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**AGENDA**  
**KERMAN REDEVELOPMENT**  
**SUCCESSOR AGENCY OVERSIGHT BOARD**  
**REGULAR MEETING**  
**Kerman City Hall**  
**850 S. Madera Avenue**  
**Wednesday, March 19, 2014**  
**6:00 PM**

AGENDA PACKET AVAILABLE  
FOR REVIEW 72 HOURS PRIOR  
TO THE BOARD MEETING AT  
THE CITY CLERK'S OFFICE AND  
THE CITY WEBSITE. ITEMS  
RECEIVED AT THE MEETING  
WILL BE AVAILABLE  
FOR REVIEW AT THE CITY  
CLERK'S OFFICE

CHAIRMAN

Gary Yep

BOARD MEMBERS

Charlie Jones

Robert Frausto

Kevin Nehring

Luis Patlan

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WELCOME

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

A. AGENDA APPROVAL

B. MINUTES – February 27, 2014

RECOMMENDATION: Members approve minutes as presented.

C. ORDER OF BUSINESS

1. SUBJECT: Warrants

None

2. SUBJECT: Resolution Approving the Long Range Property Management Plan [TJ]

RECOMMENDATION: Members approve minutes as presented.

ATTACHMENTS: [Staff Report-Long-Range Property Management Plan](#)

D. CORRESPONDENCE

E. ADJOURNMENT



**MINUTES**  
**KERMAN REDEVELOPMENT**  
**SUCCESSOR AGENCY OVERSIGHT BOARD**  
**REGULAR MEETING**  
**Kerman City Hall**  
**850 S. Madera Avenue**  
**Thursday, February 27, 2014**  
**8:00 AM**

Board Members  
 Gary Yep - Chairman  
 Robert Frausto  
 Kevin Nehring  
 Charlie Jones  
 Luis Patlan

WELCOME

CALL TO ORDER

ROLL CALL

A. AGENDA APPROVAL

B. MINUTES – September 30, 2013

RECOMMENDATION: Members approve minutes as presented.

C. ORDER OF BUSINESS

1. AGENCY TREASURER’S REPORT: 1417-1421

RECOMMENDATION: Members approve warrants as presented.

2. Resolution Approving Recognized Obligation Payment Schedule [TJ]

RECOMMENDATION: Board to adopt resolution approving Recognized Obligation Payment Schedule for the time period from July 1, 2014 through December 31, 2014.

D. CORRESPONDENCE

E. ADJOURNMENT

8:08 a.m.

All present except RF

Approved CJ/LP  
(4-0-1) RF

Approved CJ/KN  
(4-0-1) RF

Approved CJ/KN  
(4-0-1) RF

Approved CJ/KN  
(4-0-1) RF

None

Adjourned  
8:25 a.m.  
CJ/KN (4-0-1) RF

MINUTES CERTIFICATION

I, MARCI REYES, Secretary for the Kerman Redevelopment Successor Agency Oversight Board, do hereby declare under penalty of perjury that the above Minutes are a true depiction of all actions taken at the Kerman Redevelopment Successor Agency Oversight Board meeting held on the first date above written at Kerman City Hall, 850 S. Madera Ave, Kerman, CA.

Date: February 27, 2014

Marci Reyes  
 Secretary



# City of Kerman

*"Community Comes First"*

CHAIRMAN  
Gary Yep

BOARD MEMBER  
Luis Patlan

BOARD MEMBER  
Robert Frausto

BOARD MEMBER  
Charles Jones

BOARD MEMBER  
Kevin Nehring

DEPARTMENT: OFFICE OF THE TREASURER  
STAFF REPORT  
OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO  
THE KERMAN REDEVELOPMENT AGENCY  
MEETING DATE: MARCH 19, 2014

**To:** Chairman and Board Members  
**From:** Toni Jones, Treasurer  
**Subject:** Resolution Approving the Long-Range Property Management Plan as Required by the California Department of Finance per Health and Safety Code (HSC) Section 34191.5(b)

## RECOMMENDATION

Board adopt Resolution Approving the Long-Range Property Management Plan and submit the plan to the California Department of Finance for review and Approval.

## EXECUTIVE SUMMARY

In accordance with HSC 34191.5(b) the Oversight Board is required to submit a Long-Range Property Management Plan to the California Department of Finance for review and approval before April 3, 2014.

The attached Long-Range Property Management Plan addresses the single real property asset located at 551 S. 9<sup>th</sup> Street.

## OUTSTANDING ISSUES

None.

## DISCUSSION

The Long-Range Property Management Plan of the Oversight Board of the former Redevelopment Agency (RDA) of the City of Kerman was prepared in accordance with Health and Safety Code Section 34191.5.

