

**DESIGNATED LOCAL AUTHORITY
RIVERBANK CITY HALL NORTH
CITY HALL NORTH COUNCIL CHAMBERS
6707 THIRD STREET
RIVERBANK CA 95367-2305**

**AGENDA
TUESDAY, MAY 14, 2013 – 10:00AM**

CALL TO ORDER: CHAIR WENDELL NARAGHI

**ROLL CALL: Chair Wendell Naraghi
Vice Chair Walter Schmidt
Treasurer Paul Baxter**

CONFLICT OF INTEREST

Declaration by Board Members who would have a direct Conflict of Interest on any scheduled item to be considered should be stated at this time.

1. PUBLIC BUSINESS FROM THE FLOOR (No action can be taken.)

At this time, members of the public may comment on any item not appearing on the agenda, and within the subject matter jurisdiction of the Board.

2. ACTION ITEMS

(These items will be individually discussed prior to Board action.)

Item 2.1: Report of Posting. The agenda for the May 14, 2013, Designated Local Authority meeting was posted on the City bulletin board on May 10, 2013.

Recommendation: Approval by roll call vote.

Item 2.2: Approval of the April 9, 2013 Designated Local Authority Meeting Minutes.

Recommendation: Approval by roll call vote.

Item 2.3: Current Financial Status of the Designated Local Authority.

Recommendation: Discussion Item Only.

Item 2.4: Annual Continuing Disclosure Statement.

Recommendation: Discuss and Recommend Follow-Up Action.

Item 2.5: Department of Finance Contract for Staff Support to Riverbank Designated Local Authority.

Recommendation: Discussion Item Only.

Item 2.6: Requirements of DLA following Department of Finance Finding of Completion.

Recommendation: Discussion Item Only.

3. COMMENTS (Informational Only – No action to be taken)

Item 3.1: Consultant Comments.

Item 3.2: Board Comments.

ADJOURNMENT

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AFFIDAVIT OF POSTING			
DATE:	May 10, 2013	TIME:	11:00 PM
NAME:	Marisela Hernandez	TITLE:	Director of Finance

Notice Regarding Americans with Disabilities Act:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (209) 863-7122. Notification 48-hours before the meeting will enable the Board to make reasonable arrangements to ensure accessibility to this meeting [28 CFR 35.102.35.104 ADA Title II].

Notice Regarding Non-English Speakers:

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the Designated Local Authority shall be in English and anyone wishing to address the Board is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

**RIVERBANK DESIGNATED LOCAL AUTHORITY
SUCCESSOR AGENCY TO THE RIVERBANK REDEVELOPMENT AUTHORITY**

**MEETING MINUTES
TUESDAY, APRIL 9, 2013**

CALL TO ORDER:

The Riverbank Designated Local Authority (RDLA) met this date at 10:03am, in the Riverbank City Hall South Conference Room, 6617 Third Street, Riverbank California, and was called to order by Chair Wendell Naraghi.

ROLL CALL - Present: Chair Wendell Naraghi
Vice Chair Walter Schmidt
Treasurer Paul Baxter

Also in Attendance: Marisela Hernandez, Riverbank Finance Director
Luanne Bain, Administrative Assistant

CONFLICT OF INTEREST

Declaration by Board Members who would have a direct Conflict of Interest on any scheduled item to be considered should be stated at this time.

No conflict was declared.

1. PUBLIC BUSINESS FROM THE FLOOR (No action can be taken.)

There was no public business from the floor.

2. ACTION ITEMS

Item 2.1: Report of Posting. The agenda for the April 9, 2013, Designated Local Authority meeting was posted on the City bulletin board on April 5, 2013.

Motion by Treasurer Baxter, second by Vice Chair Schmidt, to approve the Report of Posting; passed 3-0.

Item 2.2: Approval of the Special February 4, 2013 Designated Local Authority Meeting Minutes.

Motion by Treasurer Baxter, second by Vice Chair Schmidt, to approve the Minutes of the Special February 4, 2013, DLA Meeting; passed 3-0.

Item 2.3: Authorization for Designated Local Authority Members to Contact State Representatives regarding Funding.

Motion by Vice Chair Schmidt, second by Treasurer Baxter, to approve the Authorization for DLA Members to contact State Representatives regarding funding; passed 3-0.

Item 2.4: Annual Continuing Disclosure Statement.

Motion by Vice Chair Schmidt, second by Treasurer Baxter, for Finance Director Hernandez to contact Stanislaus County for preliminary information for the Annual Continuing Disclosure Statement; passed 3-0.

