

Agenda

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

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

Wednesday, September 14, 2016

5:30 p.m.

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

5:30 p.m.

1. Welcome and public comment

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

5:35 p.m.

2. Accept Action Agenda from 1/27/16

5:40 p.m.

3. Authorization to Transfer the Santa Fe and Acequia 60 Parking Space Lot to the City of Visalia (Resolution 2016-03 Required). — 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. Last January, the board transferred one parking lot from the former RDA to the City. The City has recently discovered a second parking lot that is owned by the successor agency. The Oversight Board is being asked to transfer this property to the City of Visalia.

Next meeting: To be arranged

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.

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

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).

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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:

RESTATED ADVANCES				
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	9,717,856
Add: Interest Allowed - SB 107	1,660,459
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)	(2,275,663)
Reinstated Loan Value to City's General Fund	7,470,379

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

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

MEETING

DATE: 9/14/2016

TO: Successor Agency Oversight Board

FROM: Eric Frost, Deputy City Manager

SUBJECT: Transfer the Acequia and Santa Fe Parking lot to the City of Visalia for Government Use

AGENDA

ITEM #: 3

Review:

Dept. Head _____
(Initials & date required)

City Atty _____
(Initials & date required
or N/A)

Recommendation: That the Oversight Board adopt Resolution 2016-03 which transfers the Acequia and Santa Fe Street Parking 60 Parking Space Lot to the City of Visalia because the parking lot is being used for governmental use without offsetting revenues pursuant Health and Safety Code Section 34181.

Discussion: In the early 1990s, the City had a practice of sometimes putting the title of land assets that were in the Redevelopment Project area in the name of the Redevelopment Agency. One of these parcels was the parking lot at Acequia and Santa Fe. This parking lot's title shows the Redevelopment Agency as the owner, although it was never on any property listing of the Redevelopment Agency up to this point.

Staff has tracked the transfer of the property back to June of 1991. At that time, the Redevelopment Agency compensated the City for the land which eventually became a parking lot. However, when Redevelopment property ownership was tabulated, the property was not listed a Redevelopment property. The City has also been maintaining the parking lot.

The error was discovered because the City is contemplating selling the property for an office development in the downtown. When the City considered selling the property, it did not find the parcel on the Successor Agency property list and when a land appraisal was conducted, the appraisal indicated that the property was a City of Visalia asset. The property is currently in escrow; however, with this complication, the City Council will need to decide whether or not to sell the property based partly on the decision of this body.

In any case, in the 2015 legislative session, SB 107 was passed to allow the transfer of parking lots to local governments according to Health and Safety Code 34181. The law now reads:

SEC. 15. Section 34181 of the Health and Safety Code is amended to read:

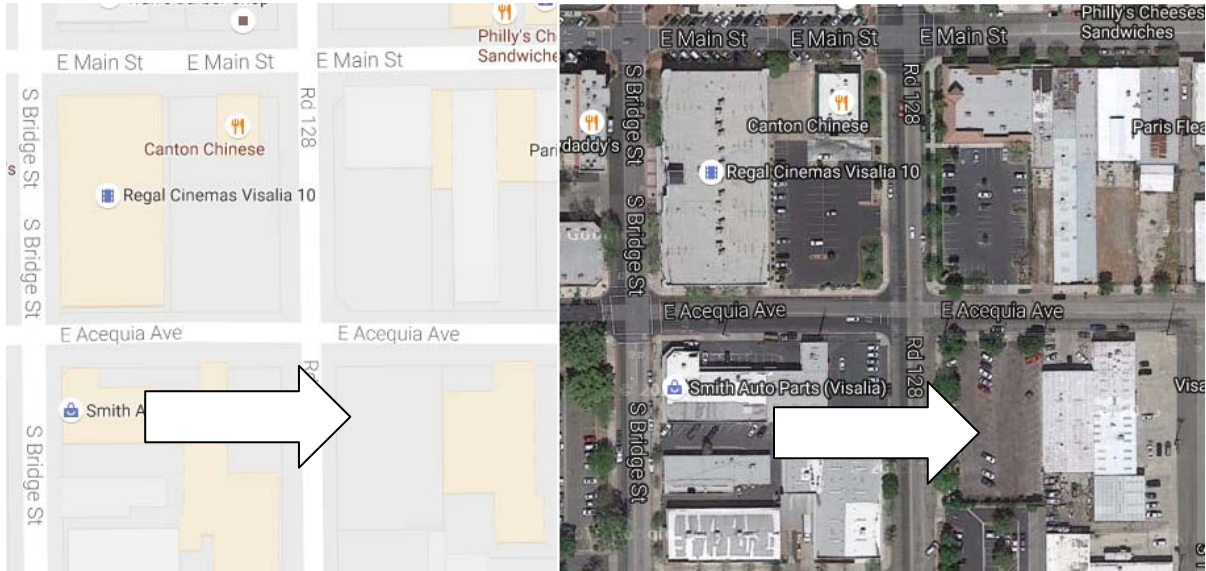
34181. The oversight board shall direct the successor agency to do all of the following:

(a) (1) Dispose of all assets and properties of the former redevelopment agency; provided, however, that **the oversight board may instead direct the successor agency to transfer ownership of those assets** that were constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, parking facilities and **lots dedicated solely to public parking**, and local agency administrative buildings, **to the appropriate public jurisdiction** pursuant to any existing agreements relating to the construction or use of such an asset. Any compensation to be provided to the successor agency for the transfer of the asset shall be governed by the agreements relating to the construction or use of that asset. Disposal shall be done expeditiously and in a manner aimed at maximizing value. Asset disposition may be accomplished by a distribution of income to taxing entities proportionate to their property tax share from one or more properties that may be transferred to a public or private agency for management pursuant to the direction of the oversight board.