The former RDA was dissolved on February 1, 2012, pursuant to ABx1 26 (as amended by AB 1484, the "Redevelopment Dissolution Statutes"). The Redevelopment Dissolution Statutes govern the dissolution of the former RDA, which includes this disposition of its former real property.

At the time of its dissolution, the former RDA owned one property and the property was transferred to the Oversight Board.

The Successor Agency obtained a "finding of completion" from State of California Department of Finance on October 3, 2013, pursuant to Health and Safety Code Section 34179.7. A copy of the FOC is attached as Exhibit A.

**FISCAL IMPACT**

There is no fiscal impact as a result of adoption of this resolution.

**PUBLIC NOTICE**

A notice was posted on March 5, 2014, providing at least 10 days' notice to the public of the consideration and adoption of the Kerman Redevelopment Successor Agency Oversight Board's Long-Range Property Management Plan at a public meeting to be held on March 19, 2014.

**REASON FOR RECOMMENDATION**

The State of California Department of Finance requires the Oversight Board approve and submit the Long Range Property Management Plan by April 3, 2014.

**Attachments:**

- A. Resolution
- B. Long-Term Property Management Plan
- C. Exhibit 'A' – DOF Finding of Completion Letter
- D. Exhibit 'B' – Aerial Map of Property
- E. Exhibit 'C' – APN Map of Property
- F. Exhibit 'D' – Opinion of Value Letter

## Attachment 'A'

## RESOLUTION NO. OB 14-

A RESOLUTION OF THE KERMAN RDA OVERSIGHT BOARD, APPROVING AND ADOPTING A  
LONG-RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO  
HEALTH AND SAFETY CODE SECTION 34191.5

WHEREAS, pursuant to Health and Safety Code section (34173 (d), the City of Kerman elected to become the Kerman Successor Agency ("Successor Agency") and is the successor agency to the Redevelopment Agency for the City of Kerman; and

WHEREAS, pursuant to Health and Safety Code Section 34173 (g), the Successor Agency is now a separate legal entity from the City; and

WHEREAS, the Oversight Board is the Successor Agency's oversight board pursuant to Health and Safety Code Section 34179(a); and

WHEREAS, pursuant to Health and Safety Code Section 34181(f), all actions taken in regards to disposition of Successor Agency assets shall be approved by resolution of the oversight board at a public meeting after at least 10 days' notice to the public of the specific proposed actions; and

WHEREAS, the Successor Agency posted the Notice on March 5, 2014, providing at least 10 days' notice to the public of the consideration and adoption of the Successor Agency's Long-Range Property Management Plan at a public meeting of the Oversight Board to be held on March 19, 2014; and

WHEREAS, Health and Safety Code Section 34191.5(b) requires the Successor Agency to prepare a long-range property management plan ("Property Management Plan") that addresses the disposition and use of the real properties of the former redevelopment agency; and

WHEREAS, Health and Safety Code Section 34191.5(b) also requires the Successor Agency to submit the Property Management Plan to the Successor Agency's oversight board and the Department of Finance for approval no later than six months following the issuance to the Successor Agency of the finding of completion pursuant to Health and Safety Code Section 34179.7; and

WHEREAS, the Successor Agency has prepared a long-range Property Management Plan that contains all the information required under Health and Safety Code Section 34191.5; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW THEREFORE, THE KERMAN RDA SUCCESSOR AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. CEQA Compliance. The approval of the Property Management Plan through this Resolution does not commit the Successor Agency to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

SECTION 3. Approval of the Property Management Plan. The Oversight Board hereby approves and adopts the Property Management Plan, in substantially the form attached to this Resolution as Exhibit A.

SECTION 4. Transmittal of the Property Management Plan. The Executive Director is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the Property Management Plan, including submittal of the Property Management Plan to the State of California Department of Finance for approval, and posting the approved Property Management Plan on the Successor Agency's website.

SECTION 5. Effectiveness. This Resolution shall take effect immediately upon this adoption.

SECTION 6. Certification. The Oversight Board Secretary shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED, APPROVED AND ADOPTED at a meeting of the Kerman RDA Oversight Board on March 19, 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing resolution is hereby approved.

Attest:

\_\_\_\_\_  
Gary Yep  
Chairperson

\_\_\_\_\_  
Marci Reyes  
Agency Secretary

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# LONG-RANGE PROPERTY MANAGEMENT PLAN

City of Kerman  
Successor Agency



March 19, 2014

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## Executive Summary

This document constitutes the Long-Range Property Management Plan of the Successor Agency of the former Redevelopment Agency (RDA) of the City of Kerman, prepared in accordance with Health and Safety Code Section 34191.5.

The former RDA was dissolved on February 1, 2012, pursuant to ABx1 26 (as amended by AB 1484, the "Redevelopment Dissolution Statutes"). The Redevelopment Dissolution Statutes govern the dissolution of the former RDA, which includes this disposition of its former real property.

