



**AGENDA
OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY
TO THE MANTECA REDEVELOPMENT AGENCY
REGULAR MEETING
SEPTEMBER 24, 2013
2:00 P.M.
CITY COUNCIL CHAMBERS
1001 W. CENTER STREET**

The Oversight Board has been created pursuant to § 34161 through 34190 of the Health and Safety Code for the sole purpose of overseeing the actions of the Successor Agency to the Manteca Redevelopment Agency. In accordance with Health and Safety Code § 34179(h), all Oversight Board Actions shall not be effective for three business days, pending a request for review by the State Department of Finance (“Department”). In the event that the Department requests a review of a given Oversight Board action, it shall have 10 days from the date of its request to approve the Oversight Board action or return it to the Oversight Board for reconsideration, and such Oversight Board action shall not be effective until approved by the Department. In the event that the Department returns the Oversight Board action to the Oversight Board for reconsideration, the Oversight Board shall resubmit the modified action for Department approval, and the modified Oversight Board action shall not become effective until approved by the State.

Reports and documents relating to each of the following items listed on the agenda, including those received following posting/distribution, are on file in the Office of the Secretary to the Successor Agency to the Manteca Redevelopment Agency/City Clerk and are available for public inspection during normal business hours, Monday – Friday, 7:30 a.m. – 5:30 p.m., closed alternating Fridays, 1001 W. Center Street, Manteca, CA 95337, telephone (209) 456-8017.

Please contact the Office of the Secretary of the Successor Agency to the Manteca Redevelopment Agency, 1001 W. Center Street, Manteca, CA, (209) 456-8017, for assistance with access to any of the agenda, materials, or participation at the meeting.

CALL TO ORDER/ROLL CALL: Chairman Quaresma

A. STAFF REPORTS

1. Adopt a resolution approving a proposed administrative budget for the six-month fiscal period from January 1, 2014 through June 30, 2014 and taking certain related actions.
2. Adopt a resolution approving the Recognized Obligation Payment Schedule (ROPS 13-14B) for the six-month fiscal period from January 1, 2014 through June 30, 2014, and taking certain related actions.
3. Adopt a resolution approving the proposed Project Bond Proceeds Funding Agreement between the Successor Agency and the City of Manteca and taking certain related actions.

B. ORAL COMMUNICATIONS

Persons who do not have items on the agenda may approach the Oversight Board of the Successor Agency at this time. Please complete the Request to Speak form located next to the agendas in the back of the Council Chambers and give same to the Secretary/City Clerk prior to the meeting. Those who wish to speak to items not placed on the agenda will be limited to three (3) minutes per speaker. Although the Board encourages the public to participate in the meeting, proper decorum must be assured at all times. Therefore, no personal attacks will be permitted.

C. ADJOURNMENT

This meeting of the Oversight Board of the Successor Agency to the Manteca Redevelopment Agency will adjourn to the next regular meeting of the Board to be held on Tuesday, **October 22, 2013, 2:00 p.m.**, in the City Council Chambers, 1001 W. Center Street, Manteca, California.

This notice of a regular meeting of the Oversight Board of the Successor Agency to the Manteca Redevelopment Agency was posted on the Bulletin Board at City Hall, 1001 W. Center Street, Manteca, California and at the following website [http://www/successoragency/index.html](http://www.successoragency/index.html) on September 19, 2013.

**JOANN TILTON, MMC
SECRETARY/CITY CLERK**

Agenda Item No. A.01

OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY
TO THE MANTECA REDEVELOPMENT AGENCY

To: Members of the Oversight Board

From: Suzanne Mallory, Finance Director

Date: September 24, 2013

Subject: Approval of Administrative Budget for January 1, 2014
through June 30, 2014

Recommendation:

Staff recommends that the Oversight Board for the Successor Agency to the Manteca Redevelopment Agency adopt a Resolution, approving a proposed administrative budget for the six-month fiscal period from January 1, 2014 through June 30, 2014, and taking certain other related actions.

Background:

Pursuant to Part 1.85 of Division 24 of the California Health and Safety Code (the "Redevelopment Dissolution Law"), the Successor Agency must prepare a proposed administrative budget and a Recognized Obligation Payment Schedule ("ROPS") for each six-month fiscal period, both of which must be submitted to the Oversight Board for approval. Each proposed administrative budget must include all of the following: (1) estimated amounts for Successor Agency administrative costs for the applicable six-month fiscal period; (2) proposed sources of payment for the administrative costs; and (3) proposals for arrangements for administrative and operations services provided by the City or other entity.

The Redevelopment Dissolution Law is unclear regarding the required timing for the submission of the proposed administrative budget for the period from January 1, 2014 through June 30, 2014 ("Administrative Budget 13-14B") to the Oversight Board. However, because the Successor's Agency's administrative expenditures also have to be

reflected on the ROPS, Administrative Budget 13-14B and the ROPS for the same period (“ROPS 13-14B”) should be consistent.

The Successor Agency is required to submit ROPS 13-14B to the Oversight Board for approval and then submit the Oversight Board-approved ROPS 13-14B to the State Department of Finance, State Controller and the County Auditor-Controller no later than October 1, 2013. Staff has prepared a ROPS 13-14B for the Oversight Board’s approval at this meeting as a separate agenda item. Staff recommends that the Board approve Administrative Budget 13-14B on the same date as the Board’s approval of ROPS 13-14B.

The Oversight Board must take action by resolution and must provide DOF, by electronic means, written notice and information about the Oversight Board’s action.

Fiscal Impact:

Under the Redevelopment Dissolution Law, an “Administrative Cost Allowance” is paid to the Successor Agency from property tax revenues allocated by the County Auditor-Controller. The Administrative Cost Allowance is defined as an amount, subject to the approval of the Oversight Board, which is up to 3% of the property tax allocated for enforceable obligations from the Redevelopment Property Tax Trust Fund by the County Auditor-Controller. The amount shall not be less than \$250,000 for any fiscal year unless the Oversight Board reduces this amount. The Administrative Cost Allowance is subject to reduction if there are insufficient funds to pay the enforceable obligations as listed on the ROPS.

