

**MODESTO REDEVELOPMENT AGENCY  
RESOLUTION NO. 1-2005**

**A RESOLUTION REAPPOINTING TOM SLATER AND MICHAEL NAVARRO  
TO THE CITIZENS REDEVELOPMENT ADVISORY COMMISSION**

WHEREAS, the Economic Development Committee met on December 13, 2004, and recommended its approval to reappoint TOM SLATER and MICHAEL NAVARRO to the Citizens Redevelopment Advisory Commission.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Redevelopment Agency of the City of Modesto as follows:

SECTION 1. TOM SLATER and MICHAEL NAVARRO are hereby reappointed to the Citizens Redevelopment Advisory Commission with term expirations of January 1, 2009.

SECTION 2. The Agency Secretary is hereby directed to transmit a copy of this resolution to the reappointed members of the Citizens Redevelopment Advisory Commission, and the Secretary thereof.

The foregoing resolution was introduced at a regular meeting of the Redevelopment Agency of the City of Modesto, held on the 4<sup>th</sup> day of January, 2005, by Agencymember Keating, who moved its adoption, which motion being duly seconded by Agencymember Dunbar, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Dunbar, Hawn, Jackman, Keating, Marsh, O'Bryant,  
Chairperson Ridenour

NOES: Agencymembers: None

ABSENT: Agencymembers: None

ATTEST: Jean Morris  
JEAN MORRIS, Secretary

APPROVED AS TO FORM:

By Richard Rudnansky  
RICHARD RUDNANSKY, Interim General Counsel

**MODESTO REDEVELOPMENT AGENCY  
RESOLUTION NO. 2-2005**

**A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF MODESTO (RDA) AUTHORIZING THE EXECUTIVE DIRECTOR TO DISTRIBUTE A REQUEST FOR PROPOSALS (RFP) FOR SECURING A DEVELOPER FOR A MIXED-USE PROJECT AT 10<sup>TH</sup> & H STREETS AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE ALL DOCUMENTS RELATED TO SAID RFP.**

WHEREAS, on January 4, 2005, the RDA approved the criteria of a Request for Proposal (RFP) for a proposed Mixed-Use Project, to be located on four (4) parcels currently owned by the RDA and located at the southwest corner of 10<sup>th</sup> & H Streets (the "Project Site"), and

WHEREAS, as part of said Mixed-Use Project, Agency also authorized and directed the Executive Director to distribute a formal Request For Proposal (RFP) for securing a Developer for consideration by the Agency, and

WHEREAS, said Developer would be responsible for various tasks which include, but are not limited to the following:

1. Acquisition of the property from the RDA
2. Development of the 31,500 square-foot site into a mixed-use project land use on the Project Site
3. Contractual commitment pursuant to a Disposition and Development Agreement to build said Mixed-Use Project as adopted by the RDA, and

WHEREAS, the City Council's Economic Development Committee received a staff report on December 13, 2004 outlining said RFP process and recommended the approval of the RFP documents to the RDA, and

WHEREAS, the RDA at their Special Meeting of January 4, 2005 reviewed and approved said RFP documentation.

NOW, THEREFORE, BE IT RESOLVED that the Redevelopment Agency of the City of Modesto does hereby authorize and direct its Executive Director to distribute the approved documentation for a formal Request for Proposal for the purpose of securing a Developer for the "MIXED-USE PROJECT" on said Project Site.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Redevelopment Agency of the City of Modesto does hereby authorize and direct its Executive Director to execute all documents that may be necessary for the completion of said Request for Proposal.

The foregoing resolution was introduced at a regular meeting of the Redevelopment Agency of the City of Modesto, held on the 4<sup>th</sup> day of January, 2005, by Agencymember Jackman, who moved its adoption, which motion being duly seconded by Agencymember Keating, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Dunbar, Hawn, Jackman, Keating, Marsh, O'Bryant,  
Chairperson Ridenour

NOES: Agencymembers: None

ABSENT: Agencymembers: None

ATTEST: Jean Morris  
JEAN MORRIS, Secretary

APPROVED AS TO FORM:

By Richard Rudnansky  
RICHARD RUDNANSKY, Interim General Counsel

**MODESTO REDEVELOPMENT AGENCY  
RESOLUTION NO. 3-2005**

**A RESOLUTION APPOINTING TAMMY MAISETTI AND MICHAEL PRATT TO THE  
CITIZENS REDEVELOPMENT ADVISORY COMMISSION**

WHEREAS, the Economic Development Committee met on January 13, 2005, and recommended its approval to appoint TAMMY MAISETTI and MICHAEL PRATT to the Citizens Redevelopment Advisory Commission.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Redevelopment Agency of the City of Modesto as follows:

SECTION 1. TAMMY MAISETTI and MICHAEL PRATT are hereby appointed to the Citizens Redevelopment Advisory Commission with term expirations of January 1, 2009.

SECTION 2. The Agency Secretary is hereby directed to transmit a copy of this resolution to the reappointed members of the Citizens Redevelopment Advisory Commission, and the Secretary thereof.

The foregoing resolution was introduced at a regular meeting of the Redevelopment Agency of the City of Modesto held on the 25<sup>th</sup> day of January, 2005, by Agency Member Jackman, who moved its adoption, which motion being duly seconded by Agency Member Dunbar, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Dunbar, Hawn, Jackman, Keating, Marsh, O'Bryant,  
Chair Ridenour

NOES: Agency Members: None

ABSENT: Agency Members: None

ATTEST: Jean Zahr  
JEAN ZAHR, Agency Secretary

APPROVED AS TO FORM:

Michael D. Milich  
Michael D. Milich, City Attorney

**MODESTO REDEVELOPMENT AGENCY  
RESOLUTION NO. 4-2005**

**A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF MODESTO (“RDA”) APPROVING CONTRACT FOR AC MARTIN PARTNERS, INC AND CONTRACT AMENDMENT FOR EIP ASSOCIATES TO COMPLETE THE SPECIFIC PLAN AND ENVIRONMENTAL DOCUMENTS, RESPECTIVELY, FOR DEVELOPMENT OF THE KANSAS WOODLAND BUSINESS PARK AND AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE SAID CONTRACTS.**

WHEREAS, on November 6, 2002, the RDA approved the terms and conditions of a Purchase Option for the 45-acre FMC property, located in the center of the proposed Kansas-Woodland Business Park (“Business Park”), and

WHEREAS, staff has been working concurrently on the following tasks in order to move the proposed Business Park development forward:

- a. Environmental Mitigation
- b. Specific Plan
- c. Subdivision Map
- d. Traffic study and traffic mitigation measures
- e. Financing Plan
- f. Completion of the Environmental Impact Report (EIR), and

WHEREAS, as part of said Business Park project, Agency has also authorized and directed the Executive Director to contract with certain outside service providers to complete said Business Park project tasks listed above, and

WHEREAS, in order to complete said Business Park project tasks, the following contract and contract amendment must be authorized:

- 1. EIP Associates – Contract Amendment: \$43,640**
  - a. Amend Focused EIR to Programmatic EIR to include cumulative impacts
  - b. Respond to all comments and provide staff support for Programmatic EIR process
  - c. Complete Final Programmatic EIR and CEQA requirements
  
- 2. AC Martin Partners, Inc. – Contract: \$47,000**
  - a. Terminate contract with LPA Sacramento, Inc. and contract with AC Martin Partners, Inc. to retain the services of Alan Porter, former principal with LPA Sacramento, Inc.
  - b. Update Specific Plan to include additional water, wastewater and storm drain requirements related to utility cumulative impacts

- c. Update Specific Plan to include mitigation requirements pursuant to State regulations
- d. Complete Draft and Final Specific Plan
- e. Assist with Tentative and Final Subdivision Map production

**NOW, THEREFORE, BE IT RESOLVED** that the Redevelopment Agency of the City of Modesto does hereby approve the Contract and Contract Amendment which are attached hereto as "**Exhibit A**" and made a part hereof by this reference for the following service providers in the amounts shown below:

- 1. EIP Associates - \$43,640
- 2. AC Martin Partners, Inc. - \$47,000

**BE IT FURTHER RESOLVED** that the Redevelopment Agency of the City of Modesto does hereby authorize and direct its Executive Director to execute said Contract and Contract Amendment for the development of the Kansas-Woodland Business Park project.

The foregoing resolution was introduced at a regular meeting of the Redevelopment Agency of the City of Modesto, held on the 25<sup>th</sup> day of January, 2005, by Agencymember Jackman, who moved its adoption, which motion being duly seconded by Agencymember Dunbar, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agencymembers: Dunbar, Hawn, Jackman, Keating, Marsh, O'Bryant,  
Chair Ridenour


NOES: Agencymembers None

ABSENT: Agencymembers None

ATTEST

  
Jean Zahr, Secretary

APPROVED AS TO FORM:

By   
Michael D. Milich, General Counsel

**STANDARD  
AGREEMENT FOR CONSULTANT SERVICES**

THIS AGREEMENT, made and entered into in the City of Modesto, State of California, this \_\_\_ day of \_\_\_\_\_, 2005 by and between the REDEVELOPMENT AGENCY OF THE CITY OF MODESTO, a public body, corporate and politic, hereinafter referred to as "AGENCY", and AC Martin Partners, Inc., a California corporation, hereinafter referred to as "CONSULTANT".

This Agreement is made with regard to the following recitals:

A. The AGENCY with the assistance of CONSULTANT, has prepared a Concept Master Plan for the development of a high quality commercial/industrial business park on the FMC Corporation site and adjacent properties. Said FMC site is generally bounded on the South by Kansas Avenue, on the East by 9<sup>th</sup> Street, on the North by Woodland Avenue and on the West by State Route 99. Included in the Concept Master Plan are guidelines to establish the project image, land uses, vehicular circulation, parking, corporate landscape and graphic concepts.

B. The AGENCY has determined that it needs architectural and planning work to be performed in conjunction with implementation of the Concept Master Plan and related Specific Plan.

C. CONSULTANT represents that it is qualified, willing and able to provide said architectural and planning services referenced above.

D. CONSULTANT acknowledges that it will coordinate its work with the AGENCY's development team members including the City of Modesto Community and Economic Development staff, the City's traffic engineers, and financial advisors, as needed.

NOW, THEREFORE, in consideration of this agreement, and the mutual promises, covenants, and stipulations hereinafter contained, the parties agree as follows:

1. **SCOPE OF SERVICES.**

CONSULTANT shall undertake and complete the preparation of the scope of work as set forth and described in the documents attached hereto and referred to as Exhibit "A" or "project". The CONSULTANT shall perform the services as described in Exhibit "A" in a manner compatible with the standards of its profession, and shall produce a fully complete project that is acceptable to AGENCY.

2. **TERM OF AGREEMENT.**

This Agreement is effective as of the date first written above and will continue in effect until AGENCY's acceptance of and payment for all services authorized by AGENCY and performed by CONSULTANT, unless terminated earlier in accordance with the provisions of the termination clause in this Agreement.

AGENCY hereby gives CONSULTANT notice to proceed with the preparation of the project in the manner described in Exhibit "A", as of the effective date of this agreement. CONSULTANT shall diligently proceed with the preparation of the project and agrees to complete said preparation within the time period set forth in Exhibit "A", as measured from the date this Agreement is signed by the Acting Executive Director.

3. **COMPENSATION.**

CONSULTANT agrees to accept a sum not to exceed \$47,000.00, as full remuneration for performing all services and furnishing all staffing and materials called for in Exhibit "A", which is attached hereto and incorporated herein by this reference, and for performance by CONSULTANT of all of its duties and obligations under this Agreement.

Upon execution of this Agreement, CONSULTANT is directed to proceed with all tasks related to the Project as set forth in Exhibit A. Monthly billing of time and materials shall be based upon the current schedule of hourly rates set forth in attached Exhibit "B" which is attached hereto and incorporated herein by this reference.

**4. OBLIGATIONS OF CONSULTANT.**

Throughout the term of this Agreement, CONSULTANT shall possess, or secure all licenses, permits, qualifications and approvals legally required to conduct business. CONSULTANT warrants that it has all of the necessary professional capabilities and experience, as well as all tools, instrumentalities, facilities and other resources necessary to provide the AGENCY with the services described in attached Exhibit A. CONSULTANT further warrants that it will follow the current, generally accepted and professional practices to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding this project.

**5. PERFORMANCE BY KEY EMPLOYEE.**

CONSULTANT has represented to AGENCY that Alan Porter, will be the person primarily responsible for the performance of the services referred to in this Agreement. AGENCY has entered into this Agreement in reliance on that representation by CONSULTANT.

**6. OWNERSHIP OF DOCUMENTS/TITLE TO DATA.**

**Ownership of Documents**

All reports, drawings, designs, graphics, working papers and other incidental work or materials furnished hereunder shall become and remain the property of the AGENCY, and may be used by AGENCY as it may require without any additional cost to AGENCY. No reports prepared under this contract shall be used by the CONSULTANT for purposes other than this contract without the express prior written consent of AGENCY. Any

reuse of such materials by AGENCY for any project other than the project which is the subject of this agreement shall be at AGENCY's sole risk.

#### **Title to Data**

If, as a part of the agreement, CONSULTANT is required to produce data such as, but not limited to, drawings, plans, specifications, calculations, models, flow diagrams, visual aids and other related materials, the originals of all such data generated under this agreement will be delivered to AGENCY upon the completion or termination of services under the contract.

All materials, documents, data or information obtained from the AGENCY data files or any AGENCY medium furnished to CONSULTANT in the performance of this Agreement will at all times remain the property of the AGENCY. Such data or information may not be used or copied for direct or indirect use by CONSULTANT after termination of this Agreement without written consent of the AGENCY.

#### **7. NEWS AND INFORMATION RELEASE.**

CONSULTANT agrees that it will not issue any news releases in connection with either the award of this Agreement, or any subsequent amendment of or efforts under this Agreement, without first obtaining review and approval of said news releases from AGENCY through the Executive Director.

#### **8. INTEREST OF CONTRACTOR.**

CONSULTANT warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONSULTANT warrants that, in performance of this Agreement, CONSULTANT shall not employ any person

having any such interest. CONSULTANT agrees to file a Statement of Economic Interests with the City Clerk at the start and end of this contract if so required at the option of AGENCY.

**9. AMENDMENTS.**

Both parties to this Agreement understand that it may become desirable or necessary during the execution of this Agreement, for AGENCY or CONSULTANT to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with AGENCY and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work.

Until a change order is so executed, AGENCY will not be responsible to pay any charges CONSULTANT may incur in performing such additional services, and CONSULTANT shall not be required to perform any such additional services.

**10. INDEPENDENT CONTRACTOR.**

All acts of CONSULTANT, its agents, officers, and employees and all others acting on behalf of CONSULTANT relating to the performance of this Agreement, shall be performed as independent contractors and not as agents, officers, or employees of AGENCY. CONSULTANT, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of AGENCY. CONSULTANT has no authority or responsibility to exercise any rights or power vested in the AGENCY. No agent, officer, or employee of the AGENCY is to be considered an employee of CONSULTANT. It is understood by both CONSULTANT and AGENCY that this Agreement shall not under any circumstances be construed or considered to create an employer-employee relationship or a joint venture.

CONSULTANT, its agents, officers and employees are and, at all times during the terms of this Agreement, shall represent and conduct themselves as independent contractors and not as employees of AGENCY.

CONSULTANT shall determine the method, details and means of performing the work and services to be provided by CONSULTANT under this Agreement. CONSULTANT shall be responsible to AGENCY only for the requirements and results specified in this Agreement, and, except as expressly provided in this Agreement, shall not be subjected to AGENCY's control with respect to the physical action or activities of the CONSULTANT in fulfillment of this Agreement. CONSULTANT has control over the manner and means of performing the services under this Agreement. CONSULTANT is permitted to provide services to others during the same period service is provided to AGENCY under this Agreement. If necessary, CONSULTANT has the responsibility for employing other persons or firms to assist CONSULTANT in fulfilling the terms and obligations under this Agreement.

If in the performance of this Agreement any third persons are employed by CONSULTANT, such persons shall be entirely and exclusively under the direction, supervision, and control of CONSULTANT. All terms of employment including hours, wages, working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by the CONSULTANT.

It is understood and agreed that as an independent contractor and not an employee of AGENCY neither the CONSULTANT or CONSULTANT's assigned personnel shall have any entitlement as a AGENCY employee, right to act on behalf of the AGENCY in any capacity whatsoever as an agent, or to bind the AGENCY to any obligation whatsoever.

It is further understood and agreed that CONSULTANT must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of CONSULTANT's personnel.

As an independent contractor, CONSULTANT hereby indemnifies and holds AGENCY harmless from any and all claims that may be made against AGENCY based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.

11. **ASSIGNMENT.**

Neither this Agreement nor any portion thereof shall be subcontracted or assigned without the express prior written consent of the AGENCY in each and every instance.

12. **PATENT/COPYRIGHT MATERIALS.**

Unless otherwise expressly provided in the contract, CONSULTANT shall be solely responsible for obtaining the right to use any patented or copyrighted materials in the performance of this Agreement. CONSULTANT shall furnish a warranty of such right to use to AGENCY at the request of AGENCY.

13. **NOTICES.**

Any and all notices permitted or required to be given hereunder shall be deemed duly given and effective (1) upon actual delivery, if delivery is by hand; or (2) five (5) days after delivery into the United States mail if delivery is by postage paid registered or certified (return receipt requested) mail. Each such notice shall be sent to the parties at the address respectively indicated below or to any other address as the respective parties may designate from time to time.

FOR CONSULTANT: Alan Porter, ASLA  
Urban Design & Planning  
AC Martin Partners, Inc.  
2485 Natomas Park Drive, Suite 360  
Sacramento, CA 95833  
(916) 646-2890  
Fax: (916) 646-2895

FOR AGENCY: Modesto Redevelopment Agency  
Attention: Linda Boston  
1010 Tenth Street, Suite 3300  
Modesto, CA 95354  
(209) 571-5566

**14. INSURANCE REQUIREMENTS.**

The CONSULTANT shall provide at its own expense and maintain at all times the following insurance with insurance companies licensed in the State of California and shall provide evidence of such insurance to the AGENCY as may be required by the Risk Manager of the AGENCY. The policies or certificates thereof shall provide that, thirty (30) days prior to cancellation, notices of same shall be given to the Risk Manager of the AGENCY by US mail, postage pre-paid, for all of the following stated insurance policies. In the event of non-payment of premium, then and in that event, ten (10) days notice will be given.

(a) Worker's Compensation - in compliance with the statutes of the State of California, plus employer's liability with a minimum limit of liability of \$500,000.

(b) General Liability insurance with a minimum limit of liability per occurrence of \$1,000,000 for bodily injury and \$100,000 for property damage or \$1,000,000 combined single limit. This insurance shall indicate on the certificate of insurance the following coverages and indicate the policy aggregate limit applying to: premises and operations; broad form contractual; independent CONSULTANTS and subcontractors; products and completed operations;

(c) Automobile Liability insurance with a minimum limit of liability per occurrence of \$1,000,000 for bodily injury and \$100,000 for property damage or \$1,000,000 combined single limit. This insurance shall cover any automobile for bodily injury and property damage.

(d) Professional Liability insurance with a minimum limit of \$1,000,000 per claim and policy aggregate.

If at any time any of said policies shall be unsatisfactory to the AGENCY, as to form or substance, or if a company issuing such policy shall be unsatisfactory to the AGENCY, the CONSULTANT shall promptly obtain a new policy, submit the same to the Risk Manager for approval and submit a certificate thereof as hereinabove provided. Upon failure of the CONSULTANT to furnish, deliver or maintain such insurance and certificates as above provided, this Agreement, at the election of the AGENCY, may be forthwith declared suspended, or terminated. Failure of the CONSULTANT to obtain and/or maintain any required insurance shall not relieve the CONSULTANT from any liability under this Agreement, nor shall the insurance requirements be construed to conflict with or otherwise limit the obligations of the CONSULTANT concerning indemnification. The AGENCY, its agents, officers, employees, and volunteers shall be named as an additional insured on all insurance policies required herein, except Workers' Compensation and Professional Liability. The Workers' Compensation insurer shall agree to waive all rights of subrogation against the AGENCY, its agents, officers, employees, and volunteers for losses arising from work performed by CONSULTANT for the AGENCY. The CONSULTANT's insurance policy(ies) shall include a provision that the coverage is primary as respects the AGENCY except Worker's Compensation and Professional Liability; shall include no special limitations to coverage provided to additional insured; and, shall be placed with insurer(s) with acceptable Best's rating of A:VII or with approval of the Risk

Manager. The CONSULTANT must deliver certificates evidencing existence of the insurance called for in the contract specifications to the City Clerk at the time the contract is signed.

15. **TERMINATION OF AGREEMENT.**

**Termination on Occurrence of Stated Events**

This Agreement shall terminate automatically on the date on which any of the following events occur: (1) bankruptcy or insolvency of CONSULTANT, (2) legal dissolution of CONSULTANT, or (3) death of key principal(s) of CONSULTANT.

**Termination by AGENCY for Default of CONSULTANT**

Should CONSULTANT default in the performance of this Agreement or materially breach any of its provisions, at its option AGENCY may terminate this Agreement by giving written notification to CONSULTANT. The termination date shall be the effective date of the notice. For the purposes of this section, material breach of this Agreement shall include but not be limited to any of the following: failure to perform required services or duties, willful destruction of AGENCY's property by CONSULTANT, dishonesty or theft.

**Termination by CONSULTANT for Default of AGENCY**

Should AGENCY default in the performance of this Agreement or materially breach any of its provisions, at its option CONSULTANT may terminate this Agreement by giving written notice to AGENCY. The termination date shall be the effective date of the notice. For the purposes of this section, material breach of this Agreement shall include but not be limited to any of the following: failure to cooperate reasonably with CONSULTANT, willful destruction of CONSULTANT's property by AGENCY, dishonesty or theft.

**Termination by AGENCY for Lack of Budgeted Funds**

The AGENCY may terminate this Agreement effective July 1 of any given year upon the AGENCY's determination to not appropriate sufficient funds for this Agreement for the ensuing fiscal year. In such event AGENCY shall give CONSULTANT not less than 30 days written notice.

**Termination for Failure to Make Agreed-Upon Payments**

Should AGENCY fail to pay CONSULTANT all or any part of the payments set forth in this Agreement on the date due, at its option CONSULTANT may terminate this Agreement if the failure is not remedied within thirty (30) days after CONSULTANT notifies AGENCY in writing of such failure to pay. The termination date shall be the effective date of the notice.

**Termination by AGENCY for Change of CONSULTANT's Tax Status**

If AGENCY determines that CONSULTANT does not meet the requirements of federal and state tax laws for independent contractor status, AGENCY may terminate this Agreement by giving written notice to CONSULTANT. The termination date shall be the effective date of the notice.

**Voluntary Termination**

The parties may terminate this contract upon mutual written Agreement.

**In the Event of Termination**

If this Agreement is terminated pursuant to this Paragraph, CONSULTANT shall cease all its work on the project as of the termination date and shall see to it that its employees, subcontractors and agents are notified of such termination and cease their work. If AGENCY so requests, and at AGENCY's cost, CONSULTANT shall provide sufficient oral or written status reports to make AGENCY reasonably aware of the status of

CONSULTANT's work on the project. Further, if AGENCY so requests, and at AGENCY's cost, CONSULTANT shall deliver to AGENCY any work products whether in draft or final form which have been produced to date.

If the Agreement is terminated pursuant to any of the subsections contained in this paragraph, AGENCY will pay CONSULTANT an amount based on the percentage of work completed on the termination date, this percentage shall be determined by AGENCY in its sole discretion. If the Agreement is terminated pursuant to the subparagraph entitled Termination by AGENCY for Default of CONSULTANT, CONSULTANT understands and agrees that AGENCY may, in AGENCY's sole discretion, refuse to pay CONSULTANT for that portion of CONSULTANT's services which were performed by CONSULTANT on the project prior to the termination date and which remain unacceptable and/or not useful to AGENCY as of the termination date.

**16. INDEMNITY.**

CONSULTANT shall defend, indemnify, and hold harmless AGENCY, its agents, officers, and employees from and against all claims, damages, losses, judgment, liabilities, expenses, and other costs including litigation costs and attorney's fees from every cause, including but not limited to injury to person or property or wrongful death arising directly or indirectly out of any wrongful or negligent act or omission of CONSULTANT, its agents, officers and employees, except if the act or omission arises from the sole negligence or other liability of AGENCY, or its agents, officers, and employees or volunteers relating to or during the performance of its obligations under this agreement.

CONSULTANT's obligation to defend, indemnify, and hold the AGENCY, its agents, officers, and employees harmless under the provisions of this paragraph is not limited to

or restricted by any requirement in this Agreement for CONSULTANT to procure and maintain a policy of insurance.

**17. ENTIRE AGREEMENT.**

This Agreement and its exhibits contain the entire understanding between CONSULTANT and AGENCY. Additional or new terms contained in this Agreement which vary from CONSULTANT's proposal are controlling and are deemed accepted by CONSULTANT by shipment of any article or other commencement of performance hereunder. All previous proposals, offers and communications relative to this Agreement, whether oral or written, are hereby superseded except to the extent that they have been incorporated into this Agreement. No future waiver of or exception to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by all the parties.

**18. PARTIAL INVALIDITY.**

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

**19. WAIVER.**

The waiver by any party to this Agreement of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

**20. AUDIT.**

The AGENCY's duly authorized representative shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify CONSULTANT's charges to AGENCY under this Agreement.

CONSULTANT agrees to retain reports, records, documents, and files related to charges under this Agreement for a period of four (4) years following the date of final payment for CONSULTANT services. AGENCY's representative shall have the right to reproduce any of the aforesaid documents.

21. **GOVERNING LAW.**

This Agreement shall be governed according to the laws of the State of California.

22. **HEADINGS NOT CONTROLLING.**

Headings used in the Agreement are for reference purposes only and shall not be considered in construing this Agreement.

23. **COMPLIANCE WITH LAWS.**

CONSULTANT shall insure compliance with all safety and hourly requirements for employees, in accordance with federal, state, and county safety and health regulations and laws. CONSULTANT shall fully comply with all applicable federal, state, and local laws, ordinances, regulations and permits. CONSULTANT will have a City of Modesto business license.

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IN WITNESS WHEREOF, the AGENCY has caused this Standard Agreement for Consultant Services to be signed and executed on its behalf by its Acting Executive Director, and attestation by its Secretary on the \_\_\_\_ day of \_\_\_\_\_, 2005, and Consultant has signed and executed this Agreement, which shall become effective on the day and year first above written.

MODESTO REDEVELOPMENT AGENCY

CONSULTANT\*  
AC MARTIN, INC., A California Corporation

\_\_\_\_\_  
GEORGE W. BRITTON, Acting Executive  
Director

\_\_\_\_\_  
Christopher C. Martin, FAIA  
Chief Executive Officer, Architect Lic.#C11187

\_\_\_\_\_  
Richard Thompson, AIA, Principal  
Urban Design & Planning

CONSULTANT'S Federal ID #95-4717393

ATTEST:

(Seal)

\_\_\_\_\_  
By: JEAN ZAHR, Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
By: MICHAEL D. MILICH, General Counsel

\* Corporations - signature of two (2) officers required or one  
(1) officer plus corporate seal.

Partnership - signature of a partner required  
Sole Proprietorship - signature of proprietor required

## EXHIBIT "A"

### SCOPE OF WORK

Architectural and planning work to be performed in conjunction with implementation of the Kansas-Woodland Business Park Concept Master Plan including, but not limited to, development of a specific plan and review and/or preparation of development proposals.

The estimates include the anticipated internal review meetings and community meetings that are described.

#### Phase A: Administrative, Final Draft and Final Specific Plan

1. Prepare for meeting with City and developer.
2. Attend meeting with City and developer to discuss Specific Plan concepts.
3. Prepare for meeting with City and developer.
4. Attend meeting with City and developer to discuss Specific Plan details.
5. Prepare Administrative Draft in color digital PDF format for City and developer review.
6. Incorporate comments from City and developer and create a color digital PDF format Final Draft for distribution by City.
7. Incorporate comments to Final Draft during public review process and provide a color digital PDF format Final Specific Plan to the City.
8. Attend two (2 ) team meetings during project process.
9. Participate in bi-weekly conference calls.

#### Phase B: Public Meetings and Hearings

1. Prepare for stakeholder 'charrette'
2. Assist in presentation of Specific Plan at 'stakeholder' charrette with City, developer and 'stakeholders'.
3. Prepare for Economic Development Committee
4. Assist in presentation to Economic Development Committee.
5. Prepare for Planning Commission.
6. Assist in presentation to Planning Commission.
7. Prepare for City Council / Redevelopment Agency hearing
8. Assist in presentation to City Council / Redevelopment Agency hearing.

#### Schedule

Based on the most recent information this is the proposed schedule.

Tentative Map available in mid December 2004

Begin preparing Administrative Draft Specific Plan in mid December 2004

Complete Final Draft in mid January 2005

'Stakeholder' charrette in mid January 2005

Economic Development Committee in February 2005

Planning Commission in April 2005

City Council / Redevelopment Agency Hearing in May 2005

# Exhibit "B"

**AC MARTIN PARTNERS, INC.**  
**PERSONNEL BILLING SCHEDULE (Confidential)**  
**January 2005**

The following personnel billing rate ranges for professional and technical job classifications are subject to reviews yearly in May and November.

## FULLY BURDENED RATES

### MANAGEMENT

DIVISION MANAGER	\$196.00 - \$203.00
PROJECT DIRECTOR	\$122.50 - \$196.00

### DESIGN

SENIOR DESIGNER	\$108.50 - \$166.25
DESIGNER	\$77.00 - \$105.00
SENIOR GRAPHIC DESIGNER	\$89.25

### PRODUCTION

PROJECT ARCHITECT	\$132.13 - \$168.00
PRODUCTION COORDINATOR	\$75.25 - \$116.73

### PLANNING

SENIOR PLANNER	
PLANNER	\$110.25

### INTERIOR ARCHITECTURE

SENIOR INTERIOR DESIGNER	\$135.17
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### ENGINEERING

DIRECTOR (Structural, Civil)	\$145.25 - \$180.25
SENIOR STRUCTURAL ENGINEER	\$42.80
PROJECT ENGINEER (Structural)	\$97.13
SENIOR DESIGNER (Civil)	\$128.10
DESIGNER (Structural, Civil)	\$94.50 - \$100.63
DRAFTER (Civil)	\$82.25

### CONSTRUCTION ADMINISTRATION

S CONSTRUCTION ADMINISTRATOR	\$161.53
SPECIFIER	\$117.78
CONSTRUCTION ASSISTANT	\$76.48

**SECOND AMENDMENT TO  
STANDARD CONSULTANT AGREEMENT**

This Amendment to Agreement, made and entered into in the City of Modesto, State of California, this \_\_\_\_\_ day of \_\_\_\_\_, 2005, by and between the REDEVELOPMENT AGENCY OF THE CITY OF MODESTO, a public body, corporate and politic, hereinafter referred to as "AGENCY", and EIP ASSOCIATES, a California Corporation, hereinafter referred to as "CONSULTANT".

