board of the Successor Agency to the former Madera Redevelopment Agency hereby finds, orders, and resolves:

1. The above recitals are true and correct;
2. The Oversight Board has reviewed and considered the Amended Recognized Obligation Payment Schedule for the period January 1, 2014 through June 30, 2014 as presented and approved by the Successor Agency to the former Madera Redevelopment Agency, a copy of which is attached hereto as Exhibit "A".
3. The Amended Recognized Obligation Payment Schedule for the period January 1, 2014 through June 30, 2014, as set forth in Exhibit A attached hereto and by this reference incorporated herein, is hereby approved by the Oversight Board.
4. This resolution shall become effective immediately upon adoption.

\* \* \* \* \*

EXHIBIT A Amended Jan 8, 2014 and Jan 13,2014 (SA & OB) Recognized Obligation Payment Schedule (ROPS ) 13-14B - ROPS Detail January 1, 2014 through June 30, 2014 (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		
										Amended Jan 2014 Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
								\$ 100,862,623		\$ 2,899,366	\$ -	\$ 153,000	\$ 1,743,993	\$ 125,000	\$ 4,921,359
1	1998 Tax Allocation Bond	Bonds Issued On or Before 12/31/10	10/7/1998	10/7/2028	BNYMellon	Bonds issue to fund RDA projects		9,127,315	N				140,855		\$ 140,855
2	2003 Tax Allocation Bond	Bonds Issued On or Before 12/31/10	10/30/2003	10/30/2033	BNYMellon	Bonds issue to fund RDA projects		25,225,100	N				378,255		\$ 378,255
3	2008A Tax Allocation Bond	Bonds Issued On or Before 12/31/10	9/10/2008	9/10/2038	BNYMellon	Bonds issue to fund non-housing projects		44,517,519	N				616,305		\$ 616,305
4	2008B Tax Allocation Bond	Bonds Issued On or Before 12/31/10	9/10/2008	9/10/2038	BNYMellon	Bonds issue to fund housing projects		6,650,632	N				93,080		\$ 93,080
5	BNYMT Trustee fees 1998 Series	Bonds Issued On or Before 12/31/10	10/7/1998	10/7/2028	BNYMellon	Trustee Fees		51,000	N				3,000		\$ 3,000
6	BNYMT Trustee fees 2003 Series	Bonds Issued On or Before 12/31/10	10/30/2003	10/30/2033	BNYMellon	Trustee Fees		66,995	N				3,000		\$ 3,000
7	BNYMT Trustee fees 2008 Series & Arbitrage	Bonds Issued On or Before 12/31/10	9/10/2008	9/10/2038	BNYMellon	Trustee Fees		181,100	N				6,000		\$ 6,000
8	Aribitrage Calcuations - contract	Bonds Issued On or Before 12/31/10	10/1/2012	9/10/2038	BNYMellon	Bond Required Arbitrage calc		58,600	N				8,000		\$ 8,000
9	Bond Disemination	Legal	9/10/2008	9/10/2038	Orrick	Bond Requirement		50,000	N				3,000		\$ 3,000
10	State CalHFA Loan HELP	Third-Party Loans	9/14/2005	9/14/2015	Management	Semi annual rpts, loan invoicing, monitoring, pymts to CalHFA		32,570	N						\$ -
11	Annual Audit Project management	Dissolution Audits	2/1/2008	9/10/2038	Personnel Staff	Life of Plan 2040		-	Y						\$ -
12	Continuing Disclosure Rpt	Admin Costs	2/1/2008	9/10/2038	Personnel Staff	Bond Requirement		106,964	N						\$ -