RESOLUTION NO. OB _____

A RESOLUTION OF THE OVERSIGHT BOARD OF DIRECTORS FOR THE SUCCESSOR AGENCY TO THE MANTECA REDEVELOPMENT AGENCY APPROVING A PROPOSED ADMINISTRATIVE BUDGET FOR THE SIX-MONTH FISCAL PERIOD FROM JANUARY 1, 2014 THROUGH JUNE 30, 2014 AND TAKING CERTAIN RELATED ACTIONS

RECITALS:

A. Pursuant to Health and Safety Code Section 34177(j), the Successor Agency to the Manteca Redevelopment Agency (the "Successor Agency") must prepare a proposed administrative budget for each six-month fiscal period (commencing each January 1 and July 1) and submit each proposed administrative budget to the Oversight Board for the Successor Agency (the "Oversight Board") for approval.

B. There has been presented to this Board for approval a proposed administrative budget for the Successor Agency for the six-month fiscal period from January 1, 2014 through June 30, 2014 ("Administrative Budget 13-14B").

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE MANTECA REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves the proposed Administrative Budget 13-14B substantially in the form attached hereto as Exhibit A.

Section 3. The staff of the Successor Agency is hereby directed to provide the State Department of Finance ("DOF") written notice and information regarding the action taken by the Oversight Board in Section 2 of this Resolution. Such notice and information shall be provided by electronic means and in a manner of DOF's choosing.

Section 4. The officers of the Oversight Board and staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution.

PASSED, APPROVED AND ADOPTED this ___ day of _____, 2013.

AYES:

NOES:

ABSENT:

ABSTAIN:

_____, CHAIR

ATTEST:

_____, SECRETARY
OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE
MANTECA REDEVELOPMENT AGENCY

Exhibit A
Successor Agency to the Manteca Redevelopment Agency
Administrative Budget

	<i>January - June</i> <i>2014</i>
Estimated Expenditures ^{(1) (2)}	
Professional Services	
Legal Services	30,000
Property Dispositions	20,000
Audit	10,000
Arbitrage Services	5,000
Material and Supplies	
Supplies & Postage	1,500
Printing	2,500
Mileage	375
Meetings/Training	3,750
Legal Publication	250
Computer Lease	7,040
Insurance	2,240
Staffing	
City Management	36,102
Finance	40,281
City Clerk/Legislative	51,307
Economic Development	74,100
Human Resources & Risk Mgmt	7,905
Information Technology	11,165
Community Development	110,779
Building Safety	75,619
Engineering	9,579
Code Enforcement/Fire Inspection	78,971
Total Budget	\$ 578,462
Funding Source	
Redevelopment Property Tax Trust Fund ⁽³⁾	78,000
City Funding	500,462
Total Funding	\$ 578,462

⁽¹⁾ Costs listed may be considered part of the Administrative Cost Allowance
⁽²⁾ The items listed above include amounts to be reimbursed by the Successor Agency to the Manteca Redevelopment Agency pursuant to a cooperative agreement for advance and reimbursement of administrative, overhead and other expenses to be entered into by the City of Manteca and the Successor Agency. Pursuant to the cooperative agreement, the Successor Agency will reimburse the City for costs advanced by the City for the administration and operation of the Successor Agency, including but not limited to the value of staff, consultants and legal counsel, office space, equipment, supplies, insurance and other services and facilities.

⁽³⁾ Amount based on 3% of RPTTF requested on ROPS 13-14B. If actual receipts are less, amount will be adjusted accordingly.

Agenda Item No. A.02

OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY
TO THE MANTECA REDEVELOPMENT AGENCY

To: Members of the Oversight Board

From: Suzanne Mallory, Finance Director

Date: September 24, 2013

Subject: Approval of ROPS 13-14B for January 1, 2014 through June 30, 2014.

Recommendation:

Staff recommends that the Oversight Board for the Successor Agency to the Manteca Redevelopment Agency adopt a resolution approving the Recognized Obligation Payment Schedule for the six-month fiscal period from January 1, 2014 through June 30, 2014 and taking certain related actions.

Background:

Pursuant to Part 1.85 of Division 24 of the California Health and Safety Code (the "Redevelopment Dissolution Law"), the Successor Agency must prepare a Recognized Obligation Payment Schedule ("ROPS") for each six-month fiscal period (commencing each January 1 and July 1), listing the payments to be made by the Successor Agency during such period. All ROPS must be approved by the Oversight Board. Furthermore, each Oversight Board-approved ROPS must be submitted to the State Department of Finance ("DOF") for review.

Deadlines for ROPS Submission and Review

The Redevelopment Dissolution Law does not specify a deadline for the Successor Agency to submit the ROPS for January 1, 2014 through June 30, 2014 ("ROPS 13-14B") to the Oversight Board for approval. However, the Successor Agency must submit an Oversight Board-approved ROPS 13-14B to the DOF, the Office of the State Controller and the County Auditor-Controller no later than **October 1, 2013**. The Successor

Agency must submit the ROPS to the DOF electronically in the manner of DOF's choosing. A copy of the Oversight Board-approved ROPS must be posted on the Successor Agency's website.

The DOF may eliminate or modify any items on the ROPS before approving the ROPS. The DOF must make its determination regarding the enforceable obligations and the amount and funding source for each enforceable obligation listed on a ROPS no later than 45 days after the ROPS is submitted. Within five business days of the DOF's determination, the Successor Agency may request to "meet and confer" with the DOF on disputed items. The meet and confer period may vary, but an untimely submission of ROPS 13-14B may result in a meet and confer period of less than 30 days.

The County Auditor-Controller may object to the inclusion of any item on the ROPS that is not demonstrated to be an enforceable obligation and may object to the funding source proposed for any item. The County Auditor-Controller must provide notice of its objections to the DOF, the Successor Agency and the Oversight Board by November 1, 2013.