At the time of its dissolution, the former RDA owned one property and the property was transferred to the Successor Agency.

The Successor Agency obtained a "finding of completion" from State of California Department of Finance on October 3, 2013, pursuant to Health and Safety Code Section 34179.7. A copy of the FOC is attached as Exhibit A.

## Background & Purpose of Plan

This Long-Range property Management Plan has been prepared by the Kerman RDA Successor Agency in accordance with Health and Safety Code Section 34191.5.

The Successor Agency holds a single real property asset located at the Southwest corner of Ninth and G Streets in Kerman, CA, and is currently vacant and undeveloped. The property was purchased using Low and Moderate Income Housing Funds for construction of a single-family dwelling unit for resale to a qualified family of low and moderate income.

## Inventory of Property

The following is the required information inventory of the Property, which constitutes the only real property transferred from the former RDA and owned by the Successor Agency. This inventory is organized to address the specific inventory subsections listed in Health and Safety Code Section 34191.5(c)(1).

- A. Acquisition Information. The Property was acquired by the former RDA on January 19, 2010. The purchase price paid for the Property, which represented its value at the time of purchase, was \$32,500. The current value of the property is estimated at \$35,000.
- B. Original Purpose of Acquisition. The Property was purchased to allow the RDA to develop a new single-family dwelling unit on the site, eliminate blight caused by vacant parcels, stimulate new investment in an existing neighborhood and increase affordable housing opportunities within the community.
- C. Parcel Data. The Property consists of a vacant and undeveloped .16 acre parcel located at the Southwest corner of Ninth and G streets, 551 S. Ninth Street in the City of Kerman. The Property consists of approximately 7,000 square feet, is zoned R-1-7 and designated Medium Density Residential by the General Plan Land Use Map and is designated as Fresno County Assessor's Parcel No. 023-236-02. The attached Exhibit B and C, which is incorporated in this Plan by this reference, is an aerial and APN map showing the location of the Property.

- D. Current Value. The City's assumed value of the Property is \$35,000 based on market comparable as determined by an independent Realtor's opinion letter, attached hereto as Exhibit "D".
- E. Revenues Generated By the Property. The Property does not generate any lease, rental or other revenue. There is no contractual requirement related to disposition of the Property.
- F. Environmental Contamination and Remediation. To the Successor Agency's knowledge, the Property does not have any history of environmental contamination or remediation efforts. The Property was exempt as an urban in-fill development project under 5 acres pursuant to Section 15332 (Class 32) of the California Environmental Quality Act (CEQA) Guidelines and a Notice of Exemption was submitted at the time of purchase.
- G. Potential for Transit-Oriented Development and Advancement of Planning Objectives. The Property has no known potential for transit-oriented development.
- H. History of Development Proposals and Activity. To the Successor Agency's knowledge, there is no history of development proposals or activity.

### Proposed Use or Disposition of Property

The Successor Agency proposes proceeding with the original intent for the property; enter into an agreement with a builder for the construction of a single-family dwelling that will provide housing affordable for persons of low to moderate income consistent with Section 33334.6 of the Health and Safety Code and the implementation plan adopted pursuant to Section 33490 of the Health and Safety Code. Once construction is completed the dwelling will be marketed for sale to a qualified low to moderate income first-time homebuyer and the Successor Agency shall provide the buyer with a down payment assistance loan and the amount the buyer needs to qualify for mortgage financing that will be considered a loan and will be reduced over a ten (10) year period by 1/10<sup>th</sup> every year the buyer owns and occupies the home. The loan will be considered paid in full at the anniversary date on the tenth year.

Attachments:

- Exhibit 'A' – DOF Finding of Completion Letter
- Exhibit 'B' – Aerial Map of Property
- Exhibit 'C' – APN Map of Property
- Exhibit 'D' – Opinion of Value Letter

Exhibit 'A'

Department of Finance Findings of Compliance Letter



EDMUND G. BROWN JR. • GOVERNOR  
 815 L STREET ■ SACRAMENTO, CA ■ 95814-3708 ■ WWW.DOF.CA.GOV

October 3, 2013

Mr. Tim Przybyla, Finance Director  
 City of Kerman  
 850 South Madara Avenue  
 Kerman, CA 93630

Dear Mr. Przybyla:

Subject: Request for a Finding of Completion

The California Department of Finance (Finance) has completed the Finding of Completion for the City of Kerman Successor 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 or 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 34191.6 (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 (516) 445-1545.

