

**AGENDA**

**STANISLAUS COUNTY REDEVELOPMENT AGENCY**

**1010 10TH STREET, BASEMENT LEVEL, MODESTO**

**MARCH 20, 2001**

**7:40 P.M.**

- I. CALL TO ORDER**
- II. CONSENT CALENDAR (Those items marked with an \*)**
- III. APPROVAL OF MINUTES**
  - \* A. Minutes of December 12, 2000.
- IV. CORRESPONDENCE**
  - A. None.
- V. PUBLIC HEARINGS**
  - A. None.
- VI. AGENDA ITEMS**
  - \* A. Repayment of \$400,000 loan and accrued interest and authorization of new \$400,000 loan.
  - \* B. Acceptance of proposal to conduct 2000/2001 audit.
  - \* C. Consideration and Approval of Mid-Year Fiscal Report for 2000-2001.
  - D. Commitment of \$1 million to 2001 Community Development Block Grant Program application for sewer collection and transfer system in the Shackelford Neighborhood.
- VII. PUBLIC FORUM**
- VIII. ADJOURNMENT**

## **MINUTES**

### **STANISLAUS COUNTY REDEVELOPMENT AGENCY**

**DECEMBER 12, 2000**

The Stanislaus County Redevelopment Agency met in the Joint Chambers at 10TH Street Place, Basement Level, Modesto, California.

#### **I. CALL TO ORDER**

The meeting was called to order at 9:45 a.m.

Members present: Pat Paul, Tom Mayfield, Paul Caruso, Nick Blom and Ray Simon

Members absent: No members absent

Staff present: Ron Freitas, Executive Director  
Jim Duval, Senior Planner

#### **II. CONSENT CALENDAR (\*)**

A. Upon motion by Agency members Mayfield/Paul, the Agency unanimously approved the Consent Calendar.

#### **III. CORRESPONDENCE**

A. None.

#### **IV. PUBLIC HEARINGS**

A. None.

#### **V. AGENDA ITEMS**

A. Upon motion by Blom/Simon, the Agency unanimously authorized the Redevelopment Agency Executive Director to retain Jones Hall as Bond Counsel for \$25,000 to assist in obtaining the required interim financing of \$4.5 million relating to the Salida Storm Drainage Project.

B. Upon motion by Blom/Simon, the Agency unanimously accepted the 1999-00 Redevelopment Agency Activities Report. authorized the preparation and submittal of a \$3.1 million loan application to Rural Development for storm drainage and related infrastructure construction in the Salida subarea.

#### **VI. PUBLIC FORUM**

A. No person spoke.

Stanislaus County Redevelopment Agency  
Minutes  
December 12, 2000  
Page 2

**VII. ADJOURNMENT**

The meeting adjourned at 10:00 a.m.



---

Ron E. Freitas  
Executive Director

SITTING AS THE REDEVELOPMENT AGENCY

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Redevelopment Agency *AF*

BOARD AGENDA # \*VI-A

Urgent        Routine X

AGENDA DATE: March 20, 2001

CEO Concurs with Recommendation YES        NO         
(Information Attached)

4/5 Vote Required YES        NO X

SUBJECT:

APPROVAL OF REPAYMENT OF \$400,000 LOAN AND ACCRUED INTEREST AND AUTHORIZATION OF NEW \$400,000 LOAN

STAFF RECOMMENDATION:

1. AUTHORIZE THE REPAYMENT OF A FEBRUARY 2000 STANISLAUS COUNTY LOAN PRINCIPAL OF \$400,000 AND INTEREST ACCRUED THEREON.
2. AUTHORIZE THE APPLICATION OF A LOAN IN THE AMOUNT OF \$400,000 SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN THE PROMISSORY NOTE BETWEEN THE REDEVELOPMENT AGENCY AND THE STANISLAUS COUNTY CAPITAL IMPROVEMENTS FINANCIAL AUTHORITY DATED SEPTEMBER 24, 1990.

(Staff Recommendation Continued on Page 2)

FISCAL IMPACT:

1. The Agency will retire County loan with interest accrued thereon. There are funds available to repay loan and accrued interest.
2. The Agency will receive \$400,000 in loan funds for 2000/2001 administrative costs. This loan will be secured by future tax increments received by the Redevelopment Agency.

BOARD ACTION

No. 2001-211

On motion of Supervisor Blom , Seconded by Supervisor Mayfield

and approved by the following vote,

Ayes: Supervisors: Mayfield, Blom, Caruso, and Chair Paul

Noes: Supervisors: None

Excused or Absent: Supervisors: Simon

Abstaining: Supervisor: None

1) X Approved as recommended

2)        Denied

3)        Approved as amended

Motion:

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

By: Deputy

File No.