Penalties for Failure to Make Timely Submission

If the Successor Agency does not submit an Oversight Board-approved ROPS by October 1, 2013, the City of Manteca will be subject to a civil penalty of \$10,000 per day for every day that the ROPS is not submitted to the DOF. The penalty is to be paid to the County Auditor-Controller for distribution to the taxing entities. If the Successor Agency does not timely submit a ROPS, creditors of the successor agency, the DOF, and affected taxing entities may request a writ of mandate to require the Successor Agency to immediately perform this duty. Additionally, if the Successor Agency does not submit a ROPS within 10 days of October 1st, the Successor Agency's administrative cost allowance for that period will be reduced by 25 percent.

If the Successor Agency fails to submit an Oversight Board-approved ROPS to the DOF within five business days of "the date upon which the ROPS is to be used to determine the amount of property tax allocations", the DOF may determine whether the County Auditor-Controller should distribute any of property tax revenues to the taxing entities, or whether any amount should be withheld for enforceable obligations pending approval of the ROPS. It is not clear what is "the date upon which the ROPS is to be used to determine the amount of property tax allocations."

Fiscal Impact:

The preparation and submittal of ROPS 13-14B is for the purpose of allowing the Successor Agency to pay its enforceable obligations for the period from January 1, 2014 through June 30, 2014.

RESOLUTION NO. OB _____

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE MANTECA REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE SIX-MONTH FISCAL PERIOD FROM JANUARY 1, 2014 THROUGH JUNE 30, 2014, AND TAKING CERTAIN RELATED ACTIONS

RECITALS:

A. Pursuant to Health and Safety Code Section 34177(l), the Successor Agency to the Manteca Redevelopment Agency (the "Successor Agency") must prepare a proposed Recognized Obligation Payment Schedule ("ROPS") before each six-month fiscal period (commencing each January 1 and July 1) and submit each proposed ROPS to the Oversight Board for the Successor Agency (the "Oversight Board") for approval.

B. Pursuant to Health and Safety Code Section 34177(l)(2)(C) and (m), the Successor Agency must (1) submit the Oversight Board-approved ROPS for the six-month fiscal period from January 1, 2014 through June 30, 2014 ("ROPS 13-14B"), to the DOF, the Office of the State Controller, and the County Auditor-Controller no later than October 1, 2014; and (2) post a copy of the Oversight Board-approved ROPS 13-14B on the Successor Agency's website.

NOW, THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE MANTECA REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves proposed ROPS 13-14B, substantially in the form attached hereto as Exhibit A. Staff of the Successor Agency is hereby authorized and directed to submit a copy of Oversight Board-approved ROPS 13-14B to the DOF, the Office of the State Controller, and the County Auditor-Controller and to post a copy of the Oversight Board-approved ROPS 13-14B on the Successor Agency's Internet website (being a page on the Internet website of the City of Manteca).

Section 3. The officers of the Oversight Board and the staff of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution, including requesting additional review by the DOF and an opportunity to meet and confer on any disputed items, and any such actions previously taken by such officers and staff are hereby ratified and confirmed.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2013.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

_____, CHAIR

_____, SECRETARY
OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE
MANTECA REDEVELOPMENT AGENCY

Recognized Obligation Payment Schedule (ROPS 13-14B) - Summary

Filed for the January 1, 2014 through June 30, 2014 Period

Name of Successor Agency: Manteca
Name of County: San Joaquin

Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding	
A Sources (B+C+D):	\$ 14,285,749
B Bond Proceeds Funding (ROPS Detail)	12,009,030
C Reserve Balance Funding (ROPS Detail)	2,217,244
D Other Funding (ROPS Detail)	59,475
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 7,355,740
F Non-Administrative Costs (ROPS Detail)	7,277,740
G Administrative Costs (ROPS Detail)	78,000
H Current Period Enforceable Obligations (A+E):	\$ 21,641,489

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	7,355,740
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column U)	(1,561,276)
K Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 5,794,464

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	7,355,740
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AB)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)	7,355,740

Certification of Oversight Board Chairman:
Pursuant to Section 34177(m) of the Health and Safety code, I
hereby certify that the above is a true and accurate Recognized
Obligation Payment Schedule for the above named agency.

Name	Title
/s/	
Signature	Date

Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Fund Balances

(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177(l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H	I	J	K	
Fund Balance Information by ROPS Period		Fund Sources								Comments	
		Bond Proceeds		Reserve Balance		Other	RPTTF		Total		
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Review balances retained for approved enforceable obligations	RPTTF balances retained for bond reserves	Rent, Grants, Interest, Etc.	Non-Admin	Admin			
ROPS III Actuals (01/01/13 - 6/30/13)											
1	Beginning Available Fund Balance (Actual 01/01/13) Note that for the RPTTF, 1 + 2 should tie to columns L and Q in the Report of Prior Period Adjustments (PPAs)	43,670,205	-	3,175,094	2,740,522		-	-	\$ 49,585,821	Column E includes DDR OFA balances approved to be used for enforceable obligations less actual expenditures applied against approved funds through 12/31/2012. Column E does not include reserves approved in ROPS III to be used for future debt service. Column F is comprised of non-RPTTF reserve cash that was approved on ROPS III to be used for debt service reserve.	
2	Revenue/Income (Actual 06/30/13) Note that the RPTTF amounts should tie to the ROPS III distributions from the County Auditor-Controller			-		286,308	5,687,450	290,292	\$ 6,264,050		
3	Expenditures for ROPS III Enforceable Obligations (Actual 06/30/13) Note that for the RPTTF, 3 + 4 should tie to columns N and S in the Report of PPAs			59,873		286,308	4,126,174	290,292	\$ 4,762,647		
4	Retention of Available Fund Balance (Actual 06/30/13) Note that the Non-Admin RPTTF amount should only include the retention of reserves for debt service approved in ROPS III								\$ -		
5	ROPS III RPTTF Prior Period Adjustment Note that the net Non-Admin and Admin RPTTF amounts should tie to columns O and T in the Report of PPAs.	No entry required						1,561,276	-	\$ 1,561,276	
6	Ending Actual Available Fund Balance (1 + 2 - 3 - 4 - 5)	\$ 43,670,205	\$ -	\$ 3,115,221	\$ 2,740,522	\$ -	\$ -	\$ -	\$ 49,525,948	Formulas in column H&I adjusted to reflect the subtraction of Line 12 to address double counting of PPA funds in fund balance.	
ROPS 13-14A Estimate (07/01/13 - 12/31/13)											
7	Beginning Available Fund Balance (Actual 07/01/13) (C, D, E, G, and I = 4 + 6, F = H4 + F6, and H = 5 + 6)	\$ 43,670,205	\$ -	\$ 3,115,221	\$ 2,740,522	\$ -	\$ 1,561,276	\$ -	\$ 51,087,224		
8	Revenue/Income (Estimate 12/31/13) Note that the RPTTF amounts should tie to the ROPS 13-14A distributions from the County Auditor-Controller						4,897,492	250,000	\$ 5,147,492		
9	Expenditures for 13-14A Enforceable Obligations (Estimate 12/31/13)			963,795			4,897,492	250,000	\$ 6,111,287		
10	Retention of Available Fund Balance (Estimate 12/31/13) Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14A				2,674,703				\$ 2,674,703		
11	Ending Estimated Available Fund Balance (7 + 8 - 9 - 10)	\$ 43,670,205	\$ -	\$ 2,151,426	\$ 65,819	\$ -	\$ 1,561,276	\$ -	\$ 47,448,726		

