

# Successor Agency to the Turlock Redevelopment Agency Meeting Agenda



**JANUARY 8, 2019**

**6:00 p.m.**

**City of Turlock Yosemite Room**

**156 S. Broadway, Turlock, California**



---

Chair  
**Amy Bublak**

Agency Members  
**Gil Esquer**                      **Nicole Larson**  
**Andrew Nosrati**

Executive Director  
**Robert C. Lawton**  
Secretary  
**Jennifer Land**  
Interim City Attorney  
**Jose M. Sanchez**

---

**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. PUBLIC PARTICIPATION:

Pursuant to California Government Code Section 54954.3(a), 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 that is within the subject matter jurisdiction of the Agency and to address the Agency on any item on tonight's agenda, including Consent Calendar items. You will be allowed five (5) 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.

Pursuant to California Government Code Section 54954.2(a)(3), no action or discussion may be undertaken on any item not appearing on the posted agenda, except that the Agency or its staff, may briefly respond to comments or questions from members of the public, provide a reference to staff or other resources for factual information, or direct staff to place the issue 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 Chair, 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 Regular Meeting of the Successor Agency to the Turlock Redevelopment Agency of January 23, 2018

**5. PUBLIC HEARINGS: None**

**6. SCHEDULED MATTERS:**

- A. Request to approve proposed administrative budgets for the six-month fiscal periods from July 1, 2019 through December 31, 2019 and from January 1, 2020 through June 30, 2020 and taking related actions (*Jacobs-Hunter*)

***Recommended Action:***

Resolution: Approving proposed administrative budgets for the six-month fiscal periods from July 1, 2019 through December 31, 2019 and from January 1, 2020 through June 30, 2020 and taking related actions

- B. Request to approve a Recognized Obligation Payment Schedule for the fiscal period from July 1, 2019 through June 30, 2020 (ROPS 19-20) pursuant to Health and Safety Code Section 34177 and taking related actions (*Jacobs-Hunter*)

***Recommended Action:***

Resolution: Approving a Recognized Obligation Payment Schedule for the fiscal period from July 1, 2019 through June 30, 2020 (ROPS 19-20) pursuant to Health and Safety Code Section 34177 and taking related actions

**7. ADJOURNMENT**

JANUARY 23, 2018  
6:00 p.m.  
City of Turlock Yosemite Room  
156 S. Broadway, Turlock, California

MINUTES  
Regular Meeting  
Successor Agency to the  
Turlock Redevelopment Agency

- 1. **CALL TO ORDER** – Chair Gary Soiseth called the meeting to order at 6:11 p.m.  
PRESENT: Agency Members Gil Esquer, Bill DeHart, Amy Bublak, Matthew Jacob, and Chair Gary Soiseth  
ABSENT: None

2. **PUBLIC PARTICIPATION:** None

3. **DECLARATION OF CONFLICT OF INTEREST AND DISQUALIFICATIONS:** None

4. **CONSENT CALENDAR**

**Action:** Motion by Agency Member DeHart, seconded by Agency Member Bublak, adopting the consent calendar. Motion carried 5/0, by the following vote:

Agency Member Esquer	Agency Member DeHart	Agency Member Bublak	Agency Member Jacob	Chair Soiseth
Yes	Yes	Yes	Yes	Yes

- A. Motion: Accepting Minutes of Regular Meeting of the Successor Agency to the Turlock Redevelopment Agency of March 14, 2017

5. **PUBLIC HEARINGS:** None

6. **SCHEDULED MATTERS:**

*Mayor Soiseth announced that Scheduled Matters Items 6A and 6B would be handled concurrently.*

- A. Administrative Services Director Kellie Jacobs-Hunter presented the staff report on the request to approve the proposed administrative budgets for the six-month fiscal periods from July 1, 2018 through December 31, 2018 and from January 1, 2019 through June 30, 2019, and taking certain related actions.

Chair Soiseth opened public participation. No one spoke. Chair Soiseth closed public participation.

**Action:** Resolution No. SA-RDA-2018-001: Approving the proposed administrative budgets for the six-month fiscal periods from July 1, 2018 through December 31, 2018 and from January 1, 2019 through June 30, 2019, and taking certain related actions as introduced by Agency Member Jacob, seconded by Agency Member Esquer, and carried 5/0 by the following vote:

Agency Member Esquer	Agency Member DeHart	Agency Member Bublak	Agency Member Jacob	Chairman Soiseth
Yes	Yes	Yes	Yes	Yes

- B. Administrative Services Director Kellie Jacobs-Hunter presented the staff report on the request to approve a Recognized Obligation Payment Schedule for the fiscal period from July 1, 2018 through June 30, 2019 (ROPS 18-19) pursuant to Health and Safety Code Section 34177 and taking certain actions in connection therewith.

Chair Soiseth opened public participation. No one spoke. Chair Soiseth closed public participation.

