



Legislation Details (With Text)

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Title: RESOLUTION - Of the City of Fresno Approving a Bond Proceeds Expenditure Agreement between the Successor Agency to the Redevelopment Agency of the City of Fresno and the City of Fresno in its Capacity as Housing Successor to the Redevelopment Agency of the City of Fresno

Sponsor: The City in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno

Sponsors:

Indexes:

Code sections:

Attachments: 1. Bond Proceeds Expenditure Agreement.pdf, 2. Merger No 1 Map.pdf, 3. Mariposa Map.pdf, 4. Reso - Fresno Successor Agency.pdf

Date	Ver.	Action By	Action	Result
11/14/2019	1	City Council	adopted	Pass

REPORT TO THE CITY IN ITS CAPACITY AS HOUSING SUCCESSOR TO THE REDEVELOPMENT AGENCY OF THE CITY OF FRESNO AND FRESNO REVITALIZATION CORPORATION

DATE: November 14, 2019

FROM: MARLENE MURPHEY, Executive Director

SUBJECT:

RESOLUTION - Of the City of Fresno Approving a Bond Proceeds Expenditure Agreement between the Successor Agency to the Redevelopment Agency of the City of Fresno and the City of Fresno in its Capacity as Housing Successor to the Redevelopment Agency of the City of Fresno

Sponsor: The City in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno

RECOMMENDATION

It is recommended that the Resolution and Bond Proceeds Expenditure Agreement between the Successor Agency and the City of Fresno in its Capacity as Housing Successor be approved for the transfer of excess bond proceeds for implementation of projects consistent with the original bond covenants.

EXECUTIVE SUMMARY

The former Fresno Redevelopment Agency was responsible to implement the Urban Renewal Plan for the

Mariposa Redevelopment Project area. To implement the plan, tax allocation bonds were issued in 1993 and refunded in 2003. The sum of \$478,016.10 remains in the Mariposa Redevelopment Fund unspent as excess bond proceeds. Pursuant to provisions of the Redevelopment Dissolution Law the Successor Agency is permitted to spend these excess bond proceeds in compliance with the bond covenants.

Subject to the County-wide Oversight Board and the California Department of Finance (DOF) approval, the proposed Bond Proceeds Expenditure Agreement authorizes the transfer of all unspent bond proceeds from the Successor Agency to the City of Fresno in its Capacity as the Housing Successor for projects and activities consistent with the bond covenants that include projects, activities and improvements within or beneficial to the project area.

BACKGROUND

The former Fresno Redevelopment Agency was responsible to implement the Urban Renewal Plan for the Mariposa Redevelopment Project area. The Mariposa Redevelopment Plan was amended from time to time and in 1998 it was merged with several other downtown redevelopment project areas shown in the attached map (Merger No.1 Project Area).

To implement the plan, tax allocation bonds were issued in 1993 between the Agency and the Bank of New York and in 2003 the Agency refunded bonds with Tax Allocation Refunding Bonds 2003, Series A (Bonds). As of the most recent accounting through September 30, 2019 the sum of \$478,016.10 remains in the Mariposa Redevelopment Fund unspent as excess bond proceeds.

Pursuant to the Redevelopment Dissolution Act the Successor Agency is administering the enforceable obligations of the former Agency and appropriate wind down affairs subject to the review and approval of the county-wide consolidated Oversight Board. The Health and Safety Code (HSC) Section 34191.4 (c) provides that once a successor agency has received a finding of completion from the Department of Finance, the successor agency is authorized to use the proceeds from bonds issued on or before December 31, 2010 for the purposes for which the bonds were sold and is authorized to expend proceeds in excess amounts needed to satisfy approved enforceable obligations (Excess Bond Proceeds) in a manner consistent with the original bond covenants. The Fresno Successor Agency received its Finding of Completion on June 2, 2014 and is eligible to expend the excess bond proceeds under HSC.

Such expenditures constitute excess bond proceeds obligations that must be listed separately on the successor agency's Recognized Obligation Payment Schedule (ROPS). Following approval of the proposed Bond Proceeds Expenditure Agreement the transfer would be placed on the Successor Agency's Recognized Obligation Payment Schedule (ROPS) for 2020-21. Upon approval by the County-Wide Oversight Board and DOF the funds of approximately \$478,016.10 would be transferred to the City in its capacity as Housing Successor for projects, activities and improvements within or beneficial to the project area..

ENVIRONMENTAL FINDINGS

N/A

LOCAL PREFERENCE

N/A

FISCAL IMPACT

Approval of the Bond Proceeds Expenditure Agreement would allow the Successor Agency to transfer and the City in its capacity as Housing Successor to receive excess bond funds to implement up to \$478,016 worth of projects consistent with the intent and covenants of the bonds.

Attachments:

Mariposa & Merger 1 Maps
Resolution
Bond Proceed Expenditure Agreement