Recognized Obligation Payment Schedule (ROPS) 13-14B - ROPS Detail
January 1, 2014 through June 30, 2014
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Funding Source					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
								\$ 496,362,169		\$ 12,009,030	\$ 2,217,244	\$ 59,475	\$ 7,277,740	\$ 78,000	\$ 21,641,489
1	2002 Tax Allocation Revenue Bonds	Bonds Issued On or Before 12/31/10	9/12/2002	10/1/2032	US Bank Trust	Bond issue to fund non-housing projects. Interest due October & April. Principal due October	Merged - Area 1&2	39,144,575	N		548,695	59,475			\$ 608,170
2	2004 Merged Area Tax Housing Set Aside Allocation Refund Bonds	Bonds Issued On or Before 12/31/10	11/30/2004	10/1/2034	US Bank Trust	Bond issue to fund housing projects. Interest due October & April. Principal due October	Merged - Area 1&2	7,426,720	N				108,645		\$ 108,645
3	2004 Housing Trustee Fees	Fees	11/30/2004	10/1/2034	US Bank Trust	Trustee Fees	Merged - Area 1&2	56,700	N		2,700				\$ 2,700
4	2004 Merged Area Tax Allocation Refund Bonds	Bonds Issued On or Before 12/31/10	11/30/2004	10/1/2036	US Bank Trust	Bond issue to fund housing projects. Interest due October & April. Principal due October	Merged - Area 1&2	39,808,073	N				524,735		\$ 524,735
5	2004 Trustee Fees	Fees	11/30/2004	10/1/2036	US Bank Trust	Trustee Fees	Merged - Area 1&2	33,000	N		1,500				\$ 1,500
6	2005 Amended Project Area Variable Rate Refunding Bonds	Bonds Issued On or Before 12/31/10	12/13/2005	10/1/2042	US Bank Trust	Bond issue to fund non-housing projects. Variable rate debt with monthly swap payments. Principal due October.	Merged - Area 1&2	-	Y						\$ -
7	2005 Amended Project Area Variable Rate Refunding Bonds	Bonds Issued On or Before 12/31/10	12/13/2005	10/1/2042	US Bank Trust/Piper Jaffray	SWAP Payment	Merged - Area 1&2	27,686,100	N		810,000		20,000		\$ 830,000
8	2005 Amended Project Area Variable Rate Refunding Bonds	Bonds Issued On or Before 12/31/10	5/13/2008	3/31/2013	State Street Bank	Letter of Credit	Merged - Area 1&2	-	Y						\$ -
9	2005 Amended Project Area Variable Rate Refunding Bonds	Fees	5/13/2008	3/31/2013	State Street Bank	Letter of Credit Bank	Merged - Area 1&2	-	Y						\$ -
10	2005 Amended Project Area Variable Rate Refunding Bonds	Fees	4/1/2013	5/13/2016	State Street Bank	Letter of Credit Commitment Fees	Merged - Area 1&2	2,212,100	N		241,575		555,000		\$ 796,575
11	2005 Amended Project Area Variable Rate Refunding Bonds	Fees	12/13/2005	10/1/2043	Piper Jaffray	Remarketing Fee	Merged - Area 1&2	1,449,225	N		30,550		30,550		\$ 61,100
12	2005 Amended Project Area Variable Rate Refunding Bonds	Bonds Issued On or Before 12/31/10	12/13/2005	10/1/2042	US Bank Trust	Principal	Merged - Area 1&2	47,400,000	N						\$ -
13	2005 Amended Project Area Variable Rate Refunding Bonds	Fees	12/13/2005	10/1/2042	US Bank Trust	Annual Trustee Fees	Merged - Area 1&2	154,000	N				5,500		\$ 5,500
14	2006 Amended Merged Project Area Subordinate Tax Allocation Bonds	Bonds Issued On or Before 12/31/10	12/14/2006	10/1/2042	US Bank Trust	Bonds issue to fund non-housing projects. Interest due October & April. Principal due October	Merged - Area 1&2	36,518,349	N		462,675				\$ 462,675
15	2006 Amended Merged Project Area Subordinate Tax Allocation Bonds	Fees	12/14/2006	10/1/2042	US Bank Trust	Annual Trustee Fees	Merged - Area 1&2	42,000	N		1,500				\$ 1,500
16	Parking Lot Lease	Miscellaneous	3/1/2011	3/1/2021	Sephos Trust	Lease property for 10 years	Merged - Area 1&2	105,000	N						\$ -
17	Parking Lot Lease	Miscellaneous	10/16/2006	10/5/2016	FESM	230 & 252 N. Main Street Lease	Merged - Area 1&2	20,448	N				5,112		\$ 5,112
18	Mosquito Abatement Assessment	Property Maintenance	1/1/2014	6/30/2014	San Joaquin County Mosquito & Vector Control District	Mosquito abatement assessment for RDA Properties	Merged - Area 1&2	50	N				-		\$ -
19	Property tax on RDA properties	Property Maintenance	1/1/2014	6/30/2014	Shabbir Kahn	Annual RD 17 property tax on RDA Properties	Merged - Area 1&2	2,125	N				1,125		\$ 1,125
20	Utilities on RDA properties	Property Maintenance	1/1/2014	6/30/2014	PG&E	PG&E bill for Property owned by RDA	Merged - Area 1&2	6,400	N				6,400		\$ 6,400
21	Supplemental Retirement Benefits	Unfunded Liabilities	1/1/2014	6/30/2014	PARS	Supplemental retirement for prior Executive Director	Merged - Area 1&2	8,850	N				8,850		\$ 8,850
22	Retiree Health Benefits	Unfunded Liabilities	1/1/2014	6/30/2014	PERS	Retiree Health Benefits former employees	Merged - Area 1&2	8,156	N				8,156		\$ 8,156
23	Legal Costs	Legal	10/6/2003	6/30/2013	Richard Watson Gershon	Legal services as previously contracted	Merged - Area 1&2	-	Y						\$ -