13	Annual Report	Admin Costs	2/1/2008	9/10/2038	Personnel Staff	Bond Requirement		306,228	Y						\$ -
14	5 Year Imp Plan	Admin Costs	2/1/2008	9/10/2038	Personnel Staff	5 Year Imp Plan		-	Y						\$ -
15	Statement of Indebtedness	Admin Costs	2/1/2008	9/10/2038	Personnel Staff	No longer required under AB1484		-	Y						\$ -
16	State Controllers Report	Admin Costs	2/1/2008	9/10/2038	Personnel Staff	State Controllers Report		-	Y						\$ -
17	HCD Report	Admin Costs	2/1/2008	9/10/2038	Personnel Staff	HCD Report		-	Y						\$ -
18	Standard & Poors Report	Admin Costs	2/1/2008	9/10/2038	Personnel Staff	Bond Requirement		148,122	N						\$ -
19	AB 987 Reporting	Admin Costs	2/1/2008	9/10/2038	Personnel Staff	AB 987 Reporting		133,614	Y						\$ -
20	Affordable Housing Monitoring	Project Management Costs	2/1/2008	9/10/2038	Personnel Staff	Affordable housing monitoring		320,684	N						\$ -
21	Property Management	Property Maintenance	2/1/2008	9/10/2038	Personnel Staff	Facility and Lot maintenance		120,000	N	10,000					\$ 10,000
22	Public Notice Requirement	Legal	2/1/2008	9/10/2038	Personnel Staff	Agenda		160,240	N						\$ -
23	SA & Oversight Board Meeting pre & post	Miscellaneous	2/1/2008	9/10/2038	Personnel Staff	18 Mtg/Yr 60hrs each		-	N						\$ -
24	OSCA GRANT	Admin Costs	6/21/2010	9/10/2038	Personnel Staff	Site Monitoring, grant mgmt		13,873	N						\$ -
25	Required Public Noticing	Legal	2/1/2008	9/10/2038	H&S Code 34433	77 parcels @ \$250 + 4hrs each		-	N						\$ -
26	Replacement Housing Obligation program cost	Miscellaneous	12/24/2009	9/10/2038	Payee not listed	Adm & Management		-	N						\$ -
27	Commercial Property Liquidation	Miscellaneous	2/1/2008	9/10/2038	Payee not listed	Commercial Properties		-	N						\$ -
28	Annual Audit - Contract Cost	Miscellaneous	2/1/2008	9/10/2038	Caporicci & Larson , Inc	Bond Requirement		-	Y						\$ -
29	Insurance Premiums	Miscellaneous	2/1/2008	9/10/2038	Payee not listed	Liability, Property Insurance		-	N						\$ -
30	Oversight Board	Miscellaneous	2/1/2008	9/10/2038	Payee not listed	Oversight Board		-	N						\$ -
31	Herbicide Property Maintenance	Miscellaneous	2/1/2008	9/10/2038	Payee not listed	Weed Control on SA properties		15,000	N	3,000					\$ 3,000
32	Property Tax Services	Miscellaneous	2/1/2008	9/10/2038	Fraser & Associates	Property Tax Services		-	N						\$ -
33	City Services	Miscellaneous	2/1/2008	9/10/2038	City of Madera	Legal Services, Human Resources, Finance		-	N						\$ -
34	Successor Agency Board Members	Miscellaneous	2/1/2008	9/10/2038	Payee not listed	Salaries Board Members		-	N						\$ -
35	SA OB Web Development	Miscellaneous	2/1/2008	9/10/2038	Emo Creative	H&S 34179 Web Site development		-	N						\$ -
36	Employee Leave Balances	Miscellaneous	2/1/2008	9/10/2038	Payee not listed	Employee Leave Balances		-	N						\$ -