This Second Amendment to Agreement is made with reference to the following recitals:

A. An Agreement was entered into by and between AGENCY and CONSULTANT on the 20th day of December, 2002, and on the 22<sup>nd</sup> day of July, 2003, for the Kansas-Woodland Business Park project.

CITY and CONSULTANT desire to further amend the provisions of said Agreement to revise the requirement from a Focused Environmental Impact Report to a Programmatic Environmental Impact Report and to provide additional associated costs of \$43,640, as described in Exhibit "A" attached hereto.

NOW, THEREFORE, the parties hereto mutually agree that paragraph 3 of said Agreement be amended to include the following:

3. COMPENSATION.

CONSULTANT agrees to accept a sum not to exceed \$43,640.00 as full remuneration for performing all services and furnishing all staffing and materials called for in Exhibits "A" and for performance by CONSULTANT of all of its duties and obligations under this Agreement and its Amendments.

The compensation shall be paid pursuant in the manner and at the times set forth below:

Within ten (10) days after delivery and approval of the acceptance of the work performed. Payment may be made in phases as the project progresses.

Section 3. Force and Effect

Except as modified and amended by this Amendment to Agreement, all other provisions of the Consultant's Agreement shall remain unchanged and in full force and effect.

////

**IN WITNESS WHEREOF**, the Modesto Redevelopment Agency, a public body, corporate and politic, has authorized the execution of this Agreement in duplicate by its Executive Director and attestation by its Secretary under authority of Resolution No. \_\_\_\_\_, adopted by the Modesto Redevelopment Agency on the \_\_\_\_ day of \_\_\_\_\_, 2005, and has caused this agreement to be duly executed.

"AGENCY"  
Redevelopment Agency of the City of Modesto

"CONSULTANT"  
EIP Associates

By \_\_\_\_\_  
GEORGE W. BRITTON  
Acting Executive Director

By \_\_\_\_\_

By \_\_\_\_\_

APPROVED AS TO FORM:

By \_\_\_\_\_  
MICHAEL D. MILICH  
General Counsel

FEDERAL ID# \_\_\_\_\_

APPROVED AS TO FORM:

By \_\_\_\_\_  
JEAN ZAHR  
Agency Secretary

(SEAL)

APPROVED AS TO FORM:

By \_\_\_\_\_  
MARY AKIN  
Risk Manager

## EXHIBIT A

### CONTRACT AMENDMENT 2

#### REVISED SCOPE OF WORK FOR KANSAS WOODLAND BUSINESS PARK ENVIRONMENTAL IMPACT REPORT

The EIR will focus on the following resource areas: air quality, cultural/historic resources, hazards and hazardous materials, hydrology and water quality and transportation/circulation. The following details the proposed scope of services to augment our contract to include analysis of the project in an EIR and addresses the concerns raised by agencies and the attorneys for FMC

Attached is a copy of the cost estimate for this Contract Amendment 2.

[CA 1 = CONTRACT AMENDMENT NO. 1; CA 2 = CONTRACT AMENDMENT NO. 2]

#### **Task 1: Initial Study and Public Scoping Meeting [TASK COMPLETE]**

The Initial Study will be completed and will address all resource issue areas except air quality; cultural and historic resources; hazards and hazardous materials; and transportation and circulation. These issues will be the focus of an EIR to be prepared for the Kansas Woodland Business Park. The Initial Study will be included as an appendix to the Draft EIR.

- The Housing Authority of the County of Stanislaus requested that the EIR determine whether the new jobs would impact available housing supply in the City. Because it is anticipated that impacts, if any, could be mitigated to a less-than-significant level, this analysis will be included in the Initial Study.

EIP's Project Manager will attend one public scoping meeting. EIP will review verbal and NOP comments and provide a memorandum to the City of Modesto Redevelopment Agency and City of Modesto staff listing all substantive issues raised that merit consideration in the EIR.

#### *Products:*

- Preparation of Initial Study
- Scoping memorandum

#### **Task 2: Prepare Administrative Draft EIR**

The project description prepared for the Notice of Preparation (NOP) for the Proposed Project will be used in the EIR. Based on the comments received during the NOP process, the Project Description may be revised.

The Administrative Draft EIR (DEIR) will include all sections required by CEQA, including; (1) summary of impacts and mitigation measures; (2) project description (3) setting (existing condition discussion for both the physical environment and regulatory context), impacts and their significance both before and after implementation of identified mitigation, and mitigation measures (project

specific and cumulative) for each environmental issue; (4) CEQA-required sections; and (5) alternatives analysis.

Each individual technical section will also include a description of the methods and standards of significance used to determine the significance of each identified impact. The specific cumulative context for each technical analysis will also be described.

For each identified significant impact, project-specific mitigation measures will be identified, where available. The EIR will describe how implementation of each mitigation measure will reduce the effect of the impact. The level of significance will be identified both before and after mitigation.

The following is a discussion of the specific tasks to be completed for each resource area:

#### Task 2.1: Air Quality

- The project lies within the San Joaquin Valley Air Basin (SJAB), which has a non-attainment status for ozone and particulate matter standards. Construction activities and the increase in traffic due to the project would cause emissions of ozone precursors and could frustrate progress toward attainment of the ozone standards. Increased traffic congestion at particular intersections would increase carbon monoxide concentrations. Carbon monoxide levels at congested roadways could exceed State and/or federal standards under Existing plus Project conditions. [TEXT REQUIRES REVISION TO REFLECT CHANGES IN ATTAINMENT STATUS OF BASIN. EIP WILL REVISE SETTING TO REFLECT CHANGES IN THE TRAFFIC DUE TO REVISION OF THE NUMBER OF EMP/AC AND THE ALLOWABLE AMOUNT OF DEVELOPMENT ON THE SITE. TO BE DONE AS PART OF CA 2.]
- The EIR would describe the existing air quality environment, including sources of ozone precursors, CO and particulate matter (PM10) [TASK COMPLETE]. The federal, State, regional, and local regulatory framework standards will be discussed. [TEXT REQUIRES REVISION TO DESCRIBE THE CHANGES TO THE REGULATORY SETTING AS RESULT OF THE CHANGE IN THE ATTANINMENT STATUS OF BASIN. TO BE DONE AS PART OF CA 2.] Monitoring data on these pollutants will be summarized. [TASK COMPLETE]
- EIP will identify the appropriate methodology for determining significant air quality impacts, in consultation with the San Joaquin Valley Air Pollution Control District (SJVAPCD) (e.g., URMEIS7G modeling). [TASK COMPLETE] Emissions of reactive hydrocarbons, oxides of nitrogen, carbon monoxide, and particulates will be modeled and quantified for the project. [DUE TO CHANGES TO NUMBER OF EMP/AC AND ALLOWABLE AMOUNT OF DEVELOPMENT ON SITE, EIP WILL RERUN THE AIR MODEL TO DETERMINE THE REVISED QUANTITY AND WILL REVISE THE ANALYSIS ACCORDINGLY. TO BE DONE AS PART OF CA 2.]
- The probable construction emissions (including particulate matter) will be quantified based upon SJVAPCD's methodology. The results will be compared to SJVAPCD significance thresholds. [THE REVISED EMISSIONS NEED TO BE COMPARED TO THE SIGNIFICANCE THRESHOLDS. TO BE DONE AS PART OF CA 2.]

- For the project and alternatives, CALINE4 and appropriate emission factors will be used to model carbon monoxide concentrations for appropriate scenarios for up to 4 intersections and/or freeway interchanges. [THE MODELING OF THE AIR EMISSIONS FOR THE ALTERNATIVES WILL BE DONE AS PART OF CA 1] This analysis would take into account changes in traffic patterns and volumes. The results would be compared to federal and State carbon monoxide standards. Extrapolation of modeling results to other congested intersections inside or outside the study area will be discussed, as needed. [EIP WILL RERUN MODEL FOR CO EMISSIONS TO REFLECT CHANGES IN TRAFFIC DUE TO DUE TO REVISIONS OF THE NUMBER OF EMP/AC AND ALLOWABLE AMOUNT OF DEVELOPMENT ON SITE AND WILL REVISE THE ANALYSIS ACCORDINGLY.]
- The San Joaquin Valley Air Pollution Control District requested that the toxic risk associated with diesel-fueled engines and vehicles be estimated and mitigation for the project be developed, if necessary, to reduce such risks. [TASK COMPLETE]
- Consistency with, and possible effects on, relevant air quality plans and policies will be discussed.[TEXT REQUIRES REVISION TO DESCRIBE THE CHANGES TO THE REGULATORY SETTING AS RESULT OF THE CHANGE IN THE ATTANINMENT STATUS OF BASIN. TO BE DONE AS PART OF CA 2.]
- Mitigation measures will be identified for significant air quality impacts based on consultation with the SJVAPCD. [THIS SCOPE OF WORK ASSUMES THAT NO ADDITIONAL MITIGATION WILL BE REQUIRED DUE TO CHANGES IN THE PROJECT DESCRIPTION. TASK COMPLETE.]
- It is anticipated that issues associates with odors will be focused out in the Initial Study. [TASK COMPLETE]

#### Task 2.2: Cultural and Historic Resources

- EIP Associates will incorporate the findings of the historic and cultural surveys into the Cultural/Historic Resources section of the EIR. [ANALYSIS IN 1<sup>ST</sup> AdDRAFT EIR/IS DETERMINED THAT IMPACTS CAN BE REDUCED TO A LESS THAN SIGNIFICANT LEVEL WITH MITIGATION INCORPORATED INTO SPECIFIC PLAN. EIP TO REVISE INITAL STUDY TO REFLECT THAT SPECIFIC PLAN ADDRESSES POTENTIAL IMPACTS TO CULTURAL RESOURCES. NO ADDITIONAL CHARGES.]

#### Task 2.3: Hazards and Hazardous Materials

Due to previous land uses on the project site, the portion of the Proposed Project site currently owned by FMC Corporation contains a "brownfield" that is currently undergoing remediation under the auspices of the California Department of Toxic Substances Control (DTSC). The Union Pacific Railroad tracks are adjacent to the eastern boundary of the site. In the past, a spur from the tracks occupied a portion of the Kansas Woodland Business Park site. Due to the potential contamination from these past and current uses of the site, an analysis of the current site conditions and the

potential for the public to be exposed to hazardous materials will be prepared for the EIR based on documents provided by the Applicant.

Another portion of the Proposed Project site is currently occupied by a junk yard (Modesto Junk) that will be removed and the site remediated. The EIR will analyze the potential hazards to the public resulting from development of the parcel to the extent possible with the information available during the preparation of the Draft EIR and/or the Final EIR. If sufficient information is not available, the analysis will be at a programmatic level with mitigation developed based on similar projects.

This scope assumes that all applicable DTSC documents and Phase 1 and Phase II Site Assessments for parcels on the Proposed Project site are made available to EIP.

- EIP will describe the existing environmental condition of the Proposed Project site to determine whether the potential exists for site workers or the public to be exposed to hazardous materials during construction or occupancy. This evaluation will rely on the results of the Phase I and Phase II Environmental Site Assessment(s) that have been, and will be, prepared for various parcels on the site and from documents pertaining to the brownfield site provided by the Applicant. This scope of work assumes that EIP will have access to the available Phase 1 and Phase II Site Assessments and any other hazardous material surveys or studies that have been prepared for parcels within the Proposed Project site, and no additional field studies (e.g., sampling) will be conducted by EIP. [EIP TO UPDATE SECTION WITH INFORMATION FROM STUDIES COMPLETED SUBSEQUENT TO RELEASE OF 1<sup>ST</sup> AdDRAFT AND REVISE ANALYSIS BASED ON THAT INFORMATION. THE RESULTS OF THE REMEDIAL INVESTIGATION WILL BE AVAILABLE TO INCLUDE IN THE ANALYSIS IN THE 2<sup>ND</sup> AdDRAFT. THE REVISIONS TO THE ANALYSIS WILL, THEREFORE, BE DONE AS PART OF CA 2.]
- Based on information presented in the project description, the EIR will summarize the types of hazardous materials likely to be used on the project site and the potential risk to staff, visitors, and the general public under routine operating conditions. EIP will present an overview of the federal, State and local regulations that apply to the routine transport, storage, use, and disposal of such materials. The hazards analysis will identify any adopted emergency response plans and will discuss whether the Proposed Project could potentially interfere with such plans.[TASK COMPLETE]
- If existing laws, regulations and standards do not appear to be sufficient to minimize potential hazards, the analysis will include additional recommendations for mitigating potential impacts, as appropriate. [EIP TO UPDATE SECTION WITH INFORMATION FROM STUDIES COMPLETED SUBSEQUENT TO RELEASE OF 1<sup>ST</sup> AdDRAFT AND, IF NECESSARY, REVISE ANALYSIS BASED ON THAT INFORMATION. TO BE DONE AS PART OF CA 2.]

#### Task 2.4: Transportation and Circulation

EIP will prepare a traffic section using the traffic report prepared by Dowling Associates, a traffic engineering firm under contract with the City of Modesto Redevelopment Agency for this project.

It is assumed that this analysis will meet CEQA requirements and will include existing conditions, existing plus project conditions, cumulative conditions and cumulative plus project conditions. It is also assumed that the traffic analysis will include intersection and roadway segment LOS analyses within the study area. [THIS ISSUE AREA WAS PREVIOUSLY INCLUDED IN THE INITIAL STUDY. EIP WILL MOVE THE SECTION TO THE EIR. [TO BE DONE AS PART OF CA 1.] EIP WILL UPDATE THE ANALYSIS TO REFLECT REVISIONS TO TRAFFIC STUDY. [TO BE DONE AS PART OF CA 2.]

#### Task 2.5: Hydrology and Water Quality

MID expressed concerns about water quality in its canals due to increased discharge from the project site. Because there are several unresolved issues related to the storm drainage system, in particular, the offsite system, EIP suggests that a section that addresses on- and offsite storm drainage and water quality be included in the EIR.

- EIP will describe the existing condition of the City's storm drainage system site to determine whether the potential exists for the project to contribute runoff water that would exceed the capacity of existing or planned storm water drainage systems. . This evaluation will rely on information provided by the Project's Engineer and information in the *City of Modesto, Final Master Environmental Impact Report for the Urban Area General Plan and Related Amendments in the Urban Area General Plan*, dated March 2003. [TO BE DONE AS PART OF CA 1]
- EIP will describe the potential for project to violate water quality standards. This information will be based on information provided by MID and the Project Engineer.[TO BE DONE AS PART OF CA 1]

#### Task 2.6: Alternatives Analysis

The basis for selecting each alternative will be provided. A discussion of alternatives that were considered but rejected without full analysis will also be included. At this time, this scope of work anticipates the alternatives will include a No Project/No Development alternative, an alternative with development occurring under the existing zoning, and one other alternative in which the densities and/or mix of uses change. [TO BE DONE AS PART OF CA 1]

#### Task 2.7: CEQA Considerations

EIP will prepare the CEQA Considerations chapter, which will include the identification of the environmentally superior alternative and a summary of all significant and unavoidable impacts associated with the project. The CEQA Considerations chapter will include the following: [TO BE DONE AS PART OF CA 1]

- a summary of cumulative impacts identified for the Proposed Project and alternatives (also contained in each technical chapter);
- an evaluation of potential growth-inducing effects;
- a summary of the significant and unavoidable project-specific and cumulative environmental impacts that cannot be avoided if the project is implemented;

- an evaluation of the environmental changes in terms of the use of natural resources that would occur with development of the Proposed Project; and
- a list of all persons and agencies contacted in preparation of the EIR.

*Products:*

- 5 copies of the ADEIR (1.5 line spacing) to City of Modesto Redevelopment Agency
- 20 copies of the ADEIR (1.5 line spacing) to the City of Modesto

**Task 3: Prepare and Circulate the Draft EIR [TO BE DONE AS PART OF CA 1. INCREASE IN COSTS TO ACCOUNT FOR INCREASED NUMBER OF TECHNICAL SECTIONS TO BE ADDRESSED IN CA 2]**

After receiving one set of consolidated comments from the City of Modesto Redevelopment Agency and the City of Modesto, EIP will conduct a conference call with the Redevelopment Agency and the City to discuss revisions. EIP will revise the ADEIR according to the comments received and will submit five copies of a "screencheck" Draft EIR to the City for final review. We anticipate that the review of the Screencheck DEIR will result in minor editorial changes. These revisions will be incorporated into the Draft EIR for public circulation. EIP will prepare the required Notice of Completion and submit 15 copies of the document and a CD ROM to the State Clearinghouse. It is assumed that the City will distribute the Draft EIR. .

*Products:*

- 5 copies of the Screencheck DEIR to City of Modesto Redevelopment Agency
- 15 copies of the DEIR and a NOC submitted by EIP to the State Clearinghouse (assume 30 - 11 x 17 color copies)
- 1 CD ROM with DEIR submitted by EIP to the State Clearinghouse
- 60 copies of the DEIR provided to the City for distribution (assume 120 - 11 x 17 color copies)
- 30 copies of the DEIR for distribution to City Council (assume 60 - 11 x 17 color copies)
- 1 camera-ready copy of the DEIR (assume 2 - 11x17 color copies)
- 1 electronic copy of the DEIR in MSWord provided on CD

**Task 4: Attend Public Hearing on the DEIR [TO BE DONE AS PART OF CA 1]**

The Project Director and Project Manger from EIP will attend and, if requested by the City, make a presentation, answer questions and perform other functions as directed by the City of Modesto Redevelopment Agency with relation to the DEIR at one Planning Commission meeting.

*Products:*

- Presentation materials as required

**Task 5: Prepare Administrative Final EIR (AFEIR) & Mitigation Monitoring Plan [TO BE DONE AS PART OF CA 1. INCREASE IN COSTS TO ACCOUNT FOR INCREASED NUMBER OF TECHNICAL SECTIONS TO BE ADDRESSED IN CA 2]**

After the close of the 45-day public comment period on the DEIR, EIP will prepare written responses to the comments on the DEIR received during the public review period. The AFEIR will include a list of commentors, responses to comments, summary of DEIR text changes, a project summary and a revised summary table. EIP will submit the AFEIR to the City of Modesto Redevelopment Agency and the City of Modesto. EIP does not anticipate that these comments will raise new issues, or that new surveys or technical studies will be required to complete adequate responses. Further, it is assumed that the amount (up to approximately 50 pages of comment letters and public hearing transcripts) and nature of comments can be addressed within the hours shown in Task 5 of the budget spreadsheet. Should this not be the case, EIP will initiate discussions with the City of Modesto Redevelopment Agency staff to conduct this extra work.

As part of the AFEIR, EIP will prepare an administrative review copy of the Mitigation Monitoring Plan (MMP), using the information from the environmental analysis. The administrative review MMP will incorporate existing monitoring mechanisms that are in place in order to assist the City in meeting the intent of CEQA. The MMP will include a brief project description and project location map. The MMP will be in a table format and will include specific mitigation measures, standards of success, parties responsible for implementing and monitoring, funding source, timing and provisions for remedial measures, if success standards are not met. The MMP will be appended to the FEIR.

*Products:*

- 10 copies of the AFEIR to City of Modesto Redevelopment Agency
- 10 copies of the AFEIR to the City of Modesto

**Task 6: Prepare Final EIR (FEIR) [TO BE DONE AS PART OF CA 1. INCREASE IN COSTS TO ACCOUNT FOR INCREASED NUMBER OF TECHNICAL SECTIONS TO BE ADDRESSED IN CONTRACT AMENDMENT NO. 2]**

After receiving a consolidated set of comments, EIP will conduct a conference call with City of Modesto Redevelopment Agency and City of Modesto staff to receive direction and comments and to discuss revisions to the AFEIR. Upon receipt of the comments on the AFEIR, EIP will revise the AFEIR document and submit a Screencheck FEIR to City of Modesto Redevelopment Agency and City of Modesto for review. It is assumed that only minor edits will be made to the Screencheck FEIR. Final revisions from that review will be included in the Final EIR. Copies of the Final EIR will be submitted to the City for distribution to Stanislaus County Departments. EIP will distribute the FEIR to interested local, regional, and federal agencies. It is assumed that the City will prepare and distribute the Notice of Determination (NOD).

*Products:*

- 5 copies of the Screencheck FEIR to City of Modesto Redevelopment Agency
- 5 copies of the Screencheck FEIR to the City of Modesto
- 5 copies of the FEIR to City of Modesto Redevelopment Agency (assume 10 – 11x17 color copies)

- 20 copies of the FEIR to the City of Modesto (assume 40 – 11x17 color copies)
- 20 copies to all interested regional, local and federal agencies (assume 40 – 11x17 color copies)
- 30 copies of the DEIR for distribution to City Council (assume 60 – 11 x 17 color copies)
- 1 camera ready copy of the FEIR to City of Modesto

**Task 7: Project Approval Hearings [TO BE DONE AS PART OF CA 1]**

EIP will attend up to two (2) project approval public hearings in the City of Modesto. EIP will be prepared to respond to questions, make presentations and/or participate in an advisory capacity in hearings before the City Planning Commission and Board of Supervisors. EIP's Project Director and Project Manager will attend the public meeting.

*Products:*

- Presentation materials as necessary

**Task 8: Project Conference Calls [ONGOING. INCREASE IN COSTS TO ACCOUNT FOR EXTENSION OF PROJECT SCHEDULE.]**

Either the Project Director or Project Manager will participate in the bi-weekly conference calls.

**Task 9: Project Management [ONGOING. INCREASE IN COSTS TO ACCOUNT FOR EXTENSION OF PROJECT SCHEDULE.]**

EIP will work closely with the City, all agencies, and all the members of the project team to ensure that they receive information in a timely manner and to ensure budget and schedule adherence. Quality control will be provided on all work products.

**Task 10: Preparation of Administrative Draft Findings for the City [TO BE DONE AS PART OF CA 1]**

EIP will work with City staff to prepare a draft staff report that effectively presents the conclusions of the EIR and accurately presents the recommendations of staff. City staff will be responsible for the preparation of the final staff report.

EIP will prepare the Statement of Overriding Considerations and Findings of Fact that address each significant impacts of the project that cannot be mitigated to a less-than-significant level, alternatives that are not selected for approval, and any mitigation measures not chosen for adoption. EIP will coordinate with the City to identify specific social, economic, or other factors to be used to support overriding significant impacts that cannot be mitigated to a less-than-significant level.

*Products:*

- 5 copies of the Draft Staff Report to the City
- 5 copies of the Draft Findings of Fact/Statement of Overriding Considerations

**Task 11: Prepare Draft Findings [TO BE DONE AS PART OF CA 1]**

EIP will incorporate revisions to the Administrative Draft Findings provided by County staff and prepare Draft Findings for presentation to the Planning Commission and Board of Supervisors.

**Products:**

- 20 copies of the Draft Findings to the City

**Contract Amendment No. 2 for Kansas Woodland Business Park**

		<i>Project Title</i>	Project Director	Project Manager	Deputy Proj Mgr	Senior Reviewer	Section Writer	Senior Scientist	Admin	Word Processing	Graphics	Hours Per Task	Cost Per Subtask	Cost Per Task
		<i>Billing Title</i>	Technical Director	Associate Manager	Envir Profess	Senior Scientist	Associate Manager	Senior Scientist	Assoc Admin	Admin	Admin			
Task A	Task A Proj Initiation & Revision of Intro and Proj Desc		2	16	6	1	1	1				27	\$ 2,625	\$ 2,625
Task A.1	Task A.1 Prepare NOP/NOC		1	4						12		17	\$ 1,300	\$ 1,300
Task B	Task B Prepare 2nd AdDraft EIR/IS		8	44	44					52	8	156	\$ 13,060	\$ 13,060
	B.1 Revise IS & Incorporate City Comments into 2nd AdDraft IS			6	36							42	\$ 3,630	\$ 3,630
	B.2 Revise EIR & Incorporate City Comments into the 2nd AdDraft EIR			1	4							5	\$ 435	\$ 10,575
	B.2(a) Air Quality					2		6				8	\$ 940	
	B.2(b) Aesthetics						16					16	\$ 1,360	
	B.2(c) Hazards and Hazardous Materials					24						24	\$ 2,640	
	B.2(d) Public Services (Fire & Police)				12							12	\$ 1,020	
	B.2(e) Public Uts (Water, Wastewater, Storm Drainage, Solid Waste)				36	4						40	\$ 3,500	
	B.2(f) Transportation and Circulation				8							8	\$ 680	
Task C	Task 8 Project Conference Calls			16								16	\$ 1,520	\$ 1,520
Task D	Task 9 Project Management		4	40	16				4			64	\$ 6,060	\$ 6,060
	Add'l costs for Task 3, Task 5, Task 6		2	12	24					12		50	\$ 4,240	\$ 4,240
	Total Hours		15	127	162	31	17	7	4	64	8	435		
	Hourly Rate		\$ 140	\$ 95	\$ 85	\$ 110	\$ 85	\$ 120	\$ 85	\$ 65	\$ 80			
	Total EIP Labor (with Task A.1)		\$ 140	\$ 380						\$ 780			\$ 43,010	\$ 43,010
Expenses														\$ 300
	Printing/Xerox												\$ 100	
	Miscellany												\$ 200	
<b>Subtotal</b>													\$ 43,310	
<b>EIP Administration Fee (10% of ODCs and Subconsultants)</b>													\$ 30	
<b>Total Budget</b>													\$ 43,640	

**MODESTO REDEVLEOPMENT AGENCY  
RESOLUTION NO. 5-2005**

**A RESOLUTION APPOINTING KENT NEWSWANDER TO THE CITIZENS  
REDEVELOPMENT ADVISORY COMMISSION**

BE IT HEREBY RESOLVED by the Redevelopment Agency of the City of Modesto as follows:

SECTION 1. KENT NEWSWANDER, as representative of the Planning Commission, is hereby appointed to the Citizens Redevelopment Advisory Commission with a term expiration of January 1, 2006.

SECTION 2. The Agency Secretary is hereby directed to transmit a copy of this resolution to the appointed member of the Citizens Redevelopment Advisory Commission, and the Secretary thereof.

The foregoing resolution was introduced at a regular meeting of the Redevelopment Agency of the City of Modesto held on the 1st day of March, 2005, by Agency Member Hawn, who moved its adoption, which motion being duly seconded by Agency Member Dunbar, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Dunbar, Hawn, Jackman, Keating, Marsh,  
Chair Ridenour

NOES: Agency Members: None

ABSENT: Agency Members: O'Bryant

ATTEST: Jean Zahr  
JEAN ZAHR, Agency Secretary

APPROVED AS TO FORM:

By: Michael D. Milich  
MICHAEL D. MILICH, City Attorney

**MODESTO REDEVELOPMENT AGENCY  
RESOLUTION NO. 6-2005**

**A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF  
MODESTO AMENDING AGENCY RESOLUTION 4-92 ENTITLED “A  
RESOLUTION CREATING AN ADVISORY REDEVELOPMENT  
COMMISSION” TO REVISE THE MEMBERSHIP CRITERIA FOR THE  
REDEVELOPMENT COMMISSION AND RESCINDING RESOLUTION NO. 5-  
92**

WHEREAS, by Resolution No. 4-92, adopted by the Agency on April 7, 1992, the Agency created the Citizens Redevelopment Advisory Commission (the “Commission”) to support, participate and be involved in the redevelopment policy and program in general, and

WHEREAS, among other things, said Resolution No. 4-92 set forth the Commission membership criteria as follows:

Total Members: Nine (9) members

1. One (1) – Redevelopment Project Area Resident
2. One (1) - Representative from the Modesto Planning Commission
3. One (1) - Representative from the Downtown Improvement District
4. Four (4) - Redevelopment Project Area property owners or business owners
5. Two (2) - Members-at-large from outside the Project Area, and

WHEREAS, on August 25, 1992, the Agency adopted Resolution No. 5-92 which increased the Commission membership as follows:

Total Members: Eleven (11) members

1. One (1) – Redevelopment Project Area Resident
2. One (1) - Representative from the Modesto Planning Commission
3. One (1) - Representative from the Downtown Improvement District

4. Five (5) - Redevelopment Project Area property owners or business owners
5. Three (3) - Members-at-large from outside the Project Area, and

WHEREAS, in appointing the commission members, the Agency's purpose is to provide the Commission with expertise in fields such as finance, architecture, real estate and housing, and

WHEREAS, the Commission has since experienced difficulty in maintaining a full Commission membership due in part to the membership criteria requiring "One (1) – Redevelopment Project Area Resident" which is limiting in its scope, and

WHEREAS, the Commission believes that a full membership is critical to carrying out the business of the Agency, especially as it relates to residential projects, and

WHEREAS, the Commission reviewed said membership criteria at its regular meeting on April 6, 2005 and recommended the membership criteria be revised as follows:

Total Members: Eleven (11) members

1. One (1) – Redevelopment Project Area Resident or one (1) owner of residential property within the Redevelopment Project Area
2. One (1) - Representative from the Modesto Planning Commission
3. One (1) - Representative from the Downtown Improvement District
4. Five (5) - Redevelopment Project Area property owners or business owners
5. Three (3) - Members-at-large from outside the Project Area.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that it hereby amends Resolution 4-92 to revise the membership criteria for the Citizens Redevelopment Advisory Commission as follows:

Total Members: Eleven (11) members

1. One (1) – Redevelopment Project Area Resident or one (1) owner of residential property within the Redevelopment Project Area
  2. One (1) - Representative from the Modesto Planning Commission
  3. One (1) - Representative from the Downtown Improvement District
  4. Five (5) - Redevelopment Project Area property owners or business owners
- Three (3) - Members-at-large from outside the Project Area

BE IT FURTHER RESOLVED that Agency Resolution No. 5-92 is hereby rescinded.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto held on the 7<sup>th</sup> day of June 2005, by Agency Member Jackman, who moved its adoption, which motion being duly seconded by Agency Member Hawn, was upon roll call carried and the resolution adopted by the following vote:

AYES:	Agency Members:	Dunbar, Hawn, Jackman, Keating, Marsh, O'Bryant, Chairperson Ridenour
NOES:	Agency Members:	None
ABSENT:	Agency Members:	None

ATTEST: Jean Zahr  
JEAN ZAHR, Secretary

APPROVED AS TO FORM:

By Michael D. Milich  
MICHAEL D. MILICH, General Counsel

**MODESTO REDEVELOPMENT AGENCY  
RESOLUTION NO. 7-2005**

**A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF  
MODESTO AUTHORIZING THE EXECUTIVE DIRECTOR TO NOTIFY THE  
CITY OF MODESTO OF AGENCY'S INTEREST IN THE PURCHASE OF  
PROPERTY IDENTIFIED AS ASSESSORS PARCEL NUMBER 106-006-002. IN  
ADDITION, AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO  
NEGOTIATIONS FOR THE PURCHASE OF SAID PROPERTY AND EXECUTE  
ALL DOCUMENTS RELATED TO SAID NEGOTIATIONS**

WHEREAS, as a continuation of the overall downtown renovation, the Modesto Redevelopment Agency ("Agency") has set forth as a key objective the pursuit of opportunities to increase the inventory of affordable housing in the downtown area, and

WHEREAS, the Agency is carrying out the Redevelopment Plan ("Plan") for the Modesto Redevelopment Project ("Project"), and

WHEREAS, on May 16, 2005, the Agency received a notification of the sale of surplus property from the City of Modesto regarding a City-owned parcel (the "Parcel") at the northwest corner of 17<sup>th</sup> Street and G Street in Modesto, California which is more particularly described in attached Exhibit A which is made a part hereof by this reference, and

WHEREAS, in accordance with the Health & Safety Code, the Agency is authorized to use Agency's Housing Set-Aside funds for, among other things, the purchase of land for the construction of affordable housing, and

WHEREAS, the Citizens Redevelopment Advisory Commission reviewed this proposal at their regularly scheduled meeting on June 1, 2005 and recommended that the Agency notify the City of Modesto of their interest in purchasing said Parcel for the purpose of constructing affordable housing.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Modesto, as follows:

Section 1. The expression of interest in the purchase of said "Parcel" by the Agency is merely an expression of interest to enter into exclusive negotiations for the eventual Parcel purchase, reserving final discretion and approval by the Agency as to any Disposition and Development Agreement and all proceedings and decisions in connection therewith.