Recognized Obligation Payment Schedule (ROPS) 13-14B - ROPS Detail
January 1, 2014 through June 30, 2014
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Funding Source					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
24	Professional Service Agreement	Professional Services	2/1/2011	1/31/2012	Keyser Marston	Financial Services - General Contract	Merged - Area 1&2	-	Y						\$ -
25	Professional Service Agreement	Professional Services	6/21/2011	6/21/2013	RWG/Keyser Marston	Financial Services - Project Specific Contract	Merged - Area 1&2	-	Y						\$ -
26	Professional Service Agreement	Professional Services	1/3/2011	12/31/2011	Ron Palmquist	Appraisal services for property dispositoin	Merged - Area 1&2	-	Y						\$ -
27	Administrative Allowance	Admin Costs	1/1/2014	6/30/2014	City of Manteca	SA Administrative Expenses as approved by OB	Merged - Area 1&2	1,254,470	N					78,000	\$ 78,000
28	Low/Mod Affordable Housing Developmment	OPA/DDA/Constructi on	1/1/2014	10/1/2034	TBD	Anticipated use of housing bond proceeds for development of affordable housing projects. Implementing contracts to be awarded.	Merged - Area 1&2	2,629,231	N						\$ -
29	Low/Mod Downpayment Assistance Grants	Miscellaneous	1/1/2014	10/1/2034	TBD	Anticipated use of housing bond proceeds to provided downpayment assistance to qualified buyers. Recipients to be identified as they qualify and secure housing.	Merged - Area 1&2	-	N						\$ -
30	Courts Project	Improvement/Infrastr ucture	11/1/2013	12/31/2016	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	5,000,000	N						\$ -
31	South Area Regional Infrastructure	Improvement/Infrastr ucture	11/1/2013	12/31/2016	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	16,081,175	N						\$ -
32	McKinley/120 Interchange	Improvement/Infrastr ucture	11/1/2013	6/30/2017	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	4,000,000	N						\$ -
33	Union Road Bridge Widening	Improvement/Infrastr ucture	11/1/2013	12/31/2016	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	10,000,000	N						\$ -
34	Access Rd Milo Candini	Improvement/Infrastr ucture	11/1/2013	6/30/2015	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	1,225,000	N						\$ -
35	Property Acquisition	Improvement/Infrastr ucture	11/1/2013	1/1/2014	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	3,864,030	N						\$ -
36	Community Park Improvements	Improvement/Infrastr ucture	11/1/2013	6/30/2015	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	2,000,000	N						\$ -
37	Community Center	Improvement/Infrastr ucture	11/1/2013	12/31/2015	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	1,500,000	N						\$ -
38	2002 Trustee Fees	Fees	9/12/2002	10/1/2032	US Bank Trust	Trustee Fees for 2002 Bond Issue	Merged - Area 1&2	28,500	N						\$ -
39	Parking Lot Lease	Miscellaneous	2/1/2004	1/31/2013	MRPS	133 N. Grant Ave	Merged - Area 1&2	4,032	N		4,032		36,800		\$ 40,832
40	Parking Lot Lease	Miscellaneous	2/1/2004	1/31/2013	MRPS	114 N. Grant Ave	Merged - Area 1&2	2,880	N		2,880				\$ 2,880
41	Parking Lot Lease	Miscellaneous	7/1/2006	10/7/2012	Nadean Costa and Bonnie Galas	173 E. Yosemite Ave	Merged - Area 1&2	48,300	N				48,300		\$ 48,300
42	OPA - Hope Family Shelter	OPA/DDA/Constructi on	11/16/2010	11/16/2065	HOPE Ministries	HOPE Family Shelter Rehabilitation	Merged - Area 1&2	131,010	N		111,137				\$ 111,137
43	Low/Mod Affordable Housing Developmment	OPA/DDA/Constructi on	1/1/2014	10/1/2034	City of Manteca	Anticipated use of housing bond proceeds for development of affordable housing projects. Implementing contracts to be awarded.	Merged - Area 1&2	2,629,231	N						\$ -
44	Low/Mod Downpayment Assistance Grants	Miscellaneous	1/1/2014	10/1/2034	City of Manteca	Anticipated use of housing bond proceeds to provided downpayment assistance to qualified buyers. Recipients to be identified as they qualify and secure housing.	Merged - Area 1&2	-	N						\$ -
45	Courts Project	Improvement/Infrastr ucture	11/1/2013	12/31/2016	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	5,000,000	N						\$ -