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										Amended Jan 2014 Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
								\$ 100,862,623		\$ 2,899,366	\$ -	\$ 153,000	\$ 1,743,993	\$ 125,000	\$ 4,921,359
37	Arborpoint	Miscellaneous	3/11/2009	9/10/2038	Pacific West Communities	Arborpoint Apt Affordable Housing Grant		-	Y						\$ -
38	Riverside Villas	Improvement/Infrastructure	3/24/2011	9/10/2038	Payee not listed	Storm drainage		330,000	N	330,000					\$ 330,000
39	Midtown Village Subdivision	Miscellaneous	10/14/2009	9/10/2038	Payee not listed	\$1,126,000 Expensed to Date		-	N						\$ -
40	MUSD 308 S. J Street	Miscellaneous	2/1/2008	9/10/2038	Payee not listed	Update Plans		-	N						\$ -
41	County of Madera Courthouse Agmt	Miscellaneous	3/17/2009	9/10/2038	County Of Madera	Court House Building		-	N						\$ -
42	Tribune - Honda Construction Loan	Miscellaneous	2/1/2008	9/10/2038	Payee not listed	Tribune - Honda Construction Loan		-	Y						\$ -
43	Avenue 16 Landscape Project	Improvement/Infrastructure	10/11/2006	9/10/2038	Payee not listed	\$138,800 Expensed to Date		160,000	N	160,000					\$ 160,000
44	Downtown Streetscape	Miscellaneous	9/1/2008	9/10/2038	Payee not listed	Construction is out		-	Y						\$ -
45	Sonora/Green/Columbia/sierra improvement project	Miscellaneous	9/1/2008	9/10/2038	Payee not listed	Construction is out		-	Y						\$ -
46	Laurel Linear Park	Miscellaneous	9/1/2008	9/10/2038	Payee not listed	Construction is out		-	N						\$ -
47	Airport Infrastructure Master Plan	Improvement/Infrastructure	7/21/1999	9/10/2038	Payee not listed	\$89,499 Expensed to Date		-	N						\$ -
48	Southwest Industrial Park Master Plan	Professional Services	9/9/2009	9/10/2038	NorthStar PO 661	Master Plan Traffic Circulation-SW Madera Industrial Area (Agmt \$136,629 + 10% Contingency-\$13,629)		20,000	N	20,000					\$ 20,000
49	"E" Street Improvement Project	Improvement/Infrastructure	9/1/1991	9/10/2038	Payee not listed	Construction is out		-	N						\$ -
50	Property Tax Admin Fee	Admin Costs	9/1/1991	9/10/2038	County	Property Tax Admin Fee		5,250,000	N						\$ -
51	Procedural Audit	Dissolution Audits	9/1/1991	9/10/2038	Gallina through County	Procedural Audit		-	Y						\$ -
52	Housing Asset Audit	Dissolution Audits	9/1/1991	9/10/2038	Gallina	Housing Asset Audit		-	Y						\$ -
53	Successor Agency Employee Cost	Project Management Costs	9/1/1991	9/10/2038	Successor Agency	Payroll Cost		-	N						\$ -
54	Other SA Admin Costs	Admin Costs	1/1/2012	9/10/2038	Successor Agency	Administrative Costs		1,125,000	N					125,000	\$ 125,000
55	AT&T	Improvement/Infrastructure	9/1/2008	9/10/2038	Payee not listed	428 E Yosemite Underground Utilities		-	Y						\$ -
56	PG&E	Improvement/Infrastructure	9/1/2008	9/10/2038	Payee not listed	Adell St Underground Utilities		-	N						\$ -
57	PG&E	Improvement/Infrastructure	9/1/2008	9/10/2038	Payee not listed	Clark/Owens Underground Utilities		-	N						\$ -
58	Adell Imp Project	Improvement/Infrastructure	3/11/2009	9/10/2038	Quad Knopf PO 663	Engineering/Surveying - Adell Improvement Project (Contract for \$128,120 + 10% - \$140,900;CO \$5,150) Proj No. 90058		39,100	N	39,100					\$ 39,100
59	Adell Improvement Project	Improvement/Infrastructure	3/11/2009	9/10/2038	Payee not listed	\$133,940 Expensed to Date		-	N						\$ -
60	Ave 16 Improvements	Improvement/Infrastructure	10/11/2006	9/10/2038	Blair, Church and Flynn	Ave 16 - 3rd Amend-\$10,500 Proj No. 206-0427 - EW2 & 4th Amend-\$44,400- Proj No. 206-0427		6,102	N						\$ -
61	Canal Relocation	Improvement/Infrastructure	10/14/2009	9/10/2038	Quad Knopf PO 662	Eng Srv - Relocation of MID Canal between 7th & E Streets relocating to Clinton ROW Proj No. 90222		46,266	N	46,266					\$ 46,266
62	Laurel Linear Park	Improvement/Infrastructure	10/14/2009	9/10/2038	Blair, Church & Flynn	Eng Srv-Sunset/Laurel/Riverview Linear Park Project- No. 209-0326		25,818	N						\$ -