**SUBJECT:** APPROVAL OF REPAYMENT OF \$400,000 LOAN AND ACCRUED INTEREST AND AUTHORIZATION OF NEW \$400,000 LOAN

PAGE 2

**STAFF  
RECOM-  
MENDATION  
CONTINUED:**

3. DIRECT THE AUDITOR-CONTROLLER TO ACCEPT REPAYMENT AND TO ALLOCATE \$400,000 FROM THE GENERAL FUND TO THE REDEVELOPMENT AGENCY SECURED BY THE PROMISSORY NOTE DESCRIBED IN RECOMMENDATION NO. 2.

**DISCUSSION:**

In February 2000, the Stanislaus County Redevelopment Agency borrowed \$400,000 from the Stanislaus County General Fund. Interest has been calculated on funds used at the rate based on the current interest rate realized by the Lender on investments as determined quarterly by the County Treasurer-Tax Collector. Therefore, principal and interest owed as of March 13, 2001 is \$425,264.98. Accrued interest will increase based upon the actual date of repayment. This note may be prepaid by the Agency without penalty.

During Fiscal Year 2000/2001, the Redevelopment Agency received its allocation of tax increment generated in the Project Area. This allocation is based on Agency debt. To continue receiving tax increment in subsequent years, the Agency must be able to demonstrate debt. It is important to use tax increment funds for debt service and not for current operational expenses. Accordingly, the Agency desires to repay existing debt owed Stanislaus County and request a new loan for purposes of implementing work plan activities.

**POLICY  
ISSUES:**

It is the policy of the Agency to assist Stanislaus County facilitate the increase and conservation of affordable housing, the retrofit and rehabilitation of public infrastructure, and the promotion of economic development. These goals are part of the Stanislaus County General Plan Housing and Land Use Elements, as well as the Redevelopment Plan of the Agency. Redevelopment is used as a financial tool to assist in the implementation of these goals.

**STAFFING  
IMPACT:**

None.

**ATTACHMENT:**

Auditor-Controller Deposit Interest Calculation

**COUNTY OF STANISLAUS, CALIFORNIA  
AUDITOR-CONTROLLER  
DEPOSIT INTEREST CALCULATION**

21-Feb-2001

<b>Deposit held for:</b>	Redevelopment Agency		
<b>Funds deposited on:</b>	01-Mar-2000	<b>Deposit Amount:</b>	\$400,000.00
<b>Funds returned on:</b>	21-Feb-2001	<b>Interest Earned:</b>	25,264.98
<b>Deposit Permit #:</b>		<b>Administration Fee:</b>	0.00

Period Begin	Period End	Interest Rate	# of Days	Interest	Deposits	Balance
-						0.00
01-Mar-2000	31-Mar-2000	4.76400%	30	1,566.25	400,000.00	401,566.25
01-Apr-2000	30-Jun-2000	6.24700%	91	6,254.28	0.00	407,820.53
01-Jul-2000	30-Sep-2000	4.98500%	92	5,124.24	0.00	412,944.77
01-Oct-2000	31-Dec-2000	7.51100%	92	7,817.80	0.00	420,762.57
01-Jan-2001	21-Feb-2001	7.51100%	52	4,502.41	0.00	425,264.98
			<u>357</u>	<u>\$25,264.98</u>	<u>\$400,000.00</u>	<u>\$425,264.98</u>
	Administrative Fee.....			0.00		0.00
	<b>Totals.....</b>			<b>\$25,264.98</b>	<b>\$400,000.00</b>	<b>\$425,264.98</b>

Rev. 05/22/95

File: v:\data\auditor\gl\interest\int\_calc.wk4

SITTING AS THE REDEVELOPMENT AGENCY

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Redevelopment Agency

Urgent \_\_\_\_\_ Routine X

CEO Concurs with Recommendation YES \_\_\_\_\_ NO \_\_\_\_\_  
(Information Attached)

BOARD AGENDA # \*VI-B

AGENDA DATE: March 20, 2001

4/5 Vote Required YES \_\_\_\_\_ NO X

SUBJECT:

ACCEPTANCE OF PROPOSAL TO CONDUCT 2000/2001 AUDIT

STAFF RECOMMENDATION:

AUTHORIZE THE EXECUTIVE DIRECTOR TO RETAIN THE SERVICES OF CHARLES E. STRAND OF TURLOCK, TO CONDUCT THE 2000/2001 REDEVELOPMENT AGENCY AUDIT AND PREPARE THE NECESSARY REPORTING DOCUMENTS FOR SUBMITTAL TO THE OFFICE OF THE STATE CONTROLLER.

FISCAL IMPACT:

It is estimated that the cost will not exceed \$5,000. The proposal is based upon regular hourly rates of \$85 plus any out-of-pocket costs incurred. Funds have been budgeted for this purpose.