**Action:** **Resolution No. SA-RDA-2018-002:** Approving a Recognized Obligation Payment Schedule for the fiscal period from July 1, 2018 through June 30, 2019 (ROPS 18-19) pursuant to Health and Safety Code Section 34177 and taking certain actions in connection therewith as introduced by Agency Member Jacob, seconded by Agency Member Esquer, and carried 5/0 by the following vote:

Agency Member Esquer	Agency Member DeHart	Agency Member Bublak	Agency Member Jacob	Chair Soiseth
Yes	Yes	Yes	Yes	Yes

**7. ADJOURNMENT**

Motion by Agency Member Esquer, seconded by Agency Member Bublak to adjourn the Successor Agency to the Turlock Redevelopment Agency meeting at 11:12 p.m. Motion carried unanimously.

RESPECTFULLY SUBMITTED

---

Jennifer Land  
Secretary/City Clerk

**Successor Agency to the  
Redevelopment Agency Staff Report  
January 8, 2019**



---

From: Kellie Jacobs-Hunter, Administrative Services Director  
Prepared by: Marie Lorenzi, Senior Accountant  
Agendized by: Robert C. Lawton, Executive Director

**1. ACTION RECOMMENDED:**

Resolution: Approving proposed administrative budgets for the six-month fiscal periods from July 1, 2019 through December 31, 2019 and from January 1, 2020 through June 30, 2020 and taking related actions

**2. SYNOPSIS:**

Approving proposed administrative budgets for the six-month fiscal periods covering July 1, 2019 through December 31, 2019 and January 1, 2020 through June 30, 2020 and taking related actions.

**3. DISCUSSION OF ISSUE:**

The Successor Agency is required to prepare a proposed administrative budget for each six-month fiscal period, which must be submitted to the Oversight Board for approval. Each proposed administrative budget must include all of the following: (1) estimated amounts for Successor Agency administrative costs for the applicable six-month fiscal period; (2) proposed sources of payment for the administrative costs; and (3) proposals for arrangements for administrative and operations services provided by the City of Turlock (the "City") or other entity.

HSC Section 34177 is unclear regarding the required timing for the submission of the proposed administrative budgets to the Oversight Board. However, because the Successor's Agency's administrative expenditures also have to be reflected on the Successor Agency's Recognized Obligation Payment Schedules ("ROPS"), it makes sense that the administrative budget(s) is(are) presented to the Successor Agency at that same time the ROPS is presented.

Pursuant to California Health and Safety (HSC) Code Section 34177, the Successor Agency must prepare a ROPS listing the anticipated payments for enforceable obligations to be made during each specified fiscal period. The Successor Agency's administrative allowance is one of the enforceable obligations contained in the ROPS. By separate agenda item the proposed ROPS 19-20 is being presented to the Successor Agency Board for consideration and approval.

Assuming SA Board approval, the administrative budget will also be presented to the Oversight Board for approval at their next meeting.

**4. BASIS FOR RECOMMENDATION:**

A. Pursuant to Section 34177(j) of the California Health and Safety Code (“HSC”), the Successor Agency is required to prepare a proposed administrative budget for each six-month fiscal period, which must be submitted to the Oversight Board for approval.

**5. FISCAL IMPACT / BUDGET AMENDMENT:**

Under HSC Section 34171(b), the “Administrative Cost Allowance” is the maximum amount of administrative costs that may be paid by the Successor Agency from property tax revenues allocated by the County Auditor-Controller (i.e., disbursements from Redevelopment Property Tax Trust Fund (“RPTTF”). The Successor Agency’s annual administrative costs (except for administrative costs paid from bond proceeds or grant funds) must not exceed 50 percent of the total RPTTF moneys distributed to pay enforceable obligations in the preceding fiscal year (which latter amount must be reduced by the Successor Agency’s Administrative Cost Allowance and loan repayments, if any, made to the City for loans re-established pursuant to HSC Section 34191.4 (the “City Loans”) during the preceding fiscal year).

Based on the limitations noted above, commencing July 1, 2016, and for each fiscal year thereafter, the Administrative Cost Allowance is the greater of: (i) \$250,000 fiscal year, or (ii) 3 percent of the actual RPTTF moneys distributed to the Successor Agency by the County Auditor-Controller in the preceding fiscal year for payment of approved enforceable obligations, reduced by the Successor Agency’s administrative cost allowance and repayments made to the City Loans (if any) during the preceding fiscal year. For the Successor Agency to the former Turlock Redevelopment Agency, the above limitations result in a cap of \$250,000 for administrative costs.

**6. EXECUTIVE DIRECTOR’S COMMENTS:**

Recommend approval.