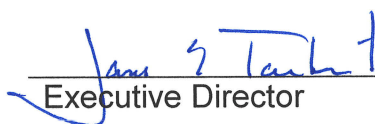
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								\$ 100,862,623		\$ 2,899,366	\$ -	\$ 153,000	\$ 1,743,993	\$ 125,000	\$ 4,921,359
63	428 Yosemite Plaza	Improvement/Infrastr ucture	1/11/2011	9/10/2038	Ross Recreation Equipment (Dec. 2010)	Benches (3) and Trash Receptacle (2) at 428 E Yosemite Ave Office		-	Y						\$ -
64	Lake St median project	Improvement/Infrastr ucture	1/11/2011	9/10/2038	City of Madera - Engineering	Reimbursement Agmt - lake Str Median Proj (total proj cost \$170,000)		-	Y						\$ -
65	Housing Bond Fund Obligations	Miscellaneous	8/15/2008	9/10/2038	Payee not listed	2008B Tax Exempt Bond Proceeds		-	N						\$ -
66	Riverwalk Subdivision	Improvement/Infrastr ucture	1/15/2014	9/10/2038	Payee not listed	\$5,135,000 Expensed to Date		1,330,000	N	1,330,000					\$ 1,330,000
67	Riverwalk Subdivision	Improvement/Infrastr ucture	1/15/2014	9/10/2038	Payee not listed	Property Acquisition		360,000	N	360,000					\$ 360,000
68	Lake/Adell Street Project	Improvement/Infrastr ucture	1/14/2009	9/10/2038	City of Madera - Engineering	Reimburse Agmt for Eng Srv - Lake/Adell - contract with Yamabe/Horn		-	N						\$ -
69	Demo 14	Improvement/Infrastr ucture	1/14/2009	9/10/2038	Giersch & Associates	Demo - Eng Services		-	Y						\$ -
70	Central Madera Street Project	Improvement/Infrastr ucture	1/14/2009	9/10/2038	Blair, Church & Flynn PO 660	Eng/Design - central Madera Residential District Proj No. 208-0541		83,513	N						\$ -
71	Midtown Village	Improvement/Infrastr ucture	10/14/2009	9/10/2038	Precision Engineering	6th & Sycamore Subdivision(Midtown) - Civil Eng. Srv #08-131		-	N						\$ -
72	Midtown Village	Improvement/Infrastr ucture	10/14/2009	9/10/2038	TRIAD	6th & Sycamore Subdivision(Midtown) - Precise Plan - Project No.8077		-	N						\$ -
73	Midtown Village	Improvement/Infrastr ucture	10/14/2009	9/10/2038	California Utility Consultants	Utility Project Mgmt Services - 6th & Sycamore Subdivision		-	N						\$ -
74	Midtown Village	Improvement/Infrastr ucture	10/14/2009	9/10/2038	Technicon Eng. Services, Inc. (11/10/10)	Geotech Eng Services - Midtown Subdivision (6th/Sycamore)		-	N						\$ -
75	Project Operations	Project Management Costs	1/1/2012	9/10/2038	Payee not listed	Contract Services		60,750	N	20,000					\$ 20,000
76	Project Operations	Project Management Costs	1/1/2012	9/10/2038	Payee not listed	Utilities		76,797	N	6,000					\$ 6,000
77	Project Operations	Project Management Costs	1/1/2012	9/10/2038	Payee not listed	Profession Dues & Assessments		17,580	N	6,000					\$ 6,000
78	Project Operations	Project Management Costs	1/1/2012	9/10/2038	Payee not listed	Other Supplies		38,736	N	12,000					\$ 12,000
79	Riverwalk Subdivision	Improvement/Infrastr ucture	1/1/2012	9/10/2038	California Utility Consultants	Utility Project Mgmt Services - Riverwalk Subdivision		-	N						\$ -
80	Sunrise Park	Improvement/Infrastr ucture	1/1/2012	9/10/2038	Madera Sunrise Rotary Club	OPC Project-Entry Sign at Sunrise Rotary Sports Complex		11,428	Y						\$ -
81	Operation Civic Pride	Improvement/Infrastr ucture	1/1/2012	9/10/2038	Madera Coalition for Community Justice	Planting of Community Garden - Lake & 4th - Operation Civic Pride		-	Y						\$ -
82	Elm & Yosemite Traffic Signal	Improvement/Infrastr ucture	6/14/2009	9/10/2038	Payee not listed	DDA - Impact Fees may fund project		475,000	N	475,000			-		\$ 475,000
83	SA Project Employee Cost	Project Management Costs	1/1/2012	9/10/2038	Payee not listed	Project Management		408,216	N	80,000					\$ 80,000
84	California Conservation corps	Project Management Costs	1/1/2012	9/10/2038	CCC	2011/12 Corps Member Contract		-	Y						\$ -
85	Property Maintenance 428 Yosemite	Property Maintenance	1/1/2012	9/10/2038	Payee not listed	Property Maintenance 428 Yosemite		48,000	N	2,000					\$ 2,000
86	Property Maintenance 120 N. E St.	Property Maintenance	1/1/2012	9/10/2038	Payee not listed	Property Maintenance 128 N E St		135,000	N			6,000			\$ 6,000
87	Server upgrade	Admin Costs	1/1/2012	9/10/2038	Payee not listed	Server, switch, software, licensensing		-	Y						\$ -
88	Replacement Housing Obligation	Miscellaneous	12/24/2009	9/10/2038	Payee not listed	Loan & Incentives		-	N						\$ -