Section 2. The Executive Director and Secretary of the Agency are hereby authorized and directed to send an expression of interest to the City of Modesto on behalf of the Agency and enter into negotiations with the City of Modesto for said Parcel purchase. The Executive Director and Secretary are hereby further authorized and directed to take such further actions and execute such documents as are necessary to carry out said negotiations on behalf of the Agency

Section 3. This action by the Agency does not require supporting environmental analysis or documentation under the California Environmental Quality Act (CEQA) because the Agency is not committing itself to a project.

The foregoing resolution was introduced at a special meeting of the Modesto Redevelopment Agency held on the 7<sup>th</sup> day of June 2005, by Agency Member Jackman, who moved its adoption, which motion being duly seconded by Agency Member Hawn, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Dunbar, Hawn, Jackman, Keating, Marsh, O'Bryant, Chairman Ridenour

NOES: Agency Members: None

ABSENT: Agency Members: None

ATTEST: Jean Zahr  
JEAN ZAHR, Secretary

APPROVED AS TO FORM:

By Michael D. Milich  
MICHAEL D. MILICH, General Counsel

# EXHIBIT A

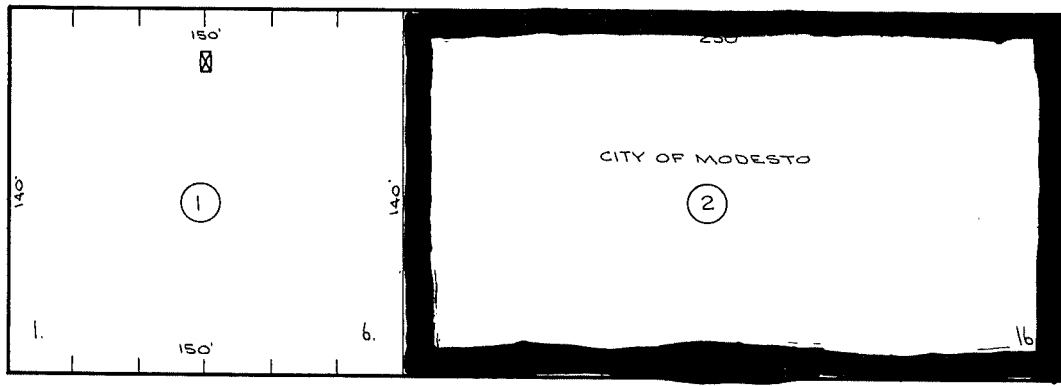
PORTION SW 1/4 SECTION 28 T.3S.R.9E. M.D.B. & M.  
CITY OF MODESTO - BLK.127

2 001

THIS MAP FOR  
ASSESSMENT PURPOSES ONLY

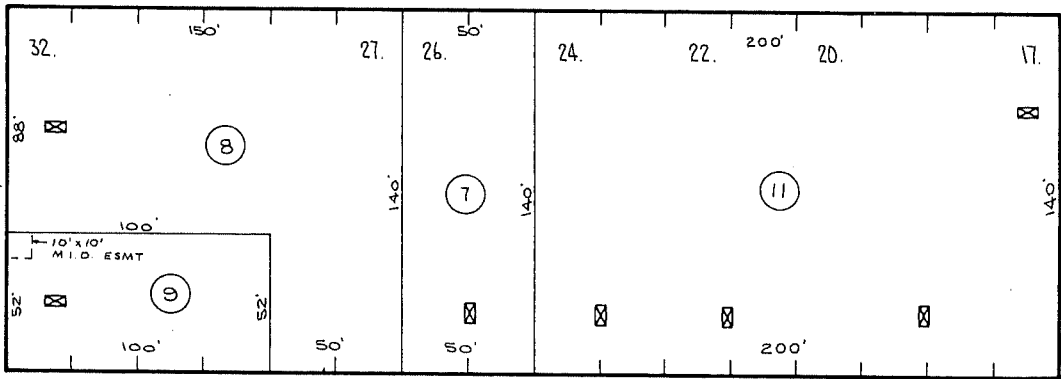
02

80' 17th ST.



80' ST. H

80' ST. G



80' 16th ST.

FROM 104-28  
ABE-500-41  
1-28-69 UPDATED 12-28-82

07



APN: 106-006-002

**MODESTO REDEVLEOPMENT AGENCY  
RESOLUTION NO. 8-2005**

**A RESOLUTION ADOPTING THE ANNUAL REDEVELOPMENT AGENCY  
OPERATING AND CAPITAL IMPROVEMENT (CIP) BUDGET FOR THE  
FISCAL YEAR ENDING JUNE 30, 2006**

WHEREAS, pursuant to Health & Safety Code Section 33606, a proposed budget for the 2005-06 Fiscal Year has been submitted to the Redevelopment Agency by the Executive Director and the Redevelopment Agency has made such revisions as it has deemed advisable and is attached hereto as Exhibit "A", and made a part hereof by this reference, and

WHEREAS, the Citizens Redevelopment Advisory Commission reviewed the proposed budget on May 4, 2005, and recommended its adoption, and

WHEREAS, the proposed budget was reviewed by the Finance Committee on May 16, 2005 and the Committee recommended the budget to the Agency for approval which approval includes, but is not limited to, the following specific recommendations more particularly described in the Budget Summary located on Page 11 of the budget document:

- A. The Tax Increment revenues for FY 05-06 are budgeted in the amount of \$4,010,000 and will be allocated between the following funds in the amount stated:
- a. Debt Service Fund 9020 (Debt Service) - \$1,416,249
  - b. Debt Service Fund 9020 (Pass-throughs) - \$470,000
  - c. Administration Fund 9050 - \$422,470
  - d. Housing Set-Aside Fund 9060 - \$802,000

- e. RDA Project Fund 9080 - \$899,281
- B. The excess bond funds of \$1,399,212 have been transferred into the Debt Service Fund 9020 per bond counsel's recommendation for payment of the debt service for the Tenth Street Place bonds. This transfer is expected to create a \$511,790 fund balance to be used for the Fiscal Year 2006-2007 that will also be restricted for debt service payments for the Tenth Street Place bonds.
- C. No General Fund loan is needed for Fiscal Year 2005-2006
- D. For the purpose of assisting with an affordable housing project(s), transfer funds into the existing Capital Improvement Project Account Q244 (Current balance: \$1,713,093) from various Housing Set-aside revenues as follows:
  - i. Transfer the 20% Housing Set-aside tax increment allocation for FY 05-06 budgeted at \$802,000 from Account No. 9060-140-1491
  - ii. Transfer the interest for FY 05-06 budgeted at \$64,799 from Account No. 9060-140-1491
  - iii. Transfer the Reserves budgeted at \$1,888,791 from Account No. 9060-140-1491
- E. Create a new Capital Improvement Project (CIP) entitled "Project Area Capital Improvements" for the purpose of assisting with various construction projects within the Redevelopment Project Area for the budgeted amount of \$734,281 from Account No. 9080-140-1493

F. Transfer funds into the existing Capital Improvement Project Account Q246 for Kansas-Woodland Business Park development in the budgeted amount of \$200,000 from Account No. 9080-140-1493, and

WHEREAS, in accordance with Health & Safety Code Section 33606, public hearings were held on May 24, 2005 and on June 7, 2005 to review the proposed Agency budget and allow for public comment, and

WHEREAS, copies of the proposed budget have been and are available for inspection by the public at the office of the Agency Secretary, and

WHEREAS, the Agency has reviewed the budgetary control and authority policy report prepared by staff,

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that the Fiscal Year 2005-2006 Annual Budget is hereby adopted.

BE IT FURTHER RESOLVED that the Tax Increment revenues for FY 05-06 budgeted in the amount of \$4,010,000 shall be allocated between the Agency funds as set forth in said budget document and this resolution.

BE IT FURTHER RESOLVED that the excess bond funds of \$1,399,212 shall be transferred into the Debt Service Fund 9020 for payment of the debt service for the Tenth Street Place bonds.

BE IT FURTHER RESOLVED that no General Fund loan is needed for Fiscal Year 2005-2006.

BE IT FURTHER RESOLVED that for the purpose of assisting with an affordable housing project(s), funds shall be transferred into the existing Capital

Improvement Project Account Q244 from various Housing Set-aside revenues as set forth in the budget document and in this resolution.

BE IT FURTHER RESOLVED that a new Capital Improvement Project (CIP) entitled "Project Area Capital Improvements" shall be created for the purpose of assisting with various construction projects within the Redevelopment Project Area for the budgeted amount of \$734,281 from Account No. 9080-140-1493.

BE IT FURTHER RESOLVED that funds shall be transferred into the existing Capital Improvement Project Account Q246 for Kansas-Woodland Business Park development in the budgeted amount of \$200,000 from Account No. 9080-140-1493.

BE IT FURTHER RESOLVED that the Finance Officer is hereby authorized to take the necessary steps to implement the provisions of this resolution.


BE IT FURTHER RESOLVED that the budgetary control and authority policy defined in Exhibit "B", which is attached hereto and made a part hereof by this reference is hereby adopted for the Fiscal Year 2005- 2006.

The foregoing resolution was introduced at a special meeting of the Redevelopment Agency of the City of Modesto, held on the 7<sup>th</sup> day of June, 2005, by Agencymember Marsh, who moved its adoption, which motion being duly seconded by Agencymember Hawn, was upon roll call carried and the resolution adopted by the following votes:

AYES: Agency Members: Dunbar, Hawn, Jackman, Keating, Marsh, O'Bryant, Chair Ridenour

NOES: Agency Members: None

ABSENT: Agency Members: None

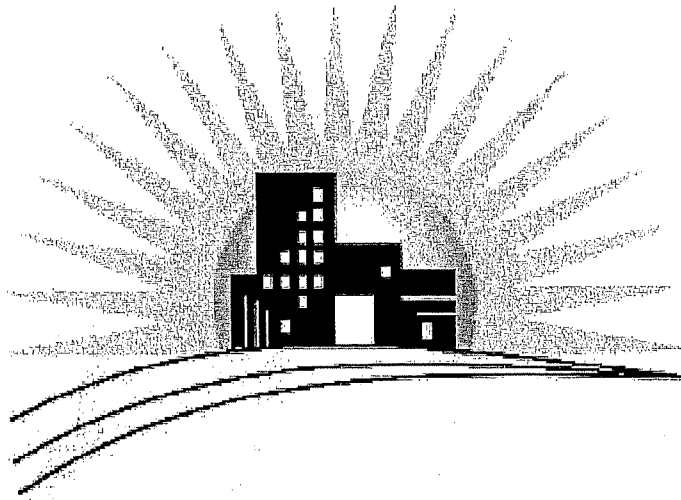
ATTEST:   
JEAN ZAHR, Secretary

(Seal)

APPROVED AS TO FORM:

By:   
MICHAEL D. MILICH, General Counsel

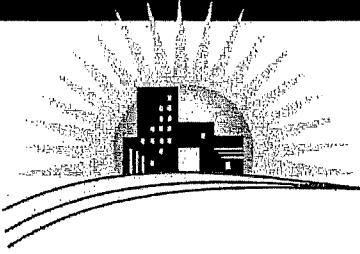
# Modesto Redevelopment Agency



**Proposed Budget  
FY 2005-06**



# ModestoRedevelopmentAgency



1010 Tenth Street, Suite 3300  
P.O. Box 642  
Modesto, CA 95353-0642  
209.571.5111  
Fax 209.491.5798  
e-mail: rda@modestogov.com

June 7, 2005

To: Chair and Members of the Modesto Redevelopment Agency

I am very pleased to present the Agency with the Modesto Redevelopment Agency budget for Fiscal Year 2005-2006. In accordance with State Health & Safety Code Section 33606 et seq., the Agency's FY 05-06 budget includes the following:

- (1) The proposed expenditures of the Agency, including administrative expenses
- (2) The proposed indebtedness of the Agency
- (3) The anticipated revenues of the Agency
- (4) The proposed work program for FY 2005-2006, including goals
- (5) A review of FY 2004-2005 achievements and a comparison of these achievements with the goals set by the Agency in FY 2003-2004

We have provided the Agency with a budget that complies with Redevelopment Law and details the uses for each fund within the budget. The Agency budget document is organized into three major sections: (1) Agency History, Work Program, Accomplishments and Future Plans; (2) Proposed Agency budget for FY 2005-2006; and (3) Capital Improvement Project Programs. These sections define each of the Agency's projects and detail the corresponding funds needed to complete these projects. The enclosed Executive Summary outlines the overall revenues, expenditures and projects. A summary financial proforma detailing the revenue and expenditures for FY 2005-2006 is shown on Page 11.

I would like to identify an important financial impact for this budget year. The Tenth Street Place construction project accounting is complete. As indicated in the Agency budget for FY 2004-2005, there are excess Agency bond funds remaining in the Joint Powers Agency's construction account in the amount of \$1,399,212. These excess bond funds will be rebated to the Agency for the final closure of the Tenth Street Place construction account. This one-time closeout of excess bond funds must be used to pay the annual debt service for the Tenth Street Place project.

Because of this one-time closeout of excess bond funds, the Agency will not experience a financial gap in FY 2005-2006 and will not require a General Fund loan from the City. We will continue to include the Tenth Street Place fund account (Account #9070) within the Agency's budget for purposes of the ongoing administration of the First Floor Retail Space, the Plaza area and the 10th Street Garage. To date, the Agency has been using tax increment revenue to pay for the Tenth Street Place debt service. In FY 2005-2006, the tax increment revenue will be used for Administration costs and for proposed Agency Projects.

Throughout the coming year, the Agency will continue to review the adoption of a repayment schedule to repay City loans from 1984 to the present.

---

George W. Britton, Executive Director

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# Executive Summary

The Modesto Redevelopment Agency was formed to eliminate the amount of physical and economic blight in Modesto's downtown, as well as areas west of State Route 99 and along Scenic Drive. Since 1983, the Agency has accomplished many of the strategies set forth in the Implementation Plan, which is the framework used to guide the Agency's activities.

The Agency budget for FY 2005-06 is outlined below. The increase in tax increment revenue will eliminate the need for a loan from the City of Modesto's General Fund.

## • "ACTUALS" vs. "PROJECTED REVENUE" •

The estimated gross tax increment for FY 2005-06 is \$4,010,000, an increase of 11.3% over the estimated gross tax increment for FY 2004-05. In addition, the Agency will receive approximately \$453,000 in miscellaneous revenue from property leases and interest from funds within the RDA reserves. During this fiscal year, the Tenth Street Place project will be closed out which will provide one-time monies of excess project funds to the Agency of approximately \$1,399,212. These excess Project Funds can be used only for Tenth Street Place debt service and will be placed into Fund 9020 (Debt Service).

From the gross revenue of \$5,862,212, we deduct the following non-discretionary, statutory payments:

1. \$470,000 - Tax revenue pass-throughs to outside agencies based on gross tax increment
2. \$802,000 - 20% revenue transfer to the Housing Set-aside fund based on gross tax increment
3. \$103,008 - County administrative expenses
4. \$254,900 - ERAF payment to State (Year Two of a 2-Year mandatory payment)

After these deductions, it is estimated that the Agency will net approximately \$4,232,304.

## • EXPENDITURES •

For annual debt service, approximately \$3.43M is budgeted for FY 2005-06. For staff services, approximately \$255,000 is budgeted and is shown in the form of service credits from the Agency to the City. The Agency does not employ staff. Instead, the Agency provides service credits to certain City staff for needed services including legal, financial and administrative.

In addition approximately \$105,000 is budgeted for contracts with outside service providers including McDonough, Holland and Allen for legal review, and Keyser-Marston for financial review of prospective development agreements. Urban master planning is also funded from Account 9080 for changes to land uses within the Project Area.

The Housing Set-aside fund is expected to receive approximately \$873,600 in tax increment and interest on reserves for FY 2005-06. The current reserves, including Capital Improvement Project funds, total approximately \$4.47M. The Agency will be using these funds to assist in funding several affordable housing projects, including one in the downtown area. The Agency will combine their funds with Community Development Block Grant Funds and HOME funds to maximize the financial leverage.

## • FY 05/06 WORK PROGRAM •

The Agency has identified the following projects and programs for FY 2005-2006. For detailed descriptions and objectives of the Capital Improvement Project (CIP) accounts, please refer to the Capital Improvement Project section in this budget document.

Total CIP: \$ 6,174,963

Project 1:	Gallo Center for the Arts	Est. Start:	04/27/04	Est. Comp.:	Fall 2006
Status:	Under Construction				
Objective:	See CIP Section for details.				

# Executive Summary

(cont.)

Project 2:	Renaissance Office Project	Est. Start:	04/05/04	Est. Comp.:	Spring 2006
Status:	Under Construction				
Objective:	<p>The Renaissance Office Project is intended to meet two key objectives of Downtown redevelopment. First, the parking garage will add more than 700 spaces to Downtown, where the lack of parking is a major concern. Approximately 75 spaces will be available for public parking. The remaining spaces will be portioned between the Stanislaus County office staff parking and parking for the retail users. The second objective for this project is to add space for retail and office users in the Downtown core as well as added space for the Stanislaus County government offices.</p> <p>The Agency entered into an Owner Participation Agreement (OPA) with Westland Development in September 2002. The OPA included the following conditions:</p> <ol style="list-style-type: none"> <li>1. The Agency purchased a 44-space City parking lot and sold it to Westland for fair market value of \$245,000</li> <li>2. Westland entered into an agreement with Stanislaus County wherein the County will construct a 86,400 square foot building and the ownership will be divided between three entities: (1) County - 50%; (2) StanCERA - 17% (3) Westland - 33%</li> <li>3. There will be an adjoining parking garage, constructed and owned by the County, wherein approximately 100 public spaces will replace the 44-space public parking lot</li> <li>4. Over 15 years, the Agency will rebate tax increment received from the private sector portion of the building for a total of \$132,000 over 15 years. This rebate will be used to offset the parking payments to the County for the public spaces.</li> </ol>				

Project 3:	Wayfinding Signage	Est. Start:	September 2004	Est. Comp.:	Fall 2005
Status:	Under Construction				
Objective:	<p>The Wayfinding Signage Project is intended to meet the dual objectives of (1) Promoting the Downtown to new visitors as a destination; and (2) Providing directions to key landmarks. Per the Implementation Plan, the Agency has focused on facilitating the construction of an entertainment and retail district. There are numerous destination locations, including the McHenry Mansion/Museum, the Gallo Center for the Arts, the Courthouse, Tenth Street Place and the theater and restaurant district.</p> <p>The Agency provides \$200,000 each year for use in beautification and general street improvement projects. For FY 2003-04, the Agency used these funds to create two public projects: (1) Construction plans for downtown streetscape and (2) Design and construction plans and specifications for wayfinding signage for the downtown area. In FY 2004-05, the Agency will use these funds for the actual construction of streetscape along 10th Street and for construction of the wayfinding signage throughout the downtown.</p>				

Project 4:	Additional Affordable Housing Projects	Est. Start:	Pending	Est. Comp.:	Pending
Status:	Under Consideration				
Details:	Projects under review.				

# Executive Summary

(cont.)

<b>Project 5:</b>	Agency Master Plan and EIR (Update)	<b>Est. Start:</b>	July 2004	<b>Est. Comp.:</b>	March 2006
<b>Status:</b>	Under Consideration				
<b>Details:</b>	See CIP Section for details.				

<b>Project 6:</b>	Kansas-Woodland Business Park	<b>Est. Start:</b>	Summer 2005	<b>Est. Comp.:</b>	Summer 2007
<b>Status:</b>	Under Consideration				
<b>Details:</b>	See CIP Section for details.				

<b>Project 7:</b>	Mixed-Use Project - 10th & H Streets	<b>Est. Start:</b>	January 2005	<b>Est. Comp.:</b>	January 2007
<b>Status:</b>	Under Consideration				
<b>Details:</b>	<p>This Mixed-use Project is intended to meet several Agency objectives, including: (1) Add covered public parking; (2) Add retail space; (3) Add hotel/market-rate residential. The proximity of this project to existing destinations is critical to its success. The Gallo Center for the Arts is across 10th Street and the main theater and restaurant district is within one block of this location.</p> <p>The Agency owns four (4) parcels of land at the southwest corner of 10th &amp; H Streets (the "Project Site"). The Agency Board has distributed a Request for Proposal (RFP) to solicit a public-private partnership for the development of a high-quality, Mixed-Use Project on this 31,500 square-foot Project Site. The purpose of this RFP is to select a qualified and experienced Developer who can deliver the desired development and provide for the redevelopment of this Project Site.</p> <p>It is the Agency's desire to partner with a qualified Developer, negotiate an acceptable development agreement (including a detailed scope of development and respective responsibilities of both the Agency and the Developer), determine financing needs and details, and complete project clearance and development within a two-year period ending January 2007. The Agency is seeking Developers or Developer Teams who have the proven experience, financial resources and professional expertise to deliver the highest quality, economically feasible mixed-use development.</p>				

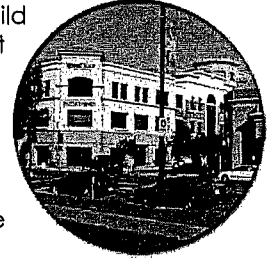
<b>Project 8:</b>	Public Parking Garages in Downtown Area	<b>Est. Start:</b>	Pending	<b>Est. Comp.:</b>	Pending
<b>Status:</b>	Projects under review.				
<b>Details:</b>	<p>Parking within the Downtown Area is in extremely short supply. This project is intended to meet the Agency objective of providing needed infrastructure to support the variety of uses within the Downtown Core, including proposed residential.</p> <p>The Agency staff is working with private sector developers to identify new sites for parking garages. There is a severe parking shortage in the downtown and the Agency will continue to find partnerships to develop additional spaces to meet the growing demand.</p>				

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# Why Have Redevelopment?

The purpose of forming a Redevelopment Agency is to eliminate the amount of physical and economic blight in a specific area of a community. The State of California enacted the Redevelopment Law for the specific purpose of assisting cities and counties in breathing new life into those targeted areas of cities that had fallen into economic and physical ruin. The heart of Modesto, our downtown, was one of those targeted areas. Modestans remember what the downtown was like before 1999. Back then, many were hesitant to walk alone in certain areas of the downtown because of the vacant buildings and seedy areas that seemed to be everywhere.

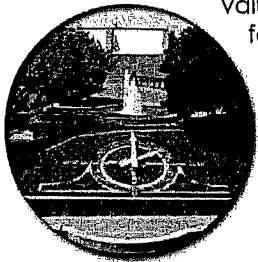
The only way to bring a blighted area to life is to attract private investment dollars to rebuild and redevelop the blighted properties. But, as one can imagine, investors are not anxious to put money into a dilapidated area with high risk and a very low rate of return. Understanding this, a Redevelopment Agency is formed for the specific purpose of providing a small amount of public funding to encourage investors to make a commitment within a blighted area. The Redevelopment Agency is given the role of using minimal public funds to leverage a much larger amount of private investment dollars to transform the blighted area from high risk to high activity --- which is what we have done with the new Tenth Street Place and other projects within the Redevelopment Project Area.



There are two key points to understand about a Redevelopment Agency. First, the Agency is a distinct political body that is totally separate from the City. In some cities, such as San Jose, the redevelopment agency is a separate board with separate offices and staff. In Modesto, as in many other California cities, the City Council agreed to become the Agency board. This provides a cost savings to the Agency since the same offices and staff are used for both the City and the Agency. But, while it is a cost savings, it can be confusing. It is important to remember that the Agency and the City are separate agencies with separate laws, separate budgets and separate funding sources.

The second key factor is the source of funding for the Redevelopment Agency. The funds for redevelopment come from the property taxes of only those properties within the Redevelopment Project Area. The Redevelopment Project Area was established by law when the Redevelopment Agency was formed and it includes the downtown and areas along Carpenter Road, Paradise Road and Scenic Drive. The Agency receives a specified percentage of the property taxes as properties are improved and then incurs debt by reinvesting this money back into the Project Area to improve even more properties. Again, the goal is to leverage a small amount of public funds with private investment dollars to redevelop the Project Area before the Agency is terminated. The Agency can operate for 40 years and then there is an additional 10 years to pay off all debt. For Modesto, the Agency will terminate in November 2031 and all debt will be paid by November 2041.

State law allows a redevelopment agency to invest in very specific uses. For example, a redevelopment agency cannot build a new city hall nor can they use the funds for operation or maintenance of any private or government-owned facility. The Redevelopment Agency can invest in many types of private projects including office buildings, parking garages and retail centers within the Project Area. For example, Modesto's Agency has partnered with the private sector to construct Tenth Street Place and two new office buildings on Tenth Street and 12th Street. Also, the Agency has joined with the private sector and Stanislaus County to construct the Gallo Center for the Arts. This Center will not only provide a benefit to the downtown but it will also increase the assessed value of the properties in the Project Area that, in turn, will increase the assessed property value. When the assessed value goes up, the taxes go up which means there is more money for the Agency to repay the debt they have incurred and contribute towards future projects. This is a perfect example of the redevelopment funding cycle and the role of redevelopment in a community.

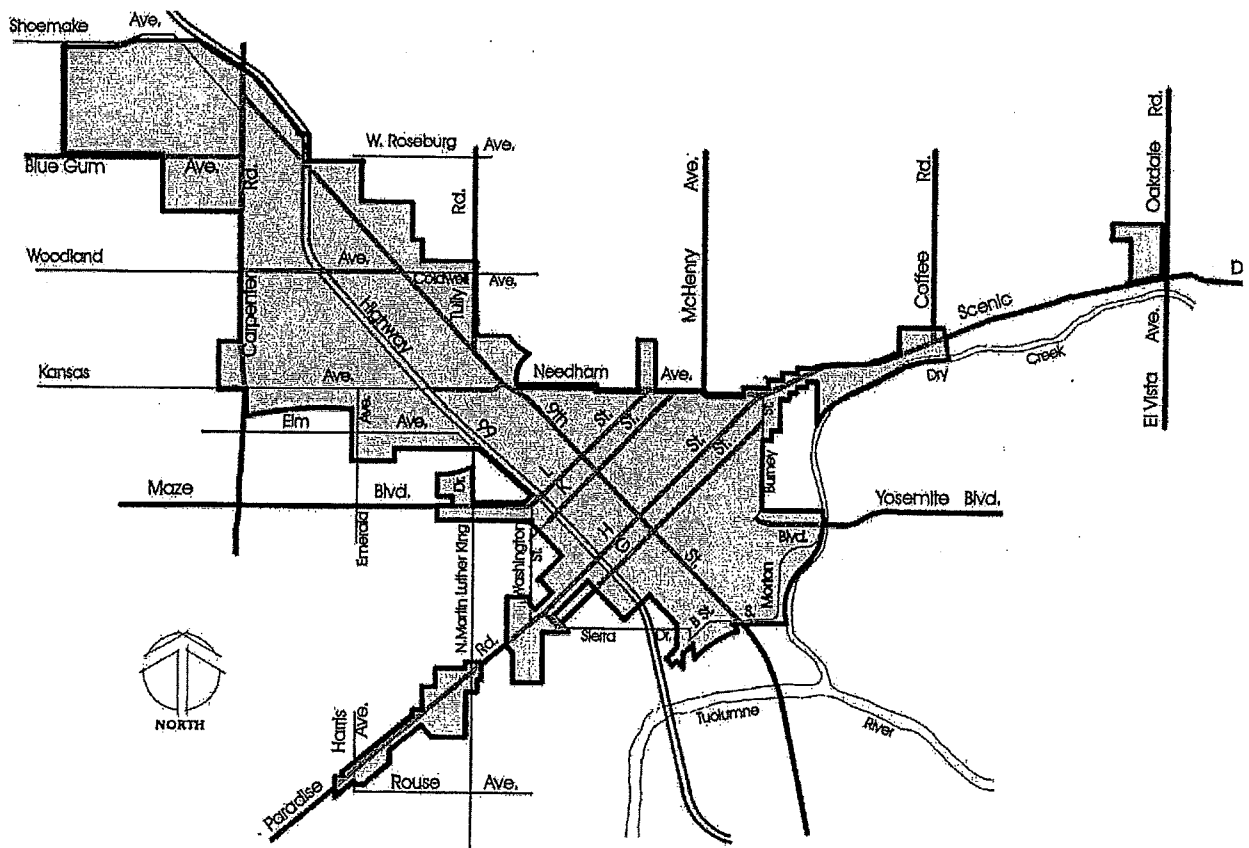


Redevelopment has been an important and successful tool in renovating many cities. In Modesto, we think that it has been the main reason for attracting new investors into the downtown and for creating alliances between the City and the County to provide better services for our citizens in a central location. Also, we have added entertainment

# Why Have Redevelopment?

(cont.)

destinations in the downtown along with restaurants and new retail stores. All in all, redevelopment is performing its job well here in Modesto. Beyond the projects now under construction, housing is another objective for the Redevelopment Agency and we expect to see new housing projects starting within the next year.