Recognized Obligation Payment Schedule (ROPS) 13-14B - ROPS Detail
January 1, 2014 through June 30, 2014
 (Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Item #	Project Name / Debt Obligation	Obligation Type	Contract/Agreement Execution Date	Contract/Agreement Termination Date	Payee	Description/Project Scope	Project Area	Total Outstanding Debt or Obligation	Retired	Funding Source					Six-Month Total
										Non-Redevelopment Property Tax Trust Fund (Non-RPTTF)			RPTTF		
										Bond Proceeds	Reserve Balance	Other Funds	Non-Admin	Admin	
46	South Area Regional Infrastructure	Improvement/Infrastructure	11/1/2013	12/31/2016	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	16,081,175	N	1,000,000					\$ 1,000,000
47	McKinley/120 Interchange	Improvement/Infrastructure	11/1/2013	6/30/2017	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	4,000,000	N	2,320,000					\$ 2,320,000
48	Union Road Bridge Widening	Improvement/Infrastructure	11/1/2013	12/31/2016	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	10,000,000	N	1,600,000					\$ 1,600,000
49	Access Rd Milo Candini	Improvement/Infrastructure	11/1/2013	6/30/2015	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	1,225,000	N	1,225,000					\$ 1,225,000
50	Property Acquisition	Improvement/Infrastructure	11/1/2013	1/1/2014	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	3,864,030	N	3,864,030					\$ 3,864,030
51	Community Park Improvements	Improvement/Infrastructure	11/1/2013	6/30/2015	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	2,000,000	N	2,000,000					\$ 2,000,000
52	Community Center	Improvement/Infrastructure	11/1/2013	12/31/2015	City of Manteca	Defined project per 2005/06 Bond Tax Certificates	Merged - Area 1&2	1,500,000	N						\$ -
53	2002 Tax Allocation Revenue Bonds	Reserves	9/12/2002	10/1/2032	US Bank Trust	Bond issue to fund non-housing projects. Interest due October & April. Principal due October	Merged - Area 1&2	39,144,575	N				1,278,695		\$ 1,278,695
54	2004 Merged Area Tax Housing Set Aside Allocation Refund Bonds	Reserves	11/30/2004	10/1/2034	US Bank Trust	Bond issue to fund housing projects. Interest due October & April. Principal due October	Merged - Area 1&2	7,426,720	N				243,645		\$ 243,645
55	2004 Merged Area Tax Allocation Refund Bonds	Reserves	11/30/2004	10/1/2036	US Bank Trust	Bond issue to fund housing projects. Interest due October & April. Principal due October	Merged - Area 1&2	39,808,073	N				1,319,735		\$ 1,319,735
56	2005 Amended Project Area Variable Rate Refunding Bonds	Reserves	12/13/2005	10/1/2042	US Bank Trust/Piper Jaffray	SWAP Payment	Merged - Area 1&2	27,686,100	N				830,000		\$ 830,000
57	2005 Amended Project Area Variable Rate Refunding Bonds	Reserves	4/1/2013	5/13/2016	State Street Bank	Letter of Credit Commitment Fees	Merged - Area 1&2	2,212,100	N				555,000		\$ 555,000
58	2005 Amended Project Area Variable Rate Refunding Bonds	Reserves	12/13/2005	10/1/2042	US Bank Trust	Principal	Merged - Area 1&2	47,400,000	N				745,000		\$ 745,000
59	2006 Amended Merged Project Area Subordinate Tax Allocation Bonds	Reserves	12/14/2006	10/1/2042	US Bank Trust	Bonds issue to fund non-housing projects. Interest due October & April. Principal due October	Merged - Area 1&2	36,518,349	N				932,675		\$ 932,675
60	2005/06 LOC renewal	Legal	5/3/2013	5/3/2013	Fulbright & Jaworksi LLP	Legal fees as required for LOC renewal	Merged - Area 1&2	9,317	N				9,317		\$ 9,317
61	2005/06 LOC renewal	Fees	5/20/2013	5/20/2013	Standards and Poors	Rating fee as required for LOC renewal	Merged - Area 1&2	2,000	N				2,000		\$ 2,000
62	Security for former RDA building	Project Management Costs	7/1/2013	6/30/2014	Bay Alarm	Alarm system for former RDA property.	Merged - Area 1&2	5,000	N				2,500		\$ 2,500

Recognized Obligation Payment Schedule 13-14B - Notes

January 1, 2014 through June 30, 2014

Item #	Notes/Comments
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Recognized Obligation Payment Schedule 13-14B - Notes

January 1, 2014 through June 30, 2014

Item #	Notes/Comments
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Agenda Item No. A.03

OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY
TO THE MANTECA REDEVELOPMENT AGENCY

To: Members of the Oversight Board

From: Karen L. McLaughlin, Executive Director
Suzanne Mallory, Finance Director

Date: September 24, 2013

Subject: Adopt a Resolution Approving the Proposed Project Bond Proceeds Funding Agreement Between the Successor Agency and the City of Manteca.

Recommendation:

Adopt a Resolution Approving the Proposed Project Bond Proceeds Funding Agreement Between the Successor Agency and the City of Manteca.

Background:

On August 14, 2013 the Oversight Board adopted a resolution of the Successor Agency approving a bond proceeds funding agreement between the Successor Agency and the City of Manteca in regard to the land purchase associated with the San Joaquin County South County Government Center Project. This resolution was then forwarded to the State Department of Finance (DOF) for approval. As of the date of this report, the DOF is still reviewing the funding agreement.

During the time period in which the DOF is reviewing the agreement, the Successor Agency is required to submit ROPS 13-14B to authorize funding of enforceable obligations during the period of January 1, 2014 through June 30, 2014. Now that the Finding of Completion has been received, and access to the bond proceeds has become available, the City is ready to move forward with several of the critical infrastructure

projects that will enhance economic development in the community. Each of these projects was identified in the 2005 Manteca Redevelopment Agency Bond Issue. The Successor Agency has included these projects on the ROPS 13-14 B which is being presented to the Oversight Board for approval on this agenda.

Since the process required by the DOF to allow use of the bond proceeds is still under review, the Successor Agency has been advised to continue the use a Bond Proceeds Funding Agreement between the Successor Agency and the City to facilitate access to bond proceeds and to avoid delays in project completion. For each authorized project, a final project-specific Bond Proceeds Funding Agreement will be first approved by the City and the Successor Agency and the presented to the Oversight Board for final approval.

With the recommended action to approve the Funding Agreement in draft form, the Successor Agency is seeking confirmation that the Oversight Board is in agreement with this process. It is anticipated that final agreements for each of the projects listed on ROPS 13-14 B will be presented to the Oversight Board for final approval at the next regularly scheduled Oversight Board meeting.