EXHIBIT A Amended Jan 8, 2014 and Jan 13,2014 (SA & OB) Recognized Obligation Payment Schedule (ROPS ) 13-14B - ROPS Detail January 1, 2014 through June 30, 2014 (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		
										Amended Jan 2014 Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
								\$ 100,862,623		\$ 2,899,366	\$ -	\$ 153,000	\$ 1,743,993	\$ 125,000	\$ 4,921,359
89	Bond Reserve Requirement	Legal	1/1/2012	9/10/2038	Payee not listed	Bond Reserve Requirement		2,304,567	N						\$ -
90	1708 Lake Street Lot Split	Miscellaneous	1/1/2012	9/10/2038	Payee not listed	1708 Lake Street Lot Split		-	Y						\$ -
91	NSP3 Projects	Admin Costs	5/15/2011	9/10/2038	Payee not listed	Project Management		165,919	N			19,000			\$ 19,000
92	Abandoned Vehicle Authority	Miscellaneous	1/1/2012	9/10/2038	Payee not listed	Management		-	Y						\$ -
93	Waste Tire Grant Management	Miscellaneous	1/1/2012	9/10/2038	Payee not listed	Management		-	Y						\$ -
94	CDBG	Miscellaneous	1/1/2012	9/10/2038	Payee not listed	Management		-	N						\$ -
95	Property Maintanance 5 E. Yosemite	Property Maintenance	1/1/2012	9/10/2038	Payee not listed	Property Maintanance 5 E Yosemite		135,000	N			8,000			\$ 8,000
96	State CalHFA Loan HELP	Admin Costs	9/14/2005	9/10/2038	CALHFA	Loan for affordable Multi Family housing		804,276	N						\$ -
97	Soil Remediation 1350 Yose All expenditures are reimbursed by Orphan site cleanup grant	Miscellaneous	1/13/2010	9/10/2038	Krazan and Associates	EIR soil and groundwater remediation. 1350 E. Yosemite (Contract: \$265,500 + 10% of \$26,550.= 292,050).		120,000	N			120,000			\$ 120,000
98	RDAM1\2011M1	Legal	9/3/2013	9/10/2038	COUNTY GENERAL	PASS THRU PAYMENTS		-	N						\$ -
149	2003 Tax Allocation Bond Bond Reserve Requirement	Bonds Issued On or Before 12/31/10	9/3/2013	9/10/2038	BNYMellon	Bonds issue to fund RDA projects		-	N				492,498		\$ 492,498