# Implementation Plan

The Redevelopment Agency's goal is to eliminate blighting influences and stimulate new private and public investment in the Redevelopment Area. The Agency can help to stimulate investment through land assembly, construction of upgraded public improvements, incentive programs for building renovation, participation in catalyst projects aimed at spurring other complementary private investments, and expenditure of its low and moderate income housing funds for development of affordable housing.

To create a framework to guide the Agency's activities the Agency has adopted a Vision and an Implementation Plan. This Plan will be updated in FY 2005-06 as part of the Update to the Agency's Master Plan and Environmental Impact Report.

## • THE STRATEGIES •

The Agency has identified nine key strategies or programs for implementing this vision.

**• THE VISION •**

"Redevelopment is an economic development and community development program of prime importance to the Modesto Community, one that capitalizes upon all of the area's assets and natural resources.

The Modesto Redevelopment Project Area will be the focal point of community life and the social, cultural, business, governmental and entertainment center of the northern San Joaquin Valley.

Housing will be an integral part of the Project Area, complemented by and stimulated by creation of a safe and attractive, tree-lined environment. Modern transportation systems shall provide convenient transportation to and within the Project Area.

This vision will be achieved through partnerships between private enterprise and government agencies. The Redevelopment Agency shall take the lead through strategic investments in public infrastructure and by recruiting and assisting with new private investment".

Strategy No.:	1	Project:	<b>J Street Arts, Entertainment and Retail District</b>
Details:	Downtown Modesto shall be the center for arts and cultural events, entertainment, restaurants, and specialty retailers. These activities shall be encouraged to cluster around a corridor centered on J Street. This corridor runs roughly from 9th Street to McHenry, and from H to L Streets.		

Strategy No.:	2	Project:	<b>Downtown Office Core</b>
Details:	Downtown Modesto shall be the location for all new major public and private office buildings with the exception of medical buildings. These offices shall generally be within walking distance of the J Street District.		

Strategy No.:	3	Project:	<b>New Housing Construction and the Preservation of Existing Housing</b>
Details:	Downtown Modesto should be a desirable place to live as well as work or visit. The residential strategy should focus both on new construction and the preservation and renovation of existing housing.		

Strategy No.:	4	Project:	<b>Incubator Area Between Highway 99 and 9th Street</b>
---------------	---	----------	---

# Implementation Plan

(cont.)

**Details:** This district east of Highway 99 and west of 9th Street should continue to serve as an "incubator" area for small and start-up commercial and industrial uses.

**Strategy No.:** 5 **Project:** Industrial District - Woodland to Kansas Avenues  
**Details:** This area provides the best opportunity with the Redevelopment Area for creation of a new, modern industrial park subdivision. The Agency should work with the property and business owners in the area to coordinate its redevelopment.

**Strategy No.:** 6 **Project:** Upgrade Commercial and Residential Uses Along Paradise Road  
**Details:** Major upgrading of both the commercial and residential areas along Paradise Road is needed to strengthen this portion of the Redevelopment Area.

**Strategy No.:** 7 **Project:** Develop New Community Commercial Areas  
**Details:** Two areas are proposed for new community scale commercial and/or industrial development. These areas are the current County Center No.3 at Scenic and Oakdale, and the eastern and northern portions of the West Campus of Modesto Junior College.

**Strategy No.:** 8 **Project:** Tuolumne River Family Learning/Recreation Center  
**Details:** The Tuolumne River is the foremost natural asset in the Redevelopment Area. Bluff property overlooking the park should be investigated as a site for a regional educational and recreational facility oriented primarily to children and families.

**Strategy No.:** 9 **Project:** Historic Preservation  
**Details:** The Agency has worked with the Landmark Preservation Commission to identify buildings in the downtown area worthy of preservation. The Agency's activities and projects should respect these buildings and make every effort to preserve them.

# Agency Achievements

## Completed Projects



- Modesto Centre Plaza
- DoubleTree Hotel
- 9th Street Garage



- Facade Grants - 5 years  
More than 100 buildings



- City Towers Office Building



- Tenth Street Place
  - Parking Garage
  - Brenden Theatres
  - First Floor Retail



- Affordable Housing
  - Gateway
  - Ashwood Village
  - Woodstone
  - Dan West Court



- Shopping Center on Paradise Road



- The Shops at Lincoln School

### FY 2003 - 2004 Goals

- Update to Agency Master Plan and Environmental Impact Report
- Gallo Center for the Arts
- Kansas-Woodland Business Park
- Renaissance Office Building at SE Corner of 12th & I Streets
- Wayfinding Signage & Downtown Streetscape Design
- Mixed-Use Project at SW Corner of 10th & H Streets
- Affordable Housing Projects in Downtown Area

### FY 2004 - 2005 Accomplishments

- Update to Agency Master Plan is in progress  
Projected Completion: 03/06
- Gallo Center for the Arts is in progress  
Projected Completion: 10/06
- Kansas-Woodland Business Park is in progress  
Projected Completion: 10/07
- Renaissance Office Building is in progress  
Projected Completion: 06/06
- Wayfinding Signage is in progress  
Projected Completion: 01/06
- Mixed-Use Project: Developer under review  
Projected Completion: 06/07
- Affordable Housing Projects: Site Identified at 17th & G Sts  
Projected Completion: 01/07

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# Budget Summary

FY 2005-2006		Debt Svc. 9020	Admin. 9050	Housing Set-aside 9060	Tenth Street Place 9070	RDA Project Fund 9080
<b>Reserve</b>						
Est. Beginning Reserve	\$	540,000	(36,000)	1,888,791	1,399,212	285,000
Reallocations into Debt Svc.						
a. 9070 - TSP Closeout (1)	\$	1,399,212			(1,399,212)	
Adjusted Reserves	\$	1,939,212	(36,000)	1,888,791	0	285,000
Bond Reserve Fund (COPS)	\$	1,977,050				
<b>Revenues</b>						
Tax Increment	\$	1,416,249	422,470	802,000		899,281
Tax Increment for Pass-thrus (2)	\$	470,000				
(Less ERAF)	\$	(254,900)				
Interest	\$	132,499		71,620	12,380	
Miscellaneous	\$					
Leases (3)	\$	236,500				
TOT/Sales Tax	\$					
General Fund Loan						
Total	\$	2,000,348	422,470	873,620	12,380	899,281
<b>Expenditure</b>						
Debt - Centre Plaza (4)	\$	1,961,610				
Debt - TSP	\$	893,152				
County Admin Costs	\$	103,008				
Admin	\$					
Professional Services	\$		104,497			50,000
Staff	\$		255,103	6,821	12,380	
Internal Services	\$		13,976			
RDA Master Plan/EIR	\$					
Pass-thrus	\$	470,000				
Taxes	\$		12,894			
Housing Set-aside	\$			866,799		
Project Area Revitalization	\$					200,000
Total	\$	3,427,770	386,470	873,620	12,380	250,000
Transfer Out: Q244 - Housing CIP	\$			(1,888,791)		
Transfer Out: Q244 - Housing CIP	\$			(866,799)		
Transfer Out: Q246 - KWBP CIP	\$					(200,000)
Transfer Out: RDA Project Area Capital Improv.	\$					(734,281)

<b>Ending Balances</b>						
Available Working Capital (5)	\$	511,790				
Housing CIP - Q244 (6)	\$			4,468,682		
KWBP CIP - Q246 (6)	\$					200,000
Mixed-use: RDA Project Area Capital Imp. (6)	\$					734,281
Debt Reserve (Restricted)	\$	1,977,050				

1. Excess bond funds from Tenth Street Place Project  
 2. Formula from Keyser-Marston projections  
 3. Lease = First Floor Retail (JPA Space) Plus 9th Street Garage Lease Payment from DoubleTree Hotel

4. Includes \$6500 Trustee Fee  
 5. Restricted use under bond covenants from TSP debt service

6. CIP Accounts to be expended on Housing, Business Park and Mixed-use Projects in FY05-06

# Debt Service

9020

Revenue	Actual 2004	Adopted 2005	Estimate 2005	Proposed 2006
Tax Increment	\$ 2,277,704	\$ 2,272,000	\$ 2,272,000	\$ 1,416,249
Tax Increment/Pass-thrus	\$	\$ 372,000	\$ 372,000	\$ 470,000
(Less ERAE)	\$ (121,142)	\$ (254,900)	\$ (254,900)	\$ (254,900)
Interest	\$ 109,259	\$ 132,499	\$ 132,499	\$ 132,499
Misc	\$ 0	\$ 38,000	\$ 38,000	\$
Leases	\$ 300,070	\$ 236,500	\$ 236,500	\$ 236,500
General Fund Loan	\$ 407,000	\$ 315,500	\$ 315,500	\$ 0
<b>Total Source of Funds</b>	<b>\$ 2,972,891</b>	<b>\$ 3,111,599</b>	<b>\$ 3,111,599</b>	<b>\$ 2,000,348</b>

Expenditures				
Debt - Centre Plaza	\$ 1,959,590	\$ 1,962,570	\$ 1,962,570	\$ 1,961,610
Debt - TSP	\$ 852,575	\$ 877,647	\$ 879,992	\$ 893,152
County Admin Costs	\$	\$ 79,000	\$ 79,000	\$ 103,008
Pass-thrus	\$	\$ 372,000	\$ 372,000	\$ 470,000
<b>Total Use of Funds</b>	<b>\$ 2,812,165</b>	<b>\$ 3,291,217</b>	<b>\$ 3,293,562</b>	<b>\$ 3,427,770</b>

• • •

Note: \$ 1,399,212 in excess bond funds from the closeout of Tenth Street Place will be included as additional revenue for payment of Tenth Street Place debt service.

## Explanation

This fund maintains the accumulation of resources for and the payment of general long-term debt principal and interest. It also receives tax increment designated for the pass-through agreements with various school districts.

# Administration

9050

Revenue	Actual 2004	Adopted 2005	Estimate 2005	Proposed 2006
Tax Increment	\$ 366,306	\$	\$	\$ 422,470
Miscellaneous	\$ 38,476	\$	\$	\$
General Fund Loan	\$ 84,000	\$ 163,500	\$ 163,500	\$
<b>Total Use of Funds</b>	<b>\$ 488,782</b>	<b>\$ 163,500</b>	<b>\$ 163,500</b>	<b>\$ 422,470</b>

Expenditures				
Administration	\$	\$	\$	\$
Professional Services	\$ 86,045	\$ 109,843	\$ 109,843	\$ 104,497
Staff Charges	\$ 184,690	\$ 251,021	\$ 251,021	\$ 255,103
Internal Service Fund Charges	\$ 13,332	\$ 13,171	\$ 13,171	\$ 13,976
County Admin Charges	72,834			
Pass-thrus	\$ 378,877	\$	\$	\$
Taxes	\$ 12,399	\$ 12,750	\$ 12,750	\$ 12,894
<b>Total Use of Funds</b>	<b>\$ 748,177</b>	<b>\$ 386,785</b>	<b>\$ 386,785</b>	<b>\$ 386,470</b>

...

## Explanation

This fund contains expenditures for services provided by City staff in Community & Economic Development, Finance and the City Attorney's office.

# Housing Set-aside

9060

<b>Revenue</b>	<b>Actual 2004</b>	<b>Adopted 2005</b>	<b>Estimate 2005</b>	<b>Proposed 2006</b>
Tax Increment	\$ 661,003	\$ 661,000	\$ 661,000	\$ 802,000
Interest	\$ 40,422	\$ 70,000	\$ 70,000	\$ 71,620
<b>Total Use of Funds</b>	<b>\$ 701,425</b>	<b>\$ 731,000</b>	<b>\$ 731,000</b>	<b>\$ 873,620</b>
<b>Expenditures</b>				
Housing Set Aside	\$ 0	\$ 724,313	\$ 724,313	\$ 866,799
Administrative Costs	\$ 41,104	\$	\$	\$
Staff Charges	\$ 6,610	\$ 6,687	\$ 6,687	\$ 6,821
<b>Total Use of Funds</b>	<b>\$ 47,714</b>	<b>\$ 731,000</b>	<b>\$ 731,000</b>	<b>\$ 873,620</b>

• • •

## Explanation

This is a special revenue fund created pursuant to the Health and Safety Code section 33334.3. All transactions related to the Housing Set-Aside Fund must be accounted for in this separate fund.

# Tenth Street Place

9070

<b>Revenue</b>	<b>Actual 2004</b>	<b>Adopted 2005</b>	<b>Estimate 2005</b>	<b>Proposed 2006</b>
Interest	\$ 2,808	\$ 14,000	\$ 14,000	\$ 12,380
Tenth Street Place Closeout	\$	\$ 1,400,000	\$ 1,400,000	\$
<b>Total Use of Funds</b>	<b>\$ 2,808</b>	<b>\$ 1,414,000</b>	<b>\$ 1,414,000</b>	<b>\$ 12,380</b>
<b>Expenditures</b>				
Staff Charges	\$ 11,900	\$ 12,138	\$ 12,138	\$ 12,380
<b>Total Use of Funds</b>	<b>\$ 11,900</b>	<b>\$ 12,138</b>	<b>\$ 12,138</b>	<b>\$ 12,380</b>

• • •

## Explanation

This fund pays for legal services associated with the ongoing administration of the Tenth Street Place project. These services are provided by the City Attorney's Office.

# RDA Projects

9080

Revenue	Actual 2004	Adopted 2005	Estimate 2005	Proposed 2006
Tax Increment	\$	\$	\$	\$ 899,281
Interest	\$ (6,464)	\$	\$	\$
Transfer - CIP	\$	\$	\$	\$
General Fund Loan	\$ 425,000	\$	\$	\$
<b>Total Use of Funds</b>	<b>\$ 418,536</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 899,281</b>

Expenditures				
Internal Service Fund Charges	\$	\$	\$	\$
Professional Services	\$ 1,048	\$ 9,382	\$ 9,382	\$ 50,000
RDA Master Plan/EIR	\$	\$ 325,000	\$ 325,000	\$
Westland Project	\$	\$	\$	\$
Project Area Revitalization	\$ 64,928	\$ 100,000	\$ 100,000	\$ 200,000
<b>Total Use of Funds</b>	<b>\$ 65,976</b>	<b>\$ 434,382</b>	<b>\$ 434,382</b>	<b>\$ 250,000</b>

• • •

## Explanation

This fund pays for various Agency projects within the Redevelopment Area, including streetscape, signage, and other beautification projects. This fund also includes market and financial studies and public-private partnership projects.

# Modesto **Redevelopment** Agency

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Capital Improvement Program  
Proposed Budget • FY 05-06

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# Capital Improvement Program

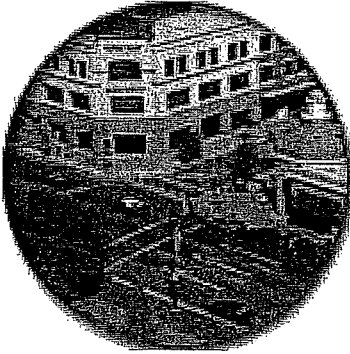
Program Summary	Current Balance
<b>Restricted Use</b>	
Downtown Housing (Q244)	\$ 4,468,682
Gallo Center for the Arts (Q260)	\$ 602,000
Kansas-Woodland BP-Land (Q243)	\$ 50,000
Kansas-Woodland BP-Plan (Q246)	\$ 200,000
<b>Total Restricted CIP</b>	<b>\$ 5,320,682</b>
<b>Unrestricted Use</b>	
Master Plan Update/EIR (K871)	\$ 120,000
RDA Project Area Capital Improv.	\$ 734,281
<b>Total Unrestricted CIP</b>	<b>\$ 854,281</b>
<b>Total CIP</b>	<b>\$ 6,174,963</b>

\* Pursuant to Redevelopment Agency law and existing contracts.

# Capital Improvement Project

CIP#: \_\_\_\_\_

## RDA Project Area Capital Public Improvements



**Project Manager:** Linda Boston  
**Budget:** \$ 734,281

Construct various public improvements within the RDA Project Area to support public-private development partnerships. Improvements may include, but are not limited to, various types of construction such as: street construction, streetscape, signage, public garages, land acquisition/disposition.

### • HISTORY •

Over the past several years, the Agency has focused on assisting commercial and retail businesses within the Project Area in various ways. These programs have included the Façade Improvement Rebate Program that assisted commercial/industrial property owners and tenants with improvements to the exterior appearance of commercial buildings located in the Redevelopment Project Area. This program offered rebates ranging from 10% to 50% (maximum \$10,000 per project) of improvement costs for each property. In addition, the Agency has produced designs for wayfinding signage and will be constructing signage throughout the Downtown area to guide visitors to specific landmarks and destinations.

The Agency will now be focusing on a variety of public works projects that will include street construction, streetscape, signage, public garages, land acquisition/disposition and other projects that will grow from public-private partnerships in accordance with the Redevelopment law. These projects may include mixed-use projects, public parking, public amenities for market-rate housing, etc.

### • NEXT STEPS •

1. Identification of Developers and Developable sites: The Agency staff continues to identify well-financed development partners in an increased effort to combine RDA funds with multiple funding sources for the production of various types of commercial buildings as well as market-rate housing within the Project Area. The Agency staff is also reviewing possible sites in the Project Area for public-private commercial developments. This fund will provide monies for the public amenities associated with these developments.
2. Additional parking: The Agency staff is working with other City departments to identify parcels near the downtown core that could be developed into multi-story parking garages. This additional parking inventory could provide alternative parking for downtown workers as well as for visitors.

# Capital Improvement Project

9060 - Q244

## Downtown Affordable Housing Land Acquisition



**Project Manager:** Linda Boston

**Budget:** \$ 4,468,682

Beginning in 2000, the Agency has focused on producing an affordable housing project in the Downtown. The primary barriers to this project have been:

- a. Increased land prices coupled with unwilling sellers that could necessitate eminent domain proceedings
- b. Reduced site acreage available for purchase
- c. Increased need for parking for the housing development and for the general population of downtown workers, customers and merchants

Because of the above issues, the Agency determined that additional funds would be needed for a downtown housing project versus a housing project in another area of the City. The Agency placed funds into this CIP Account in order to accumulate Housing Set-aside monies specifically for a downtown project.

As of June 2004, the Agency has worked with three downtown sites and three developers in an effort to create an affordable housing project. To date, the above impediments have prevented the completion of a project.

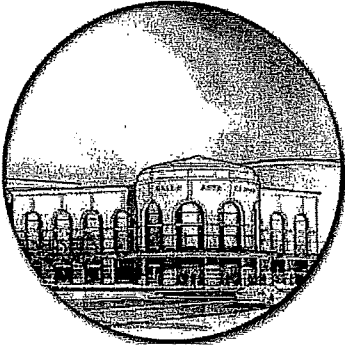
### • NEXT STEPS •

- Additional funding: The Agency staff continues to partner with the private sector and City Parks, Recreation & Neighborhood staff in an increased effort to combine multiple funding sources for the production of affordable housing downtown. The funding can come from private sources, the Redevelopment Agency, Community Development Block Grant (CDBG) funds and other housing agencies.
- Developable sites: The combined staff is reviewing possible sites in and around the downtown for a housing project. One objective is to identify City-owned parcels (e.g. parks) that may no longer be needed for City uses and develop these into affordable housing sites. In addition, the Agency staff has prepared an "Opportunity Map" to identify private downtown property owners who would be considered selling their property or developing a residential development.
- Additional parking: The Agency staff is working with other City departments to identify parcels near the downtown core that could be developed into multi-story parking garages. This additional parking inventory could provide alternative parking for downtown workers as well as for residents of those housing developments who are in proximity to the new parking facilities.

# Capital Improvement Project

9080 - Q260

## Gallo Center for the Arts



**Project Manager:** Brad Kilger

**Budget:** \$ 601,604.24

The Gallo Center for the Arts is a \$31 Million project, planned for the block between 10th and 11th Streets and H and I Streets in downtown Modesto. The center will feature a 1,200-seat theater, a 400-seat theater and art gallery. Though construction will be primarily funded by contributions from the community and Stanislaus County, the Agency approved using \$602,000 in tax increment revenue for construction/replacement of such public improvements as deteriorated curb, sidewalks and streetlights, new street trees and street reconstruction.

The estimated cost for constructing the necessary street, streetscape and traffic signal improvements is \$602,000. Of this amount \$473,000 will be used to reimburse the County for the cost of constructing their portion of these improvements. The remaining \$129,000 will be used to reimburse the city for the cost of constructing their portion of the street improvements for the GAC.

On March 25, 2003, the City of Modesto approved a loan to the Modesto Redevelopment Agency in the amount of \$602,000 to fund this CIP Account. Also, the Agency will enter into an agreement with Stanislaus County in the amount of \$473,000 for reimbursement of costs associated with construction of the improvements.

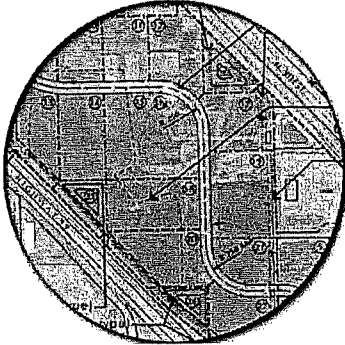
### • NEXT STEPS •

- Construction: The County will be the project manager for this project. The Agency will provide funding for public improvements as the construction moves forward.
- Loan repayment: The loan amount will be added to the existing loan between the City and the Agency, including interest. The repayment of this loan will be as approved between the City and the Agency.

# Capital Improvement Project

9080 - Q246

## Kansas Woodland Business Park Concept Master Plan



**Project Manager:** Linda Boston

**Budget:** \$ 200,000

On November 6, 2002, the Agency approved the terms and conditions of a Purchase Option for the 45-acre FMC property. In summary, FMC and the Agency have agreed to the following:

- Agency receives the exclusive right to purchase the FMC property for a period of up to 3 years.
- The purchase price will be \$1,000,000 plus five percent (5%) of any amount received by the City upon sale of the Property in excess of \$1,000,000.
- Agency has paid an option payment of \$50,000 concurrent with the completion of the Property Option Agreement in consideration for the exclusive right to purchase the property.
- When the Agency elects to exercise the Property Option, the Agency will pay an Exercise Option payment of \$50,000.
- Both option payments (Total of \$100,000) will be applied to the purchase price.

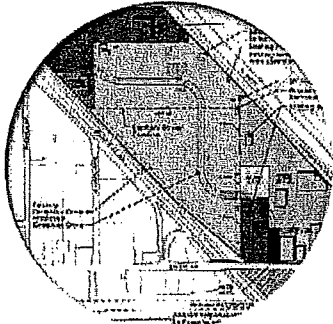
### ◦ NEXT STEPS ◦

Staff is working concurrently on the following critical path items:

- Negotiations for the Developer Agreement (DA) and revisions to the Property Option Agreement.
- Completion of the following Specific Plan items:
  - Design and Use Guidelines and Standards
  - Traffic study and traffic mitigation measures
  - Conceptual infrastructure and design plans
  - Financing Plan
  - Tentative Subdivision Map
- Completion of the Program Environmental Impact Report

# Capital Improvement Project

9080 - Q243



## Kansas Woodland Business Park Property Opt.

**Project Manager:** Linda Boston

**Budget:** \$ 50,000

On November 6, 2002, the Agency approved the terms and conditions of a Purchase Option for the 45-acre FMC property, located in the center of the proposed Kansas-Woodland Business Park. In summary, the FMC Corporation and the Agency have agreed to the following:

- Agency receives the exclusive right to purchase the property for a period of up to 3 years.
- The purchase price will be \$1,000,000 plus five percent (5%) of any amount received by the City upon sale of the Property in excess of \$1,000,000.
- Agency has paid an option payment of \$50,000 concurrent with the completion of the Property Option Agreement in consideration for the exclusive purchase rights.

When the Agency elects to exercise the Property Option, the Agency will pay an Exercise Option Payment of \$50,000.\*\*

- Both option payments (Total of \$100,000) will be applied to the purchase price.
- FMC will secure approval from the State of California for a Site Cleanup Plan.
- FMC is responsible for remediation of the property as identified and ordered by the Dept. of Toxic Substances Control and the Regional Water Quality Control Board. The Agency has the right to purchase the property in an "As Is" condition once the remediation plan is approved and the site plan has been agreed upon between FMC, the Agency and the regulatory agencies.

### • NEXT STEPS •

Staff will process the Property Option and release the Exercise Option Payment to the FMC Corporation once the State approvals are received and all development agreements are completed.

# Capital Improvement Project

9080 - K871



## Redevelopment Agency Master Plan

**Project Manager:** Linda Boston

**Budget:** \$ 120,000

In November 1991, the Redevelopment Agency (RDA) adopted the Amended Project Area and the Redevelopment Plan for a Project Area of approximately 2000 acres. This Project Area encompasses the downtown, a portion of the West side, as well as a smaller portion along Scenic Drive. As a part of this Project Area adoption, an Environmental Impact Report (EIR) was approved in accordance with the State law.

Subsequent to these actions, in 1994, a RDA Master Plan was also adopted to implement the goals and objectives of the RDA Plan. The purpose of this Master Plan is to provide a policy guideline document to identify specific types of land uses that the Agency should encourage and promote within the Project Area.

As a continuing part of this long-term strategy, the RDA staff - in consultation with the RDA General Counsel - has determined that both the RDA EIR and Master Plan should be updated. Considering the dramatic changes that have taken place since the early 1990's, both documents are out of date and must be revised to reflect the current conditions and to ensure legal compliance.

For the entire RDA Master Plan Update, the physical improvement strategies will include:

- Land Use policy direction
- Building massing for key sites
- Circulation, including pedestrian connections
- Streetscape character and urban design
- Focal points and gateways

### • NEXT STEPS •

Staff will proceed with administration of the contract with EDAW, Inc.

## **Exhibit “B” Budgetary Control & Authority**

The Redevelopment Agency’s Budgetary Control & Authority policy is adopted by the Agency as a part of the resolution adopting the annual budget.

### Basic Policy

The Agency budget is adopted at the fund level, and the authorized amount of expenditure for each fund is listed in Exhibit “A” of the budget resolution.

Multi-year appropriations authorized in previous years and not yet expended continue to be valid until explicitly revoked, notwithstanding the annual appropriation shown on Exhibit “A.”

### Executive Director’s Authority

The Executive Director may take the following budgetary actions without Agency approval:

- Transfer appropriations between and within a fund
- Appropriate unbudgeted Agency revenues
- Appropriate reserves approved for litigation on a case-by-case basis
- Revoke multi-year appropriations and close CIP projects

### Finance Officer’s Authority

The Finance Officer may take the following budgetary actions without Agency approval:

- Appropriate unbudgeted grant interest
- Make technical budget corrections to implement the intent of Agency-approved actions and resolutions
- Transfer appropriations between sub-funds of a single fund.

### Assistant Executive Directors’ Authority

The Agency Assistant Executive Director may take the following budgetary actions without Agency approval:

- Transfer appropriations between non-salary line-items within a department, within a single fund

### Actions Reserved to the Agency

All other budgetary actions require the approval of the Agency. In addition, the following specific actions always require Agency approval, any other provision of this policy notwithstanding.

- Appropriation of undesignated reserves
- Appropriation of revenues
- Budgeting of inter-fund transfers
- Budgeting of inter-fund loans
- Creating or increasing any multi-year appropriation including CIP projects

**MODESTO REDEVELOPMENT AGENCY  
RESOLUTION NO. 9-2005**

**A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF  
MODESTO APPROVING AN EXCLUSIVE NEGOTIATING AGREEMENT WITH  
TEAM MODESTO AND AUTHORIZING THE EXECUTIVE DIRECTOR TO  
EXECUTE SAID AGREEMENT**

**WHEREAS**, as a continuation of the overall downtown renovation, the Modesto Redevelopment Agency ("Agency") has set forth as a key objective the pursuit of opportunities to increase the mixed use developments in the downtown area, and

**WHEREAS**, the Agency is carrying out the Redevelopment Plan ("Plan") for the Modesto Redevelopment Project ("Project"), and

**WHEREAS**, the Agency has received a proposed Exclusive Negotiating Agreement ("ENA") from Team Modesto ("Developer"), providing for the development of the Project Site at the Southwest corner of 10<sup>th</sup> Street and H Street located in the City of Modesto, California for a Mixed-use Project, consisting of parking, ground floor retail, hotel services and market-rate townhomes, together with appurtenant public improvements ("Mixed-Use Project"), and

**WHEREAS**, the Project Site is owned by the Agency and will be transferred to the Developer pursuant to the terms of a Disposition and Development Agreement to be negotiated separately from the ENA, and

**WHEREAS**, the ENA provides for, among other things, (a) site assemblage and (b) the development of said Mixed-Use Project as more particularly described in the ENA, and

**WHEREAS**, the Citizens Redevelopment Advisory Commission reviewed said ENA on May 4, 2005 and recommended approval to the Redevelopment Agency, and

**WHEREAS**, the Economic Development Committee reviewed said ENA on July 11, 2005 and recommended approval to the Redevelopment Agency.

**NOW, THEREFORE, BE IT RESOLVED** by the Modesto Redevelopment Agency that it hereby approves the Exclusive Negotiating Agreement as follows:

**Section 1.** By execution of this ENA, the Agency is not committing itself to or agreeing to undertake: (a) Any disposition of land to the Developer; or (b) Any other acts or activities requiring the subsequent independent exercise of discretion by the Agency, the City or any agency or department thereof.

**Section 2.** This ENA does not constitute a disposition of property or exercise of control over property by the Agency or the City and does not require a public hearing.

**Section 3.** Execution of this ENA by the Agency is merely an agreement to enter into a period of exclusive negotiations according to the terms hereof, reserving final discretion and approval by the Agency as to any Disposition and Development Agreement and all proceedings and decisions in connection therewith.