**7. ENVIRONMENTAL DETERMINATION:**

N/A

**8. ALTERNATIVES:**

A. None recommended at this time as the approval of the Administrative Budget is a requirement under HSC Section 34177.

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

**IN THE MATTER OF APPROVING } RESOLUTION NO. SA-RDA-2019-\_\_\_\_\_  
PROPOSED ADMINISTRATIVE BUDGETS }  
FOR THE SIX-MONTH FISCAL PERIODS }  
FROM JULY 1, 2019 THROUGH DECEMBER }  
31, 2019, AND FROM JANUARY 1, 2020 }  
THROUGH JUNE 30, 2020 AND TAKING }  
RELATED ACTIONS }  
\_\_\_\_\_ }**

**WHEREAS**, pursuant to Health and Safety Code (“HSC”) Section 34177(j), the Successor Agency to the Turlock Redevelopment Agency (the “Successor Agency”) must prepare a proposed administrative budget for each six-month fiscal period (commencing each January 1 and July 1) and submit each proposed administrative budget to the oversight board with jurisdiction over the Successor Agency (the “Oversight Board”) for approval; and

**WHEREAS**, pursuant to HSC Section 34179(j), commencing on and after July 1, 2018, the Stanislaus Countywide Oversight Board (the “Oversight Board”) has jurisdiction over the Successor Agency; and

**WHEREAS**, each proposed administrative budget shall include all of the following: (1) estimated amounts for Successor Agency administrative costs for the upcoming six-month fiscal period; (2) proposed sources of payment for the costs identified in (1); and (3) proposals for arrangements for administrative and operations services provided by the City of Turlock or another entity; and

**WHEREAS**, pursuant to HSC Section 34177(k), the Successor Agency is required to provide administrative cost estimates, from its approved administrative budget that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the County Auditor-Controller for each six-month fiscal period; and

**WHEREAS**, there has been presented to this Board for approval, the Successor Agency’s proposed administrative budgets for the six-month fiscal periods from July 1, 2019 through December 31, 2019 (“Administrative Budget 19-20A”) and from January 1, 2020 through June 30, 2020 (“Administrative Budget 19-20B,” together with Administrative Budget 19-20A, the “Administrative Budgets”).

**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. Administrative Budget 19-20A, substantially in the form attached hereto as Exhibit A, is hereby approved.

Section 3. Administrative Budget 19-20B, substantially in the form attached hereto as Exhibit A, is hereby approved.

Section 4. The Executive Director of the Successor Agency, in consultation with the Successor Agency’s legal counsel, may modify the Administrative Budgets as the Executive Director or the Successor Agency’s legal counsel deems necessary or advisable.

Section 5. Staff is hereby authorized and directed to submit the proposed Administrative Budgets to the Oversight Board for approval.

Section 6. The officers and other staff members 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 the Administrative Budgets and any such actions previously taken are hereby ratified and confirmed.

**PASSED AND ADOPTED** at a regular meeting of the Board of Directors of the Successor Agency to the Turlock Redevelopment Agency this 8<sup>th</sup> day of January, 2019, by the following vote:

AYES:  
NOES:  
NOT PARTICIPATING:  
ABSENT:

ATTEST:

---

Jennifer Land  
City Clerk, City of Turlock,  
County of Stanislaus,  
State of California



**EXHIBIT A**

**SUCCESSOR AGENCY TO THE TURLOCK REDEVELOPMENT AGENCY**

**ADMINISTRATIVE BUDGET 19-20A**  
**(July 1, 2019 through December 31, 2019)**  
and

**ADMINISTRATIVE BUDGET 19-20B**  
**(January 1, 2020 through June 30, 2020)**

**EXHIBIT A**

**Successor Agency to the former Turlock Redevelopment Agency  
Administrative Budget for Fiscal Year 2019-20**

	<u>2019-20 A</u>	<u>2019-20 B</u>	<u>Total</u>
<b>Administrative Allowance</b>			
Successor Agency Staff	\$ 21,950	\$ 21,950	\$ 43,900
Audit Services	1,250	1,250	2,500
Supplies, meetings, training, advertising, IT, etc	2,500	2,500	5,000
Other Contractual Services (including legal)	2,500	2,500	5,000
<b>Total Administrative Allowance</b>	<u>\$ 28,200</u>	<u>\$ 28,200</u>	<u>\$ 56,400</u>

City of Turlock employees provide administrative support for the Successor Agency for the former Turlock Redevelopment Agency.

This support includes processing all financial transactions; preparing required reports for various entities including ROPS and Prior Period Adjustment Report submissions, Continuing Disclosure documents related to outstanding debt issuances, administration of the mobile home subsidy program; support to EAH and Avena Bella, and responding to questions regarding any Successor Agency activities.

Administrative support also includes preparing and presenting Staff reports for the Successor Agency and/or the Oversight Board so that they can fulfill their administrative requirements related to the wind down of the former Turlock Redevelopment Agency. City Staff also supports the Successor Agency and Oversight Board members as they carry out their duties and responsibilities to their respective entity including the costs of preparing for and holding the meetings in order to carry out the dissolution process as prescribed by law.

On the related ROPS for these time periods, Staff is proposing the use of RPTTF funds for the administrative costs of the Successor Agency.