# **REPORT TO THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER MADERA REDEVELOPMENT AGENCY**

**BOARD MEETING OF:** January 13, 2014  
**AGENDA ITEM NUMBER:** 3.2

**APPROVED BY:**

  
\_\_\_\_\_  
Executive Director

**Subject:** Update on Communications with the Department of Finance

**Summary:** The Oversight Board will be provided with an update on communications with the Department of Finance

## **HISTORY/BACKGROUND**

Our key issues continue to be as follows:

### **Long Range Property Management Plan**

The plan was submitted in July, 2013. Statewide, only twenty (20) plans have been approved. We had a telephone conversation in mid-December at which point they indicated a determination could be made within thirty (30) days. We can't sell non-housing properties until the plan is approved.

### **ROPS 13-14A**

Our "Meet and Confer" meeting was held on November 19, 2013. They reversed their position and approved the expenditure of bond proceeds on the following projects:

- Riverside Villas
- Riverwalk Subdivision
- Avenue 16 Landscape Project

They appeared to open the door for funding the Yosemite / Elm Signal Project subject to approval by the Oversight Board.

They have also proposed to distribute \$432,844 less in property tax than what is required to make our bond payment. Section 34783(b) allows the County Auditor, upon notification of the State Controller/Department of Finance, to provide us with the necessary cash to make our bond payments. We are in the process of providing them with the necessary documents to make his finding.

A copy of our "Meet and Confer" letter is attached.

## **RECOMMENDATION**

Information only.

JET:cm

Attachment:

December 13, 2013 Meet and Confer Determination Letter

December 17, 2013

Mr. Jim Taubert, Executive Director  
Madera City  
428 East Yosemite Avenue  
Madera, CA 93638

Dear Mr. Taubert:

Subject: Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated October 30, 2013. Pursuant to Health and Safety Code (HSC) section 34177 (m), the Madera City Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS 13-14B) to Finance on September 16, 2013, for the period of January through June 2014. Finance issued a ROPS determination letter on October 30, 2013. Subsequently, the Agency requested a Meet and Confer session on one or more of the items denied by Finance. The Meet and Confer session was held on November 19, 2013.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer process, Finance has completed its review of the specific items being disputed.

- Item Nos. 38, 43, 66, and 67 – Bond Funded Projects in the amount of \$2,150,000. Finance no longer denies these items. The Agency received a Finding of Completion on May 7, 2013 and per HSC section 34179.4 is now permitted to utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants. Documentation provided during the original review supports the use of 2008 bond proceeds for these items. In addition, the Agency provided reasonable and supported estimates for the following projects:
  - Riverside Villas - \$330,000
  - Avenue 16 Landscape Project - \$160,000
  - Riverwalk Subdivision \$1,690,000

We note that the amounts requested are slightly higher than the estimates provided; however, we anticipate the Agency will provide actual amounts on future ROPS.

- Item No. 82 – Elm and Yosemite Traffic Signal in the amount of \$475,000. Finance continues to deny this item. Our review indicates that the Agency entered into an agreement with a third party on September 13, 2010. As outlined in section 404 of the agreement, the Agency shall bear the costs related to the design and construction of the traffic signal at the intersection of Yosemite and Elm. However, according to the



Yosemite/Elm Signalization Project estimate provided by the Agency, the funding source for the project is bond proceeds. We requested other documentation to support these costs should be eligible for RPTTF; however, the documentation was not received in time to be considered for this review. Therefore this item is not an enforceable obligation eligible for RPTTF. Since the Agency has received its Finding of Completion, it can utilize bond proceeds in a manner consistent with bond covenants; however, since this item has not been reviewed by the Oversight Board to determine if pre 2011 bond proceeds are available for use, it cannot be approved on this ROPS.

Pursuant to HSC Section 34186 (a), successor agencies were required to report the estimated obligations and actual payments (prior period adjustments) associated with the January through June 2013 period. The amount of RPTTF approved in the table below includes the prior period adjustment that was self-reported by the Agency. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by successor agencies are subject to audit by the county auditor-controller (CAC) and the State Controller. Any proposed CAC adjustments were not received in time for inclusion in this letter. Therefore, the amount of RPTTF approved in the table below includes only the prior period adjustment that was self-reported by the Agency and the following adjustments made by Finance.

- Finance previously determined that during the January through June 2013 period (ROPS III), in Oversight Board (OB) Action 13-06, the Agency reclassified several items from RPTTF to reserve funds after receiving its RPTTF distribution. However, the Agency determined its ROPS III prior period adjustment (PPA) based on the items that were authorized for RPTTF after Finance's approval of the OB Action. The Agency was distributed and had available \$2,516,018 in non-administrative RPTTF. Therefore, the Agency's PPA in an amount of \$1,144,249 reflects the difference between ROPS III RPTTF available and ROPS III RPTTF expended (\$2,516,018 – 1,371,769).

Furthermore, the Agency contends it was authorized to reserve \$704,497 in RPTTF for ROPS 13-14A bond payments, during the ROPS 13-14A period. Upon review of the ROPS 13-14A letter, the Agency was permitted to expend \$704,497 in the Agency's own reserves and not ROPS III RPTTF during the ROPS 13-14A period. The letter clarifies that unexpended RPTTF during the ROPS III period will be included in the ROPS 13-14B PPA.