**Section 4.** The Agency hereby approves the ENA in substantially the form on file with the Secretary of the Agency.

**Section 5.** The Executive Director and Secretary of the Agency are hereby authorized and directed to execute the ENA on behalf of the Agency, subject to any minor conforming, technical or clarifying changes approved by the Agency Counsel. The Executive Director and Secretary are hereby further authorized and directed to take such further actions and execute such documents as are necessary to carry out the ENA on behalf of the Agency. The Executive Director is further authorized and directed to cooperate with the Developer in the negotiations between the Agency and Developer as provided under this ENA.

**Section 6.** This action by the Agency does not require supporting environmental analysis or documentation under the California Environmental Quality Act (CEQA) because the Agency is not committing itself to a project.

The foregoing resolution was introduced at a special meeting of the Modesto Redevelopment Agency held on the 3<sup>rd</sup> day of August 2005, by Agency Member Hawn, who moved its adoption, which motion being duly seconded by Agency Member Keating, was upon roll call carried and the resolution adopted by the following vote:

<b>AYES:</b>	Agency Members:	Hawn, Jackman, Keating, Marsh, O'Bryant, Mayor Ridenour
<b>NOES:</b>	Agency Members:	None
<b>ABSENT:</b>	Agency Members:	Dunbar

ATTEST: Jean Zahr  
JEAN ZAHR Secretary

APPROVED AS TO FORM:

By Michael Milich  
MICHAEL D. MILICH, General Counsel

**MODESTO REDEVELOPMENT AGENCY  
RESOLUTION NO. 10-2005**

**A RESOLUTION APPOINTING EUGENE T. HAYS TO THE CITIZENS  
REDEVELOPMENT ADVISORY COMMISSION**

WHEREAS, the Economic Development Committee met on August 8, 2005, and recommended appointment of EUGENE T. HAYS to the Citizens Redevelopment Advisory Commission.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Redevelopment Agency of the City of Modesto as follows:

SECTION 1. EUGENE T. HAYS is hereby appointed to the Citizens Redevelopment Advisory Commission with a term expiration of January 1, 2008.

SECTION 2. The Agency Secretary is hereby directed to transmit a copy of this resolution to the appointed member of the Citizens Redevelopment Advisory Commission, and the Secretary thereof.

The foregoing resolution was introduced at a regular meeting of the Redevelopment Agency of the City of Modesto held on the 13th day of September 2005, by Agency Member Jackman, who moved its adoption, which motion being duly seconded by Agency Member Hawn, was upon roll call carried and the resolution adopted by the following vote:

AYES: Agency Members: Dunbar, Hawn, Jackman, Keating, Marsh,  
O'Bryant, Chairperson Ridenour

NOES: Agency Members: None

ABSENT: Agency Members: None

APPROVED AS TO FORM:

By:   
MICHAEL D. MILICH, General Counsel

ATTEST:   
JEAN ZAHR, Agency Secretary

**MODESTO REDEVELOPMENT AGENCY  
RESOLUTION NO. 11-2005**

**A RESOLUTION APPROVING THE FIRST AMENDMENT TO OPTION  
AGREEMENT BY AND BETWEEN THE REDEVELOPMENT AGENCY OF  
THE CITY OF MODESTO AND FMC CORPORATION, INC. AND  
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE SAID FIRST  
AMENDMENT**

WHEREAS, the Redevelopment Agency of the City of Modesto (the "Agency") is carrying out the Redevelopment Plan for the Modesto Redevelopment Project, and

WHEREAS, the Agency on November 6, 2002, approved an Option Agreement (the "Agreement") with FMC Corporation, Inc., a Delaware corporation, (the "Owner") with respect to the acquisition of that certain real property located in the City of Modesto and more particularly described as Stanislaus County Assessors Parcel Number 029-1313, containing 45 acres, more or less, (the "Property"), and

WHEREAS, the Agency is desirous of encouraging the development of a Business Park (also known as "Kansas Woodland Business Park") on said Property for the benefit of the Agency and the City of Modesto, and

WHEREAS, said Agreement is scheduled to terminate on the third (3<sup>rd</sup>) anniversary of the Agreement effective date which termination date is November 6, 2005, and

WHEREAS, the Agency and the Owner have been working with the State of California to complete a remediation plan to remediate the contamination on said Property, and

WHEREAS, the Agency has also been working with Terrence Rose, Inc., a California corporation (the "Developer") to create a plan to develop and construct said Business Park on said Property, and

WHEREAS, the Agency desires to extend the term of said Agreement for one (1) year in order to facilitate said Business Park development and ensure the success of the remediation plan in partnership with the Owner and the Developer,

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that the First Amendment to Option Agreement by and between the Redevelopment Agency of the City of Modesto, a public body, corporate and politic, and FMC Corporation, Inc., a Delaware corporation, is hereby approved and said Option Agreement term is hereby extended to November 6, 2006.

BE IT FURTHER RESOLVED that the Redevelopment Agency of the City of Modesto does hereby authorize and direct its Executive Director to execute on behalf of the Agency said First Amendment to Option Agreement with Owner for purchase of Owner's property located on Kansas Avenue, which First Amendment is attached as Exhibit A and incorporated herein by this reference.



# EXHIBIT A

## FIRST AMENDMENT TO OPTION AGREEMENT

This First Amendment to Option Agreement ("First Amendment") is entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2005 ("Effective Date"), by and between FMC CORPORATION, a Delaware corporation ("Optionor"), and REDEVELOPMENT AGENCY OF THE CITY OF MODESTO, a public body, corporate and politic ("Optionee").

### RECITALS

A. Optionor and Optionee have entered into that certain Option Agreement dated as of November 6, 2002 ("Option Agreement") with respect to that certain real property located in the City of Modesto, County of Stanislaus, State of California, more particularly described in Exhibit A attached hereto and made a part hereof by this reference ("Property").

B. Optionor and Optionee desire to amend said Option Agreement pursuant to the terms of this First Amendment. The purpose of this First Amendment is to amend, effectuate and implement said Option Agreement by making certain changes necessary to reflect the further planning and decision of the parties in light of changed conditions and circumstances.

C. All capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Option Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, each of the parties hereto agrees as follows:

1. Section 2 (b) of the Option Agreement is hereby amended in its entirety to read as follows:

(b) Option Term. The term of the Option ("Option Term") shall commence on the Effective Date and expire on the earlier of (i) fifteen (15) days after the Option Condition is satisfied or (ii) the fourth (4<sup>th</sup>) annual anniversary of the Effective Date. If the expiration of the Option Term shall fall on a Saturday, Sunday or legal holiday, then such expiration shall be extended to the next following business day.

2. Authority. Optionor and Optionee hereby represent and warrant to each other that the execution, delivery and performance by such party of this First Amendment to Option Agreement has been duly authorized by all requisite public or corporate action, as applicable.

3. No Conflict. Except as modified by this First Amendment, the Option Agreement shall remain in full force and effect. In the event of any conflict between this First Amendment and the Option Agreement, this First Amendment shall govern and control the intent and agreement of the parties.

4. Counterparts. This First Amendment may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Redevelopment Agency of the City of Modesto, a public body, corporate and politic, has authorized the execution of this Agreement in duplicate by its Executive Director and attestation by its Secretary under authority of Resolution No. \_\_\_\_\_, adopted by the Modesto Redevelopment Agency on the \_\_\_ day of \_\_\_\_\_, 2005, and all parties have caused this Agreement to be duly executed on the day and year first above written.

OPTIONEE:  
REDEVELOPMENT AGENCY OF  
THE CITY OF MODESTO

OPTIONOR:  
FMC CORPORATION

By: \_\_\_\_\_  
George W. Britton, Executive Director

By: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_

By: \_\_\_\_\_  
Michael D. Milich, General Counsel

ATTEST:

\_\_\_\_\_  
Jean Zahr, Secretary

# EXHIBIT "A"

## LEGAL DESCRIPTION

Real property in the City of Modesto, County of Stanislaus, State of California, described as follows:

### PARCEL NO. 1:

BEGINNING AT A POINT IN THE WEST LINE OF THE PARCEL OF LAND DESCRIBED IN THE DEED FROM D-V-O PRODUCTS, INC. TO THE CENTRAL PACIFIC RAILWAY COMPANY DATED NOVEMBER 5, 1925 AND FILED FOR RECORD JULY 29, 1926 IN VOLUME 180 OF OFFICIAL RECORDS OF SAID COUNTY OF STANISLAUS AT PAGE 462, DISTANT SOUTH, 7.02 FEET THEREON FROM THE MOST NORTHERLY CORNER OF SAID PARCEL OF LAND; THENCE SOUTHERLY FROM A TANGENT THAT BEARS SOUTH 25° 44' 57" EAST ALONG A CURVE TO THE RIGHT OF A RADIUS OF 562.22 FEET, A DISTANCE OF 467.40 FEET; THENCE SOUTH 21° 53' WEST, 41.07 FEET TO THE SOUTHERLY END OF THAT PORTION OF THE EAST LINE OF THE LAND OF BARIUM PRODUCTS, LTD. THAT BEARS NORTH AND SOUTH; THENCE NORTH ALONG THE EAST LINE OF THE LANDS OF BARIUM PRODUCTS, LTD., 491.90 FEET TO THE POINT OF BEGINNING.

### PARCEL NO. 2:

BEGINNING AT THE MOST SOUTHERLY CORNER OF THE ABOVE DESCRIBED PARCEL NO. 1; THENCE SOUTH 21° 53' WEST, 93.98 FEET; THENCE SOUTHERLY FROM A TANGENT THAT BEARS SOUTH 21° 53' WEST ALONG A CURVE TO THE LEFT OF A RADIUS OF 583.14 FEET, A DISTANCE OF 222.72 FEET; THENCE SOUTH, TANGENT TO SAID CURVE, 484.27 FEET; THENCE SOUTH 8° 10' WEST, 98.55 FEET; THENCE WEST, 113.00 FEET TO THE EAST LINE OF MICHIGAN AVENUE; THENCE NORTH ALONG SAID EAST LINE, 800.00 FEET TO THE SOUTH LINE OF THE LAND OF BARIUM PRODUCTS, LTD.; THENCE EAST, ALONG SAID SOUTH LINE, 151.70 FEET TO THE SOUTHEASTERLY LINE OF THE LAND OF BARIUM PRODUCTS, LTD.; THENCE NORTH 31° 13' EAST THEREON, 101.00 FEET TO THE POINT OF BEGINNING.

### PARCEL NO. 3:

BEGINNING AT THE SOUTHWEST CORNER OF THE LAND OF D-V-O PRODUCTS, INS., A CORPORATION, AT A POINT IN THE EAST LINE OF MICHIGAN AVENUE, SAID POINT BEING DISTANT 20 FEET AT RIGHT ANGLES EAST FROM THE CENTER LINE OF SAID AVENUE AND 1840 FEET, MORE OR LESS, NORTHERLY FROM THE EAST AND WEST QUARTER SECTION LINE OF SAID SECTION 30; THENCE EAST 205.0 FEET ALONG THE SOUTH LINE OF SAID D-V-O PRODUCTS, INC., PROPERTY TO A POINT; THENCE SOUTH 215.82 FEET TO A POINT; THENCE SOUTH 31° 13' WEST 101.0 FEET TO A POINT; THENCE WEST 152.66 FEET TO A POINT IN THE SAID EAST LINE OF MICHIGAN AVENUE; THENCE NORTH ALONG THE SAID EAST LINE OF MICHIGAN AVENUE, A DISTANCE OF 302.2 FEET TO THE POINT OF BEGINNING.

### PARCEL NO. 4:

BEGINNING A POINT BEARING EAST 14.69 CHAINS FROM A POINT IN THE NORTH AND SOUTH QUARTER SECTION LINE, WHICH POINT BEARS NORTH 27. 88 CHAINS FROM THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 30; THENCE NORTH 524.70 FEET AND PART ALONG THE CENTER OF A ROAD TO THE WESTERLY RIGHT OF WAY LINE OF THE SOUTHERN PACIFIC RAILROAD; THENCE SOUTH 42°38' EAST 716.95 FEET AND ALONG SAID RIGHT OF WAY LINE; THENCE WEST 488.70 FEET TO THE POINT OF BEGINNING, AND LAST

MENTIONED COURSE IS ALSO AT RIGHT ANGLES FROM THE FIRST MENTIONED COURSE.

EXCEPTING THEREFROM THE WEST TWENTY (20) FEET.

ALSO EXCEPTING THEREFROM THE FOLLOWING:

ALL THAT PORTION OF THE EAST HALF OF SECTION 30, IN TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, BOUNDED AND PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SOUTHWESTERLY BOUNDARY LINE OF THE CENTRAL PACIFIC RAILWAY COMPANY'S RIGHT OF WAY, SAID POINT BEING DISTANT 330.0 FEET, MEASURED SOUTH 42° 58' EAST ALONG SAID SOUTHWESTERLY BOUNDARY LINE FROM ITS INTERSECTION WITH THE CENTER LINE OF A ROAD AS LAID OUT ALONG THE WEST SIDE OF THE PROPERTY OF THE D-V-O PRODUCTS, INC.; THENCE SOUTH 42°58'EAST 386.90 FEET ALONG SAID BOUNDARY LINE; THENCE WEST 263.70 FEET; THENCE AT RIGHT ANGLES NORTH 283.10 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 5:

BEGINNING AT A POINT MARKING THE NORTHWEST CORNER OF THE 1.002 ACRE PARCEL OF LAND DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA DATED AUGUST 23, 1955 AND RECORDED SEPTEMBER 29, 1955 IN VOLUME 1318 OF OFFICIAL RECORDS, AT PAGE 461, AS INSTRUMENT NO. 29114, SAID CORNER LYING ON THE EAST LINE OF BENNETT ROAD (ALSO KNOWN AS MICHIGAN AVENUE, AND BEING 40 FEET IN WIDTH); THENCE ALONG THE NORTH LINE OF SAID 1.002 ACRE PARCEL, SOUTH 89° 47' EAST 113.67 FEET TO THE MOST NORTHEASTERLY CORNER OF SAID PARCEL; THENCE ALONG THE EASTERLY BOUNDARY OF SAID PARCEL THE FOLLOWING COURSES; SOUTH 0° 11' 40" EAST, 20.04 FEET; SOUTH 89° 47' EAST, 14.07 FEET; AND SOUTH 0° 11' 40" EAST, 231.60 FEET; THENCE LEAVING SAID EASTERLY BOUNDARY NORTH 49° 22' 30" WEST, 140.20 FEET; THENCE NORTH 37° 24' 39" WEST, 35.78 FEET TO THE WESTERLY LINE OF SAID 1.002 ACRE PARCEL (ALSO BEING THE EASTERLY LINE OF SAID BENNETT ROAD); THENCE ALONG SAID WESTERLY LINE NORTH 0° 11' 40" WEST, 132.41 FEET TO THE POINT OF BEGINNING.

RESERVING THEREFROM SUCH INTEREST IN THAT PORTION OF THE EAST 15.00 THEREOF, AS WAS RESERVED FOR RAILROAD PURPOSES IN THE DEED FROM CENTRAL PACIFIC RAILROAD COMPANY AND SOUTHERN PACIFIC COMPANY, DATED AUGUST 21, 1947 AND RECORDED OCTOBER 22, 1947 IN VOLUME 910 OF OFFICIAL RECORDS, AT PAGE 406, AS INSTRUMENT NO. 27554, STANISLAUS COUNTY RECORDS.

ALSO EXCEPTING AND RESERVING THEREFROM ALL PETROLEUM, OIL, NATURAL GAS AND PRODUCTS DERIVED THEREFROM, WITHIN OR UNDERLYING THE SAID LAND OR THAT MAY BE PRODUCED THEREFROM, AND ALL RIGHTS THERETO, AS RESERVED IN THE DEED FROM CENTRAL PACIFIC RAILWAY COMPANY AND SOUTHERN PACIFIC COMPANY, DATED AUGUST 21, 1947 AND RECORDED OCTOBER 22, 1947 IN VOLUME 910 OF OFFICIAL RECORDS, AT PAGE 406, AS INSTRUMENT NO. 27554, STANISLAUS COUNTY RECORDS. SAID RIGHTS SHALL NOT INCLUDE USE OF THE SURFACE OF SAID LAND.

PARCEL NO. 6:

LOTS 1 TO 9, INCLUSIVE, IN BLOCK 5072 OF THE GRANGE TRACT, ACCORDING TO THE OFFICIAL MAP THEREOF, FILED SEPTEMBER 14, 1940 IN THE OFFICE OF THE COUNTY RECORDER OF STANISLAUS COUNTY, CALIFORNIA IN VOLUME 14 OF MAPS AT PAGE 5.

ALSO, LOTS 1 TO 8, IN INCLUSIVE, IN BLOCK 5043 OF THE GRANGE TRACT, ACCORDING TO THE MAP HEREINABOVE REFERRED TO.

PARCEL NO. 7:

ALL OF ABANDONED DULUTH AVENUE, BEING A 60 FOOT STRIP OF LAND RUNNING EAST AND WEST, LYING WITHIN AND AS SHOWN ON THE MAP OF THE GRANGE TRACT FILED SEPTEMBER 14, 1940 VOLUME 14 OF MAPS, PAGE 5, IN THE OFFICE OF THE COUNTY RECORDER OF STANISLAUS COUNTY, CALIFORNIA.

PARCEL NO. 8:

BEGINNING AT A POINT ON THE NORTH AND SOUTH QUARTER SECTION LINE IN SAID SECTION 30, BEARING NORTH 29.32 CHAINS FROM THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION; AND BEING THE SOUTHWEST CORNER OF THAT CERTAIN TRACT OF LAND CONVEYED TO THE GRANGE COMPANY BY DEED RECORDED JUNE 26, 1923 IN VOLUME 23 OF OFFICIAL RECORDS, AT PAGE 331; RUN THENCE NORTH ALONG THE SAID QUARTER SECTION LINE 135 FEET; THENCE EAST 110 FEET; THENCE SOUTH 135 FEET TO SOUTH LINE OF LAND CONVEYED TO SAID GRANGE COMPANY; THENCE WEST ALONG SOUTH LINE OF SAID LAND SO CONVEYED TO THE GRANGE COMPANY 110 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 9:

COMMENCE AT THE INTERIOR QUARTER CORNER OF SAID SECTION 30; THENCE NORTH 0° 33' 30" WEST ALONG THE NORTH AND SOUTH QUARTER SECTION LINE OF SAID SECTION 30, A DISTANCE OF 1604.26 FEET TO THE NORTHWEST CORNER OF THAT CERTAIN PARCEL OF LAND CONVEYED TO D. D. CAMPIN IN VOLUME 797 OF OFFICIAL RECORDS, AT PAGE 390, RECORDS OF STANISLAUS COUNTY RECORDER'S OFFICE AND THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE SOUTH 89° 46' 30" EAST ALONG THE NORTH LINE OF SAID LAND SO CONVEYED TO D. D. CAMPIN AND PARALLEL TO THE EAST AND WEST QUARTER SECTION LINE THROUGH SAID SECTION 30, A DISTANCE OF 950.97 FEET TO THE NORTHEAST CORNER OF SAID CAMPIN PARCEL, SAID CORNER BEING ON THE WEST LINE OF 40 FOOT ROAD KNOWN AS BENNETT AVENUE; THENCE NORTH 0° 42' 30" WEST ALONG THE WEST LINE OF SAID 40 FOOT ROAD, A DISTANCE OF 334.45 FEET TO THE SOUTHEAST CORNER OF THE GRANGE TRACT, ACCORDING TO THE OFFICIAL MAP THEREOF FILED FOR RECORD IN THE OFFICE OF THE COUNTY RECORDER OF STANISLAUS COUNTY IN VOLUME 14 OF MAPS, AT PAGE 5; THENCE NORTH 89° 55' 30" WEST, ALONG THE SOUTH LINE OF SAID GRANGE TRACT AND THE EXTENSION THEREOF, A DISTANCE OF 950.68 FEET TO THE SAID NORTH AND SOUTH ONE-QUARTER SECTION LINE; THENCE SOUTH 0° 33' 30" EAST AND ALONG THE NORTH AND SOUTH QUARTER SECTION LINE OF SAID SECTION 30, A DISTANCE OF 332.16 FEET TO THE TRUE POINT OF BEGINNING OF THIS DESCRIPTION.

PARCEL NO. 10:

BEGINNING AT A POINT ON THE NORTH AND SOUTH QUARTER SECTION LINE AT A POINT BEARING NORTH 13.89 CHAINS FROM THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 30; THENCE NORTH ON SAID QUARTER SECTION LINE 10.417 CHAINS; THENCE EAST 14.40 CHAINS; THENCE SOUTH 10.417 CHAINS; THENCE WEST 14.40 CHAINS TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THAT CERTAIN LAND DESCRIBED IN THE DEED FROM BARIUM PRODUCTS, LTD., TO ELIZABETH B. RAVEN BAKER, RECORDED MAY 23, 1956 IN VOLUME 1365 OF OFFICIAL RECORDS, AT PAGE 658, AS INSTRUMENT NO. 14454, STANISLAUS COUNTY

RECORDS.

ALSO EXCEPTING THEREFROM THAT CERTAIN LAND DESCRIBED AS PARCEL NO. 2 IN THE DEED FROM FRANK J. MITCHELL, ET UX, AND FRED SAMPSON, ET UX, TO THE STATE OF CALIFORNIA, RECORDED SEPTEMBER 12, 1958 IN VOLUME 1502 OF OFFICIAL RECORDS, AT PAGE 446, AS INSTRUMENT NO. 22893, STANISLAUS COUNTY RECORDS.

ALSO EXCEPTING FROM THE ABOVE PARCEL NOS. 6,7,8,9, AND 10, ALL THOSE PORTIONS OF LAND CONVEYED TO THE COUNTY OF STANISLAUS IN DEEDS RECORDED DECEMBER 4, 1951 IN BOOK 1059 OF OFFICIAL RECORDS, PAGE 480 AND RECORDED JANUARY 25, 1952 IN BOOK 1067 OF OFFICIAL RECORDS PAGE 598.

ALSO EXCEPTING FROM THE ABOVE PARCEL NOS. 9 AND 10, ALL THAT PORTION LYING SOUTHWESTERLY OF THE NORTHEASTERLY LINES OF LAND CONVEYED TO STATE OF CALIFORNIA IN DEED RECORDED DECEMBER 28, 1961 IN BOOK 1731 OF OFFICIAL RECORDS, PAGE 691.

PARCEL NO. 11:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED AS PARCEL NO. 2 IN THE DEED TO THE STATE OF CALIFORNIA DATED JUNE 25, 1958 AND RECORDED SEPTEMBER 12, 1958 IN VOLUME 1502 OF OFFICIAL RECORDS, AT PAGE 446, STANISLAUS COUNTY RECORDS, SAID POINT LYING SOUTH 89° 47' EAST, 99.73 FEET ALONG SAID NORTHERLY LINE FROM THE NORTHWEST CORNER OF SAID PARCEL; THENCE SOUTH 43° 07' 30" EAST, 27.93 FEET TO A POINT IN THE SOUTHERLY LINE OF SAID PARCEL; THENCE ALONG SAID SOUTHERLY LINE, SOUTH 89° 47' EAST, 282.23 FEET TO THE WESTERLY LINE OF BENNETT ROAD (ALSO KNOWN AS MICHIGAN AVENUE, AND BEING 40 FEET IN WIDTH); THENCE NORTH ALONG SAID WESTERLY LINE, 20.31 FEET; THENCE ALONG SAID NORTHERLY LINE OF SAID PARCEL DESCRIBED IN SAID DEED DATED JUNE 25, 1958, NORTH 89° 47' WEST, 301.25 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 12:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF THAT CERTAIN PARCEL OF LAND DESCRIBED AS PARCEL NO. 1 IN THE DEED TO THE STATE OF CALIFORNIA DATED JUNE 25, 1958 AND RECORDED SEPTEMBER 12, 1958 IN VOLUME 1502 OF OFFICIAL RECORDS, AT PAGE 446, STANISLAUS COUNTY RECORDS, SAID POINT LYING SOUTH 89° 47' EAST, 118.75 FEET ALONG SAID NORTH LINE FROM THE NORTHWEST CORNER OF SAID PARCEL NO. 1; THENCE ALONG SAID NORTH LINE, SOUTH 89° 47' EAST, 282.33 FEET TO A POINT IN THE WESTERLY LINE OF BENNETT ROAD (ALSO KNOWN AS MICHIGAN AVENUE AND BEING 40 FEET IN WIDTH); THENCE SOUTH ALONG SAID WESTERLY LINE, 243.08 FEET; THENCE NORTH 89° 47' 15" WEST, 49.26 FEET; THENCE FROM A TANGENT THAT BEARS NORTH 46° 42' 51" WEST, ALONG A CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 1972 FEET, THROUGH AN ANGLE OF 3° 35' 21" A DISTANCE OF 123.53 FEET; THENCE NORTH 43° 07' 30" WEST, 214.42 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 13:

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF CALDWELL AVENUE, FORMERLY WOODLAND AVENUE, WITH THE SOUTHWESTERLY LINE OF THE LAND DESCRIBED IN DEED DATED MARCH 7, 1873 FROM JOHN T. MAZE TO CENTRAL PACIFIC RAILROAD COMPANY, RECORDED MAY 5, 1873 IN BOOK 10 OF DEEDS, AT PAGE 342, STANISLAUS COUNTY RECORDS; THENCE SOUTH 42° 53' 30" EAST ALONG SAID SOUTHWESTERLY LINE OF SAID LAND, 392.96 FEET TO A POINT IN THE EASTERLY LINE OF

THE 2.09 ACRE PARCEL OF LAND DESCRIBED IN DEED DATED JUNE 20, 1924 FROM WILLIAM DAGGS, SR. AND LOUISE DAGGS, HIS WIFE TO CENTRAL PACIFIC RAILWAY COMPANY, RECORDED JULY 17, 1924 IN VOLUME 74 OF OFFICIAL RECORDS AT PAGE 134, STANISLAUS COUNTY RECORDS; THENCE SOUTH ALONG SAID EASTERLY LINE, 1406.01 FEET TO A POINT; THENCE WEST, AT RIGHT ANGLES FROM SAID EASTERLY LINE, 40.00 FEET TO A POINT IN THE WESTERLY LINE OF SAID 2.09 ACRE PARCEL OF LAND; THENCE NORTH ALONG SAID WESTERLY LINE 1390.30 FEET TO A POINT IN A LINE PARALLEL WITH AND DISTANT SOUTHWESTERLY, 40.00 FEET, MEASURED AT RIGHT ANGLES FROM SAID SOUTHWESTERLY LINE OF SAID LAND DESCRIBED IN SAID DEED DATED MARCH 7, 1873; THENCE NORTH 42° 53' 30" WEST ALONG SAID PARALLEL LINE, 415.45 FEET TO A POINT IN THE SOUTHERLY LINE OF SAID CALDWELL AVENUE; THENCE SOUTH 89° 12' 30" EAST, ALONG THE SOUTHERLY LINE OF CALDWELL AVENUE, 55.31 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL OF LAND BEING A PORTION OF BENNETT AVENUE (SOMETIMES KNOWN AS MICHIGAN AVENUE), ABANDONED BY THE STANISLAUS COUNTY BOARD OF SUPERVISORS BY SUPERVISOR'S ORDER RECORDED JULY 11, 1951 IN VOLUME 1039 OF OFFICIAL RECORDS, AT PAGE 97, STANISLAUS COUNTY RECORDS AS INSTRUMENT NO. 16289.

EXCEPTING AND RESERVING THEREFROM ALL MINERALS AND MINERAL ORES OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED UPON, WITHIN OR UNDERLYING SAID LAND OR THAT MAY BE PRODUCED THEREFROM INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL PETROLEUM, OIL, NATURAL GAS AND OTHER HYDROCARBON SUBSTANCES AND PRODUCTS DERIVED THEREFROM, TOGETHER WITH THE EXCLUSIVE AND PERPETUAL RIGHT OF INGRESS AND EGRESS BENEATH THE SURFACE OF SAID LAND TO EXPLORE FOR, EXTRACT, MINE AND REMOVE THE SAME, AS RESERVED IN THE INDENTURE BY CENTRAL PACIFIC RAILWAY COMPANY AND SOUTHERN PACIFIC COMPANY, DATED NOVEMBER 8, 1951 AND RECORDED NOVEMBER 14, 1951 IN VOLUME 1056 OF OFFICIAL RECORDS, AT PAGE 445, STANISLAUS COUNTY RECORDS.

PARCEL NO. 14:

BEGINNING AT THE NORTHWEST CORNER OF THE 5.55 ACRE PARCEL OF LAND DESCRIBED IN INDENTURE DATED APRIL 5, 1961 FROM SOUTHERN PACIFIC COMPANY TO THE STATE OF CALIFORNIA, RECORDED MARCH 19, 1962 IN VOLUME 1750 OF OFFICIAL RECORDS, AT PAGE 445, AS INSTRUMENT NO. 10483, STANISLAUS COUNTY RECORDS; SAID NORTHWEST CORNER ALSO BEING A POINT ON THE WEST LINE OF LAND DESCRIBED IN INDENTURE DATED JUNE 20, 1924 FROM WILLIAM DAGGS, SR., AND LOUISE DAGGS TO CENTRAL PACIFIC RAILWAY COMPANY AND RECORDED JULY 17, 1924 IN VOLUME 74 OF OFFICIAL RECORDS, AT PAGE 134, AND RE-RECORDED AUGUST 11, 1924 IN VOLUME 77 OF OFFICIAL RECORDS, AT PAGE 256, STANISLAUS COUNTY RECORDS; THENCE NORTH ALONG SAID WEST LINE 243.08 FEET TO A POINT IN THE MOST SOUTHERLY LINE OF THE 1.655 ACRE PARCEL OF LAND DESCRIBED IN INDENTURE DATED NOVEMBER 8, 1951 FROM CENTRAL PACIFIC RAILWAY COMPANY AND SOUTHERN PACIFIC COMPANY TO BARIUM PRODUCTS, LTD., RECORDED NOVEMBER 14, 1951 IN VOLUME 1056 OF OFFICIAL RECORDS, AT PAGE 445, AS INSTRUMENT NO. 26538; THENCE EAST, ALONG LAST SAID LINE, 40.0 FEET TO A POINT IN THE EAST LINE OF LAND DESCRIBED IN SAID INDENTURE DATED JUNE 20, 1924; THENCE SOUTH, ALONG SAID EAST LINE, 243.08 FEET TO A POINT ON THE NORTHERLY LINE OF LAND DESCRIBED IN SAID INDENTURE DATED APRIL 5, 1961; THENCE NORTH 89° 35' 35" WEST, ALONG SAID NORTHERLY LINE, A DISTANCE OF 40.00 FEET TO THE POINT OF BEGINNING.

