



**CITY OF PARLIER**  
**OVERSIGHT BOARD FOR SUCCESSOR AGENCY**  
**TO THE CITY OF PARLIER REDEVELOPMENT AGENCY**  
**SPECIAL MEETING**

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**LOCATION OF MEETING:** Parlier Community Center  
1100 E. Parlier Avenue, Parlier, CA 93648

**DATE/TIME:** August 03, 2015/10:00 A.M.

**CALL TO ORDER**  
**ROLL CALL**

Israel Lara, City of Parlier Mayor's Appointed Representative  
Joe Reyna, Special District Representative  
Ben Fregoso, County Supervisor's Representative  
Ronald Nishinaka, Chancellor of Community College Representative  
Irma Regalado, County Superintendent of Schools Representative  
Jennie Fenn, County Supervisor's Representative

**PLEDGE OF ALLEGIANCE:**

**PRESENTATION:**

**PUBLIC COMMENT:**

At this time any member of the public may address the board on items of interest which are not already on the agenda this evening. You will be permitted a single visit to the podium to state your comments, please state your name and address and limit your comments to three (3) minutes. No action shall be taken on any item not appearing on the agenda

**OTHER BUSINESS**

- 1. SUBJECT:** A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Parlier approving a Successor Agency Consulting Services contract and :  
A Resolution of the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Parlier Approving a Successor Agency Continuing Disclosure contract submitted by Rosenhow Spevacek Group Inc.

**RECOMMENDATION:** Staff recommends that the Oversight Board approve the following:

1. Oversight Board Resolution Approving a Professional Services Agreement with the Rosenow Spevacek Group to Provide Successor Agency Administrative Consulting Services.
2. Oversight Board Resolution Approving a Professional Services Agreement with the Rosenow Spevacek Group to Provide Continuing Disclosure Consulting Services.

**ADJOURNMENT:**

**Certification of posting the Agenda**

I declare under penalty of perjury that I am employed by the City of Parlier and that I posted this agenda on the bulletin board at City Hall, July 31 2015 by Bertha Augustine, Deputy City Clerk.

# STAFF REPORT

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TO: OVERSIGHT BOARD

FROM: Israel Lara, Jr., City Manager

DATE: August 03, 2015

SUBJECT: A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PARLIER APPROVING A SUCCESSOR AGENCY CONSULTING SERVICES CONTRACT AND A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PARLIER APPROVING A SUCCESSOR AGENCY CONTINUING DISCLOSURE CONTRACT SUBMITTED BY ROSENOW SPEVACEK GROUP INC.

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## **BACKGROUND:**

On December 29, 2011, the California Supreme Court issued its decision in CRA v. Matosantos, upholding ABx1 26, which dissolves all redevelopment agencies in California, and overturning ABx1 27, the "voluntary alternative redevelopment program." With the voluntary redevelopment program provided for in ABx1 27 having been ruled unconstitutional by the Court, all California redevelopment agencies were dissolved on February 1, 2012. As of February 1, 2012, redevelopment agencies throughout the State ceased to exist. Successor Agencies are responsible for winding down the affairs of their respective now-dissolved redevelopment agencies. The City is acting as the Successor Agency to manage and curtail the operation of the dissolved Parlier Redevelopment Agency with the immediate oversight of the Oversight Board of the Successor Agency to the Parlier Redevelopment Agency ("Oversight Board") and of the California Department of Finance ("DOF").

The Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act. Successor Agency Staff would like to retain the services of the Rosenow Spevacek Group Inc. to assist with Successor Agency administrative activities related to the dissolution of the former redevelopment agency and with bond disclosure reporting requirements.

## **ANALYSIS:**

### **Successor Agency Administrative Activities**

RSG's role would be to provide technical, management, and administrative services to enable staff to respond to ongoing reporting requirements and transition of the redevelopment agency to a successor agency. RSG's primary assignment is to review and advise on the following:

1. Preparation of the Successor Agency annual recognized obligation payment schedule ("ROPS") pursuant to DOF guidelines.
2. Preparation of staff reports and resolutions for the Successor Agency and Oversight Board, as may be required for the above.
3. Assisting the Successor Agency review, respond and implement the State audits, regulations and laws, as required.
4. Advising the Successor Agency on property disposition activities involving real property to be sold as designated in the Long Range Property Management Plan as well as governmental use properties to be transferred to the City.