During the meet and confer the Agency claims the PPA amounts are not available and requested additional review of the PPA. The Agency's Other Funds and Accounts Due Diligence Review dated May 5, 2013 permitted the Agency to retain \$5,915,344 to satisfy the Recognized Obligations Payment Schedule (ROPS) for the June through December 2012 (ROPS II) and January through June 2013 (ROPS III) period. This amount included \$2,990,643 requested for line item 99 on the ROPS III. This amount was not expended during ROPS III. These are the funds the Agency was permitted to use during ROPS 13-14A via OB Resolution 13-06. Our review indicates that the Agency did not fully expend the distribution provided by the County Auditor Controller for the ROPS III period as previously stated; therefore, the PPA for the unspent RPTTF remains unchanged.

To the extent the Agency used these funds to pay for items not listed on a ROPS or reported in the PPA, it should include these items on future ROPS for review.

Except for items denied in whole or in part as enforceable obligations, Finance is not objecting to the remaining items listed on your ROPS 13-14B. The Agency's maximum approved RPTTF distribution for the reporting period is \$724,744 as summarized below:

<b>Approved RPTTF Distribution Amount</b>	
<b>For the period of January through June 2014</b>	
Total RPTTF requested for non-administrative obligations	2,218,993
Total RPTTF requested for administrative obligations	125,000
<b>Total RPTTF requested for obligations</b>	<b>\$ 2,343,993</b>
<b>Total RPTTF requested for non-administrative obligations</b>	
<b>2,218,993</b>	
<u>Denied Items</u>	
Item No. 82	(475,000)
<b>Total RPTTF approved for non-administrative obligations</b>	<b>1,743,993</b>
<b>Total RPTTF requested for administrative obligations</b>	
<b>125,000</b>	
Self-Reported ROPS III prior period adjustment (PPA)	(40,650)
Adjustment to ROPS III PPA	(1,103,599)
Total ROPS III PPA	(1,144,249)
<b>Total RPTTF approved for distribution</b>	<b>\$ 724,744</b>

Pursuant to HSC section 34177 (l) (1) (E), agencies are required to use all available funding sources prior to RPTTF for payment of enforceable obligations. Beginning with the ROPS 13-14B period, Finance required successor agencies to identify fund balances for various types of funds in its possession. During our ROPS 13-14B review, Finance requested financial records to support the fund balances reported by the Agency; however, Finance was unable to reconcile the financial records to the amounts reported. As a result, Finance will continue to work with the Agency after the ROPS 13-14B review period to properly identify the Agency's fund balances. If it is determined the Agency possesses fund balances that are available to pay approved obligations, the Agency should request the use of these fund balances prior to requesting RPTTF in ROPS 14-15A.

Please refer to the ROPS 13-14B schedule that was used to calculate the approved RPTTF amount:

[http://www.dof.ca.gov/redevelopment/ROPS/ROPS 13-14B Forms by Successor Agency/](http://www.dof.ca.gov/redevelopment/ROPS/ROPS%2013-14B%20Forms%20by%20Successor%20Agency/).

This is Finance's final determination related to the enforceable obligations reported on your ROPS for January 1 through June 30, 2014. This determination applies only to items where funding was requested for the six month period. Finance's determination is effective for this time period only and should not be conclusively relied upon for future periods. All items listed on a future ROPS are subject to a subsequent review and may be denied even if it was or was not denied on this ROPS or a preceding ROPS. The only exception is for those items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of items that have received a Final and Conclusive determination is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment that was available prior to enactment of ABx1 26 and AB 1484. This amount is not and never was

an unlimited funding source. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the successor agency in the RPTTF.

To the extent proceeds from bonds issued after December 31, 2010 exist and are not encumbered by an enforceable obligation pursuant to HSC section 34171 (d), HSC section 34191.4 (c)(2)(B) requires these proceeds be used to defease the bonds or to purchase those same outstanding bonds on the open market for cancellation.

Please direct inquiries to Evelyn Suess, Dispute Resolution Supervisor, or Danielle Brandon, Analyst, at (916) 445-1546.

Sincerely,



JUSTYN HOWARD  
Assistant Program Budget Manager

cc: Mr. Bob Wilson, Business Manager, Madera City  
Mr. Jim Boyajian, Assistant Auditor Controller, Madera County  
California State Controller's Office