EXCEPTING AND RESERVING THEREFROM ALL OF THE MINERALS AND MINERAL ORES OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED UPON, WITHIN OR UNDERLYING SAID LAND OR THAT MAY BE PRODUCED THEREFROM, INCLUDING, WITHOUT

LIMITING THE GENERALITY OF THE FOREGOING, ALL PETROLEUM, OIL, NATURAL GAS AND OTHER HYDROCARBON SUBSTANCES AND PRODUCTS DERIVED THEREFROM, TOGETHER WITH THE EXCLUSIVE AND PERPETUAL RIGHT OF INGRESS AND EGRESS BENEATH THE SURFACE OF SAID LAND TO EXPLORE FOR, EXTRACT, MINE AND REMOVE THE SAME, AS RESERVED IN THE DEED FROM SOUTHERN PACIFIC COMPANY, A CORPORATION, DATED OCTOBER 21, 1965 AND RECORDED NOVEMBER 26, 1965 IN VOLUME 2071 OF OFFICIAL RECORDS, AT PAGE 75, AS INSTRUMENT NO. 46197, STANISLAUS COUNTY RECORDS.

PARCEL NO. 15:

ALL THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS PER THE APPROVED U.S. GOVERNMENT SURVEY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST NORTHERLY CORNER OF LAND DESCRIBED IN INDENTURE DATED NOVEMBER 5, 1925 FROM D-V-O PRODUCTS, INC. TO CENTRAL PACIFIC RAILWAY COMPANY (NOW SOUTHERN PACIFIC COMPANY), RECORDED JULY 29, 1926, IN VOLUME 180, AT PAGE 462, OFFICIAL RECORDS OF SAID COUNTY; THENCE SOUTH  $42^{\circ} 53' 30''$  EAST, ALONG THE NORTHEASTERLY LINE OF LAND DESCRIBED IN SAID INDENTURE, PARALLEL WITH AND DISTANT 50.0 FEET SOUTHWESTERLY, MEASURED AT RIGHT ANGLES, FROM THE ORIGINAL LOCATED CENTER LINE OF SOUTHERN PACIFIC COMPANY'S MAIN TRACK (LATHROP TO FRESNO), 378.50 FEET; THENCE SOUTHERLY ON A CURVE TO THE RIGHT HAVING A RADIUS OF 372.25 FEET, THROUGH A CENTRAL ANGLE TO  $22^{\circ} 29' 08''$  (CHORD OF SAID CURVE BEARS SOUTH  $11^{\circ} 14' 34''$  EAST, 145.15 FEET), AN ARC DISTANCE OF 146.09 FEET; THENCE SOUTH, TANGENT TO SAID CURVE, 985.59 FEET TO THE NORTHEAST CORNER OF THE 107,836 SQUARE FOOT PARCEL OF LAND DESCRIBED AS PARCEL 2 IN INDENTURE DATED AUGUST 21, 1947, FROM CENTRAL PACIFIC RAILWAY COMPANY AND SOUTHERN PACIFIC COMPANY TO MODESTO PRODUCE PACKING COMPANY, RECORDED OCTOBER 22, 1947, IN BOOK 910, AT PAGE 406, OFFICIAL RECORDS OF SAID COUNTY, AS INSTRUMENT NO. 27554; THENCE WEST, ALONG THE NORTHERLY LINE OF SAID LAST MENTIONED LAND, 329.00 FEET TO THE NORTHWEST CORNER THEREOF; THENCE SOUTH, ALONG THE WESTERLY LINE OF LAND DESCRIBED AS PARCEL 2, IN SAID INDENTURE DATED AUGUST 21, 1947, A DISTANCE OF 260.08 FEET TO A POINT ON THE NORTHEASTERLY LINE OF 0.116 ACRE PARCEL OF LAND DESCRIBED AS PARCEL NO. 2 IN INDENTURE DATED APRIL 5, 1961, FROM SOUTHERN PACIFIC COMPANY TO THE STATE OF CALIFORNIA, RECORDED SEPTEMBER 12, 1961, IN VOLUME 1707, AT PAGE 496, OFFICIAL RECORDS OF SAID COUNTY, AS INSTRUMENT NO. 28718; THENCE NORTH  $49^{\circ} 10' 50''$  WEST ALONG LAST SAID NORTHEASTERLY LINE 44.93 FEET TO A POINT ON EASTERLY LINE OF THE 43,654 SQUARE FOOT PARCEL OF LAND DESCRIBED AS PARCEL NO. 1 IN SAID INDENTURE DATED AUGUST 21, 1947; THENCE ALONG SAID EASTERLY LINE, THE FOLLOWING COURSES AND DISTANCES: NORTH 230.71 FEET; WEST, 14.00 FEET; AND NORTH, 20.00 FEET; THENCE ALONG THE EASTERLY LINE OF THE 2.404 ACRE PARCEL OF LAND DESCRIBED AS PARCEL NO. 2 IN INDENTURE DATED MARCH 15, 1943, FROM CENTRAL PACIFIC RAILWAY COMPANY AND SOUTHERN PACIFIC COMPANY TO BARIUM PRODUCTS, LTD., RECORDED JULY 20, 1943, IN BOOK 776, AT PAGE 91, OFFICIAL RECORDS OF SAID COUNTY, AS INSTRUMENT NO. 10746, THE FOLLOWING COURSES AND DISTANCES: NORTH  $8^{\circ} 10'$  EAST, 98.55 FEET; NORTH 484.21 FEET; NORTHERLY, ON A CURVE TO THE RIGHT HAVING A RADIUS OF 583.14 FEET, THROUGH A CENTRAL ANGLE OF  $21^{\circ} 53'$  (CHORD OF LAST SAID CURVE BEARS NORTH  $10^{\circ} 56' 30''$  EAST, 221.37 FEET), AN ARC DISTANCE OF 222.72 FEET; AND NORTH  $21^{\circ} 53'$  EAST, TANGENT TO LAST SAID CURVE, 93.98 FEET TO THE NORTHEAST CORNER OF SAID 2.404 ACRE PARCEL OF LAND, LAST SAID NORTHEAST CORNER ALSO BEING THE MOST SOUTHERLY CORNER OF THE 0.422 ACRE PARCEL OF LAND DESCRIBED AS PARCEL NO. 1 IN SAID INDENTURE DATED MARCH 15, 1943; THENCE ALONG THE EASTERLY LINE OF SAID 0.422 ACRE PARCEL OF LAND, THE FOLLOWING COURSES AND DISTANCES: NORTH  $21^{\circ} 53'$  EAST, 41.07 FEET; AND NORTHERLY, ON A CURVE TO THE LEFT HAVING A RADIUS OF 562.22 FEET,

THROUGH A CENTRAL ANGLE OF 47° 37' 57" (CHORD OF LAST SAID CURVE BEARS NORTH 1° 55' 59" WEST, 454.05 FEET), AN ARC DISTANCE OF 467.40 FEET TO A POINT IN THE WEST LINE OF LAND DESCRIBED IN SAID INDENTURE DATED NOVEMBER 5, 1925; THENCE NORTH, ALONG LAST SAID LINE, 7.02 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL OF THE MINERALS AND MINERAL ORES OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED UPON, WITHIN OR UNDERLYING SAID LAND OR THAT MAY BE PRODUCED THEREFROM, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL PETROLEUM, OIL, NATURAL GAS AND OTHER HYDROCARBON SUBSTANCES AND PRODUCTS DERIVED THEREFROM, TOGETHER WITH THE EXCLUSIVE AND PERPETUAL RIGHT OF INGRESS AND EGRESS BENEATH THE SURFACE OF SAID LAND TO EXPLORE FOR, EXTRACT, MINE AND REMOVE THE SAME, AS EXPECTED AND RESERVED IN THE DEED FROM SOUTHERN PACIFIC COMPANY, A CORPORATION, RECORDED NOVEMBER 26, 1965 IN VOLUME 2071 OF OFFICIAL RECORDS, AT PAGE 75, STANISLAUS COUNTY RECORDS.

PARCEL NO. 16:

ALL THAT PORTION OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA DATED AUGUST 29, 1958 AND RECORDED OCTOBER 31, 1958 IN VOLUME 1511 OF OFFICIAL RECORDS, AT PAGE 12, AS INSTRUMENT NO. 27377, AND LOCATED IN THE NORTHEAST QUARTER OF SECTION 30, TOWNSHIP 3 SOUTH, RANGE 9 EAST, MOUNT DIABLO BASE AND MERIDIAN, AS PER THE APPROVED U.S. GOVERNMENT SURVEY, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EASTERLY LINE OF SAID PARCEL OF LAND DESCRIBED IN SAID DEED, SAID POINT LYING NORTH 0° 11' 45" WEST, 135.20 FEET FROM THE SOUTHEAST CORNER OF SAID PARCEL OF LAND; THENCE NORTH 49° 22' 30" WEST, 436.91 FEET TO A POINT ON THE WESTERLY BOUNDARY OF SAID PARCEL; THENCE ALONG SAID WESTERLY BOUNDARY, NORTH 0° 11' 40" WEST, 260.77 FEET TO THE NORTHWEST CORNER OF SAID PARCEL; THENCE ALONG THE NORTHERLY LINE OF SAID PARCEL, SOUTH 89° 47' EAST, 330.65 FEET TO THE NORTHEAST CORNER OF SAID PARCEL; THENCE ALONG THE AFORESAID EASTERLY LINE, SOUTH 0° 11' 45" EAST, 544.00 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL PETROLEUM, OIL, NATURAL GAS AND PRODUCTS DERIVED THEREFROM, WITHIN OR UNDERLYING SAID LAND OR THAT MAY BE PRODUCED THEREFROM, AND ALL RIGHTS THERETO, PROVIDED THE GRANTOR, THEIR SUCCESSORS OR ASSIGNS, SHALL NOT USE THE SURFACE OF SAID LAND IN THE EXERCISE OF ANY OF SAID RIGHTS, AS EXPECTED AND RESERVED IN THE DEEDS FROM CENTRAL PACIFIC RAILWAY COMPANY, A CORPORATION, AND SOUTHERN PACIFIC COMPANY, A CORPORATION, RECORDED SEPTEMBER 13, 1946 OF VOLUME 865 OF OFFICIAL RECORDS, AT PAGE 141, AS INSTRUMENT NO. 25760, AND RECORDED OCTOBER 22, 1947 IN VOLUME 910 OF OFFICIAL RECORDS, AT PAGE 406, AS INSTRUMENT NO. 27554, STANISLAUS COUNTY RECORDS.

ALSO EXCEPTING THEREFROM THAT PORTION OF THE EASTERLY 15 FEET THEREOF WHICH LIES SOUTH OF THE NORTH 327.77 FEET, AS EXPECTED AND RESERVED FOR THE CONSTRUCTION, RECONSTRUCTION, MAINTENANCE AND OPERATION OF RAILROAD TRACKS AND APPURTENANCES THEREON, IN SAID DEED RECORDED SEPTEMBER 13, 1946 IN VOLUME 865 OF OFFICIAL RECORDS, AT PAGE 141, AS INSTRUMENT NO. 25760, STANISLAUS COUNTY RECORDS.

ALSO EXCEPTING THEREFROM SUCH INTEREST IN THE WEST 15 FEET OF THE NORTH 327.77 FEET OF SAID PARCEL NO. 2, LESS THE NORTH 20 FEET THEREOF, AND EXCEPTING THEREFROM SUCH INTEREST IN THE EAST 15 FEET OF THE NORTH 327.77 FEET OF SAID

PARCEL NO. 2, LESS THE NORTH 20 FEET THEREOF, RESERVED FOR RAILROAD PURPOSES IN THE SAID DEED RECORDED OCTOBER 22, 1947 IN VOLUME 910 OF OFFICIAL RECORDS, AT PAGE 406, AS INSTRUMENT NO. 27554, STANISLAUS COUNTY RECORDS.

APN: 029-13-12-690 and 029-13-13-660 and 029-14-10-340

**REDEVELOPMENT AGENCY  
RESOLUTION NO: 12-2005**

**A RESOLUTION ADOPTING THE ANNUAL REPORTS FOR THE FISCAL  
YEAR ENDING JUNE 30, 2005 FOR THE REDEVELOPMENT AGENCY OF  
THE CITY OF MODESTO**

WHEREAS, pursuant to Health & Safety Code Section 33080, the Agency is required to submit prior to December 31<sup>st</sup> of each calendar year an Annual Report to the State Controller containing the following documents:

1. State Controller's Report
2. Housing and Community Development Report
3. Blight Progress Report
4. Loan Report
5. Property Report
6. Statement of Indebtedness

which are attached hereto as Exhibit "A", and made a part hereof by this reference, and

WHEREAS, this Annual Report was approved by the Agency at its Special Meeting on December 14, 2005.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that the Annual Reports for the Fiscal Year ending June 30, 2005 are hereby adopted.



Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Achievement Information (Unaudited)

Fiscal Year 2005

Indicate Only Those Achievements Completed During the Fiscal Year of this Report as a Direct Result of the Activities of the Redevelopment Agency.

Please provide a description of the agency's activities/accomplishments during the past year.

(Please be specific, as this information will be the basis for possible inclusion in the publication.)

Activity Report

**RDA Master Plan & EIR:**The Master Plan and Environmental Impact Report (EIR) are being updated and will provide policy guidelines and goals for land uses and project concepts. An administrative draft of the Master Plan has received great public input through a series of public meetings. The approval of the Master Plan and EIR update should be completed by early 2006.

**Downtown Signs:**Various downtown wayfinding signs were under construction by the end of the FY 04-05. It is anticipated that the installation of the signs will be complete by early 2006.

**Gallo Center for the Arts:**Construction is well underway on the center's 1,200 seat theatre, 400 seat theatre and art gallery. The project will receive RDA assistance by way of street, streetscape and traffic signal improvements. Completion is anticipated in late 2006.

**Kansas Woodland Business Park:**The environmental, traffic and water studies and assessments are ongoing for the 45 acre brownfield parcel. The subdivision map, and EIR are nearing completion and construction could begin late 2006.

**17th & G Tower Park Affordable Housing:**The RDA is negotiating a purchase agreement with the City for a decommissioned park for the development of an affordable housing project. The project should be complete and available to the public by late 2007.

**10th & H Mixed-Use:**A mixed-use project including housing, parking, hotel and

Enter the amount of square footage completed this year by building type and segregated by new or rehabilitated construction.

Square Footage Completed

New Construction

Rehabilitated

Commercial Buildings	<input type="text"/>	<input type="text"/>
Industrial Buildings	<input type="text"/>	<input type="text"/>
Public Buildings	<input type="text"/>	<input type="text"/>
Other Buildings	<input type="text"/>	<input type="text"/>
<b>Total Square Footage</b>	<input type="text" value="0"/>	<input type="text" value="0"/>

Enter the Number of Jobs Created from the Activities of the Agency

Types Completed

A=Utilities B=Recreation C=Landscaping D=Sewer/ Storm E=Streets/ Roads F=Bus/Transit

**Modesto Redevelopment Agency**

**Redevelopment Agencies Financial Transactions Report**

**General Information**

Fiscal Year

Members of the Governing Body			
	Last Name	First Name	Middle Initial
Chairperson	<input type="text" value="Ridenour"/>	<input type="text" value="Jim"/>	<input type="text"/>
Member	<input type="text" value="Keating"/>	<input type="text" value="Janice"/>	<input type="text"/>
Member	<input type="text" value="Jackman"/>	<input type="text" value="Denny"/>	<input type="text"/>
Member	<input type="text" value="O'Bryant"/>	<input type="text" value="Will"/>	<input type="text"/>
Member	<input type="text" value="Hawn"/>	<input type="text" value="Brad"/>	<input type="text"/>
Member	<input type="text" value="Marsh"/>	<input type="text" value="Garrad"/>	<input type="text"/>
Member	<input type="text" value="Dunbar"/>	<input type="text" value="Bob"/>	<input type="text"/>
Member	<input type="text"/>	<input type="text"/>	<input type="text"/>
Member	<input type="text"/>	<input type="text"/>	<input type="text"/>
Member	<input type="text"/>	<input type="text"/>	<input type="text"/>

Agency Officials				
	Last Name	First Name	Middle Initial	Phone
Executive Director	<input type="text" value="Britton"/>	<input type="text" value="George"/>	<input type="text"/>	<input type="text" value="(209) 577-5221"/>
Fiscal Officer	<input type="text" value="Britton"/>	<input type="text" value="George"/>	<input type="text"/>	<input type="text" value="(209) 577-5221"/>
Secretary	<input type="text" value="Zahr"/>	<input type="text" value="Jean"/>	<input type="text"/>	<input type="text" value="(209) 577-5398"/>

Report Prepared By		Independent Auditor	
Firm Name	<input type="text"/>	<input type="text" value="Maze &amp; Associates"/>	
Last	<input type="text" value="Newlin"/>	<input type="text" value="Maze"/>	
First	<input type="text" value="Barrett"/>	<input type="text" value="Scott"/>	
Middle Initial	<input type="text" value="R"/>	<input type="text"/>	
Street	<input type="text" value="P.O. Box 642"/>	<input type="text" value="1931 San Miguel Drive, Suite 100"/>	
City	<input type="text" value="Modesto"/>	<input type="text" value="Walnut Creek"/>	
State	<input type="text" value="CA"/>	<input type="text" value="CA"/>	
Zip Code	<input type="text" value="95354-"/>	<input type="text" value="94596-5358"/>	
Phone	<input type="text" value="(209) 577-5373"/>	<input type="text" value="(925) 930-0902"/>	

Mailing Address					
Street 1	<input type="text" value="P.O. Box 642"/>				
Street 2	<input type="text"/>				
City	<input type="text" value="Modesto"/>	State	<input type="text" value="CA"/>	Zip	<input type="text" value="95354-"/>
Phone	<input type="text" value="(209) 577-5373"/>				
<input checked="" type="checkbox"/> Is Address Changed?					

**DRAFT**

Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Achievement Information (Unaudited)

retail has an Exclusive Negotiating Agreement to construct the development on an RDA owned parking lot. Market studies and due diligence are under way. Construction should be complete by 2009.

# Modesto Redevelopment Agency

## Redevelopment Agencies Financial Transactions Report

### Audit Information

Fiscal Year

Was the Report Prepared from Audited Financial Data, and Did You Submit a Copy of the Audit?

If compliance opinion includes exceptions, state the areas of non-compliance, and describe the agency's efforts to correct.

Indicate Financial Audit Opinion

If Financial Audit is not yet Completed, What is the Expected Completion Date?

If the Audit Opinion was Other than Unqualified, State Briefly the Reason Given

Was a Compliance Audit Performed in Accordance with Health and Safety Code Section 33080.1 and the State Controller's Guidelines for Compliance Audits, and Did You Submit a Copy of the Audit?

Indicate Compliance Audit Opinion

If Compliance Audit is not yet Completed, What is the Expected Completion Date?

none

**Modesto Redevelopment Agency  
Redevelopment Agencies Financial Transactions Report**

**Project Area Report**

**Fiscal Year**    2005

**Project Area Name**

**Community Center Project Area**

Please Provide a Brief Description of the Activities for this Project Area During the Reporting Year.

**Activity Report**

RDA Master Plan & EIR: The Master Plan and Environmental Impact Report (EIR) are being updated and will provide policy guidelines and goals for land uses and project concepts. An administrative draft of the Master Plan has received great public input through a series of public meetings. The approval of the Master Plan and EIR update should be completed by early 2006.

Downtown Signs: Various downtown wayfinding signs were under construction by the end of the FY 04-05. It is anticipated that the installation of the signs will be complete by early 2006.

Gallo Center for the Arts: Construction is well underway on the center's 1,200 seat theatre, 400 seat theatre and art gallery. The project will receive RDA assistance by way of street, streetscape and traffic signal improvements. Completion is anticipated in late 2006.

Forwarded from Prior Year ?

Yes

Enter Code for Type of Project Area Report

P

P = Standard Project Area Report

A = Administrative Fund

L = Low and Moderate Income Housing Fund

M = Mortgage Revenue Bond Program

O = Other Miscellaneous Funds or Programs

S = Proposed (Survey) Project Area

Does the Plan Include Tax Increment Provisions?

Yes

Date Project Area was Established (MM-DD-YY)

7/6/1982

Most Recent Date Project Area was Amended

11/5/1991

Did this Amendment Add New Territory?

Yes

Most Recent Date Project Area was Merged

Will this Project Area be Carried Forward to Next Year?

Yes

**Established Time Limit :**

Repayment of Indebtedness (Year Only)

2041

Effectiveness of Plan (Year Only)

2022

New Indebtedness (Year Only)

2011

Size of Project Area in Acres

2,000

Percentage of Land Vacant at the Inception of the Project Area

4.5

*Health and Safety Code Section 33320.1 (xx.x%)*

Percentage of Land Developed at the Inception of the Project Area

95.5

*Health and Safety Code Section 33320.1 (xx.x%)*

Objectives of the Project Area as Set Forth in the Project Area Plan

RICPO

*(Enter the Appropriate Code(s) in Sequence as Shown)*

R = Residential    I = Industrial    C = Commercial    P = Public    O = Other

Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Assessed Valuation Data

Fiscal Year 2005

Project Area Name

Community Center Project Area

Frozen Base Assessed Valuation

561,273,363

Increment Assessed Valuation

361,945,048

Total Assessed Valuation

923,218,411

**Modesto Redevelopment Agency**

**Redevelopment Agencies Financial Transactions Report**

**Pass-Through / School District Assistance**

**Fiscal Year**

**Project Area Name**

**Tax Increment Pass Through Detail**

**Other Payments**

Amounts Paid To Taxing Agencies Pursuant To:	Tax Increment Pass Through Detail			Total	Other Payments	
	H & S Code Section 33401	H & S Code Section 33676	H & S Code Section 33607		H & S Code Section 33445	H & S Code Section 33445.5
County				\$0		
Cities				\$0		
School Districts	410,764			\$410,764		
Community College District	60,245			\$60,245		
Special Districts				\$0		
<b>Total Paid to Taxing Agencies</b>	\$471,009	\$0	\$0	\$471,009	\$0	\$0
<b>Net Amount to Agency</b>				\$3,693,366		
<b>Gross Tax Increment Generated</b>				4,164,375		

Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	<input type="text" value="Certificates of Participation"/>
Year of Authorization	<input type="text" value="1993"/>
Principal Amount Authorized	<input type="text" value="27,225,000"/>
Principal Amount Issued	<input type="text" value="27,225,000"/>
Purpose of Issue	<input type="text" value="Community Center"/>
Maturity Date Beginning Year	<input type="text" value="1993"/>
Maturity Date Ending Year	<input type="text" value="2023"/>
Principal Amount Unmatured Beginning of Fiscal Year	<input type="text" value="\$23,215,000"/>
Adjustment Made During Year	<input type="text"/>
Adjustment Explanation	<input type="text"/>
Interest Added to Principal	<input type="text"/>
Principal Amount Issued During Fiscal Year	<input type="text"/>
Principal Amount Matured During Fiscal Year	<input type="text" value="760,000"/>
Principal Amount Defeased During Fiscal Year	<input type="text"/>
Principal Amount Unmatured End of Fiscal Year	<input type="text" value="\$22,455,000"/>
Principal Amount In Default	<input type="text"/>
Interest In Default	<input type="text"/>

**Bond Types Allowed:**

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

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Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	<input type="text" value="Loans"/>
Year of Authorization	<input type="text" value="2003"/>
Principal Amount Authorized	<input type="text" value="405,000"/>
Principal Amount Issued	<input type="text" value="405,000"/>
Purpose of Issue	<input type="text" value="Economic Development"/>
Maturity Date Beginning Year	<input type="text" value="2008"/>
Maturity Date Ending Year	<input type="text" value="2015"/>
<b>Principal Amount Unmatured Beginning of Fiscal Year</b>	<input type="text" value="\$405,000"/>
Adjustment Made During Year	<input type="text"/>
Adjustment Explanation	<input type="text"/>
Interest Added to Principal	<input type="text"/>
Principal Amount Issued During Fiscal Year	<input type="text"/>
Principal Amount Matured During Fiscal Year	<input type="text"/>
Principal Amount Defeased During Fiscal Year	<input type="text"/>
<b>Principal Amount Unmatured End of Fiscal Year</b>	<input type="text" value="\$405,000"/>
Principal Amount In Default	<input type="text"/>
Interest In Default	<input type="text"/>

**Bond Types Allowed:**  
 Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

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Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	<input type="text" value="Revenue Bonds"/>
Year of Authorization	<input type="text" value="1998"/>
Principal Amount Authorized	<input type="text" value="18,490,000"/>
Principal Amount Issued	<input type="text" value="18,490,000"/>
Purpose of Issue	<input type="text" value="10th Street Place Project"/>
Maturity Date Beginning Year	<input type="text" value="1998"/>
Maturity Date Ending Year	<input type="text" value="2033"/>
Principal Amount Unmatured Beginning of Fiscal Year	<input type="text" value="\$18,480,000"/>
Adjustment Made During Year	<input type="text"/>
Adjustment Explanation	<input type="text"/>
Interest Added to Principal	<input type="text"/>
Principal Amount Issued During Fiscal Year	<input type="text"/>
Principal Amount Matured During Fiscal Year	<input type="text" value="35,000"/>
Principal Amount Defeased During Fiscal Year	<input type="text"/>
Principal Amount Unmatured End of Fiscal Year	<input type="text" value="\$18,445,000"/>
Principal Amount In Default	<input type="text"/>
Interest In Default	<input type="text"/>

**Bond Types Allowed:**

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

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Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Revenues

Fiscal Year

Project Area Name

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Tax Increment Gross <i>(Include All Apportionments)</i>	300,617	3,030,883	832,875		\$4,164,375
Special Supplemental Subvention					\$0
Property Assessments					\$0
Sales and Use Tax					\$0
Transient Occupancy Tax					\$0
Interest Income	55,096	378,428	78,159		\$511,683
Rental Income					\$0
Lease Income					\$0
Sale of Real Estate					\$0
Gain on Land Held for Resale					\$0
Federal Grants					\$0
Grants from Other Agencies	240,754	2,271,070			\$2,511,824
Bond Administrative Fees					\$0
Other Revenues	1,399,212	-254,923			\$1,144,289
<b>Total Revenues</b>	<b>\$1,995,679</b>	<b>\$5,425,458</b>	<b>\$911,034</b>	<b>\$0</b>	<b>\$8,332,171</b>

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Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Expenditures

Fiscal Year

Project Area Name

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Administration Costs	634,719	2,775	6,815		\$644,309
Professional Services	135,366	72,265			\$207,631
Planning, Survey, and Design					\$0
Real Estate Purchases					\$0
Acquisition Expense					\$0
Operation of Acquired Property					\$0
Relocation Costs					\$0
Relocation Payments					\$0
Site Clearance Costs					\$0
Project Improvement / Construction Costs					\$0
Disposal Costs					\$0
Loss on Disposition of Land Held for Resale					\$0

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**Modesto Redevelopment Agency**

**Redevelopment Agencies Financial Transactions Report**

**Statement of Income and Expenditures - Expenditures**

Fiscal Year

Project Area Name

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Decline in Value of Land Held for Resale					\$0
Rehabilitation Costs					\$0
Rehabilitation Grants					\$0
Interest Expense		2,114,426			\$2,114,426
Fixed Asset Acquisitions					\$0
Subsidies to Low and Moderate Income Housing					\$0
Debt Issuance Costs					\$0
Other Expenditures Including Pass- Through Payment(s)		471,009			\$471,009
<b>Debt Principal Payments:</b>					
Tax Allocation Bonds and Notes					\$0
Revenue Bonds, Certificates of Participation, Financing Authority Bonds		795,000			\$795,000
City/County Advances and Loans					\$0
All Other Long-Term Debt					\$0
<b>Total Expenditures</b>	\$770,085	\$3,455,475	\$6,815	\$0	\$4,232,375
<b>Excess (Deficiency) Revenues over (under) Expenditures</b>	\$1,225,594	\$1,969,983	\$904,219	\$0	\$4,099,796

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Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year

2005

Project Area Name

Community Center Project Area

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Proceeds of Long-Term Debt					\$0
Proceeds of Refunding Bonds					\$0
Payment to Refunded Bond Escrow Agent					\$0
Advances from City/County					\$0
Sale of Fixed Assets					\$0
Miscellaneous Financing Sources (Uses)		-1,956,070			(\$1,956,070)
Operating Transfers In		1,568,618			\$1,568,618
Tax Increment Transfers In					\$0
Operating Transfers Out	1,568,618				\$1,568,618
Tax Increment Transfers Out					\$0
<i>(To the Low and Moderate Income Housing Fund)</i>					
<b>Total Other Financing Sources (Uses)</b>	<b>(\$1,568,618)</b>	<b>(\$387,452)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,956,070)</b>

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Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year

Project Area Name

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	\$343,024	\$1,582,531	\$904,219	\$0	\$2,143,726
Equity, Beginning of Period	\$3,080,422	\$980,435	\$4,055,438	\$0	\$8,116,295
Prior Period Adjustments					\$0
Residual Equity Transfers					\$0
Other(Specify)	A	B	C	D	E
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total</b>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Other Total	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Equity, End of Period	\$2,737,398	\$2,562,966	\$4,959,657	\$0	\$10,260,021

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Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Balance Sheet - Assets and Other Debits

Fiscal Year	2005	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
<b>Assets and Other Debits</b>								
Cash and Imprest Cash		2,715,148	855,562	4,014,389				\$7,585,099
Cash with Fiscal Agent		22,563	1,978,980					\$2,001,543
Tax Increments Receivable			153,918					\$153,918
Accounts Receivable								\$0
Accrued Interest Receivable		9,143	45,515	10,401				\$65,059
Loans Receivable				934,873				\$934,873
Contracts Receivable								\$0
Lease Payments Receivable								\$0
Unearned Finance Charge								\$0
Due from Capital Projects Fund								\$0
Due from Debt Service Fund								\$0
Due from Low/Moderate Income Housing Fund								\$0
Due from Special Revenue/Other Funds								\$0

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Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Balance Sheet - Assets and Other Debits