BOARD ACTION

No. 2001-212

On motion of Supervisor Blom, Seconded by Supervisor Mayfield

and approved by the following vote,

Ayes: Supervisors: Mayfield, Blom, Caruso, and Chair Paul

Noes: Supervisors: None

Excused or Absent: Supervisors: Simon

Abstaining: Supervisor: None

1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

Motion:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk By: Deputy

File No.

**SUBJECT:** ACCEPTANCE OF PROPOSAL TO CONDUCT 2000/2001 AUDIT  
**PAGE 2**

**DISCUSSION:** Pursuant to Section 33080.1 of the Health and Safety Code, the Redevelopment Agency shall conduct an independent financial audit. Additionally, there are reporting requirements of the State Controller's Office that are prepared. Charles E. Strand, CPA of Turlock, California has previously conducted the required annual audit of the Agency. Mr. Strand has completed these tasks in a timely and affordable manner and have been acceptable by the agencies to which they are submitted. His knowledge of agency history and activity will enable him to expeditiously complete the 2000/2001 audit.

**POLICY ISSUES:** It is the policy of the Agency to prepare or cause to prepare documents required to satisfy redevelopment law.

**STAFFING IMPACT:** This activity has been incorporated within the Agency work plan and no additional staff is required.



SITTING AS THE REDEVELOPMENT AGENCY

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Redevelopment Agency  
Urgent \_\_\_\_\_ Routine X

BOARD AGENDA # \*VI-C  
AGENDA DATE: March 20, 2001  
4/5 Vote Required YES \_\_\_\_\_ NO X

CEO Concurs with Recommendation YES \_\_\_\_\_ NO \_\_\_\_\_  
(Information Attached)

SUBJECT:

CONSIDERATION AND APPROVAL OF MID-YEAR FISCAL REPORT FOR 2000-2001

STAFF RECOMMENDATION:

1. ACCEPT THE EXECUTIVE DIRECTOR'S MID-YEAR REPORT FOR FISCAL YEAR 2000-2001.
2. AUTHORIZE THE CHIEF EXECUTIVE OFFICER AND THE AUDITOR-CONTROLLER TO MAKE THE NECESSARY BUDGET ADJUSTMENTS AND TRANSFERS AS RECOMMENDED IN THE REPORT AND ATTACHMENTS.
3. DIRECT THE EXECUTIVE DIRECTOR TO ENSURE THAT OPERATIONS REMAIN WITHIN BUDGET POLICIES AND BUDGETED APPROPRIATIONS.

(Continued on Page 2)

FISCAL IMPACT:

As a result of analysis by the Chief Executive Office it is projected that the Redevelopment fund as part of the Final Budget for 2000-2001 will end the year in a positive position.

BOARD ACTION

No. 2001-213

On motion of Supervisor Blom, Seconded by Supervisor Mayfield  
and approved by the following vote,

Ayes: Supervisors: Mayfield, Blom, Caruso, and Chair Paul

Noes: Supervisors: None

Excused or Absent: Supervisors: Simon

Abstaining: Supervisor: None

- 1) X Approved as recommended
- 2) \_\_\_\_\_ Denied
- 3) \_\_\_\_\_ Approved as amended

Motion:

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk By Deputy

File No.

SUBJECT: CONSIDERATION AND APPROVAL OF MID-YEAR FISCAL REPORT FOR 2000-2001

PAGE 2

**STAFF  
RECOM-  
MENDATION  
CONTINUED:**

4. AMEND THE SALARY AND POSITION ALLOCATION RESOLUTION AS STATED IN STAFFING IMPACTS EFFECTIVE THE START OF THE SECOND PAY PERIOD ON MARCH 24, 2001.

**DISCUSSION:**

The Redevelopment Agency has expended 44 percent of budget at mid year. Revenues have been received at 2 percent, however, it is expected that all estimated revenues will be received by the end of the fiscal year. The Agency's largest revenue is derived from property taxes, currently budgeted at \$1,185,000. This revenue is not yet reflected in the Agency's operating report, however, it is expected to be posted by year-end.

Staff is currently involved in the process of securing interim financing relative to a Rural Development loan to construct storm drainage infrastructure in Salida. This interim financing may be in terms of loan or bond funds and will be retired by Rural Development loan funds once the project has been completely constructed.

Efforts continue regarding property tax increment allocation methodology with the State Controller's office. The Agency's legal counsel, County Counsel, Auditor-Controller and staff maintain that the methodology used is consistent with the State Constitution and Agency v. County of San Bernardino (1978). Attempts are being made with the County Legislative lobbyist to introduce legislation that recognizes the methodology used by Stanislaus County as appropriate and correct.