(2) **“Parking facilities and lots dedicated solely to public parking” do not include properties that generate revenues in excess of reasonable maintenance costs of the properties.**

Because the parking lot at Acequia and Santa Fe does not generate money, the law indicates that it may be transferred to the City of Visalia. If the City had known that the property was in the name of the Redevelopment Agency last January, the City would have brought forward the matter at that time. In any case, Maps 1 & 2, Acequia and Santa Fe Parking Lot, shows the location of the parking lot.

Map 1 & 2
Acequia and Santa Fe Parking Lot.



OVERSIGHT BOARD RESOLUTION NO. 2016-03

**A RESOLUTION OF THE OVERSIGHT BOARD
FOR THE VISALIA REDEVELOPMENT SUCCESSOR AGENCY APPROVING AND
DIRECTING THE TRANSFER OF PROPERTY OWNED BY THE FORMER VISALIA
REDEVELOPMENT AGENCY FOR GOVERNMENTAL USE PURSUANT TO
HEALTH AND SAFETY CODE SECTION 34181(a)(1)
[Acequia and Santa Fe – Parking Lot #19]**

WHEREAS, pursuant to Health and Safety Code Section 34173(d), the Visalia Redevelopment Successor Agency (“Successor Agency”) is the successor agency to the dissolved Visalia Redevelopment Agency (“Redevelopment Agency”) and is responsible for the wind-down of the affairs of the former Redevelopment Agency, including without limitation the disposition of assets and properties of the former Redevelopment Agency; and

WHEREAS, the Oversight Board for the Visalia Redevelopment Successor Agency (“Oversight Board”) is the Successor Agency’s oversight board pursuant to Health and Safety Code Section 34179(a); and

WHEREAS, pursuant to Health and Safety Code Section 34177, successor agencies are required to dispose of assets and properties of the former redevelopment agency as directed by the oversight board, and Health and Safety Code Section 34181(a)(1) provides that the oversight board shall direct the successor agency to dispose of all assets and properties of the former redevelopment agency, however, the oversight board may direct the successor agency to transfer ownership of those assets that were constructed and used for a governmental purpose, such as roads, school buildings, parks, police and fire stations, libraries, parking facilities and lots dedicated solely to public parking, and local agency administrative buildings, to the appropriate public jurisdiction for continued governmental use; and

WHEREAS, the former Redevelopment Agency owned seven (7) properties, including that certain property located at Acequia and Sante Fe – Parking Lot #19 (the “Property”), that is proposed to be transferred to the City for continued governmental use as a public parking garage in accordance with Health and Safety Code Sections 34177(e) and 34181(a)(1); and

WHEREAS, Health and Safety Code Section 34181(a)(2) states that “parking facilities and lots dedicated solely to public parking” do not include properties that generate revenues in excess of reasonable maintenance costs of the properties. The Property does not generate revenues in excess of the maintenance costs; and

WHEREAS, pursuant to Health and Safety Code Section 34181(f), before properties owned by the former Redevelopment Agency can be transferred by the Successor Agency, the transfer must be approved by the Oversight Board, by resolution adopted at a public meeting after notice to the public of the specific proposed action; and

WHEREAS, the actions of the Oversight Board are subject to review by the California State Department of Finance pursuant to Health and Safety Code Section 34179; and

WHEREAS, if the Department has approved a successor agency's long-range property management plan prior to January 1, 2016, the successor agency may amend its long-range property management plan once, solely to allow for retention of real properties that constitute "parking facilities and lots dedicated solely to public parking" for governmental use pursuant to Section 34181. An amendment to a successor agency's long-range property management plan under this subdivision shall be submitted to its oversight board for review and approval pursuant to Section 34179, and any such amendment shall be submitted to the Department prior to July 1, 2016. The Successor Agency staff discovered the ownership interests of the Property after July 1, 2016, during a title search.

WHEREAS, based on the information contained in the Staff Report presented to the Oversight Board relating to this proposed transfer of the Property to the City, the Property has been and is currently being used for a governmental purpose, and should be transferred to the City for continued governmental use, pursuant to Health and Safety Code Section 34181(a)(1);

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

SECTION 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. CEQA Compliance. The approval of the transfer of the Property to the City for continued governmental use does not commit the Oversight Board to any action that may have a direct or indirect physical impact to the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

SECTION 3. Approval of the Transfer of Property. The Oversight Board hereby approves, authorizes and directs the transfer to the City of any interest that the Successor Agency may have in the Property (Acequia and Santa Fe – Parking Lot #19).

SECTION 4. Transmittal of Resolution to DOF. The Oversight Board hereby directs the Successor Agency to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding such transfer of the Property, including without limitation submittal of this Resolution to the State of California Department of Finance for approval.

SECTION 5. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

SECTION 6. Certification. The City Clerk of the City of Visalia, acting on behalf of the Oversight Board as its Secretary shall certify to the adoption of this Resolution.

SECTION 7. Effective Date. Pursuant to Health and Safety Code Section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall become effective in accordance with the provisions of said Section 34179(h).

PASSED AND ADOPTED: 09/14/2016

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 2016-03 passed and adopted by the Oversight Board of the Successor Agency to the Redevelopment Agency at a regular meeting held on September 14, 2016.

Dated:

MARK LARSEN, SECRETARY OF THE BOARD

By Gladys Ruiz, Recording Clerk