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**Redevelopment  
Division**

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## Staff Report

RDA ITEM NO. 11

**To:** Lemoore Redevelopment Agency Board  
**From:** Judy Holwell, Redevelopment Project Manager  
Lauren Apone, Administrative Analyst  
**Date:** January 9, 2012  
**Subject:** 2011 Bond Proceeds – Projects

### Discussion

On March 4, 2011, the Redevelopment Agency (RDA) Board approved a bond issue in the amount of \$19,150,000, resulting in \$13,295,254 available for capital projects. On August 9, 2011, the Board approved projects totaling \$5,610,695 to be paid with the proceeds and on December 20, 2011, the Board reached consensus on projects totaling an additional \$5,189,559. This leaves \$2,495,000 in bond proceeds in which the Board is asked to identify their preferred projects.

As you are aware, on December 29, 2011, the California Supreme Court issued its judgment upholding ABX1 26 and finding ABX1 27 to be unconstitutional. The effects of these decisions cause all redevelopment agencies in the state of California to be dissolved as of February 1, 2012 without any ability to continue. On that date, successor agencies are to take over the functions of the former redevelopment agencies and are required to perform certain duties in an effort to wind down the affairs of the former agency.

With regard to our bond proceeds projects, Health & Safety Code Section 34177 (i) requires successor agencies to do the following:

“Continue to oversee development of properties until the contracted work has been completed or the contractual obligation of the former redevelopment agency can be transferred to other parties. Bond proceeds shall be used for the purposes for which bonds were sold unless the purposes can no longer be achieved, in which case, the proceeds may be used to defease the bonds.”

Our City Attorney, Jerry Behrens, advises the RDA Board to, “re-affirm/confirm the enforceable obligation projects for which the bonds were sold and the proceeds are available for the remaining term of the City of Lemoore Redevelopment Agency. Once the Agency is dissolved, its enforceable obligations will be transferred and assumed by

the City, as the successor agency, in order to continue to carry out the specific

enforceable obligation projects to the fullest extent of ABX1 26 and any subsequent legislative amendments thereto.”

In order to reach consensus on how the remaining \$2,495,000 should be allocated, the Board is asked to review the attached spreadsheet (Exhibit A), which lists the remaining proposed projects, and rank your top five (5). The spreadsheet is set up so that each of the Board Member’s prior ranking is listed and a new column is added so that you can further narrow down your prior selection.

Included are two additional attachments:

Exhibit B is a listing of your previously approved projects.

Exhibit C is the whitepaper for Item No. 20 – Expand Front Parking Area at Cinnamon Municipal Complex (CMC). It shows the project breakdown between creating 58 additional parking spaces (approx. one-half of front area paved) to meet the needs of relocating the Recreation Department to the CMC, or creating 185 additional parking spaces (entire area paved). It is important to note that the landscape requirement listed in our General Plan, which is fifteen percent (15%) for property zoned light industrial, would be required for either scenario. The parking lot and the landscaping will require continuous maintenance by the City. Since this project could be paid with impact fees, it was not originally recommend to be funded with bond proceeds. However, it was not included in the recently approved Capital Improvement Budget.

All previous correspondence relating to this subject is available at the following website: <http://www.lemoore.com/agendas/2011/nov15.htm> posted as Agenda Item No. 11. Staff will be available at the meeting to answer any additional questions the Board may have prior to making a decision on the remaining projects.

Please return your top five ranking sheet to me by Tuesday morning, January 17. Your scores will be tabulated and a revised spreadsheet will be presented to you at Tuesday evening’s Board Meeting.

### **Budget Impact**

Remaining 2011 Bond Proceeds totaling \$2,495,000.

### **Recommendation**

The Board should make its final selection of projects to be completed with the remaining 2011 Bond Proceeds and confirm all projects, including those that were previously selected.