At this time, a request is made for an Assistant/Associate Planner position to assist with the State/Federal grants and redevelopment projects, at an approximate cost to the Redevelopment Agency of \$31,600 for the remainder of this fiscal year (including \$2,500 in one time computer expenses) and \$63,200 per year thereafter. The Executive Director is also requesting a reclassification study of one Senior Planner (Manager III) position to Deputy Executive Director (Manager IV).

Recommendations: It is recommended that the Agency add one Assistant/Associate Planner position to assist with grants and redevelopment projects, at an approximate cost of \$31,600 for the remainder of this fiscal year (including \$2,500 in one time computer expenses) and \$63,200 per year thereafter, recoverable through grant funds. It is also recommended that the Senior Planner, Manager III, position be studied for possible reclassification.

These recommendations were received, reviewed and approved by the Board of Supervisors at their March 13, 2001 meeting.

**SUBJECT:** CONSIDERATION AND APPROVAL OF MID-YEAR FISCAL REPORT FOR 2000-2001

PAGE 3

**POLICY  
ISSUE:**

The Redevelopment Agency should evaluate the mid-year financial condition and consider the recommended changes to ensure the Agency ends the fiscal year in a positive position.

**STAFFING  
IMPACTS:**

Amend the Salary and Position Allocation to reflect the recommendations made above.

SITTING AS THE REDEVELOPMENT AGENCY

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Redevelopment Agency

Urgent \_\_\_\_\_ Routine X

CEO Concurs with Recommendation YES \_\_\_\_\_ NO \_\_\_\_\_  
(Information Attached)

BOARD AGENDA # \_\_\_\_\_ VI-D

AGENDA DATE: March 20, 2001

4/5 Vote Required YES \_\_\_\_\_ NO X

SUBJECT:

COMMITMENT OF \$1 MILLION TO THE 2001 COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION - SHACKELFORD SEWER

STAFF RECOMMENDATION:

AUTHORIZE THE COMMITMENT OF \$1 MILLION FOR PURPOSES OF LOCAL MATCH IN THE 2001 GENERAL ALLOCATION APPLICATION FOR STATE COMMUNITY DEVELOPMENT BLOCK GRANT - SHACKELFORD SEWER.

FISCAL IMPACT:

The authorization will commit \$1 million. There are funds available.

BOARD ACTION

No. 2001-214

On motion of Supervisor Blom, Seconded by Supervisor Mayfield

and approved by the following vote,

Ayes: Supervisors: Mayfield, Blom, and Chair Paul

Noes: Supervisors: None

Excused or Absent: Supervisors: Simon

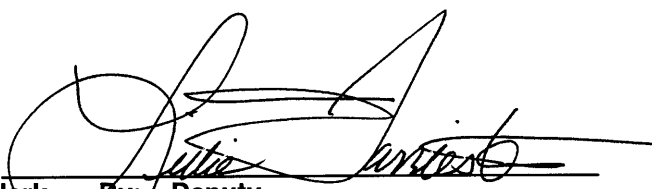
Abstaining: Supervisor: Caruso

1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

Motion:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk By: Deputy

File No.

**SUBJECT:** COMMITMENT OF \$1 MILLION TO THE 2001 COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION - SHACKELFORD SEWER

PAGE 2

**DISCUSSION:** Stanislaus County proposes to submit a \$500,000 Community Block Grant (CDBG) application to the State Housing and Community Development Department for funds to assist in the construction of a sewer collection and transfer system in a portion of the Shackelford subarea. The estimated cost of this project is \$2 million. The Department of Public Works has indicated that \$500,000 of road funds will be committed to this project should the CDBG grant be awarded. Grant applications earn points in areas such as program design, elimination of health and safety problems, level of service to target income group and local funding match. It is in the area of local funding match that this request is being made.

The thrust of the use of Redevelopment is to eliminate blight from within its Project Area. The elimination of individual septic tanks that can have negative effects upon the health and safety of a neighborhood does eliminate blight.

This project would be serviced by the Modesto Sewer Service facilities. City staff has encouraged, via letter, the submittal of the grant application and indicates that there is adequate capacity in the existing trunk that would serve this area. However, if awarded the grant, County would prepare for execution, an agreement between County and City that stipulates the provision of sewer service.

The commitment of \$1 million will serve as a portion of Stanislaus County's local match in the 2001 CDBG application for \$500,000.

**POLICY ISSUES:**

The Redevelopment Plan is a tool to implement the goals and policies of Stanislaus County. It identifies infrastructure as an eligible Project Area activity. It also encourages the leveraging of Agency funds with other resources to facilitate additional activity. This project was identified during the planning stages for redevelopment by the representatives of Shackelford on the Project Area Committee as their first priority. Further, the Housing Element of the Stanislaus County General Plan encourages application for CDBG funding to assist the County in conserving its affordable housing stock.

**STAFFING IMPACT:**

Present staff would implement this authorization and the subject grant should it be funded.