Fiscal Year	2005	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
Investments			34,940,539					\$34,940,539
Other Assets								\$0
Investments: Land Held for Resale								\$0
Allowance for Decline In Value of Land Held for Resale								\$0
Fixed Assets: Land, Structures, and Improvements							1,738,449	\$1,738,449
Equipment							6,536	\$6,536
Amount Available In Debt Service Fund						2,562,966		\$2,562,966
Amount to be Provided for Payment of Long-Term Debt						38,742,034		\$38,742,034
<b>Total Assets and Other Debits</b>		\$2,746,854	\$37,974,514	\$4,959,663	\$0	\$41,305,000	\$1,744,985	\$88,731,016

(Must Equal Total Liabilities, Other Credits, and Equities)

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Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Balance Sheet - Liabilities and Other Credits

Fiscal Year	2005	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
<b>Liabilities and Other Credits</b>								
Accounts Payable		9,456	471,009	6				\$480,471
Interest Payable								\$0
Tax Anticipation Notes Payable								\$0
Loans Payable								\$0
Other Liabilities			34,940,539					\$34,940,539
Due to Capital Projects Fund								\$0
Due to Debt Service Fund								\$0
Due to Low/Moderate Income Housing Fund								\$0
Due to Special Revenue/Other Funds								\$0
Tax Allocation Bonds Payable								\$0
Lease Revenue, Certificates of Participation Payable, Financing Authority Bonds								\$0
All Other Long-Term Debt								\$0
<b>Total Liabilities and Other Credits</b>		<b>\$9,456</b>	<b>\$35,411,548</b>	<b>\$6</b>	<b>\$0</b>	<b>\$0</b>		<b>\$35,421,010</b>

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Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Balance Sheet - Liabilities and Other Credits

Fiscal Year	2005	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
<b>Equities</b>								
Investment In General Fixed Assets								\$0
Fund Balance Reserved			2,562,966	4,959,657				\$7,522,623
Fund Balance Unreserved-Designated								\$0
Fund Balance Unreserved-Undesignated		2,737,398						\$2,737,398
<b>Total Equities</b>		\$2,737,398	\$2,562,966	\$4,959,657	\$0		\$0	\$10,260,021
<b>Total Liabilities, Other Credits, and Equities</b>		\$2,746,854	\$37,974,514	\$4,959,663	\$0	\$0	\$0	\$45,681,031

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**Modesto Redevelopment Agency**

**Redevelopment Agencies Financial Transactions Report**

**Summary of the Statement of Indebtedness - Project Area**

Fiscal Year 2005

Project Area Name

Community Center Project Area

Tax Allocation Bond Debt

Revenue Bonds

Other Long Term Debt

City/County Debt

Low and Moderate Income Housing Fund

Other

**Total**

Available Revenues

**Net Tax Increment Requirements**

71,774,544

405,000

55,945,852

59,342,316

111,222,848

\$298,690,560

1,978,980

\$296,711,580

Modesto Redevelopment Agency

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Summary, Combined Transfers In/Out

Fiscal Year 2005

Operating Transfers In

\$1,568,618

Tax Increment Transfers In

\$0

Operating Transfers Out

\$1,568,618

Tax Increment Transfers Out

\$0

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**Modesto Redevelopment Agency  
Redevelopment Agencies Financial Transactions Report**

**Statement of Income and Expenditures**

**Revenues - Consolidated**

Fiscal Year 2005

	Capitol Project Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Tax Increment Gross	\$300,617	\$3,030,883	\$832,875	\$0	\$4,164,375
Special Supplemental Subvention	\$0	\$0	\$0	\$0	\$0
Property Assessments	\$0	\$0	\$0	\$0	\$0
Sales and Use Tax	\$0	\$0	\$0	\$0	\$0
Transient Occupancy Tax	\$0	\$0	\$0	\$0	\$0
Interest Income	\$55,096	\$378,428	\$78,159	\$0	\$511,683
Rental Income	\$0	\$0	\$0	\$0	\$0
Lease Income	\$0	\$0	\$0	\$0	\$0
Sale of Real Estate	\$0	\$0	\$0	\$0	\$0
Gain on Land Held for Resale	\$0	\$0	\$0	\$0	\$0
Federal Grants	\$0	\$0	\$0	\$0	\$0
Grants from Other Agencies	\$240,754	\$2,271,070	\$0	\$0	\$2,511,824
Bond Administrative Fees	\$0	\$0	\$0	\$0	\$0
Other Revenues	\$1,399,212	(\$254,923)	\$0	\$0	\$1,144,289
<b>Total Revenues</b>	<b>\$1,995,679</b>	<b>\$5,425,458</b>	<b>\$911,034</b>	<b>\$0</b>	<b>\$8,332,171</b>

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**Modesto Redevelopment Agency**  
**Redevelopment Agencies Financial Transactions Report**  
**Statement of Income and Expenditures**  
**Expenditures - Consolidated**

Fiscal Year 2005

	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Administration Costs	\$634,719	\$2,775	\$6,815	\$0	\$644,309
Professional Services	\$135,366	\$72,265	\$0	\$0	\$207,631
Planning, Survey, and Design	\$0	\$0	\$0	\$0	\$0
Real Estate Purchases	\$0	\$0	\$0	\$0	\$0
Acquisition Expense	\$0	\$0	\$0	\$0	\$0
Operation of Acquired Property	\$0	\$0	\$0	\$0	\$0
Relocation Costs	\$0	\$0	\$0	\$0	\$0
Relocation Payments	\$0	\$0	\$0	\$0	\$0
Site Clearance Costs	\$0	\$0	\$0	\$0	\$0
Project Improvement / Construction Costs	\$0	\$0	\$0	\$0	\$0
Disposal Costs	\$0	\$0	\$0	\$0	\$0
Loss on Disposition of Land Held for Resale	\$0	\$0	\$0	\$0	\$0

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**Modesto Redevelopment Agency**  
**Redevelopment Agencies Financial Transactions Report**  
**Statement of Income and Expenditures**  
**Expenditures - Consolidated**

Fiscal Year 2005

	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
	A	B	C	D	E
Decline in Value of Land Held for Resale	\$0	\$0	\$0	\$0	\$0
Rehabilitation Costs	\$0	\$0	\$0	\$0	\$0
Rehabilitation Grants	\$0	\$0	\$0	\$0	\$0
Interest Expense	\$0	\$2,114,426	\$0	\$0	\$2,114,426
Fixed Asset Acquisitions	\$0	\$0	\$0	\$0	\$0
Subsidies to Low and Moderate Income Housing Fund	\$0	\$0	\$0	\$0	\$0
Debt Issuance Costs	\$0	\$0	\$0	\$0	\$0
Other Expenditures Including Pass Through Payment(s)	\$0	\$471,009	\$0	\$0	\$471,009
<b>Debt Principal Payments:</b>					
Tax Allocation Bonds and Notes	\$0	\$0	\$0	\$0	\$0
Revenue Bonds and Certificates of Participation	\$0	\$795,000	\$0	\$0	\$795,000
City/County Advances and Loans	\$0	\$0	\$0	\$0	\$0
U.S., State and Other Long-Term Debt	\$0	\$0	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$770,085</b>	<b>\$3,455,475</b>	<b>\$6,815</b>	<b>\$0</b>	<b>\$4,232,375</b>
Excess (Deficiency) Revenues Over (Under) Expenditures	\$1,225,594	\$1,969,983	\$904,219	\$0	\$4,099,796

**Modesto Redevelopment Agency**  
**Redevelopment Agencies Financial Transactions Report**  
**Statement of Income and Expenditures**  
**Other Financing Sources (Uses) - Consolidated**

Fiscal Year                    2005

	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Proceeds of Long-Term Debt	\$0	\$0	\$0	\$0	\$0
Proceeds of Refunding Bonds	\$0	\$0	\$0	\$0	\$0
Payment to Refunded Bond Escrow Agent	\$0	\$0	\$0	\$0	\$0
Advances from City/County	\$0	\$0	\$0	\$0	\$0
Sale of Fixed Assets	\$0	\$0	\$0	\$0	\$0
Miscellaneous Financing Sources (Uses)	\$0	(\$1,956,070)	\$0	\$0	(\$1,956,070)
Operating Transfers In	\$0	\$1,568,618	\$0	\$0	\$1,568,618
Tax Increment Transfers In			\$0		\$0
Operating Transfers Out	\$1,568,618	\$0	\$0	\$0	\$1,568,618
Tax Increment Transfers Out	\$0	\$0			\$0
<i>(To the Low and Moderate Income Housing Fund)</i>					
<b>Total Other Financing Sources (Uses)</b>	<b>(\$1,568,618)</b>	<b>(\$387,452)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$1,956,070)</b>

**Modesto Redevelopment Agency**  
**Redevelopment Agencies Financial Transactions Report**  
**Statement of Income and Expenditures**  
**Other Financing Sources (Uses) - Consolidated**

	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
	A	B	C	D	E
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(\$343,024)	\$1,582,531	\$904,219	\$0	\$2,143,726
Equity Beginning of Period	\$3,080,422	\$980,435	\$4,055,438	\$0	\$8,116,295
Prior Year Adjustments	\$0	\$0	\$0	\$0	\$0
Residual Equity Transfers	\$0	\$0	\$0	\$0	\$0
Other (Explain)	\$0	\$0	\$0	\$0	\$0
Equity, End of Period	\$2,737,398	\$2,562,966	\$4,959,657	\$0	\$10,260,021



California Redevelopment Agencies-Fiscal Year 2004/2005  
 Project Area Contributions to Low and Moderate Income Housing Funds  
 Sch A Project Area Summary Report  
 MODESTO RDA

Project Area	100% of Tax Increment	20% Set Aside Requirement	Tax Increment Allocated	Amount Exempted	Deferral	Tax Incr. Deposited to Hsng Fund	Percent of Tax Incr Dep	Repayment Deferrals	Other Income	Total Deposited to Housing
MODESTO PROJECT	\$4,164,375	\$832,875	\$832,875	\$0	\$0	\$832,875	20%	\$0	\$78,159	\$911,034
Agency Totals:	\$4,164,375	\$832,875	\$832,875	\$0	\$0	\$832,875	20%	\$0	\$78,159	\$911,034

Note: Print this report in Landscape Orientation (Use the Print Icon just above, then Properties then Landscape)

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California Redevelopment Agencies - Fiscal Year 2004/2005  
 Status of Low and Moderate Income Housing Funds  
 Sch C Agency Financial Summary  
 MODESTO RDA

Adjusted Beginning Balance	Project Area Receipts	Agency Other Revenue	Total Expenses	Net Resources Available	Other Housing Fund Assets	Total Housing Fund Assets	Encumbrances	* Unencumbered Balance	Unencumbered Designated	Unencumbered Not Dsgntd
\$4,055,438	\$911,034	\$0	\$6,815	\$4,959,657	\$0	\$4,959,657	\$0	\$4,959,657	\$0	\$4,959,657

Expenses	Planning and Administration Costs	Total
2004/2005	\$6,815	\$6,815

\*The Unencumbered Balance is equal to Net Resources Available minus Encumbrances

Note: Print this report in Landscape Orientation (Use the Print Icon just above, then Properties then Landscape)

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California Redevelopment Agencies - Fiscal Year 2004/2005  
 Status of Low and Moderate Income Housing Funds  
 Sch C Agency Financial Summary  
 MODESTO RDA

Adjusted Beginning Balance	Project Area Receipts	Agency Other Revenue	Total Expenses	Net Resources Available	Other Housing Fund Assets	Total Housing Fund Assets	Encumbrances	* Unencumbered Balance	Unencumbered Designated	Unencumbered Not Dsgntd
\$4,055,438	\$911,034	\$0	\$6,815	\$4,959,657	\$0	\$4,959,657	\$0	\$4,959,657	\$0	\$4,959,657

Expenses	Planning and Administration Costs	Total
2004/2005	\$6,815	\$6,815

\*The Unencumbered Balance is equal to Net Resources Available minus Encumbrances

Note: Print this report in Landscape Orientation (Use the Print Icon just above, then Properties then Landscape)

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California Redevelopment Agencies - Fiscal Year 2004/2005  
 Status of Low and Moderate Income Housing Funds  
 Sch C Agency Financial and Program Detail  
 MODESTO RDA

	Beginning Balance	\$4,055,438
	Adjustment to Beginning Balance	\$0
	Adjusted Beginning Balance	\$4,055,438
Total Tax Increment From PA(s) \$832,875	Total Receipts from PA(s)	\$911,034
	Other Revenues not reported on Schedule A	\$0
	Sum of Beginning Balance and Revenues	\$4,966,472

Expenditure			
<u>Item</u>	<u>Subitem</u>	<u>Amount</u>	<u>Remark</u>
Planning and Administration Costs			
Administration Costs		\$6,815	
	Subtotal of Planning and Administration Costs	\$6,815	
	Total Expenditures	\$6,815	

	Net Resources Available	\$4,959,657
	Indebtedness For Setasides Deferred	\$0

Other Housing Fund Assets			
<u>Category</u>	<u>Amount</u>		<u>Remark</u>
Total Other Housing Fund Assets			

Total Fund Equity \$4,959,657

2000/2001	\$373134			
2001/2002	\$433336	sum of 4 Previous Years'	Prior Year Ending	Excess Surplus for
2002/2003	\$539706	Tax Increment for 2004/2005	Unencumbered Balance	2004/2005
2003/2004	\$661003	\$2007179	\$3,110,603	\$1,103,424

	Sum of Current and 3 Previous Years' Tax Increments	\$2,466,920
	Adjusted Balance	\$4,959,657
	Excess Surplus for next year	\$2,492,737
	Net Resources Available	\$4,959,657
	Unencumbered Designated	\$0

California Redevelopment Agencies - Fiscal Year 2004/2005  
 Status of Low and Moderate Income Housing Funds  
 Sch C. Agency Financial and Program Detail  
 MODESTO RDA

Unencumbered Undesignated	\$4,959,657
Total Encumbrances	\$0
Unencumbered Balance	\$4,959,657
Unencumbered Balance Adjusted for Debt Proceeds	\$0
Unencumbered Balance Adjusted for Land Sales	\$0
Excess Surplus Expenditure Plan	Yes
Excess Surplus Plan Adoption Date	

Site Improvement Activities Benefiting Households				
<u>Income Level</u>	<u>Low</u>	<u>Very Low</u>	<u>Moderate</u>	<u>Total</u>
Construction	0	0	0	0
Rehabilitation	0	0	0	0
Health and Safety Hazard	0	0	0	0

Land Held for Future Development					
<u>Site Name</u>	<u>Num Of Acres</u>	<u>Zoning</u>	<u>Purchase Date</u>	<u>Estimated Start Date</u>	<u>Remark</u>

Use of the Housing Fund to Assist Mortgagors

Income Adjustment Factor		Requirements Completed	
Home	\$	Hope	\$

Non Housing Redevelopment Funds Usage

Resource Needs

LMIHF Deposits/Withdrawals				
<u>Document Name</u>	<u>Document Date</u>	<u>Custodian Name</u>	<u>Custodian Phone</u>	<u>Copy Source</u>
Fund 9060 OLGL	30-JUN-05	Barrett R. Newlin	(209) 577-5373	1010 Tenth St. P.O. Box 642 Modesto, CA 95353

Achievements
Description

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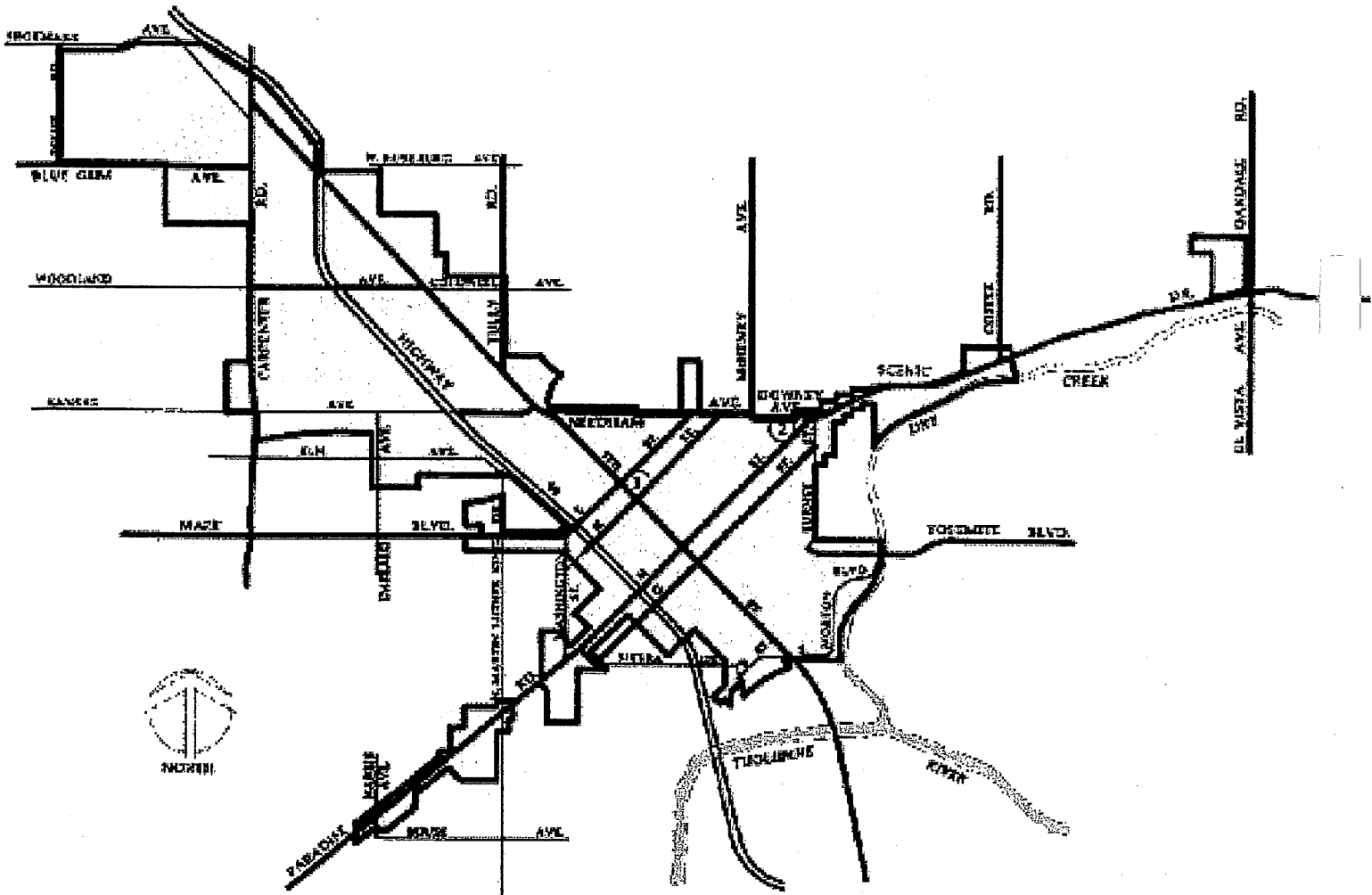
**FY 2005**  
**MODESTO REDEVELOPMENT AGENCY**

**HEALTH AND SAFETY CODE §33080.1**

- **ALLEVIATION OF BLIGHT**
- **LOAN DEFAULT REPORT**
- **PROPERTY LISTING**

# MODESTO REDEVELOPMENT AGENCY PROJECT AREA

2000 Acres (Est.)



## I. HEALTH AND SAFETY CODE §33080.1(d)

### **ALLEVIATION OF BLIGHT**

The Modesto Redevelopment Agency's goal is to stimulate new public and private investment in order to overcome the problems that have been created in past decades. Through new investment, both the physical and social environment of the project area will be improved. Private investment, with the assistance of the Agency, will help to:

- Overcome blight created by deteriorated and obsolete buildings
- Stabilize land uses
- Provide needed public parking
- Create new parcels amenable to modern development.

Employment opportunities, both in the short and long term, will help to overcome problems of poverty not only in the Project Area, but also in the City as a whole. Increased employment opportunities, appropriate project design and, most importantly, higher levels of activity in the Project Area --- especially in the evenings --- will decrease the crime rates.

During FY 2005, the Redevelopment Agency of the City of Modesto completed the following actions to implement the objectives of the Implementation Plan in alleviating blight within the Project Area:

Strategy No.1: J Street Arts, Entertainment and Retail District. Downtown Modesto shall be the center for arts and cultural events, entertainment, restaurants, and specialty retailers. These activities shall be encouraged to cluster around a corridor centered on J Street. This corridor runs roughly from 9th Street to McHenry, and from H to L Streets.

#### **Agency Actions:**

##### **Project: Gallo Center for the Arts**

**Agency Expenditure: \$602,000**

**Status: Estimated Completion - Fall 2007**

The Gallo Center for the Arts is a \$31 Million project under construction in the block between 10th and 11th Streets and H and I Streets in downtown Modesto. The center will feature a 1,200-seat theater, a 400-seat theater and art gallery. Though construction will be primarily funded by contributions from the community and Stanislaus County, the Agency approved using \$602,000 in tax increment revenue for construction/replacement of such public improvements as deteriorated curb, sidewalks and streetlights, new street trees and street reconstruction.

##### **Project: Wayfinding Signage for the Downtown Area**

**Agency Expenditure: \$100,000**

**Status: Estimated Completion - January 2006**

The Agency provides \$200,000 each year for use in Project Area Improvement and general street improvement projects. For FY 2005, the Agency used \$100,000 of these funds to create the design, construction plans and installation of wayfinding signage for the downtown area. These signs will be installed by January 2006 and additional funding will be provided for expansion of this wayfinding signage in the future. In FY 2006, the Agency plans to use the remaining \$100,000 for the construction of the streetscape on 10<sup>th</sup> Street and I Street. Pursuant to the Agency's Master Plan, these two streets are the center of the Downtown core and should be improved to create a pedestrian-friendly business district and a ceremonial street.

Strategy No.2: Downtown Office Core. Downtown Modesto shall be the location for all new major public and private office buildings with the exception of medical buildings. These offices shall generally be within walking distance of the J Street District.

**Agency Actions:**

**Project: Westland Office Project - 12<sup>th</sup> Street & I Street**

**Agency Expenditure: \$132,000 Tax Increment rebate over 15 years**

**Status: Estimated Completion – Spring 2006**

The Agency entered into an Owner Participation Agreement (OPA) with Westland Development in September 2002. The OPA included the following conditions:

1. The City sold a 44-space City parking lot to Stanislaus County for \$245,000
2. Westland entered into an agreement with Stanislaus County wherein the County will construct a 90,000 square foot building and the ownership will be divided between three entities: (1) County – 50%; (2) StanCERA – 17% (3) Westland – 33%
3. There will be an adjoining parking garage, constructed and owned by the County, wherein approximately 100 public spaces will replace the 44-space public parking lot
4. Over 15 years, the Agency will rebate tax increment received from the private sector portion of the building for a total of \$132,000 over 15 years. This rebate will be used to offset the parking payments to the County for the public spaces.

**Project: Mixed-Use Project – 10<sup>th</sup> Street & H Street**

**Agency Expenditure: \$630,000 in land value**

**Status: Exclusive Negotiating Agreement with Team Modesto expiring on May 3, 2006**

A mixed-use development is an excellent addition to the Downtown environment. The Agency owns four (4) parcels of land at the southwest corner of 10<sup>th</sup> & H Streets in Modesto. The Agency Board has directed staff to identify a public-private partnership for the development of a high-quality Mixed-Use Project on this 31,500 square-foot Project Site. After completing the Request for Proposal process, the Agency entered into an Exclusive Negotiating Agreement (ENA) with Team Modesto, a local development group, on August 3, 2005 for development of this project. The ENA includes the following:

1. Establish the project description, land use mix and development specifications
2. Provide for market feasibility studies, at Team Modesto expense, to determine the optimum land use mix to address the downtown market needs. Should the ENA not result in a DDA, the Agency would reimburse Team Modesto for the cost of the studies.
3. Protect Team Modesto's initial project development investment (e.g. time, funding, real estate commission obligations, architecture and engineering studies, cost analysis)
4. Describe the manner in which the Agency will consider assisting with site work and funding
5. Term of the ENA shall be nine (9) months, subject to two extensions of up to sixty (60) days each by the Executive Director.

**The proposed land use mix:**

- a. Two levels of below ground parking (164 spaces)
- b. Ground level: Retail (25,000 sf)
- c. Floors 2-3: Parking (164 spaces)
- d. Floors 4-6: Full Service Hotel (125-150 rooms)
- e. Floors 7-8: One and two story townhomes (22 units @ 1200 sf (approx.) each) with 5,000 sf of two level open gardens

Strategy No.3: New Housing Construction and the Preservation of Existing Housing.

Downtown Modesto should be a desirable place to live as well as work or visit. The residential strategy should focus both on new construction and the preservation and renovation of existing housing.

Agency Actions:

**Project: Affordable Housing Project – 17<sup>th</sup> & G Streets**

**Agency Expenditure: \$4,468,682**

**Status: Agency working with City of Modesto to purchase park site for project**

Current Fiscal Status of Housing Set-aside Funding: \$4,468,682 (as of July 1, 2005)

Downtown housing is the final link in the Agency's redevelopment chain of success. The Agency is required to allocate 20% of our annual tax increment revenues for Housing Set-aside funds to provide affordable housing within the Agency Target Area and throughout Modesto. Knowing that affordable downtown housing is a major objective of the Agency, the Agency staff has been exploring several housing development opportunities. At the direction of the Agency, the Housing Set-aside funds have been accumulating over the past three years with the goal of assisting with a downtown affordable housing project.

The Agency staff has worked closely with the staff from the Parks, Recreation and Neighborhoods Department to identify joint affordable housing projects. On May 10, 2005, the City Council declared the "Tower Park" parcel as surplus to the City's needs and directed staff to offer the parcel for sale in accordance with the Government Code. Tower Park is located at the northwest corner of 17<sup>th</sup> & G Streets in Modesto. The Agency was notified of the parcel sale on May 16, 2005. The Agency has entered into negotiations with the City to acquire the Park site for affordable housing.

Once the acquisition is complete, Agency staff will partner with the City to combine Community Development Block Grant (CDBG) funding and other affordable housing funding for this proposed project. In addition to Agency and CDBG funding, there will be private sector funding from the developer selected to construct the project. The Agency will be distributing a Request for Proposal to select a private sector developer to construct and take ownership of this housing project.

Strategy No.5: Industrial District. Woodland to Kansas. This area provides the best opportunity with the redevelopment area for creation of a new, modern industrial park subdivision. The Agency should work with the property and business owners in the area to coordinate its redevelopment.

Agency Actions:

**Project: Kansas Woodland Business Park Development**

**Agency Expenditure: \$950,000**

**Status: Fall 2006**

On November 6, 2002, the Agency approved the terms and conditions of a Purchase Option for the 45-acre FMC property which is a contaminated brownfield owned by the FMC Corporation. In summary, FMC and the Agency have agreed to the following:

- Purchase price will be \$1,000,000 plus five percent (5%) of any amount received by the City upon sale of the Property in excess of \$1,000,000
- Agency has paid an option payment of \$50,000 concurrent with the completion of the Property Option Agreement in consideration for the exclusive right to purchase the property.
- When the Agency elects to exercise the Property Option, the Agency will pay an Exercise Option payment of \$50,000
- Both option payments (Total of \$100,000) will be applied to the purchase price.

Staff is working concurrently on the following critical path items:

- Developer Agreement (DA) and revisions to the Property Option Agreement
- Completion of the Feasibility Study, the Removal Action Workplan for soils and the Remedial Action Plan for groundwater
- Completion of the Specific Plan
- Completion of the Tentative Subdivision Map
- Completion of the Program Environmental Impact Report

**The following Agency actions address each of the Implementation Plan strategies as follows:**

Strategy No.4: Incubator Area Between Highway 99 and 9th Street. This district east of Highway 99 and west of 9th Street should continue to serve as an "incubator" area for small and start-up commercial and industrial uses.

Strategy No.6: Upgrade Commercial and Residential Uses Along Paradise Road. Major upgrading of both the commercial and residential areas along Paradise Road is needed to strengthen this portion of the redevelopment area.

Strategy No.7: Develop New Community Commercial Areas: Two areas are proposed for new community scale commercial and/or industrial development. These areas are the current County Center No.3 at Scenic and Oakdale, and the eastern and northern portions of the West Campus of Modesto Junior College.

Strategy No.8: Tuolumne River Family Learning/Recreation Center: The Tuolumne River is the foremost natural asset in the redevelopment area. Bluff property overlooking the park should be investigated as a site for a regional educational and recreational facility oriented primarily to children and families.

Strategy No.9: Historic Preservation. The Agency has worked with the Landmark Preservation Commission to identify buildings in the downtown area worthy of preservation. The Agency's activities and projects should respect these buildings and make every effort to preserve them.

**Agency Actions:**

**Project: Update to the Agency Master Plan and Environmental Impact Report**

**Agency Expenditure: \$425,000**

**Status: Final Administrative Draft Completion Date: January 2006**

**Environmental Impact Report – Spring 2006**

In November 1991, the Redevelopment Agency (RDA) adopted the Amended Project Area and the Redevelopment Plan for a Project Area of approximately 2000 acres. As a part of this Project Area adoption, an Environmental Impact Report (EIR) was approved in accordance with the State law. Subsequent to these actions, in 1994, a RDA Master Plan was also adopted to implement the goals and objectives of the RDA Plan. The purpose of this Master Plan is to provide a policy guideline document to identify specific types of land uses that the Agency should encourage and promote within the Project Area. As a continuing part of this long-term strategy, the RDA staff - in consultation with the RDA General Counsel - has determined that both the RDA EIR and Master Plan should be updated. Considering the dramatic changes that have taken place since the early 1990's, both documents are out of date and must be revised to reflect the current conditions and to ensure legal compliance. For the entire RDA Master Plan Update, the physical improvement strategies includes:

- Land Use policy direction, including housing, business parks, incubator areas, Tuolumne River Regional Park Master Planning, historic preservation and commercial corridors

- Building conceptual design for catalyst sites and opportunity sites
- Circulation, including pedestrian connections
- Streetscape character and urban design
- Focal points and gateways

**Project: Opportunity Map of the Redevelopment Project Area**

**Agency Expenditure: \$1500**

**Status: Completed and Distributed to Owners and Developers**

The Opportunity Map furthers the objectives of the RDA by identifying those property owners within the Project Area who are interested in either selling their parcel or working with a private developer to develop their property into either a commercial, industrial or residential use. Staff sent letters to all property owners within the RDA Project Area inquiring whether they would be interested in development or sale and created a list of 230 willing owners. The Opportunity Map has been sent to all commercial realtors in Modesto, as well as many in the Bay Area. Also, the Map will be provided to all property owners within the Project Area. Finally, the Map is included as part of our standard informational packet to all businesses looking to relocate or expand in Modesto.