**Successor Agency to the  
Redevelopment Agency Staff Report**  
January 8, 2019



From: Kellie Jacobs-Hunter, Administrative Services Director

Prepared by: Marie Lorenzi, Senior Accountant

Agendized by: Robert C. Lawton, Executive Director

**1. ACTION RECOMMENDED:**

Resolution: Approving a Recognized Obligation Payment Schedule for the fiscal period from July 1, 2019 through June 30, 2020 (ROPS 19-20) pursuant to Health and Safety Code Section 34177 and taking related actions

**2. SYNOPSIS:**

Approving a Recognized Obligation Payment Schedule for the fiscal period covering July 1, 2019 through June 30, 2020 and taking related actions.

**3. DISCUSSION OF ISSUE:**

Pursuant to California Health and Safety (HSC) Code Section 34177, the Successor Agency must prepare a Recognized Obligation Payment Schedule (ROPS) listing the anticipated payments for enforceable obligations to be made during each specified fiscal period. Beginning with fiscal year 2016-17, the Successor Agency has prepared an annual ROPS for a 12 month period (prior to 2016-17 the ROPS was prepared semi-annually). The ROPS currently before the Successor Agency is the 13<sup>th</sup> installment of this document and the fourth prepared on an annual (12-month) basis.

After Successor Agency approval, the ROPS must be approved by the Oversight Board. Until July 2018, the Oversight Board was made up of representatives of taxing entities whose boundaries were within the geographical boundaries of the former Turlock Redevelopment Agency. The members for the Turlock Successor Agency Oversight Board included a representative for Turlock Unified School District, Turlock Irrigation District, Stanislaus County, Yosemite Community College District, City of Turlock, the employees of the former Turlock Redevelopment Agency, and an at-large community member.

Beginning in July 2018 and in accordance with dissolution law, the various Oversight Boards within Stanislaus County were collapsed into one Oversight

Board representing all the previous individual Oversight Boards within the County. The Dissolution Law stated the make-up of this new County-wide Oversight Board. Attached is a letter from the Stanislaus County Auditor-Controller which states the members of the new County-wide Oversight Board. The County-wide Oversight Board will be meeting on January 14, 2019 to consider approving the ROPS submitted by each successor agency.

Assuming both the Successor Agency Board and the Oversight Board approve the ROPS 19-20, the Oversight Board approved ROPS will then be submitted to the California Department of Finance (DOF) for their review and approval. HSC Section 34177 requires the submittal to DOF and the local County Auditor-Controller no later than February 1, 2019. In addition, a copy of the Oversight Board-approved ROPS must be posted on the Successor Agency's website.

The DOF may eliminate or modify any item on the ROPS before approving it. The DOF must make its determination regarding the enforceable obligations and the amount and funding source for each enforceable obligation listed on ROPS 19-20 no later than April 15, 2019. Within five business days of the DOF's determination, the Successor Agency may request to "meet and confer" with the DOF on disputed items. The meet and confer period may vary, but an untimely submission of ROPS 18-19 may result in a meet and confer period of less than 30 days.

The County Auditor-Controller may object to the inclusion of any item on the ROPS that is not demonstrated to be an enforceable obligation and may object to the funding source proposed for any item. The County Auditor-Controller must provide notice of its objections to the DOF, the Successor Agency and the Oversight Board at least 60 days before disbursements from the Redevelopment Property Tax Trust Fund ("RPTTF") are required to be made.

The County Auditor-Controller is required to make RPTTF disbursements to the Successor Agency pursuant to the DOF-approved ROPS 19-20 on June 1, 2019 (to fund enforceable obligation payments from July 1, 2019 through December 31, 2019) and January 2, 2020 (to fund enforceable obligation payments from January 1, 2020 through June 30, 2020).

#### Penalties for Failure to Make Timely Submission

If the Successor Agency does not submit an Oversight Board-approved ROPS 19-20 by February 1, 2019, the City of Turlock will be subject to a civil penalty of \$10,000 per day for every day that ROPS 19-20 is not submitted to the DOF. The penalty will be paid to the County Auditor-Controller for distribution to the taxing entities. If the Successor Agency does not timely submit ROPS 19-20, creditors of the Successor Agency, the DOF, and affected taxing entities may request a writ of mandate to require the Successor Agency to immediately perform this duty. Additionally, if the Successor Agency does not submit ROPS 19-20 within 10 days

of the February 1, 2019 deadline, the Successor Agency's maximum administrative cost for that period will be reduced by 25 percent.

If the Successor Agency fails to submit an Oversight Board-approved ROPS to the DOF within five business days of "the date upon which the ROPS is to be used to determine the amount of property tax allocations," the DOF may order the County Auditor-Controller to withhold a scheduled RPTTF disbursement to the Successor Agency pending the DOF's review of the related ROPS. (It is not clear what is "*the date upon which the ROPS is to be used to determine the amount of property tax allocations.*" Possibly, it is referring to October 1 and April 1, the dates by which the County Auditor-Controller must prepare estimates for the upcoming RPTTF disbursements on January 2 and June 1, respectively, and provide the estimates to the DOF, the Successor Agency and the taxing entities.) In conjunction with such a withholding, the DOF may order the County Auditor-Controller to disburse to the taxing entities money from the RPTTF that the DOF determines to be in excess of the amount needed for enforceable obligations.