As described in RSG's proposed contract, the Successor Agency will need to complete and submit a Recognized Obligation Payment Schedule ("ROPS") for approval to the Oversight Board and DOF for the 15-16B period. Given RSG's assistance in preparing ROPS for the successor agencies throughout the State, RSG is well positioned to assist with the next ROPS efficiently and effectively. RSG also has experience representing successor agencies in the Meet and Confer process used to resolve items of dispute between successor agencies and DOF. Should such an item occur for the Successor Agency, RSG will assist in its resolution.

Unlike in previous years under Redevelopment dissolution, the Successor Agency will begin disposing of its real property as part of the Long Range Property Management Plan ("LRPMP") process. RSG helped many successor agencies to prepare their LRPMP, revise the LRPMP per DOF's comments, and to prepare LRPMP disposition procedures. Therefore, RSG is well positioned to assist the Successor Agency with property disposition.

RSG will also assist the Successor Agency complete the State Controller Audit and provide guidance on how to comply with these legal requirements. RSG's analysis and understanding of recent and upcoming legislation pertaining to Redevelopment dissolution will offer the Successor Agency insight on the ramifications of the most recent legislative changes and an explanation of the immediate and future impacts to the Successor Agency and affected taxing entities.

#### Continuing Disclosure

Pursuant to Successor Agency, Oversight Board and DOF approval, the Executive Director executed the proposed term sheet for the 2015 Direct Placement, Series A Refunding Bonds, which includes a condition that the Successor Agency annually provides a report to the issuer that discloses certain fiscal information on the tax revenues pledged by the Successor Agency. These requirements are embodied in the indenture for the financing as well prior to closing on the refunding issue. As such, it is imperative that the Successor Agency plan for, and obtain funding to perform, these annual disclosure activities as long as the term of the debt service on the new financing.

RSG will provide annual financial reporting services pertaining to the 2015 Direct Placement, Series A indenture to ensure adequate service coverage to support a Certification of Borrower. More specifically, RSG will complete the following:

1. Analyze and provide a disclosure of annual assessed valuation and top 10 taxpayers and other pertinent information (assessment appeals and remaining RPTTF within the tax increment limits in the underlying Redevelopment Plan - until such time as the State legislature determines that such limits no longer apply).
2. Drafting an annual report containing our analysis and findings, and either filing the annual report with the 2015 Direct Placement Lender or uploading to EMMA, on the Successor Agency's behalf.
3. Ensure that any shortfall between the amount of the cumulative RPTTF that may be paid under the tax increment limit in the Redevelopment Plan and the cumulative annual debt service remaining is listed on the ROPS as an enforceable obligation.

#### **FISCAL IMPACT:**

##### Successor Agency Administrative Activities

Approval of RSG's proposal for Successor Agency administrative consulting services will lead to the commitment of \$10,000 of the Successor Agency's administrative budget that has been allocated for such purpose. The term of the contract is through June 30, 2016.

##### Continuing Disclosure

Approval of RSG's proposal for continuing disclosure services will lead to the commitment of \$5,000 that will be placed as a direct expense on the Successor Agency's ROPS. Continuing disclosure is not considered an administrative expense. The term of the contract is through June 30, 2016.

**RECOMMENDATIONS:**

Staff recommends that the Oversight Board approve the following:

1. Oversight Board Resolution Approving a Professional Services Agreement with the Rosenow Spevacek Group to Provide Successor Agency Administrative Consulting Services.
2. Oversight Board Resolution Approving a Professional Services Agreement with the Rosenow Spevacek Group to Provide Continuing Disclosure Consulting Services.

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT  
AGENCY OF THE CITY OF PARLIER**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE  
SUCCESSOR AGENCY TO THE REDEVELOPMENT  
AGENCY OF THE CITY OF PARLIER APPROVING A  
PROFESSIONAL SERVICES AGREEMENT WITH THE  
ROSENOW SPEVACEK GROUP INC. TO PROVIDE  
SUCCESSOR AGENCY CONTINUING DISCLOSURE  
CONSULTING SERVICES**

**WHEREAS**, the Redevelopment Agency of the City of Parlier (the "Original Agency") was a redevelopment agency in the City of Parlier ("City"), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the "Redevelopment Law"); and

**WHEREAS**, the City Council has adopted a redevelopment plan for Parlier's redevelopment project area, and from time to time, the City Council has amended such redevelopment plan; and

**WHEREAS**, the Original Agency was responsible for the administration of redevelopment activities within the City; and

**WHEREAS**, Assembly Bill No. X1 26 ("AB 26") was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and the California Health and Safety Code, including adding Part 1.8 (commencing with Section 34161) ("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85") to Division 24 of the California Health and Safety Code; and

