

Action Agenda

City of Visalia Oversight Board of the Successor Agency of the Redevelopment Agency of Visalia

Thursday, March 29, 2012
5:30 p.m.

City Hall, Council Chambers
707 West Acequia, Visalia CA

Board Members: Phil Cox, Tulare County – Present
Eric Frost, City of Visalia – Present
Nathan Hernandez, Visalia Unified School District – Present
John Hess, Tulare County -Present
Mark Larsen, Kaweah Delta Water Conservation District – Present
Mike Olmos, City of Visalia – Present
Greg Sherman, College of the Sequoias – Present

5:30 p.m.

1. Welcome

(Remind board members that these meetings are subject to the Brown Act)

Meeting called to order by Eric Frost and he welcomed the Board.

2. Self-Introduction of Oversight Board Members and staff

Board members introduced themselves and Eric Frost introduced the City Staff – Ruth Pena, Financial Analyst and Gladys Ruiz, Administrative Assistant from the City Clerk's Office.

3. Review of duties of the Oversight Board

(Eric Frost, City of Visalia appointee, will review the sections of AB 26 x1 as it pertains to oversight board member responsibilities.)

Eric Frost reviewed the duties of the Oversight Board.

4. Election of Chair and Vice-Chair

Eric Frost reviewed with the Board the recommendation of City staff to consider Mike Olmos as the Chair and to choose two Board Members to serve as Vice-Chair and Secretary.

Eric Frost asked Leslie Caviglia, Deputy City Manager (who was in the audience) to explain the role of the Secretary.

The Board voted to appoint:

Mike Olmos as Chair (Hernandez/Hess 7-0)

Phil Cox as Vice Chair (Larsen/Frost 7-0)

Mark Larsen as Secretary (Cox/Hernandez 7-0)

Chairman Mike Olmos asked if there were any public comments. No Comments.

5. Receive preliminary explanation of Required Obligations Payment Schedule (ROPS)

(Ruth Pena, Financial Analysts to the Oversight Board, will review with the board the preliminary ROPS, proposed to be approved by the board at their next meeting subject to Oversight Board changes)

Ruth Pena reviewed with the board the preliminary ROPS.

The following items will be brought to a future meeting or distributed beforehand to the Board members:

- Assets – Will be provided in the Agency's audit and with more detail in future staff reports.
- Notes for inter-agency loans – will be sent to the Board Members.
- Maps of redevelopment project areas – will be provided at the next oversight board meeting.
- Procedures by auditors – will be provided at a future meeting.

6. Additional Direction on meetings from the Oversight Board

The next Oversight Board meeting will take place on Thursday, April 19, 2012 at 5:30pm.

6:17pm

Meeting Adjourned.

Next meeting:

~~April 12, 2012~~ April 19, 2012 at 5:30pm
City Council Chambers

In Compliance with the American Disabilities Act, if you need special assistance to participate in meetings call (559) 713-4512 48-hours in advance of the meeting. For Hearing Impaired – Call (559) 713-4900 (TDD) 48-hours in advance of the scheduled meeting time to request signing services.

Any written materials relating to an item on this agenda submitted to the Oversight Board of the Successor Agency after distribution of the agenda are available for public inspection in the Office of the City Clerk, 425 E. Oak Street, Suite 301, Visalia CA 93921, during normal business hours.

OVERSIGHT BOARD RESOLUTION NO. 2012-01

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF VISALIA APPOINTING A CHAIR, VICE CHAIR AND SECRETARY FOR THE BOARD.

WHEREAS, pursuant to Health and Safety Code section 34173(d), the City of Visalia ("Successor Agency") elected to become the successor agency to the Redevelopment Agency of the City of Visalia by Resolution No. 2012-01 on January 17, 2012; and

WHEREAS, Health and Safety Code section 34179, requires that the City of Visalia's Successor Agency create an oversight board to perform certain duties; and

WHEREAS, the efficient operation of the board requires the appointment of certain officers;

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF VISALIA, DOES HEREBY RESOLVE AS FOLLOWS:

To appoint as chair of the board, Mike Olmos;

To appoint as vice chair of the board, Phil Cox;

To appoint as secretary to the board, Mark Larsen.

