

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

**Monday, March 18, 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 Chairperson Brett Frazier at 9:00 a.m.

ROLL CALL

Board Members Present:

Brett Frazier, Chairperson
Stell Manfredi, Vice-Chairperson
Ric Arredondo, Board Member (arrived following the Roll Call at 9:04 a.m.)
Max Rodriguez, Board Member (arrived following the Roll Call at 9:13 a.m.)
Donald Horal, Board Member
Dr. Cecilia Massetti, Board Member
Bob Wilson, Board Member

Successor Agency Staff Members Present:

Successor Agency Executive Director Jim Taubert, General Counsel Brent Richardson, and Successor Agency Secretary Sandi Brown.

The Pledge of Allegiance was led by Chairperson Brett Frazier.

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 Frazier 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 February 19, 2013

Action: Approval of the Consent Calendar item as presented.

Moved by: Board Member Manfredi; seconded by Board Member Wilson.

Vote: 5/0. **Ayes:** Board Members Frazier, Manfredi, Horal, Massetti, and Wilson; **Noes:** None; **Absent:** Board Members Arredondo and Rodriguez.

3. PRESENTATIONS/ADMINISTRATIVE REPORTS

3.1 Update on Legislative Activities Related to Redevelopment

Agency Secretary Sandi Brown announced that members of the public are advised that per Government Code 54957.5 copies of the attachment to the staff report for Item 3.1 were distributed less than 72 hours prior to the meeting and additional copies are available from her following the meeting.

Summary of staff report: Successor Agency Executive Director Jim Taubert presented the staff report noting the attachment to the staff report contains a brief description on legislation that has been introduced that primarily deals with infrastructure and bills clarifying the role of the Department of Finance. He noted the

only two bills to advance so far are SB 1 (Steinberg) and SB 33 (Wolk), which were heard in committee last week and passed out of committee by a unanimous vote. Mr. Taubert advised that he will keep the members of the Oversight Board informed as bills progress through the legislative session. Discussion followed.

Informational staff report only – no formal action required.

Note: For the record, Board Member Ric Arredondo arrived at 9:04 a.m.

4. NEW BUSINESS

4.1 Consideration of a Resolution Approving a Purchase and Sales Agreement for Property Located at 300 South 'G' Street (APN 010-162-001)

Summary of staff report: Successor Agency Executive Director Jim Taubert presented the staff report advising this action was approved by the Successor Agency at their meeting on Wednesday, March 13, 2013. Mr. Taubert advised that the former Madera Redevelopment Agency (RDA) entered into a Memorandum of Understanding (MOU) in 2008 with Madera County relative to the courthouse project that resulted in the County transferring title of the County garage and IT building to the RDA, creating an enforceable obligation in the amount of \$880,000 that was based upon the appraised value of the property transferred as defined in the MOU. The RDA demolished the structures and transferred title to the State of California for the courthouse project. The County directed that the obligation be applied to the acquisition of property to accommodate the future offices of the District Attorney and the Probation Department. The Successor Agency to the former RDA is obligated, per the terms of the MOU, to acquire the property. He explained this property is located at 300 South 'G' Street, is currently owned by a local church, and is key because of its size and location relative to the new courthouse. Discussion followed.

Action: Adopted Resolution No. OB 13-04, approving a purchase and sales agreement for property located at 300 South 'G' Street (APN 010-162-001)

Moved by: Board Member Wilson; seconded by Board Member Manfredi.

Vote: 6/0. Ayes: Board Members Frazier, Manfredi, Horal, Massetti, Wilson and Arredondo; Noes: None;

Absent: Board Member Rodriguez. (Board Member Ric Arredondo arrived at 9:04 a.m. and participated in the vote.)

Note: For the record, Board Member Max Rodriguez arrived at 9:13 a.m.

4.2 Consideration of a Resolution Authorizing Payment of Certain Enforceable Obligations from Sources Other Than Those Listed on the Recognized Obligation Payment Schedule for the Period July 1, 2012 through December 31, 2012 (ROPS II)

Summary of staff report: Successor Agency Executive Director Jim Taubert presented the staff report noting that staff has been communicating with Department of Finance (DOF) staff over the past few days relative to our ROPS II and III. He explained that the Agency has five (5) different ways to fund projects including Bond Proceeds, Reserve Balances, Administrative Allowance, RPTTF and Grants. He said DOF has indicated that when we submitted our ROPS II certain obligations were shown as being funded with RPTTF, and should have been shown as being funded with our Reserve fund. He said that staff's conversations with DOF have centered on how to correct the error. He advised that DOF is threatening to take a lot of our Reserve funds, which are necessary to make our bond payments and would leave only Bond Proceeds to pay off our bonds. Mr. Taubert stated that would trigger a bond default. He noted that DOF's response to staff was that the Agency had other options to make the Bond payment, such as getting a loan from the City, restructuring our current debt, or withholding pass-thru payments. Mr. Taubert noted that DOF by acknowledging this is putting our ability to retire bonds at risk, and is basically saying it's a local problem – not their problem. Mr. Taubert advised staff is requesting DOF to allow us to move the funds from the RPTTF to the Reserve fund so that we can meet our bond payment and won't be forced to consider the unlikely options presented by DOF, such as obtaining a loan from the City. Mr. Taubert indicated that DOF has said it's too late to fix ROPS II; we can only make changes to the ROPS III. However, staff's recommendation is to proceed with the request to correct funding sources for both ROPS II and ROPS III; move to Meet and Confer if need be and litigation if necessary. Chairperson Frazier called for questions. Discussion followed.

Action: Adopted Resolution No. OB 13-05, approving the payment of certain enforceable obligations from sources other than those listed on the Recognized Obligation Payment Schedule for the period July 1, 2012 through December 31, 2012 (ROPS II).

Moved by: Board Member Arredondo, seconded by Board Member Manfredi.

Vote: 7/0. Ayes: Board Members Frazier, Manfredi, Horal, Massetti, Wilson, Arredondo and Rodriguez;

Noes: None; **Absent:** None. (Board Member Max Rodriguez arrived at 9:13 a.m. and participated in the vote.)

4.3 Consideration of a Resolution Authorizing Payment of Certain Enforceable Obligations from Sources Other Than Those Listed on the Recognized Obligation Payment Schedule for the Period January 1, 2013 through June 30, 2013 (ROPS III)

Summary of staff report: Successor Agency Executive Director Jim Taubert presented the staff report noting this is the same action as that presented in Item 4.2 except it is related to the ROPS III. Chairperson Frazier called for questions. Discussion followed.

Action: Adopted Resolution No. OB 13-06, approving the payment of certain enforceable obligations from sources other than those listed on the Recognized Obligation Payment Schedule for the period January 1, 2013 through June 30, 2013 (ROPS III).

Moved by: Board Member Arredondo; seconded by Board Member Massetti.

Vote: 7/0. Ayes: Board Members Frazier, Manfredi, Horal, Massetti, Wilson, Arredondo and Rodriguez;

Noes: None; Absent: None.

5. GENERAL

There are no items for this section.

6. BOARD MEMBER REPORTS

No reports were offered.

7. ADJOURNMENT

The meeting was adjourned at 9:26 a.m.

Respectfully submitted by:

Sandi Brown, Agency Secretary

/sb