Details Contained in ROPS 19-20

The ROPS 19-20 is very similar to the ROPS prepared for the 2018-19 fiscal year. The Successor Agency refunded all of its then outstanding bonds in November 2016, so the debt service payments reflected on the ROPS are for the 2016 Refunding Bonds. The semi-annual debt service for the 2016 Bonds is included in the ROPS 19-20 both for actual payments to be made during the ROPS period as well as for debt service due in September 2020 in accordance with the Indenture Agreement that was part of the bond issuance documents. The revenue anticipated to be received in fiscal year 2019-20 related to the September 2020 debt service payments will be held in trust until those payments are due to be made to the bond holders.

Also included in the ROPS 19-20 is funding for Enforceable Obligations (EO) for the following: (1) the mobile home subsidy program, (2) various costs associated with the administration of the Agency's outstanding debt (third-party trustee fees and arbitrage rebate calculations), and (3) administrative costs. These EOs are similar to what has been presented in the past.

AB X1 26 provides for an administrative allowance equal to 3% of revenue received with a minimum of \$250,000. Staff has excluded from the Administrative Allowance costs which are project specific or are annually required activities (i.e. third party trustee services, arbitrage rebates services and audit services). By a separate agenda item, the Successor Agency will be requested to approve the administrative budget for the period July 1, 2019 – June 30, 2020.

**4. BASIS FOR RECOMMENDATION:**

- A. Pursuant to Section 34177 of the Health and Safety Code ("HSC"), in order to make payments on enforceable obligations, the Successor Agency is required to prepare a Recognized Obligation Payment Schedule ("ROPS") for specified fiscal periods. Each ROPS must be approved by the Oversight Board, submitted to the County Auditor-Controller, the State Controller, as well as the State Department of Finance ("DOF"). Previously, the Successor Agency was required to prepare a ROPS for each six-month fiscal period (from July 1 through December 31, and from January 1 through June 30, respectively). Due to a change in law in 2015, the Successor Agency is now required to prepare only one ROPS per fiscal year.

**5. 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 for the period July 1, 2019 through June 30, 2020. The ROPS will also be forwarded on to the Oversight Board for their approval prior to submission to the California Department of Finance.

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

Recommend approval.

**7. ENVIRONMENTAL DETERMINATION:**

N/A

**8. ALTERNATIVES:**

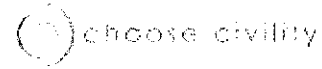
- A. None recommended at this time as the preparation of a Recognized Obligation Payment Schedule is required by law in order for the Successor Agency to continue to pay obligations of the former Turlock Redevelopment Agency.



**Auditor - Controller**

**Lauren Klein, CPA**  
Auditor-Controller

1010 10<sup>th</sup> Street, Suite 5100, Modesto, CA 95354  
P O Box 770, Modesto, CA 95353-0770  
Phone: 209.525.6398 Fax: 209.525.7507



August 8, 2018

Stanislaus County Successor Agencies

Dear Successor Agencies,

As you are aware, State Senate Bill (SB) 107 was passed in 2015 and included many significant changes to the operation of Successor Agencies. Among these changes were the Annual Recognized Obligation Payment Schedule (ROPS), the Last and Final ROPS, a single Countywide Oversight Board, and the requirement for the County Auditor-Controller to review the obligation payments made by the Successor Agency. Some of the changes became effective July 1, 2018.

Section 34179(j) of SB 107 provides options as to who will administer the Countywide Oversight Board with the selection determined by the Auditor-Controller. I have chosen to accept these responsibilities with my staff performing the administrative work with the help of the Clerk of the Board and County Counsel.

Section 34179(j) also provides the appointment of the Oversight Board as follows:

- (1) One member may be appointed by the county board of supervisors. Supervisor Jim DeMartini was appointed to this position.
- (2) One member may be appointed by the city selection committee established pursuant to Section 50270 of the Government Code. Finance Director from the City of Riverbank, Marisela Garcia, was appointed to this position.
- (3) One member may be appointed by the independent special district selection committee established pursuant to Section 56332 of the Government Code. Interim Chief of Stanislaus Consolidated Fire Protection District, Michael Wapnowski, was appointed to this position.
- (4) One member may be appointed by the county superintendent of education to represent schools if the superintendent is elected. Deputy Superintendent of Stanislaus County Office of Education, Don Gatti, was appointed to this position.
- (5) One member may be appointed by the Chancellor of the California Community Colleges. Vice President of College and Administrative Services, Trevor Stewart, was appointed to this position.
- (6) One member of the public may be appointed by the county board of supervisors. Curt Andre was appointed to this position.

