

# Action Agenda

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

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

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Wednesday, January 27, 2016

5:30 p.m.

Admin. Conference Room  
220 N. Santa Fe, Visalia CA

5:32 p.m.

### **1. Welcome and public comment**

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

Meeting called to order by Chair Olmos. No Public Comments.

### **2. Accept Action Agenda from 9/15/2015**

No comments. Moved by Vice Chair Cox, seconded by Board Member Frost to accept the action agenda (4-0, Hernandez, Hess and Sherman absent).

**3. Approve Fiscal Year 2016/17 Budget.** – Annually the City approves a budget for the Oversight Board. This will occur later in the year. The Oversight Board is being asked to approve the proposed budget for this next fiscal year.

Board Member Frost requested that the Board approve a budget for the Oversight Board for Fiscal Year 2016/17. Vice Chair Cox asked why the City was asking for an increase and Board Member Frost explained that the increased amount was a placeholder in case monies were needed for legal fees. Moved by Vice Chair Cox, seconded by Secretary Larsen (4-0, Hernandez, Hess and Sherman absent).

**4. Approve restated advances after State authorized changes in interest rate (Resolution 2016-01 required).** - The City lent money to the former Redevelopment Agency. Based upon a finding of completion, the Oversight Board and the Department of Finance approved the loans be reinstated as enforceable obligations in September of 2015. Subsequently to that time, the State Legislature authorized loans to have a higher interest rate, 3%. As a result, the City is restating these advances with the higher, State authorized interest rate.

Board Member Frost gave explanation of Resolution 2016-01. Moved by Secretary Larsen, seconded by Vice Chair Cox. (4-0, Hernandez, Hess and Sherman absent).

*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, 220 N. Santa Fe Street, Visalia CA 93292, during normal business hours.*

**5. Approve the Fiscal Year 2016/17 Required Obligation Payment Schedule (Resolution 2016-02 required).** – State law now allows Oversight boards to approve one ROP for the fiscal year as opposed to two 6 month ROPS for the upcoming fiscal year. This ROP will cover all of 2016/17.

Staff Member Ruth Pena prepared the ROP and Board Member Frost explained how it works. Moved by Board Member Frost, seconded by Secretary Larsen. (4-0, Hernandez, Hess and Sherman absent).

**6. Authorization to Transfer the Murry Parking Lot to the City of Visalia.** – In the past, State law did not allow parking lots to be transferred to cities, even if the purpose of the parking lot was to provide free public parking. That law has now been changed and allows the transfer of public parking lots to local governments for a government use. The Oversight Board is being asked to transfer this property to the City of Visalia.

Moved by Vice Chair Cox, seconded by Secretary Larsen. (4-0, Hernandez, Hess and Sherman absent).

5:52 p.m.

Meeting Adjourned.

Next meeting: Per Board Member Frost, to be arranged if there is development on land use.

Submitted by Kathy Rouse, Recording Clerk for the Oversight Board

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**OVERSIGHT BOARD RESOLUTION NO. 2016-01**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF VISALIA FINDING THAT CITY CASH ADVANCES WERE APPROPRIATE REDEVELOPMENT USES WHICH ALLOWS THE ADVANCES TO BE ENFORCEABLE OBLIGATIONS UPON FINDING OF COMPLETION.**

**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. COV 12-01 on January 17, 2012; and

**WHEREAS**, AB 1484 requires that the Oversight Board find that the advances were for appropriate redevelopment purposes for the City to seek that the loans be deemed enforceable obligations; and

**WHEREAS**, pursuant to Health and Safety Code section 34191.4 (b) (2) (A), the repayment schedule is limited to ½ of the tax increment generated by the former redevelopment area above the 2012/13 fiscal year; and

**WHEREAS**, pursuant to Health and Safety Code section 34191.4 (b) (2) (B), any outstanding SERAF loans between the former Redevelopment Agency and the 20% Set-Aside funds must be repaid first from the proceeds of the loan repayment; and