**WHEREAS**, pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Original Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

**WHEREAS**, the City Council of the adopted a resolution pursuant to Part 1.85 of AB 26, electing for the City to serve as the successor agency to the Original Agency upon the dissolution of the Original Agency (the "Successor Agency"); and

**WHEREAS**, the Board of Directors of the Successor Agency adopted a resolution naming itself the "Successor Agency to the Redevelopment Agency of the City of Parlier," the

sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85 of AB 26, and establishing itself as a separate legal entity with rules and regulations that will apply to the governance and operations of the Successor Agency; and

**WHEREAS**, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (Chapter 26, Statutes 2012) (“AB 1484”), which imposed additional statutory provisions relating to the activities and obligations of successor agencies and to the wind down process of former redevelopment agencies, including, without limitation, refunding or refinancing bonds or other indebtedness; and

**WHEREAS**, California Health and Safety Code Section 34179, added by AB 26 and amended by AB 1484 (collectively, the “Dissolution Act”), establishes a seven (7) member local entity with respect to each successor agency and such entity is titled the “oversight board.” The oversight board has been established for the Successor Agency (hereinafter referred to as the “Oversight Board”) and all seven (7) members have been appointed to the Oversight Board pursuant to California Health and Safety Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in California Health and Safety Code Sections 34179 through 34181 of the Dissolution Act; and

**WHEREAS**, the Original Agency is obligated to pay the Parlier Redevelopment Project 1998 Tax Allocation Refunding Bonds, issued in the aggregate principal amount of \$5,345,000 (the “1998 Bonds”), the 2004 Tax Allocation Bonds, issued in the aggregate principal amount of \$5,920,000 (the “2004 Bonds”) and Parlier Redevelopment Project 2008 Subordinate Tax Allocation Bonds, issued in the aggregate principal amount of \$3,190,000 (the “2008 Bonds” and, collectively with the 1998 Bonds and the 2004 Bonds, the “Bonds”) for the purpose of financing programs, projects and activities relating to the Original Agency’s Parlier Redevelopment Project (the “Redevelopment Project”) from tax increment revenues derived from the Redevelopment Project; and

**WHEREAS**, AB 1484, among other things, amended the California Health and Safety Code to authorize the Successor Agency to issue bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “Refunding Law”) for the purpose of achieving debt service savings; and

**WHEREAS**, the Dissolution Act added Section 34177.5 to the California Health and Safety Code, which authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Original Agency, subject to the conditions precedent contained in Section 34177.5 and the approval of the Successor Agency’s Oversight Board; and

**WHEREAS**, the Successor Agency is the refunding of the Bonds by issuing an additional series of bonds (the “Refunding Bonds”) under and pursuant to the Refunding Law, which will produce debt service savings, thereby increasing the amount of property taxes paid to the taxing entities; and

**WHEREAS**, pursuant to Successor Agency, Oversight Board and DOF approval, the Executive Director executed the proposed term sheet for the Refunding Bonds, which includes a condition that the Successor Agency annually provide a report to the issuer that discloses certain fiscal information on the tax revenues pledged by the Successor Agency. These requirements would be embodied in the indenture for the financing as well prior to closing on the refunding issue. As such, it is imperative that the Successor Agency plan for, and obtain funding to perform, these annual disclosure activities as long as the term of the debt service on the new financing; and

**WHEREAS**, the Successor Agency approved a contract with Rosenow Spevacek Group, Inc. ("RSG Contract") to provide continuing disclosure and dissemination agent services as described in the professional services agreement attached as Exhibit A and hereby forwarded it to the Oversight Board for its approval.

**NOW, THEREFORE**, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Parlier resolves as follows:

**SECTION 1. Recitals.** The Recitals set forth above are true and correct and incorporated herein by reference.

**SECTION 2. Contract Approval.** The RSG Contract is hereby approved.

**SECTION 3. Execution and Transmittal.** The City Manager is hereby authorized and directed to take such other and further action consistent with this resolution and sign and transmit any documents, as necessary, in order to implement this Resolution on behalf of the Successor Agency and the Oversight Board.

PASSED AND ADOPTED at a regular meeting of the Oversight Board of the Successor Agency to the Parlier Redevelopment Agency held on the \_\_\_ day of \_\_\_, 2015, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Chair

Attest:

\_\_\_\_\_  
Secretary

I hereby certify that the above Resolution No. \_\_\_\_\_ was duly introduced, read and adopted by the Oversight Board of the Successor Agency to the Parlier Redevelopment Agency at a regular meeting held on \_\_\_\_\_, 2015.