Fiscal Impact:

By approving proposed Project Bond Proceeds Funding Agreement Between the Successor Agency and the City of Manteca, the Oversight Board will be establishing a process by which the Successor Agency and the City can access unspent bond proceeds remaining from the 2005 Manteca Redevelopment Bond Issue and allow critical infrastructure projects that will enhance economic development in the community to move forward.

RESOLUTION NO. _____

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE MANTECA REDEVELOPMENT AGENCY APPROVING THE PROPOSED BOND PROCEEDS FUNDING AGREEMENT BETWEEN THE SUCCESSOR AGENCY AND THE CITY OF MANTECA AND TAKING CERTAIN RELATED ACTIONS

Recitals:

A. On December 13, 2005, the Manteca Redevelopment Agency issued its Manteca Redevelopment Agency, Amended Merged Project Area, Variable Rate Subordinate Tax Allocation Bonds, Series 2005 (the “2005 Bonds”), in the principal amount of \$50,760,000, pursuant to an Indenture, dated as of December 1, 2005, by and between the Manteca Redevelopment Agency and U.S. Bank National Association, as trustee (the “Trustee”) and a Second Supplemental Indenture, dated as of December 1, 2005, by and between the Manteca Redevelopment Agency and the Trustee (collectively, the “Indenture”).

B. One of the purposes for which the Manteca Redevelopment Agency issued the 2005 Bonds was to finance infrastructure and development related projects to serve residents in Manteca and to support economic development in the southern part of San Joaquin County.

C. Before the Manteca Redevelopment Agency (the “Former Agency”) could acquire the Property, it was dissolved and the Successor Agency was constituted as of February 1, 2012 pursuant to AB X1 26 (which became effective at the end of June 2011, as modified by the California Supreme Court’s decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.* (53 Cal.4th 231(2011)). AB 1484 (which became effective at the end of June 2012) amended and supplemented the provisions of AB X1 26 (together with AB 1484, the “Dissolution Act”).

D. Pursuant to the Dissolution Act, all assets, properties, contracts, leases, books and records, buildings, and equipment of the Former Agency, including the unspent proceeds of the 2005 Bonds (the “2005 Bond Proceeds”), transferred to the control of the Successor Agency by operation of law.

E. Pursuant to the Dissolution Act, the Successor Agency was not permitted to use the 2005 Bond Proceeds to acquire the Property prior to receiving a finding of completion from the California State Department of Finance (the “DOF”) pursuant to Health and Safety Code Section 34179.7 (the “Finding of Completion”). However, pursuant to Health and Safety Code Sections 34191.1 and 34191.4(c), after the receipt of the Finding of Completion, the Successor Agency shall use the 2005 Bond Proceeds for the purposes for which the 2005 Bonds were sold, in a manner consistent with the original bond covenants.

F. By its letter, dated May 31, 2013, the DOF informed the Successor Agency that the DOF has issued a Finding of Completion to the Successor Agency.

G. Pursuant to Health and Safety Code Section 34177(l), the Successor Agency prepared, and the Oversight Board to the Successor Agency approved, a Recognized Obligation Payment Schedule (“ROPS”) 13-14B for the six-month fiscal period from January 1, 2014 through June 30, 2014 (the “ROPS 13-14B Period”). The payment for these projects, to be funded with bond proceeds, was listed on ROPS 13-14B as line items no. 45-52, and the notes for line item no. 45-52 indicate that payment will be contingent upon the Oversight Board’s approval of a Bonds Proceeds Funding Agreement to be entered into by and between the City and the Successor Agency.

H. Pursuant to Health and Safety Code Section 34180(h), the execution and delivery of the Funding Agreement by the Successor Agency must first be approved by the Oversight Board.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE MANTECA REDEVELOPMENT AGENCY, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. This Oversight Board hereby approves the execution and delivery by the Successor Agency of the Funding Agreement, substantially in the form attached hereto as Exhibit A.

Section 3. The members of this Oversight Board and the staff of the Successor Agency are hereby authorized, jointly and severally, to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution and the Funding Agreement.

PASSED AND ADOPTED this ____ day of _____, 2013.

Chair

ATTEST:

Secretary

EXHIBIT A

BOND PROCEEDS FUNDING AGREEMENT

(see attached)

**PROPOSED
BOND PROCEEDS FUNDING AGREEMENT**

This AGREEMENT (i.e.MCKINLEY/120 INTERCHANGE BOND PROCEEDS FUNDING AGREEMENT) (this “Agreement”), dated as of _____, 2013, is entered into by and between the City of Manteca (the “City”) and the Successor Agency to the Manteca Redevelopment Agency (the “Successor Agency,” and together with the City, the “Parties”).

RECITALS:

A. On December 13, 2005, the former Manteca Redevelopment Agency (the “Former Agency”) issued its Amended Merged Project Area Variable Rate Subordinate Tax Allocation Bonds (the “2005 Bonds”), in the principal amount of \$50,760,000, pursuant to an Indenture, dated as of December 1, 2005 (the “Indenture”), by and between the Former Agency and U.S. Bank, National Association, as trustee.

B. One of the purposes for which the 2005 Bonds were issued is the financing of a project known as the ___ (i.e.McKinley/120 interchange project) (the “Project”).

C. Pursuant to AB X1 26, which was enacted in June 2011, and the California Supreme Court’s decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.* (53 Cal.4th 231(2011)), the Former Agency was dissolved as of February 1, 2012, and the Successor Agency was constituted.

D. AB 1484, which was enacted in June 2012, amended and supplemented the provisions of AB X1 26. Together, AB X1 26 and AB 1484 are referred to herein as the “Dissolution Act.”

E. Pursuant to Section 34175(b) of the California Health and Safety Code (“HSC”), all assets, properties, contracts, leases, books and records, buildings, and equipment of the Former Agency, including the unspent proceeds of the 2005 Bonds (the “2005 Bond Proceeds”), transferred to the control of the Successor Agency by operation of law.

F. According to HSC Section 34191.4, after the Successor Agency’s receipt of a finding of completion (the “Finding of Completion”) issued by the California State Department of Finance (the “DOF”) pursuant to HSC Section 34179.7, the 2005 Bond Proceeds shall be used for the purposes for which the 2005 Bonds were sold, in a manner consistent with the bond covenants.