- (7) One member may be appointed by the recognized employee organization representing the largest number of successor agency employees in the county. Diane Sheatsley from the City of Modesto was appointed to this position.

An initial meeting of the Oversight Board is planned in the next few months to inform the Board of their duties as well as to establish By-laws and a Conflict of Interest Code. If there are issues that the Successor Agencies are concerned with beyond the approval of the annual ROPS please provide information related to these concerns so the Board may be briefed.

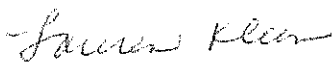
The first period the County Auditor-Controller is obligated to review will be the 2017-2018 ROPS. Health and Safety Code 34186(c) states the following:

*Commencing on October 1, 2018 and each October 1 thereafter, the differences between actual payments and past estimated obligations on a Recognized Obligation Payment Schedule shall be submitted by the successor agency to the county auditor-controller for review. The county auditor-controller shall provide to the department in a manner of the department's choosing a review of the differences between actual payments and past estimated obligations, including cash balances, no later than February 1, 2019, and each February 1 thereafter.*

To facilitate this review, you will find an attached list of obligation payments that were due in the 2017-2018 ROPS period. Please supply all backup documentation for these obligation payments **no later than October 1, 2018**. Backup documentation may include, but not limited to, Successor Agency financial statements for the 2017-2018 ROPS period, trial balances, copies of check registers and payments including supporting documentation for the same period.

My staff and I look forward to working with you regarding the administration of the Stanislaus County Countywide Oversight Board. If you should have any questions you can contact me at [kleinl@stancounty.com](mailto:kleinl@stancounty.com) or (209) 525-6576.

Thank-you,



Lauren Klein, CPA  
Stanislaus County Auditor-Controller

Attachment



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

<b>IN THE MATTER OF APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE FISCAL PERIOD FROM JULY 1, 2019 THROUGH JUNE 30, 2020 (ROPS 19-20) PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 AND TAKING RELATED ACTIONS</b>	} RESOLUTION NO. SA-RDA-2019-_____ } } } } } } }
---	---

**WHEREAS**, pursuant to Health and Safety Code (“HSC”) Section 34177(o), the Successor Agency to the Turlock Redevelopment Agency (the “Successor Agency”) must prepare a Recognized Obligation Payment Schedule listing the anticipated payments for enforceable obligations to be made by the Successor Agency during the fiscal period from July 1, 2019 through June 30, 2020 (ROPS 19-20) and submit ROPS 19-20 to the oversight board having jurisdiction over the Successor Agency for approval; and

**WHEREAS**, pursuant to HSC Section 34179(j), commencing on and after July 1, 2018, the Stanislaus Countywide Oversight Board (the “Oversight Board”) has jurisdiction over the Successor Agency; and

**WHEREAS**, pursuant to HSC Section 34177(l)(2)(B), at the same time that the Successor Agency submits ROPS 19-20 to the Oversight Board for approval, the Successor Agency must submit a copy of such ROPS 19-20 to the State Department of Finance (the “DOF”), the County administrative officer, and the County Auditor-Controller; and

**WHEREAS**, pursuant to HSC Section 34177(l)(2)(C) and Section 34177(o)(1), the Successor Agency must: (i) submit the Oversight Board-approved ROPS 19-20 to the DOF, the Office of the State Controller, and the County Auditor-Controller no later than February 1, 2017, and (ii) post a copy of the Oversight Board-approved ROPS 19-20 on the Successor Agency’s website.

**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. ROPS 19-20, substantially in the form attached hereto as Exhibit A, is hereby approved. The Executive Director of the Successor Agency, in consultation with the Successor Agency’s legal counsel, may modify ROPS 19-20 as the Executive Director or the Successor Agency’s legal counsel deems necessary or advisable.

Section 3. Staff is hereby authorized and directed to submit a copy of ROPS 19-20 to the Oversight Board for approval and, at the same time, transmit a copy of ROPS 19-20 to the DOF, the County Auditor-Controller and the County administrative officer as designated by the County.

Section 4. Staff is hereby authorized and directed to submit a copy of Oversight Board-approved ROPS 19-20 to the DOF, the Office of the State Controller, and the County Auditor-Controller. If the Oversight Board has not approved ROPS 19-20 by February 1, 2019, Staff is hereby authorized and directed to transmit ROPS 19-20 to the DOF, the Office of the State Controller, and the County

Auditor-Controller by February 1, 2019, with a written notification regarding the status of the Oversight Board's review. Written notice and information regarding the action of the Oversight Board shall be provided to the DOF by electronic means and in a manner of DOF's choosing.

Section 5. Staff is hereby authorized and directed to post a copy of the Oversight Board-approved ROPS 19-20 on the Successor Agency's Internet website (being a page on the Internet website of the City of Turlock).

Section 6. The officers and the other Staff members 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 but not limited to requesting additional review by the DOF and an opportunity to meet and confer on any disputed items, and making adjustments to ROPS 19-20 pursuant to the DOF's instructions, and any such actions previously taken are hereby ratified and confirmed.