**WHEREAS**, pursuant to Health and Safety Code section 34191.4 (b) (2) (C), an additional 20% of the loan principal must be paid to the Housing Successor Agency; and

**WHEREAS**, pursuant to Health and Safety Code section 34191.4 (b), accumulated interest must be recalculated at a simple interest rate of 3%; and

**WHEREAS**, the General Fund Advances interest has been calculated to be increased as follows:

<b>RESTATED ADVANCES</b>				
Balances at June 30, 2016				
General Fund Advances	East Visalia Operations	Total East Visalia Properties	Central Advance	Total
March 7, 2011 Balance	\$ 3,573,226.00	\$ 2,648,502.70	\$ 3,496,127.00	\$ 9,717,855.70
Interest Allowed - SB 107	610,545.74	452,541.20	597,372.10	1,660,459.04
Restated Advances	<u>\$ 4,183,771.74</u>	<u>\$ 3,101,043.90</u>	<u>\$ 4,093,499.10</u>	<u>\$ 11,378,314.74</u>

**WHEREAS**, the Successor Agency received its finding of completion letter from the Department of Finance on July 2, 2014, authorizing the City's General Fund advances to be enforceable obligations if approved by the Oversight Board and the Department of Finance.

**WHEREAS**, the Oversight Board adopted Resolution 2015-4 on September 15, 2015 which is now being replaced by this resolution.

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

- 1) Finds that the three cash advances made by the City of Visalia to the Visalia Redevelopment Agency were for appropriate redevelopment purposes;
- 2) Finds that the Successor Agency has complied with requirements of Health and Safety Code section 34191.4 (b) (2).
- 3) Finds that the General Fund Advances are restated as follows:

General Fund Advances:	GF Advances
East Visalia, Operations 2001	\$ 3,573,226
East Visalia, Land Purchase 2001, 2, 5	2,648,503
Central Visalia, Project Dev. 2009	3,496,127
Total	<u>9,717,856</u>
Add: Interest Allowed - SB 107	<u>1,660,459</u>
Revised Principal	11,378,315
SERAF Loan Repayments	
HSC 34191.4 (b) (2) (B)	(1,632,273)
20% Reduction to paid to the Housing Successor Agency	
HSC 34191.4 (b) (2) (C)	<u>(2,275,663)</u>
Reinstated Loan Value to City's General Fund	<u>7,470,379</u>

PASSED AND ADOPTED: 01/27/2016

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 2016-01 passed and adopted by the Oversight Board of the Successor Agency to the Redevelopment Agency at a regular meeting held on January 27, 2016.

Dated: 1/28/16

MARK LARSEN, SECRETARY OF THE BOARD

  
By Gladys Ruiz, Recording Clerk

**OVERSIGHT BOARD RESOLUTION NO. 2016-02**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF VISALIA APPROVING THE REQUIRED OBLIGATIONS PAYMENT SCHEDULE (ROPS) FOR THE TIME PERIOD OF JULY 1, 2016 TO JUNE 30, 2017.**

**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. COV 12-01 on January 17, 2012; and

**WHEREAS**, Health and Safety Code section 34177 (l) (3), requires that the City of Visalia’s Successor Agency’s oversight board approve a Required Obligations Payment Schedule (ROPS); and

**WHEREAS**, the Oversight Board has received a report on the Successor Agency ROPS;

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

- 1) Approve the proposed Required Obligation Payment Schedule (ROPS) for the time period of July 1, 2016 to June 30, 2017.

PASSED AND ADOPTED: 01/27/2016

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 2016-02 passed and adopted by the Oversight Board of the Successor Agency to the Redevelopment Agency at a regular meeting held on January 27, 2016.

Dated: 1/28/16

MARK LARSEN, SECRETARY OF THE BOARD

  
By Gladys Ruiz, Recording Clerk