Item 2.5: Current Financial Status of the Designated Local Authority.

Finance Director Hernandez to contact Stanislaus County for dollar amounts to be proactive and prepared if Kosmont does not return as Consultants.

3. COMMENTS (Informational Only – No action to be taken)

Item 3.1: Consultant Comments. ***No comments.***

Item 3.2: Board Comments. ***No comments.***

ADJOURNMENT

There being no further business, Chair Naraghi asked for a motion to adjourn. Motion by Vice Chair Schmidt, second by Treasurer Baxter, to adjourn the meeting; passed 3-0.

Meeting adjourned at 10:48am.

Respectfully Submitted,

Luanne Bain
Administrative Assistant
City of Riverbank

DESIGNATED LOCAL AUTHORITY
FINANCIAL STATUS
AS OF MAY 1, 2013

	DLA Administration	Debt Service Series A	Debt Service Series B	Total
Cash On Hand	3,950.34	-	-	3,950.34
Debt Service Reserve*	-	132,133.38	82,457.79	214,591.17
Current Total	3,950.34	132,133.38	82,457.79	218,541.51
Est. Revenues May 2013	2,991.26	163,955.20	40,988.80	207,935.26
Est. Cash Available for Enf. Obligations	6,941.60	296,088.58	123,446.59	426,476.77
Enforceable Obligations 07/13-12/13	395.00	536,468.13	132,228.75	669,091.88
Ending Reserve	6,546.60	(240,379.55)	(8,782.16)	(242,615.11)

Total May Estimated Revenues \$204,944.00

BALANCE SHEET
AGENDA ITEM 2.3

Page: 1

5/6/2013

10:20 am

City of Riverbank

As of: 5/31/2013

Balances

Fund: 224 - DESIGNATED LOCAL AUTHORITY AD

Assets

010.002 CHECKING GENERAL WESTAMERICA 3,950.34

130.000 FIXED ASSETS 2,153,305.37

130.100 ACCUMULATED DEPRECIATION -267,471.25

Total Assets 1,889,784.46

Liabilities

200.290 SUBORDINATED PASS THRU PAYABLE 190,494.01

Total Liabilities 190,494.01

Reserves/Balances

390.000 FUND BALANCES -100,448.69

398.000 CHANGE IN FUND BALANCE -108,384.25

398.060 INVESTMENT IN FIXED ASSETS 1,908,123.39

Total Reserves/Balances 1,699,290.45

Total Liabilities & Balances 1,889,784.46

BALANCE SHEET
AGENDA ITEM 2.3

Page: 2

5/6/2013

10:20 am

City of Riverbank

As of: 5/31/2013

Balances

Fund: 226 - DLA DEBT SERVICE/SERIES "A"

Assets

010.008 RESTRICTED CASH/FIS AGENT 132,128.89

160.000 UNAMORT. ISSUE COSTS 91,312.62

Total Assets 223,441.51

Liabilities

310.000 BOND PAYABLE 11,605,000.00

Total Liabilities 11,605,000.00

Reserves/Balances

390.000 FUND BALANCES -11,058,188.85

398.000 CHANGE IN FUND BALANCE -323,369.64

Total Reserves/Balances -11,381,558.49

Total Liabilities & Balances 223,441.51

BALANCE SHEET
AGENDA ITEM 2.3

Page: 3

5/6/2013

10:20 am

City of Riverbank

As of: 5/31/2013

Balances

Fund: 227 - DLA DEBT SERVICE/SERIES "B"

Assets

010.008 RESTRICTED CASH/FIS AGENT 82,454.99

160.000 UNAMORT. ISSUE COSTS 37,597.08

Total Assets 120,052.07

Liabilities

310.000 BOND PAYABLE 2,935,000.00

Total Liabilities 2,935,000.00

Reserves/Balances

390.000 FUND BALANCES -2,732,747.48

398.000 CHANGE IN FUND BALANCE -82,200.45

Total Reserves/Balances -2,814,947.93

Total Liabilities & Balances 120,052.07

**REPORT TO THE RIVERBANK DESIGNATED
LOCAL AUTHORITY, AS SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF RIVERBANK**

TO: DESIGNATED LOCAL AUTHORITY BOARD MEMBERS

FROM: CHRIS JICHA, STAFF TO SUCCESSOR AGENCY

DATE: MAY 14, 2013

**SUBJECT: DEPARTMENT OF FINANCE CONTRACT FOR STAFF SUPPORT TO
RIVERBANK DESIGNATED LOCAL AUTHORITY**

PURPOSE OF STAFF REPORT

The purpose of this Staff Report is to update the Designated Local Authority (DLA) on the outcome of Kosmont's negotiations with the Department of Finance (DOF) regarding funding for the staff and legal costs of the DLA.