G. By DOF’s letter, dated May 31, 2013, the DOF informed the Successor Agency that the DOF has issued a Finding of Completion to the Successor Agency.

H. There remains a balance of 2005 Bond Proceeds in the Successor Agency’s accounts (which was \$43,670,205 at September 1, 2013).

I. The Successor Agency desires to proceed with the use of the 2005 Bond Proceeds for the purposes for which the 2005 Bonds were sold, including the financing of the Project.

J. Pursuant to HSC Section 34177(l), the Successor Agency must prepare a Recognized Obligation Payment Schedule (“ROPS”) for each six-month fiscal period (“ROPS Period”). The ROPS must be submitted to the Oversight Board of the Successor Agency and the DOF for approval.

K. Pursuant to HSC Section 34191.4(c)(2), the expenditure of 2005 Bond Proceeds for an obligation must be listed on a ROPS.

L. Because of the limited staffing of the Successor Agency and the City’s traditional role and established procedures with respect to the awarding of public works contracts, the Successor Agency desires to enter into this Agreement with the City, for the City to perform or cause to be performed all work required to complete the Project, with payment therefor to be made from 2005 Bond Proceeds.

M. This Agreement provides for the transfer of 2005 Bond Proceeds to the City for the City to perform or cause to be performed all work required to complete the Project.

N. Pursuant to HSC Sections 34178(a) and 34180(h), with the approval of the Oversight Board of the Successor Agency (the “Oversight Board”), the Successor Agency may enter into agreements with the City.

O. Resolution No. ____ adopted by the Oversight Board on _____, 2013 approving the Successor Agency’s execution and delivery of this Agreement was approved [deemed approved] by the DOF pursuant to HSC Section 34179(h) on _____, 2013.

NOW, THEREFORE, THE PARTIES DO HEREBY AGREE AS FOLLOWS:

Section 1. Subject to the provisions of this Agreement and with the funding provided pursuant to this Agreement, the City agrees to perform or cause to be performed all work required for the completion of the Project, including but not limited to the preparation of designs, plans and specifications and all demolitions, construction and installations. The City shall perform such work in accordance with all applicable federal, state and local laws, rules and regulations. Subject to the covenants set forth herein, the City shall have the sole discretion with respect to the design, planning, specification and the timing with respect to all components of the Project.

Section 2. (a) The Successor Agency has prepared and submitted to the Oversight Board and the DOF, a ROPS (“ROPS 13-14B”) covering the period from January 2014 through June 2014 (the “ROPS 13-14B Period”). Included in ROPS 13-14B is the estimated dollar amount (the “ROPS 13-14B Project Estimate”) to be spent for the Project during the ROPS 13-14B Period.

(b) Subject to the approval (and any modification) by the Oversight Board and the DOF of the ROPS 13-14B item described in Section 2(a), at the commencement of the ROPS 13-14B Period, the Successor Agency shall transfer an amount equal to the ROPS 13-14B Project Estimate to the City from the 2005 Bond Proceeds.

Section 3. (a) The Parties acknowledge and agree that the 2005 Bond Proceeds shall be the sole source of the Successor Agency's payment for the completion of the Project pursuant to this Agreement.

(b) At any time, if the City determines that the amount previously transferred by the Successor Agency pursuant to this Agreement is insufficient for the completion of the Project, the City's Finance Director shall notify the Successor Agency, specifying the estimated dollar amount necessary for the completion of the Project (the "Additional Funding Amount"). To the extent that sufficient unspent 2005 Bond Proceeds remain available, the Successor Agency shall list the Additional Funding Amount on the ROPS for the next available ROPS Period. Upon obtaining the Oversight Board's and the DOF's approval for such ROPS item, the Successor Agency shall transfer the Additional Funding Amount from 2005 Bond Proceeds to the City as soon as practicable upon the commencement of the applicable ROPS Period.

(c) Before the transfer of any Additional Funding Amount pursuant to Section 3(b) above, the City may, but is not obligated to, advance funds from sources available to City for the work necessary for the Project (each such advance being a "City Advance"). Any Additional Funding Amount transferred by the Successor Agency pursuant to Section 3(b) shall first be used to reimburse the City for outstanding City Advances, and then to pay for other expenditures of the Project.

Section 4. To the extent the City still holds unspent 2005 Bond Proceeds transferred pursuant to this Agreement after the completion of the Project (as determined by the legislative body of the City), the City shall return such unspent Bond Proceeds to the Successor Agency within a reasonable time after such determination.

Section 5. The City covenants that it shall use the 2005 Bond Proceeds in a manner consistent with the covenants in the Indenture, including, but not limited to, any covenants regarding the tax-exempt status of interest on the 2005 Bonds under the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

Section 6. Each Party shall maintain books and records regarding its duties pursuant to this Agreement. Such books and records shall be available for inspection by the officers and agents of the other Party at all reasonable times.

Section 7. The Parties agree to take all appropriate steps and execute any documents which may reasonably be necessary or convenient to implement the intent of this Agreement.

Section 8. This Agreement may be amended from time to time by written instrument executed by both Parties.

Section 9. No official, agent, or employee of the Successor Agency or the City, or members of the City Council, or members of the Successor Agency Board of Directors or Oversight Board shall be individually or personally liable for any payment hereunder in the event of any default or breach by the Successor Agency or the City, or for any amount which may otherwise become due to the City or Successor Agency, or successor thereto, or on any obligations under the terms of this Agreement.

Section 10. This Agreement is made in the State of California under the Constitution and laws of the State of California, and is to be so construed.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers.

CITY OF MANTECA

By _____
Mayor

ATTEST:

City Clerk

**SUCCESSOR AGENCY TO THE MANTECA
REDEVELOPMENT AGENCY**

By _____
Chairperson

ATTEST:

Secretary

APPROVED:

**OVERSIGHT BOARD TO THE SUCCESSOR
AGENCY TO THE MANTECA
REDEVELOPMENT AGENCY**

By: _____
Chair

Date