\_\_\_\_\_  
Secretary

**EXHIBIT A**  
**PROFESSIONAL SERVICES AGREEMENT**

**OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT  
AGENCY OF THE CITY OF PARLIER**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE OVERSIGHT BOARD OF  
THE SUCCESSOR AGENCY TO THE REDEVELOPMENT  
AGENCY OF THE CITY OF PARLIER APPROVING A  
PROFESSIONAL SERVICES AGREEMENT WITH THE  
ROSENOW SPEVACEK GROUP INC. TO PROVIDE  
SUCCESSOR AGENCY ADMINISTRATIVE CONSULTING  
SERVICES**

**WHEREAS**, the Redevelopment Agency of the City of Parlier (the “Original Agency”) was a redevelopment agency in the City of Parlier (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the “Redevelopment Law”); and

**WHEREAS**, the City Council has adopted a redevelopment plan for Parlier’s redevelopment project area, and from time to time, the City Council has amended such redevelopment plan; and

**WHEREAS**, the Original Agency was responsible for the administration of redevelopment activities within the City; and

**WHEREAS**, Assembly Bill No. X1 26 (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and the California Health and Safety Code, including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the California Health and Safety Code; and

**WHEREAS**, pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Original Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

**WHEREAS**, the City Council of the adopted a resolution pursuant to Part 1.85 of AB 26, electing for the City to serve as the successor agency to the Original Agency upon the dissolution of the Original Agency (the “Successor Agency”); and

**WHEREAS**, the Board of Directors of the Successor Agency adopted a resolution naming itself the “Successor Agency to the Redevelopment Agency of the City of Parlier,” the

sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85 of AB 26, and establishing itself as a separate legal entity with rules and regulations that will apply to the governance and operations of the Successor Agency; and

**WHEREAS**, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (Chapter 26, Statutes 2012) (“AB 1484”), which imposed additional statutory provisions relating to the activities and obligations of successor agencies and to the wind down process of former redevelopment agencies, including, without limitation, refunding or refinancing bonds or other indebtedness; and

**WHEREAS**, California Health and Safety Code Section 34179, added by AB 26 and amended by AB 1484 (collectively, the “Dissolution Act”), establishes a seven (7) member local entity with respect to each successor agency and such entity is titled the “oversight board.” The oversight board has been established for the Successor Agency (hereinafter referred to as the “Oversight Board”) and all seven (7) members have been appointed to the Oversight Board pursuant to California Health and Safety Code Section 34179. The duties and responsibilities of the Oversight Board are primarily set forth in California Health and Safety Code Sections 34179 through 34181 of the Dissolution Act; and

**WHEREAS**, Health & Safety Code Section 34177.3(b) states that successor agencies may create enforceable obligations to conduct the work of winding down the redevelopment agency, including acquiring necessary professional administrative services; and

**WHEREAS**, the Successor Agency desires to enter into a contract with Rosenow Spevacek Group, Inc. (“RSG Contract”) to provide consulting services related to the dissolution of the former Parlier Redevelopment Agency; and

**WHEREAS**, the RSG Contract is to be funded by the administrative cost allowance pursuant to Health & Safety Code Section 34171(b); and

**WHEREAS**, the Successor Agency desires to approve the proposed RSG Contract.

**NOW, THEREFORE**, the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Parlier resolves as follows:

**SECTION 1. Recitals.** The Recitals set forth above are true and correct and incorporated herein by reference.

**SECTION 2. Contract Approval.** The RSG Contract is hereby approved.

**SECTION 3. Execution and Transmittal.** The City Manager is hereby authorized and directed to take such other and further action consistent with this resolution and sign and transmit any documents, as necessary, in order to implement this Resolution on behalf of the Successor Agency and Oversight Board.

PASSED AND ADOPTED at a regular meeting of the Oversight Board to the Successor Agency to the Parlier Redevelopment Agency held on the \_\_\_ day of \_\_\_\_, 2015, by the following vote, to wit:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Chair

Attest:

\_\_\_\_\_  
Secretary

I hereby certify that the above Resolution No. \_\_\_\_\_ was duly introduced, read and adopted by the Oversight Board to the Successor Agency to the Parlier Redevelopment Agency at a regular meeting held on \_\_\_\_\_, 2015.

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Secretary

**EXHIBIT A**  
**PROFESSIONAL SERVICES AGREEMENT**