DISCUSSION

The Riverbank Designated Local Authority, as Successor Agency to the Riverbank Redevelopment Agency ("DLA"), was established by statute to take actions to wind down the affairs of the former Riverbank Redevelopment Agency in accordance with the California Health and Safety Code.

In July 2012, DOF approved staffing of the DLA by Kosmont Companies and permitted Kosmont to enter into a subcontract with Leibold McClendon & Mann, PC (LMM) for legal services. Kosmont had understood that its contract would provide funding for the DLA staff and legal costs through June 30, 2013. Mark Persico, on behalf of Kosmont, began negotiations of an increase in the contract amount due to the unexpected volume of legal and staffing costs for the various DLAs covered by the DOF contract. In February 2013, Mark Persico left Kosmont Companies, and in March 2013, DOF declined to fund the administrative costs of the DLA effective immediately suspending staffing to the DLA.

In March 2013, DOF advised Kosmont that DOF would consider continuing to fund these expenses since the DLA did not have funds available for staff and legal support necessary to meet their statutory requirements as Successor Agency. Kosmont proposed a budget to DOF for legal and staffing costs for the current ROPS period through June 30, 2015. Kosmont and LMM have agreed to continue staff and legal support, at their own risk, with the expectation that DOF will execute the new contract soon.

**REPORT TO THE RIVERBANK DESIGNATED
LOCAL AUTHORITY, AS SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF RIVERBANK**

TO: DESIGNATED LOCAL AUTHORITY BOARD MEMBERS
FROM: CHRIS JICHA, STAFF TO SUCCESSOR AGENCY
DATE: MAY 14, 2013
**SUBJECT: REQUIREMENTS OF DLA FOLLOWING DOF FINDING OF
COMPLETION**

PURPOSE OF STAFF REPORT

The purpose of this Staff Report is to update the Designated Local Authority (DLA) on the next steps required by AB1484 following the Department of Finance's (DOF) Finding of Completion.

DISCUSSION

The Riverbank Designated Local Authority, as Successor Agency to the Riverbank Redevelopment Agency ("DLA"), was established by statute to take actions to wind down the affairs of the former Riverbank Redevelopment Agency in accordance with the California Health and Safety Code.

The California Department of Finance completed the Finding of Completion (FOC) for the Designated Local Authority Successor Agency to the Riverbank Redevelopment Agency on April 26, 2013. Following the FOC the DLA is authorized to:

1. Place loan agreements between the former RDA and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HCS section 34191.4 (b)(1). Loan repayments will be governed by criteria in HSC section 34191.4 (a)(2);
2. Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c); and
3. The DLA is required to submit a Long-Range Property Management Plan to DOF for review and approval per HSC section 34191.5 (b) within six months from the date of the FOC.



April 26, 2013

Mr. Chris Jicha, AICP
Kosmont Companies, Consultants to the DLA
865 S. Figueroa St., 35th FL.
Los Angeles, CA 90017

Dear Mr. Jicha:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the Designated Local Authority Successor Agency to the Riverbank Redevelopment Agency (Agency).

Finance has completed its review of your documentation, which may have included reviewing supporting documentation submitted to substantiate payment or obtaining confirmation from the county auditor-controller. Pursuant to Health and Safety Code (HSC) section 34179.7, we are pleased to inform you that Finance has verified that the Agency has made full payment of the amounts determined under HSC section 34179.6, subdivisions (d) or (e) and HSC section 34183.5.

This letter serves as notification that a Finding of Completion has been granted. The Agency may now do the following:

- Place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board makes a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4 (b) (1). Loan repayments will be governed by criteria in HSC section 34191.4 (a) (2).
- Utilize proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4 (c).

Additionally, the Agency is required to submit a Long-Range Property Management Plan to Finance for review and approval, per HSC section 34191.5 (b), within six months from the date of this letter.

Please direct inquiries to Andrea Scharffer, Staff Finance Budget Analyst, or Chris Hill, Principal Program Budget Analyst, at (916) 445-1546.

Sincerely,

STEVE SZALAY
Local Government Consultant

cc: Mr. Wendell Naraghi, Chair, Designated Local Authority
Ms. Marisela Hernandez, Director of Finance, City of Riverbank
Ms. Lauren Klein, CPA, Auditor-Controller, Stanislaus County
California State Controller's Office