PASSED AND ADOPTED: 03/29/12

MARK LARSEN, SECRETARY OF THE BOARD

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss.
CITY OF VISALIA)

I, Mark Larsen, Secretary of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Visalia, certify the foregoing is the full and true Oversight Board Resolution 2012-01 passed and adopted by the Oversight Board of the Successor Agency to the Redevelopment Agency at a regular meeting held on March 29, 2012.

Dated: April 4, 2012

MARK LARSEN, SECRETARY OF THE BOARD


By Gladys Ruiz, Recording Clerk



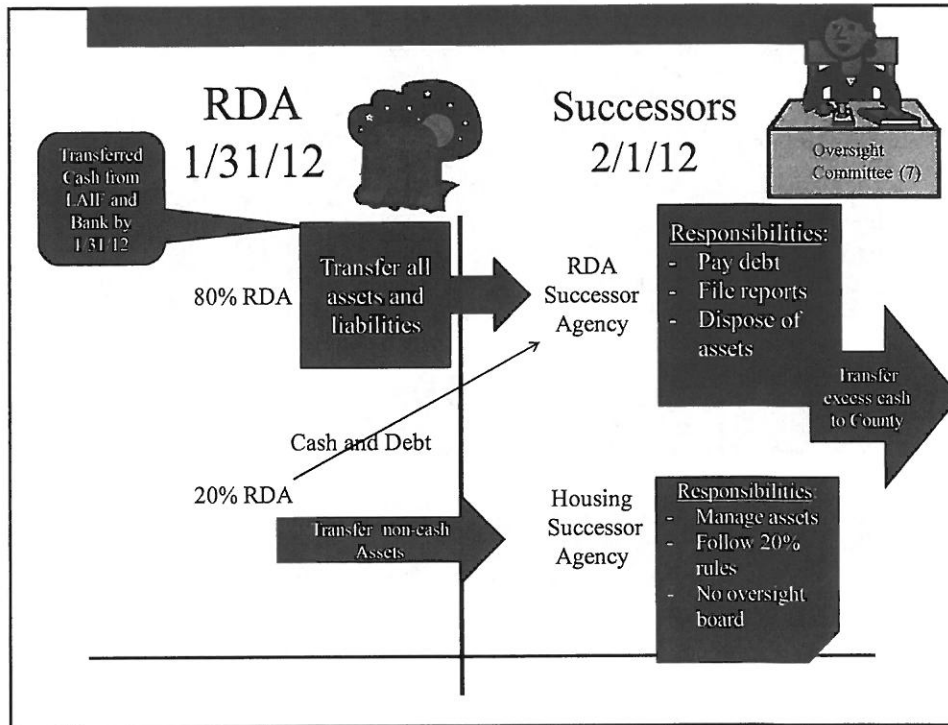
Duties of the Oversight Board



Redevelopment
has died

The estate needs
to be settled

**Redevelopment needs an
executor of its estate**



RDA Status

Major Issues	As of 6/30/11
1) Repayment of debt	Debt: \$22.3 mm (without interest)
2) Disposal of assets	Cash: \$16.5 mm

Successor
Agency's
Purpose:

Wind down the RDA
Agency

Oversight
Board's purpose:

Approve the actions of
the successor agency

**Law's intent:
Wind down the RDA Agency**

- Approve ROPS
(required obligations payment
schedule)
- Approve disposal of
assets
- Operate until all debt
is defeased
- Other actions as
necessary to wind
down the agency



Board's duties



Questions?

Successor Agency Oversight Board



**REVIEW OF RECOGNIZED OBLIGATION
PAYMENT SCHEDULE (ROPS)**

MARCH 29, 2012

Review of ROPS



- Purpose
 - Lists existing contracts and agreements and is required to be approved by the Oversight Board and audited/certified by the County Auditor-Controller.