Sincerely,

STEVE SZALAY  
 Local Government Consultant

cc Mr. Luis Patian, City Manager, City of Kerman  
 Mr. George Gomez, Accounting Financial Manager, Fresno County  
 California State Controller's Office

Exhibit 'B'  
Aerial of Property



Exhibit 'C'  
APN Map of Property  
(APN 023-236-02)

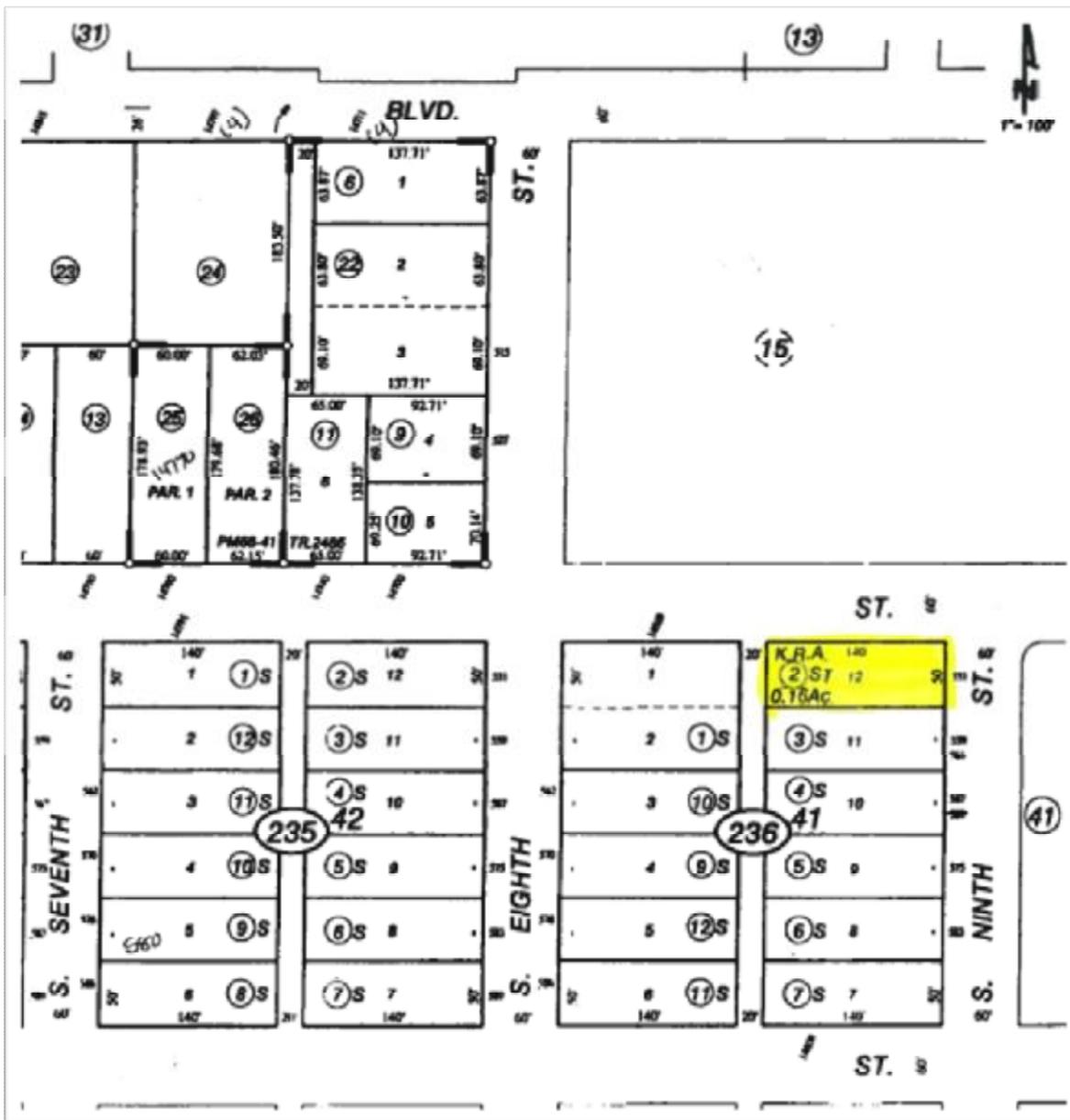


Exhibit 'D'  
Opinion of Value Letter



January 27, 2014

*via e-mail: tjones@cityofkerman.org*

**Toni Jones**

**CITY OF KERMAN**

850 S. Madera Ave.  
Kerman, CA 93630

**Re: 551 S. 9th Street  
Kerman, CA 93630**

Dear Ms. Jones:

Pursuant to your request, it is my professional opinion that the value of the vacant lot located at 551 S. 9th Street, Kerman, CA has a current value as of the date of this letter of **\$35,000.00**.

Please let me know if you have any further questions.

Yours respectfully,

**THE BOYD COMPANY**

A handwritten signature in black ink, appearing to read "B. A. Ellsworth".

Brian A. Ellsworth, Realtor/Broker

BAE:cch