**PASSED AND ADOPTED** at a regular meeting of the Board of Directors of the Successor Agency to the Turlock Redevelopment Agency this 8<sup>th</sup> day of January, 2019, by the following vote:

AYES:  
NOES:  
NOT PARTICIPATING:  
ABSENT:

ATTEST:

\_\_\_\_\_  
Jennifer Land  
City Clerk, City of Turlock,  
County of Stanislaus,  
State of California

**EXHIBIT A**

**SUCCESSOR AGENCY TO THE TURLOCK REDEVELOPMENT AGENCY  
RECOGNIZED OBLIGATION PAYMENT SCHEDULE  
(July 1, 2019 through June 30, 2020)**

**Recognized Obligation Payment Schedule (ROPS 19-20) - Summary**  
**Filed for the July 1, 2019 through June 30, 2020 Period**

**Successor Agency:** Turlock  
**County:** Stanislaus

<b>Current Period Requested Funding for Enforceable Obligations (ROPS Detail)</b>	<b>19-20A Total (July - December)</b>	<b>19-20B Total (January - June)</b>	<b>ROPS 19-20 Total</b>
<b>A Enforceable Obligations Funded as Follows (B+C+D):</b>	<b>\$ 1,933,923</b>	<b>\$ 987,753</b>	<b>\$ 2,921,676</b>
B Bond Proceeds	-	-	-
C Reserve Balance	1,933,923	987,753	2,921,676
D Other Funds	-	-	-
<b>E Redevelopment Property Tax Trust Fund (RPTTF) (F+G):</b>	<b>\$ 28,200</b>	<b>\$ 2,231,206</b>	<b>\$ 2,259,406</b>
F RPTTF	-	2,203,006	2,203,006
G Administrative RPTTF	28,200	28,200	56,400
<b>H Current Period Enforceable Obligations (A+E):</b>	<b>\$ 1,962,123</b>	<b>\$ 3,218,959</b>	<b>\$ 5,181,082</b>

Certification of Oversight Board Chairman:  
Pursuant to Section 34177 (o) 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 successor agency.

\_\_\_\_\_  
Name Title

/s/ \_\_\_\_\_  
Signature Date

Turlock Recognized Obligation Payment Schedule (ROPS 19-20) - ROPS Detail

July 1, 2019 through June 30, 2020

(Report Amounts in Whole Dollars)