- Elements
 - Obligations – Debt and Other Agreements

- Issues
 - Enforceable Obligation Exclusions

Bonds, Loans and Advances



Debt Obligations	Balance June 30, 2011
2003 Tax Allocation Refunding Bonds (East)	\$3,530,000
2004 West America Bank Loan (Mooney & Central)	3,699,593
2004 West America Bank Loan (Downtown)	911,023
2007 Citizen Bank Loan (Mooney)	6,244,700
2009 General Fund Loan (Central)	3,420,928
General Fund Advance (East)	3,416,349
Total Debt Obligations	\$21,222,893

Developer and Pass-through Agreements



Other Obligations	Amount Due
Willow Street Development Company DDA (East)	50% of operating costs for Pedestrian Mall
Costco OPA (Mooney & Central)	Annual property tax for the building (approx. \$110,000)
Visalia Unified School District Pass-through Agreement (East, Mooney & Central)	All pass-through tax up to the annual debt service amount
Delta Vector Control District Pass-through Agreement (East & Mooney)	Amount represents final pass-through payments collected in 2011-12

Issues



- General Fund Loans/Advances - Not enforceable obligations under AB 26
- City's Position - Obligations are legal and should be recognized
- Oversight Board - Makes final determination

Conclusion



- Next Steps
 - Approval of ROPS Oversight Board

- Background Information
 - RDA Project Areas (Optional)

- Questions

Background



RDA PROJECT AREAS

East Visalia



The East Area covers from Highway 198 to Houston Avenue, roughly from West to Cain streets with a total of 665 acres.

- **Project Area Life:**

- Adopted: July 1986
- Plan Activity: 30 years, 2016
- Repayment of Debt: 40 years, 2026

- **Completed Projects:**

- Automall
- Ben Maddox Way
- Willow Street Building and Parking Structure
- Pedestrian Mall
- Main Street and Ben Maddox Way, N.E. Corner
- Convention Center
- Radisson Hotel
- Façade Improvement Program
- Signature Theater

- **Obligations:**

1. 2003 Tax Allocation Bond Principal and Interest
2. City of Visalia General Fund Advance
3. Willow Street Development Company DDA
4. Visalia Unified School District Pass-through Agreement
5. Delta Vector Control District Pass-through Agreement

Mooney Boulevard

The Mooney Area covers from Highway 198 to Mid-Valley and extends several blocks east and west of Mooney Boulevard, including all of the College of Sequoias campus, with a total of 444 acres.

- **Project Area Life:**

- Adopted: July 1987
- Amended: July 1990
- Plan Activity: 30 years, 2017
- Repayment of Debt: 40 years, 2027

- **Completed Projects:**

- Visalia Mall Phases 1 & 2
- Sequoia Plaza
- Toys-R-Us
- CSUF Modular Classrooms
- Caldwell/Mooney

- **Obligations:**

1. 2004 West America Bank Loan Principal and Interest
2. 2007 Citizens Bank Loan Principal and Interest
3. Costco Agreement
4. Visalia Unified School District Pass-through Agreement
5. Delta Vector Control District Pass-through Agreement

Downtown



The Downtown Area covers Church to Garden streets and from Acequia to Center Street, totaling 7 acres.

- **Project Area Life:**

- Adopted: May 1970
- Plan Activity: 40 years, 2010
- Repayment of Debt: 50 years, 2020

- **Completed Projects:**

- Bank of America
- Enchanted Playhouse
- Downtown Marketing/Feasibility Study
- Downtown Parking Structure
- Surface Parking Lots

- **Obligations:**

1. 2004 West America Bank Loan Principal and Interest

Central Visalia



The Central Area covers from Walnut to north of Houston and from west of Mooney to east of Ben Maddox for a total of 1,438 acres.

- **Project Area Life:**

- Adopted: November 1989
- Plan Activity: 40 years, 2029
- Repayment of Debt: 50 years, 2029

- **Completed Projects:**

- Façade Improvement Program
- Downtown Parking Structure
- Arts Center
- Property Based Improvement District (PBID)

- **Obligations:**

1. 2004 West America Bank Loan
Principal and Interest
2. 2009 Citizens General Fund Loan
Principal and Interest
3. Visalia Unified School District
Pass-through Agreement