**II. HEALTH AND SAFETY CODE §33080.1(e)**

***REPORT ON ALL LOANS IN DEFAULT***

The Modesto Redevelopment Agency has no loans in excess of \$50,000 that are in default from the previous fiscal year or that are not in compliance with the terms of the loan approved by the Agency.

**III. HEALTH AND SAFETY CODE §33080.1(f)**

**PROPERTY LISTING**

**No Acquisitions or Dispositions completed in 2005**

In November 2003, the Modesto Redevelopment Agency acquired the four (4) properties located at the southwest corner of 10<sup>th</sup> Street & H Street (Assessors Parcel Numbers: 106-42-01; -02; -03; -04) as part of the Disposition and Development Agreement for Valley Tower Office Project. In November 2003, the Agency sold said properties to Valley Tower, LLC for a price of \$630,000.

**Property List:**

	<b>APN</b>	<b>Address</b>	<b>Street</b>	<b>City, State</b>	<b>Current use</b>
1	105-37-32	11TH STREET	11TH ST	MODESTO, CA 95354-0000	Parking garage
2	105-37-33	1010 TENTH ST 1st FLOOR	1010 10TH ST	MODESTO, CA 95354	Retail parcel
3	105-37-34	1010 TENTH ST 1st FLOOR	10TH ST	MODESTO, CA 95354	Retail parcel
4	105-41-21	9TH STREET	9TH ST	MODESTO, CA 95354-0000	Parking garage
5	105-48-06	1125 9TH STREET	1125 9TH ST	MODESTO, CA 95354-0000	Parking garage
6	105-48-08	9TH STREET	9TH ST	MODESTO, CA 95354-0000	Centre Plaza Bridge
7	105-48-11	1150 9TH ST	1125 11TH ST	MODESTO, CA 95354-0000	Centre Plaza
8	106-42-01	10 <sup>th</sup> Street & H Street	10 <sup>TH</sup> Street	MODESTO, CA 95354-0000	Parking Lot
9	106-42-02	10 <sup>th</sup> Street & H Street	10 <sup>th</sup> Street	MODESTO, CA 95354-0000	Parking Lot
10	106-42-03	10 <sup>th</sup> Street & H Street	10 <sup>th</sup> Street	MODESTO, CA 95354-0000	Parking Lot
11	106-42-04	10 <sup>th</sup> Street & H Street	10 <sup>th</sup> Street	MODESTO, CA 95354-0000	Parking Lot

**STATEMENT OF INDEBTEDNESS - CONSOLIDATED  
FILED FOR THE 2005-06 TAX YEAR**

Cover Page

Name of Redevelopment Agency

MODESTO REDEVELOPMENT AGENCY

Name of Project Area

MODESTO REDEVELOPMENT PROJECT - ORIGINAL AREA

Balances Carried Forward From:		Current		
		Total Outstanding Debt	Principal/Interest Due During Tax Year	
	Line			
Fiscal Period - Totals (Optional)	(From Form A, Page 1 Totals)	(1)	\$ 88,826,292.55	\$ 2,007,110.00
Post Fiscal Period - Totals	(From Form B Totals)	(2)	\$ 0.00	\$ 0.00
Grand Totals		(3)	\$ 88,826,292.55	\$ 2,007,110.00
Available Revenues From Calculation of Available Revenues, Line 7		(4)	\$ 1,978,979.79	
Net Requirement		(5)	\$ 86,847,312.76	

Consolidate on this form all of the data contained on Form A and B (including supplemental pages). Form A is to include all indebtedness entered into as of June 30 of the Fiscal Year. Form B may be filed at the option of the agency, and is to include indebtedness entered into post June 30 of the Fiscal Year, pursuant to Health and Safety Code Section 33675(c)(2). This is optional for each agency and is not a requirement for filing the Statement of indebtedness. The Reconciliation Statement is to include indebtedness from Form A only.

Certification of Chief Financial Officer:

Pursuant to Section 336775 (b) of the Health and Safety Code, I hereby certify that the above is a true and accurate Statement of Indebtedness for the above named agency.

Gregory M. Baird

Acting Finance Director

Name

Title

Signature

September 30, 2005

Date

**STATEMENT OF INDEBTEDNESS  
FILED FOR THE 2005-06 TAX YEAR**

Name of Redevelopment Agency  
Name of Project Area

**MODESTO REDEVELOPMENT AGENCY  
MODESTO REDEVELOPMENT PROJECT - ORIGINAL AREA**

For Indebtedness Entered into as of June 30, 2005

Debt Identification	Original Data					Current	
	Date	Principal	Term	Interest Rate	Total Interest	Total Outstanding Debt	Principal/Interest Due During Tax Year
(A) Loan from City of Modesto	12/12/82	49,050.00	open	7%	202,269.00	251,319.00	
(B) Loan from City of Modesto	4/24/84	25,000.00	open	7%	90,068.00	115,068.00	
(C) Loan from City of Modesto	4/24/84	35,000.00	open	7%	126,095.00	161,095.00	
(D) Loan from City of Modesto	4/24/84	2,200,000.00	open	7%	7,925,955.00	10,125,955.00	
(E) Loan from City of Modesto	10/12/84	640,000.00	open	7%	2,200,389.00	2,840,389.00	
(F) Loan from City of Modesto	1/31/85	1,187,500.00	open	7%	3,956,460.00	5,143,960.00	
(G) Loan from City of Modesto	11/01/85	3,300,000.00	open	7%	10,182,489.00	13,482,489.00	
(H) Loan from City of Modesto	10/26/86	81,000.00	open	7%	225,364.00	306,364.00	
(I) Certificates of Participation	05/27/93	27,225,000.00	30 yrs.	2.5%-5.6%	7,340,750.00	34,565,750.00	1,955,110.00
(J) Transfer/loans from City	06/30/03	1,490,573.00	open	7%	2,973,868.00	4,464,441.00	
Sub Total, This Page						\$ 71,456,830.00	\$ 1,955,110.00
Totals Forward From All Other Pages						\$ 17,369,462.55	\$ 52,000.00
<b>Grand Totals</b>						\$ 88,826,292.55	\$ 2,007,110.00
Available Revenues From Calculation of Available Revenues						\$ -	
Net Requirement						\$ 88,826,292.55	

**Purpose of Indebtedness:**

(A) Legal - Consulting & Administration

(B) Legal - Consulting & Administration

(C) Legal - Consulting & Administration

(D) Land Acquisition

(E) Archetctural costs & consulting

(F) Land Acquisition - Site preparation & construction

(G) Land Acquisition & Construction

(H) Land Acquisition

(I) Construction of Community Center

(J) Transfers/loans from City , per City Council/RDA 6/30/03

**STATEMENT OF INDEBTEDNESS  
FILED FOR 2005-06 TAX YEAR**

Name of Redevelopment Agency  
Name of Project Area

**MODESTO REDEVELOPMENT AGENCY  
MODESTO REDEVELOPMENT PROJECT - ORIGINAL AREA**

For Indebtedness Entered into as of June 30, 2005

Debt Identification	Original Data					Current	
	Date	Principal	Term	Interest Rate	Total Interest	Total Outstanding Debt	Principal/Interest Due During Tax Year
(A) Low-Mod Housing Set-aside	11/05/91	-	40 yrs.	n/a	n/a	17,369,462.55	52,000.00
(B)							
(C)							
(D)							
(E)							
(F)							
(G)							
(H)							
(I)							
(J)							
(K)							
(L)							
<b>Total This Page</b>						\$ 17,369,462.55	\$ 52,000.00

**Purpose of Indebtedness:**

(A) 20% Low-Mod Income Housing set-aside (new est.)  
 (B) \_\_\_\_\_  
 (C) \_\_\_\_\_  
 (D) \_\_\_\_\_  
 (E) \_\_\_\_\_  
 (F) \_\_\_\_\_

(G) \_\_\_\_\_  
 (H) \_\_\_\_\_  
 (I) \_\_\_\_\_  
 (J) \_\_\_\_\_  
 (K) \_\_\_\_\_  
 (L) \_\_\_\_\_

**RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS**

Name of Agency MODESTO REDEVELOPMENT AGENCY

Name of Project Area MODESTO REDEVELOPMENT PROJECT - ORIGINAL AREA

Tax Year 2005-06

Reconciliation Dates: From July 1, 2004 To June 30, 2005

Debt Identification:			A	B	C	D	E	F
SOI, page and line:		Brief Description	Outstanding Debt All Beginning Indebtedness	Adjustments		Amounts Paid Against Indebtedness, from:		Remaining Balance (A+B-C-D-E)
Prior Yr	Current Yr			Increases (Attach Explanation)	Decreases (Attach Explanation)	Tax Increment	Other Funds	
Pg 1 Line A	Pg 1 Line A	Loan from City of Modesto	234,610.00	Interest added 16,709.00				251,319.00
Pg 1 Line B	Pg 1 Line B	Loan from City of Modesto	107,417.00	Interest added 7,651.00				115,068.00
Pg 1 Line C	Pg 1 Line C	Loan from City of Modesto	150,383.00	Interest added 10,712.00				161,095.00
Pg 1 Line D	Pg 1 Line D	Loan from City of Modesto	9,452,688.00	Interest added 673,267.00				10,125,955.00
Pg 1 Line E	Pg 1 Line E	Loan from City of Modesto	2,651,534.00	Interest added 188,855.00				2,840,389.00
Pg 1 Line F	Pg 1 Line F	Loan from City of Modesto	4,801,942.00	Interest added 342,018.00				5,143,960.00
Pg 1 Line G	Pg 1 Line G	Loan from City of Modesto	12,586,049.00	Interest added 896,440.00				13,482,489.00
Pg 1 Line H	Pg 1 Line H	Loan from City of Modesto	285,994.00	Interest added 20,370.00				306,364.00
TOTAL - THIS PAGE			30,270,617.00	Interest added 2,156,022.00				32,426,639.00
TOTALS FORWARD			57,433,200.76	972,990.62		252,339.15	1,754,198.68	56,399,653.55
GRAND TOTALS			\$ 87,703,817.76	\$ 3,129,012.62	\$ -	\$ 252,339.15	\$ 1,754,198.68	\$ 88,826,292.55

**NOTE:** Column A must equal the previous year Statement of Indebtedness Outstanding Debt. Column F must equal this year's SOI Outstanding Debt column. Use the page and line number that the indebtedness is listed on in each year as appropriate, and a brief description. Ignore any indebtedness fully repaid in the previous year, as it had a zero ending balance. All new indebtedness entered into since the previous SOI is to be listed below the previous indebtedness. Enter "new" in the "Prior Yr" page and line column for each new indebtedness.

**RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS**

Name of Agency MODESTO REDEVELOPMENT AGENCY

Name of Project Area MODESTO REDEVELOPMENT PROJECT - ORIGINAL AREA

Tax Year 2005-06

Reconciliation Dates: From July 1, 2004 To June 30, 2005

Debt Identification:		A	B		C	D	E	F	
		Outstanding Debt All Beginning Indebtedness	Adjustments			Amounts Paid Against Indebtedness, from:		Remaining Balance (A+B-C-D-E)	
SOI, page and line: Prior Yr	Current Yr		Brief Description	Increases (Attach Explanation)		Decreases (Attach Explanation)	Tax Increment		Other Funds
Pg 1 Line 1	Pg 1 Line 1		Certificates of Participation	36,521,820.00			201,871.32	1,754,198.68	34,565,750.00
Pg 1 Line J	Pg 1 Line J		Transfer/loans from City	3,777,464.00	Prin/int/crctn on loans 686,977.00				4,464,441.00
Pg 2 Line A	Pg 2 Line A		Low-Mod Housing Set-aside	17,133,916.76	Adj. to total debt 286,013.62		50,467.83		17,369,462.55
Pg Line	Pg Line								
Pg Line	Pg Line								
Pg Line	Pg Line								
Pg Line	Pg Line								
Pg Line	Pg Line								
Pg Line	Pg Line								
Pg Line	Pg Line								
Pg Line	Pg Line								
TOTAL - THIS PAGE				57,433,200.76	972,990.62		252,339.15	1,754,198.68	56,399,653.55

**NOTE:** Column A must equal the previous year Statement of Indebtedness Outstanding Debt. Column F must equal this year's SOI Outstanding Debt Column.

## CALCULATION OF AVAILABLE REVENUES

AGENCY NAME MODESTO REDEVELOPMENT AGENCY

PROJECT AREA MODESTO REDEVELOPMENT PROJECT - ORIGINAL AREA

TAX YEAR 2005-06

RECONCILIATION DATES: JULY 1, 2004 TO JUNE 30, 2005

1. Beginning Balance, Available Revenues (See Instructions)	\$	2,034,233.96
2. Tax Increment Received - Gross All Tax Increment Revenues, including any Tax Increment passed through to other local taxing agencies	\$	252,339.15
3. All other Available Revenues Received (See Instructions)	\$	-
4. Revenues from any other source, included in Column E of the Reconciliation Statement, but not included in (1 - 3) above	\$	1,698,944.51
5. Sum of Lines 1 through 4	\$	3,985,517.62
6. Total amounts paid against indebtedness in previous year. (D + E on Reconciliation Statement)	\$	2,006,537.00
7. Available Revenues, End of Year (5 - 6)	\$	1,978,979.62

**FORWARD THIS AMOUNT TO STATEMENT OF INDEBTEDNESS**

### NOTES

**Tax Increment Revenues:**

The only amount(s) to be excluded as Tax Increment Revenue are any amounts passed through to other local taxing agencies pursuant to Health and Safety Code Section 33676. Tax Increment Revenue set-aside in the Low and Moderate Income Housing Fund will be washed in the above calculation, and therefor omitted from Available Revenues at year end.

**Item 4. above:**

This represents any payments from any source other than Tax Increment OR available revenues. For instance, an agency funds a project with a bond issue. The previous SOI included a Disposition Development Agreement (DDA) which was fully satisfied with these bond proceeds. The DDA would be shown on the Reconciliation Statement as fully repaid under the "other" column (Col E), but with funds that were neither Tax Increment, nor "Available Revenues" as defined. The amounts used to satisfy this DDA would be included on line 4 above in order to accurately determine ending "Available Revenues".

**STATEMENT OF INDEBTEDNESS - CONSOLIDATED  
FILED FOR THE 2005-06 TAX YEAR**

Cover Page

Name of Redevelopment Agency  
Name of Project Area

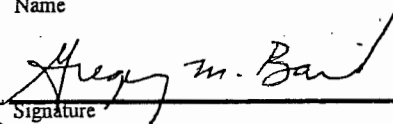
MODESTO REDEVELOPMENT AGENCY  
MODESTO REDEVELOPMENT PROJECT - AMENDED AREA

Balances Carried Forward From:		Line	Current	
			Total Outstanding Debt	Principal/Interest Due During Tax Year
Fiscal Period - Totals	(From Form A, Page 1 Totals)	(1)	\$ 209,864,265.36	\$ 990,000.00
(Optional) Post Fiscal Period - Totals	(From Form B Totals)	(2)	\$ 0.00	\$ 0.00
Grand Totals		(3)	\$ 209,864,265.36	\$ 990,000.00
Available Revenues From Calculation of Available Revenues, Line 7		(4)	\$ 0.00	
Net Requirement		(5)	\$ 209,864,265.36	

Consolidate on this form all of the data contained on Form A and B (including supplemental pages). Form A is to include all indebtedness entered into as of June 30 of the Fiscal Year. Form B may be filed at the option of the agency, and is to include indebtedness entered into post June 30 of the Fiscal Year, pursuant to Health and Safety Code Section 33675(c)(2). This is optional for each agency and is not a requirement for filing the Statement of indebtedness. The Reconciliation Statement is to include indebtedness from Form A only.

Certification of Chief Financial Officer:

Pursuant to Section 336775 (b) of the Health and Safety Code, I hereby certify that the above is a true and accurate Statement of Indebtedness for the above named agency.

Gregory M. Baird	Acting Finance Director
Name	Title
	September 30, 2005
Signature	Date

**STATEMENT OF INDEBTEDNESS  
FILED FOR THE 2005-06 TAX YEAR**

Name of Redevelopment Agency

**MODESTO REDEVELOPMENT AGENCY**

Name of Project Area

**MODESTO REDEVELOPMENT PROJECT - AMENDED AREA**

For Indebtedness Entered into as of June 30, 2005

Debt Identification	Original Data					Current	
	Date	Principal	Term	Interest Rate	Total Interest	Total Outstanding Debt	Principal/Interest Due During Tax Year
(A) Pass through: Y.C.C.D.	11/5/91	4,258,077.00	40 yrs.	n/a	n/a	7,380,434.65	48,000.00
(B) Pass through: Modesto City Schools	11/05/91	25,327,263.00	40 yrs.	n/a	n/a	44,014,464.50	280,000.00
(C) Pass through: County Office of Education	11/05/91	3,705,080.00	40 yrs.	n/a	n/a	6,403,918.72	42,000.00
(D) Pass through: Stanislaus County	11/05/91	29,150,160.00	40 yrs.	n/a	n/a	53,424,028.79	111,222,846
(E) Low-Mod Housing Set-aside Reimbursement Agreement -	11/05/91	32,216,556.00	40 yrs.	n/a	n/a	41,972,853.07	620,000.00
(F) MPF 1998 Lease Revenue Bonds Stanislaus Co. Economic Develop-	03/11/98	18,490,000.00	35 yrs.	4.00%-5.125%	25,171,753.00	37,208,793.63	
(G) ment "Bank" - Kansas Ave BP City of Modesto	11/06/02	405,000.00	13 yrs.	none	none	405,000.00	
(H) All prior transfers now loans	06/30/03	12,570,277.00	open	7%	6,484,495.00	19,054,772.00	
(I)							
(J)							
Sub Total, This Page						\$ 209,864,265.36	\$ 990,000.00
Totals Forward From All Other Pages							
Grand Totals						\$ 209,864,265.36	\$ 990,000.00
Available Revenues From Calculation of Available Revenues						\$ -	
Net Requirement						\$ 209,864,265.36	

**Purpose of Indebtedness:**

(A) Agreement pursuant to H&S Code Section 33401

(B) Agreement pursuant to H&S Code Section 33401

(C) Agreement pursuant to H&S Code Section 33401

(D) Agreement pursuant to H&S Code Section 33401

(E) 20% Low-Mod Income Housing set-aside (new est.)

(F) Tenth Street Place project - site acquisition and construction, RDA share of Modesto Public Financing Authority 1998 Lease Revenue Bonds

(G) Planning costs re: the proposed Kansas Ave. Business Park

(H) Transfers/loans from City, per City Council/RDA 6/30/03

(I)

(J)

**RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS**

Name of Agency MODESTO REDEVELOPMENT AGENCY  
 Name of Project Area MODESTO REDEVELOPMENT PROJECT - AMENDED AREA

Tax Year 2005-06

Reconciliation Dates: From July 1, 2004 To June 30, 2005

Debt Identification:			A	B	C	D	E	F
SOI, page and line:		Brief Description	Outstanding Debt All Beginning Indebtedness	Adjustments		Amounts Paid Against Indebtedness, from:		Remaining Balance (A+B-C-D-E)
Prior Yr	Current Yr			Increases (Attach Explanation)	Decreases (Attach Explanation)	Tax Increment	Other Funds	
Pg 1 Line A	Pg 1 Line A	Pass through: Y.C.C.D.	7,440,680.00			60,245.35		7,380,434.65
Pg 1 Line B	Pg 1 Line B	Pass through: Modesto City Schools	44,372,807.00			358,342.50		44,014,464.50
Pg 1 Line C	Pg 1 Line C	Pass through: County Office of Education	6,456,340.00			52,421.28		6,403,918.72
Pg 1 Line D	Pg 1 Line D	Pass through: Stanislaus County	54,206,436.00			782,407.21		53,424,028.79
Pg 1 Line E	Pg 1 Line E	Low-Mod Housing Set-aside	41,963,800.95	Adj. to total debt 617,534.20		608,482.08		41,972,853.07
Pg 2 Line F	Pg 1 Line F	Reimbursement Agreement - MPF 1998 Lease Revenue Bonds	39,495,183.63			879,992.00	CY&PY crctn 1,406,398.00	37,208,793.63
Pg 2 Line G	Pg 1 Line G	Stanislaus Co. Economic Develop- ment "Bank" - Kansas Ave BP	405,000.00					405,000.00
Pg 2 Line H	Pg 1 Line H	City of Modesto All prior transfers now loans	16,695,804.00	Prin/int/crctn on loans 2,358,968.00				19,054,772.00
TOTAL - THIS PAGE			211,036,051.58	2,976,502.20		2,741,890.42	1,406,398.00	209,864,265.36
TOTALS FORWARD				980,794.44		980,794.44		
GRAND TOTALS			\$ 211,036,051.58	\$ 3,957,296.64	\$ -	\$ 3,722,684.86	\$ 1,406,398.00	\$ 209,864,265.36

**NOTE:** Column A must equal the previous year Statement of Indebtedness Outstanding Debt. Column F must equal this year's SOI Outstanding Debt column. Use the page and line number that the indebtedness is listed on in each year as appropriate, and a brief description. Ignore any indebtedness fully repaid in the previous year, as it had a zero ending balance. All new indebtedness entered into since the previous SOI is to be listed below the previous indebtedness. Enter "new" in the "Prior Yr" page and line column for each new indebtedness.

**RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS**

Name of Agency MODESTO REDEVELOPMENT AGENCY

Name of Project Area MODESTO REDEVELOPMENT PROJECT - AMENDED AREA

Tax Year 2005-06

Reconciliation Dates: From July 1, 2004 To June 30, 2005

Debt Identification:			A	B	C	D	E	F
			Outstanding Debt All Beginning Indebtedness	Adjustments		Amounts Paid Against Indebtedness, from:		Remaining Balance (A+B-C-D-E)
SOI, page and line:		Brief Description		Increases	Decreases	Tax Increment	Other Funds	
Prior Yr	Current Yr			(Attach Explanation)	(Attach Explanation)			
Pg new	Pg			T/I paid on Orig Area COP				
Line new	Line			980,794.44		980,794.44		
<b>TOTAL - THIS PAGE</b>				980,794.44		980,794.44		

**NOTE:** Column A must equal the previous year Statement of Indebtedness Outstanding Debt. Column F must equal this year's SOI Outstanding Debt Column.

## CALCULATION OF AVAILABLE REVENUES

AGENCY NAME MODESTO REDEVELOPMENT AGENCY

PROJECT AREA MODESTO REDEVELOPMENT PROJECT - AMENDED AREA

TAX YEAR 2005-06

RECONCILIATION DATES: JULY 1, 2004 TO JUNE 30, 2005

1. Beginning Balance, Available Revenues (See Instructions)	\$	1,217,046.83
2. Tax Increment Received - Gross All Tax Increment Revenues, including any Tax Increment passed through to other local taxing agencies	\$	<u>3,912,036.03</u>
3. All other Available Revenues Received (See Instructions)	\$	<u>-</u>
4. Revenues from any other source, included in Column E of the Reconciliation Statement, but not included in (1 - 3) above		<u>-</u>
5. Sum of Lines 1 through 4	\$	<u>5,129,082.86</u>
6. Total amounts paid against indebtedness in previous year. (D + E on Reconciliation Statement)	\$	<u>5,129,082.86</u>
7. Available Revenues, End of Year (5 - 6)	\$	<u><u>-</u></u>

**FORWARD THIS AMOUNT TO STATEMENT OF INDEBTEDNESS**

### NOTES

**Tax Increment Revenues:**

The only amount(s) to be excluded as Tax Increment Revenue are any amounts passed through to other local taxing agencies pursuant to Health and Safety Code Section 33676. Tax Increment Revenue set-aside in the Low and Moderate Income Housing Fund will be washed in the above calculation, and therefore omitted from Available Revenues at year end.

**Item 4. above:**

This represents any payments from any source other than Tax Increment OR available revenues. For instance, an agency funds a project with a bond issue. The previous SOI included a Disposition Development Agreement (DDA) which was fully satisfied with these bond proceeds. The DDA would be shown on the Reconciliation Statement as fully repaid under the "other" column (Col E), but with funds that were neither Tax Increment, nor "Available Revenues" as defined. The amounts used to satisfy this DDA would be included on line 4 above in order to accurately determine ending "Available Revenues".

*Fiscal Years 2004– 2005*  
**Low and Moderate Income Housing Fund**  
**Expenditures for Planning and Administrative Activities**

The Redevelopment Agency of the City of Modesto will adopt annual determinations in accordance with California Redevelopment Law section 33334.3, which considers the necessity and proportionality of Low and Moderate Income Housing Fund (LMIHF) expenditures for planning and administrative activities.

Expenditures from the LMIHF for planning and administrative costs, relative to the total budget for *Fiscal Years 2004– 2005* and expenses are noted below:

**Percent of Planning and Administrative Expenditures of LMIHF Expenditures**

Expenditures from the LMIHF for planning and administrative costs (Admin), and its relationship to actual LMIHF expenditures is noted below:

<u>FY</u>	<u>LMIHF Expended</u>	<u>Admin Expenditures</u>	<u>Admin % of LMIHF Expenditures</u>
04/05	\$ 6,815	\$6,815	100%

The Administrative and Planning expenditures are for legal review of proposed affordable housing developments. This is a necessary cost to ensure compliance with Health & Safety Code requirements for proposed housing projects.

Beginning in 2000, the Agency has focused on producing affordable housing project in the Downtown area. The primary barriers to this project have been:

- a. Increased land prices coupled with unwilling sellers that necessitate eminent domain proceedings
- b. Reduced site acreage available for purchase
- c. Increased need for parking for the housing development for the general population of downtown workers, customers merchants

During FY 2005, the Agency has worked with several downtown sites in an effort to create an affordable housing project. As part of that effort, a set of architectural plans was created to facilitate the approval process. Once a site is identified, these plans will be used to expedite the housing development. In addition, staff is pursuing the following steps for future projects:

1. Plan for Use of Excess Housing Surplus Funds: The Excess Surplus Funds will be utilized for an affordable project located in or near the Downtown area, in conjunction with funding from the Community Development Block Grants, HOME and HCD funding.
2. Additional funding: The Agency staff continues to partner with the private sector and City Parks, Recreation & Neighborhood staff in an increased effort to combine multiple funding sources for the production of affordable housing downtown. The funding can come private sources, the Redevelopment Agency, Community Development Block Grant funds and other housing agencies.

3. Developable sites: The combined staff is reviewing possible sites in and around downtown for a housing project. One objective is to identify City-owned parcels that may no longer be needed for City uses and develop these into affordable housing.
4. Additional parking: The Agency staff is working with other City departments to identify parcels near the downtown core that could be developed into multi-story parking. This additional parking inventory could provide alternative parking for downtown workers well as for residents of those housing developments who are in proximity to the new facilities.

Criteria: Health and Safety Code Section 33334.3(d) expresses the Legislature's intent that LMIHF expenditures for general planning and administrative activities not be disproportionate to actual costs for housing production, improvement, and preservation; and requires agencies to determine annually that planning and administrative expenses are necessary for the production, improvement, or preservation of low- and moderate-income housing.

State Controller's Office, Guidelines for Compliance Audits of California Redevelopment Agencies, November 1998, requires independent auditors to test for a written annual determination concerning the necessity and appropriateness of any planning and administrative expenditures from the LMIHF.

Health and Safety Code Section 33334.3(e) provides that the planning and administrative costs that may be paid by the LMIHF are those expenses incurred by the agency which are directly related to the programs and activities authorized by Section 33334.2(e) and are limited to: (A) costs incurred for salaries, wages, and related costs of the Agency's staff or for services provided through interagency agreements and agreements with contractors; and (B) costs incurred by a nonprofit organization not directly attributable to a specific project.

**Procedure for Annual Determination of LMIHF Planning/Administrative Expenses:**

1. The Agency will make an annual determination, in writing, whether proposed planning and administrative costs are necessary and proportionate to the amount proposed for actual housing assistance activities during the year(s).
2. The Agency files will contain written documentation of the facts upon which the annual determination is based, the determination itself, and an analysis that connects the facts to the Agency's ultimate conclusion.
3. To effectively evaluate the "proportionality" of proposed planning and administrative activities, the adopted determination will identify and compare budgeted or projected planning and administrative expenses with budgeted or projected expenses for actual housing development, improvement and preservation activities.
4. To effectively evaluate the necessity of proposed planning and administrative expenditures from the LMIHF, the determination will itemize proposed planning and administrative expenses and relate them to specific housing development, improvement and preservation activities.
5. The determination will describe and analyze the availability of other funding sources, which might be used to finance proposed planning and administrative expenses.

**MODESTO REDEVELOPMENT AGENCY  
RESOLUTION NO. 13-2005**

**A RESOLUTION APPROVING THE REDEVELOPMENT AGENCY'S FIVE-  
YEAR IMPLEMENTATION PLAN (2005-2009)**

WHEREAS, the Agency, by Resolution No. 12-99, adopted a five-year Implementation Plan (2000-2004) in 1999, pursuant to California Redevelopment Law, and

WHEREAS, California Redevelopment Law § 33490 requires that the Agency adopt an Implementation Plan every five (5) years, after a public hearing, for the purposes of defining the goals, visions, programs and projects for the Project Area of the Redevelopment Agency, and

WHEREAS, said Implementation Plan was reviewed by the Citizens Redevelopment Advisory Commission on December 1, 2005 who recommended its approval to the Agency, and

WHEREAS, a duly noticed public hearing was held by the Agency on December 6, 2005, at which public hearing all interested persons were given an opportunity to be heard relative to the five-year Implementation Plan (2005-2009),

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Modesto that the Agency does hereby adopt the five-year Implementation Plan, a copy of which is on file in the office of the City Clerk, for the period covering calendar years 2005-2009.

The foregoing resolution was introduced at a regular meeting of the Modesto Redevelopment Agency held on the 14<sup>th</sup> day of December 2005, by Agency Member Dunbar, who moved its adoption, which motion being duly seconded by Agency Member Hawn, was upon roll call carried and the resolution adopted by the following vote:

AYES:           Agencymembers:           Dunbar, Hawn, Keating, Marsh, O'Bryant, Mayor Ridenour

NOES:           Agencymembers:           None

ABSENT:        Agencymembers:           Jackman

ATTEST:        Jean Zahr  
JEAN ZAHR, Secretary

APPROVED AS TO FORM:

BY:   
MICHAEL D. MILICH, General Counsel