A Item #	B Project Name/Debt Obligation	C Obligation Type	D Contract/ Agreement Execution Date	E Contract/ Agreement Termination Date	F Payee	G Description/Project Scope	H Project Area	I Total Outstanding Debt or Obligation	J Retired	K ROPS 19-20 Total	L 19-20A (July - December)					Q 19-20A Total	R 19-20B (January - June)					W 19-20B Total	
											M Fund Sources						S Fund Sources						
											L Bond Proceeds	M Reserve Balance	N Other Funds	O RPTTF	P Admin RPTTF		R Bond Proceeds	S Reserve Balance	T Other Funds	U RPTTF	V Admin RPTTF		
32	mobile home rental subsidy	Business Incentive Agreements	4/1/2007	12/31/2020	JCS Properties Inc	mobile home rental subsidy - termination date is an estimate		\$ 99,593,515	N	\$ 5,181,082	\$ 0	\$ 1,933,923	\$ 0	\$ 0	\$ 28,200	\$ 1,962,123	\$ 0	\$ 987,753	\$ 0	\$ 2,203,006	\$ 28,200	\$ 3,218,959	
								25,000		\$ 25,000		12,000				\$ 12,000				13,000		\$ 13,000	
33	mobile home rental subsidy	Business Incentive Agreements	5/16/2007	12/31/2020	Magic Sands Mobile Home	mobile home rental subsidy - termination date is an estimate		5,500	N	\$ 5,500		2,600				\$ 2,600				2,900		\$ 2,900	
34	mobile home rental subsidy	Business Incentive Agreements	4/1/2007	12/31/2020	Mulberry Mobile Park	mobile home rental subsidy - termination date is an estimate		5,000	N	\$ 5,000		2,500				\$ 2,500				2,500		\$ 2,500	
35	mobile home rental subsidy	Business Incentive Agreements	4/3/2007	12/31/2020	Western View Mobile Ranch	mobile home rental subsidy - termination date is an estimate		25,000	N	\$ 25,000		11,500				\$ 11,500				13,500		\$ 13,500	
36	mobile home rental subsidy	Business Incentive Agreements	4/19/2007	12/31/2020	Westfork Estates	mobile home rental subsidy - termination date is an estimate		6,000	N	\$ 6,000		2,900				\$ 2,900				3,100		\$ 3,100	
38	Contract for admin of MHRS program	Project Management Costs	7/1/2013	12/31/2020	Successor Agency Staff	Staff time to collect monthly supporting documents and annual verifications - termination date is an estimate		10,000	N	\$ 10,000		5,000				\$ 5,000				5,000		\$ 5,000	
40	DDA	OPA/DDA/Construction	4/12/2011	12/31/2020	Avena Bella - Phase II (EAH)	low- & mod-income housing project - termination date is an estimate			N	\$ -						\$ -						\$ -	
41	Econ Dev Proj Funding Agmt	Improvement/Infrastructure	1/9/2008	1/1/2020	Stan Cty Economic Development Land Bank	loan repayment		127,045	N	\$ 127,045		127,045				\$ 127,045				0		\$ -	
42	Contract admin - Avena Bella	Project Management Costs	7/1/2013	12/31/2020	Successor Agency Staff	Staff time for contract and construction admin of Phase II			N	\$ -						\$ -						\$ -	
43	Trustee Services	Fees	3/1/1999	12/31/2039	U.S. Bank	trustee services for outstanding bond issuances		3,500	N	\$ 3,500		3,500				\$ 3,500				0		\$ -	
44	Arbitrage Rebate Services	Fees	3/1/1933	12/31/2039	BLX Group Inc	annual arbitrage rebate report for each outstanding bond issuance		3,000	N	\$ 3,000		3,000				\$ 3,000				0		\$ -	
45	Annual Administration	Admin Costs	7/1/2013	6/30/2018	City of Turlock	Includes successor agency staff (other than specific project time), supplies, meetings, utilities, vehicles, IT, advertising and non-project specific legal services.		56,400	N	\$ 56,400					28,200	\$ 28,200						28,200	\$ 28,200
53	2016 Tax Increment Refunding Bonds - interest	Refunding Bonds Issued After 6/27/12	11/16/2016	9/1/2039	US Bank as third party trustee for bond holders	Proceeds used to 100% refund outstanding 1999, 2006 and 2011 bonds		15,288,535	N	\$ 1,411,631		718,878				\$ 718,878		692,753					\$ 692,753
54	2016 Tax Increment Refunding Bonds - principal	Refunding Bonds Issued After 6/27/12	11/16/2016	9/1/2039	US Bank as third party trustee for bond holders	Proceeds used to 100% refund outstanding 1999, 2006 and 2011 bonds		34,375,000	N	\$ 1,045,000		1,045,000				\$ 1,045,000							\$ -
55	Reserve for 2016 Bond principal payment	Reserves	11/16/2016	9/1/2039	US Bank as third party trustee for bond holders	Proceeds used to 100% refund outstanding 1999, 2006 and 2011 bonds		34,375,000	N	\$ 1,358,006						\$ -		295,000		1,063,006			\$ 1,358,006
56	Reserve for 2016 Bond interest payment	Reserves	11/16/2016	9/1/2039	US Bank as third party trustee for bond holders	Proceeds used to 100% refund outstanding 1999, 2006 and 2011 bonds		15,288,535	N	\$ 1,100,000						\$ -				1,100,000			\$ 1,100,000
57									N	\$ -						\$ -							\$ -
58									N	\$ -						\$ -							\$ -
59									N	\$ -						\$ -							\$ -
60									N	\$ -						\$ -							\$ -
61									N	\$ -						\$ -							\$ -
62									N	\$ -						\$ -							\$ -
63									N	\$ -						\$ -							\$ -
64									N	\$ -						\$ -							\$ -
65									N	\$ -						\$ -							\$ -
66									N	\$ -						\$ -							\$ -
67									N	\$ -						\$ -							\$ -
68									N	\$ -						\$ -							\$ -

**Turlock Recognized Obligation Payment Schedule (ROPS 19-20) - Report of Cash Balances**  
**July 1, 2016 through June 30, 2017**  
**(Report Amounts in Whole Dollars)**

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 Cash Balance Tips Sheet.							
A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
ROPS 16-17 Cash Balances (07/01/16 - 06/30/17)		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, Grants, Interest, etc.	Non-Admin and Admin	Comments
1	<b>Beginning Available Cash Balance (Actual 07/01/16)</b> RPTTF amount should exclude "A" period distribution amount	2,240,506	1,329,821	980,000		1,759,161	
2	<b>Revenue/Income (Actual 06/30/17)</b> RPTTF amount should tie to the ROPS 16-17 total distribution from the County Auditor-Controller	11,500	713		175,000	6,309,189	
3	<b>Expenditures for ROPS 16-17 Enforceable Obligations (Actual 06/30/17)</b>	2,251,992	1,322,848	980,000		6,041,047	
4	<b>Retention of Available Cash Balance (Actual 06/30/17)</b> RPTTF amount retained should only include the amounts distributed as reserve for future period(s)					2,027,303	
5	<b>ROPS 16-17 RPTTF Prior Period Adjustment</b> RPTTF amount should tie to the Agency's ROPS 16-17 PPA form submitted to the CAC	No entry required					
6	<b>Ending Actual Available Cash Balance (06/30/17)</b> C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$ 14	\$ 7,686	\$ 0	\$ 175,000	\$ 0	

