THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: CHIEF EXECUTIVE OFFICE

Urgent_____ Routine X

CEO Concurs with Recommendation YES X NO____
(Information Attached)

BOARD AGENDA # B-15

AGENDA DATE April 9, 2002

4/5 Vote Required YES____ NO____

SUBJECT: APPROVAL OF WORKFORCE INVESTMENT BOARD'S RECOMMENDATIONS FOR BOARD OF SUPERVISOR'S FUNDING OF ECONOMIC DEVELOPMENT PROJECTS FROM THE ECONOMIC DEVELOPMENT "BANK" FOR FISCAL YEAR 2001-2002.

STAFF RECOMMENDATIONS:

1. APPROVE THE WORKFORCE INVESTMENT BOARD'S RECOMMENDATIONS FOR BOARD OF SUPERVISOR'S FUNDING OF ECONOMIC DEVELOPMENT PROJECTS FROM THE ECONOMIC DEVELOPMENT "BANK" FOR FISCAL YEAR 2001-2002.

2. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE AGREEMENTS WITH THOSE JURISDICTIONS RECEIVING FUNDING FROM THE ECONOMIC DEVELOPMENT "BANK."

3. ADPOT A RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER, OR HIS DESIGNEE, TO ASSISIT THE UNINCORPORATED COMMUNITY OF HICKMAN TO ADMINISTER THEIR BANK FUNDS.

(Continued on page 2)

FISCAL IMPACT: The funding of the eight community economic development projects total $1.5 million. It is anticipated that the funds will be disbursed in fiscal years 2001-02 and 2002-03. It is also expected that $1.375 million will be repaid to the "Bank." The balance of $125,000 is being recommended as grant awards. The funds have been set aside in the Special Projects budget of the General Fund pursuant to Board action on February 13, 2001.

BOARD ACTION AS FOLLOWS:

No. 2002-237

On motion of Supervisor Blom , **Seconded by Supervisor** Paul
and approved by the following vote,
Ayes: Supervisors: Blom, Simon, Caruso, Paul, and Chairman Mayfield
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Abstaining: Supervisor: None

1) X **Approved as recommended**
2) _____ **Denied**
3) _____ **Approved as amended**
MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk **By: Deputy**

File No. BD-71-9

1010-08

STAFF RECOMMENDATIONS:
(Continued from Page 1)

4. AUTHORIZE THE COUNTY AUDITOR-CONTROLLER TO ESTABLISH ANY AND ALL NECESSARY ACCOUNTING PROTOCOLS FOR THE ADMINISTRATION, TRACKING, DISBURSEMENT AND REIMBURSEMENT OF THE FUNDS

DISCUSSION:

WHY

In the Spring of 1999, the County and the nine cities formed a Revenue Sharing Committee to discuss a countywide sales tax sharing agreement. After considerable discussion, the Committee concluded that a Countywide sales tax sharing agreement without an economic development purpose could not be achieved. The Revenue Sharing Committee recognized that construction of major infrastructure projects in Stanislaus County would require collaboration, and a level of resources beyond one jurisdiction's ability to provide. The group reached consensus on the concept of pooling resources to leverage other funds to achieve outcomes of benefit to all. The concept of an economic development bank was consistent with the Revenue Sharing Committee's desire to collaborate on certain economic projects. The establishment of an Economic Development "Bank" demonstrates the leadership necessary for the region to work together on economic development that will benefit the entire County.

WHAT

On January 30, 2001, Supervisor Ray Simon proposed to the members of the County Board of Supervisors that the County take a leadership role in the establishment of an economic development "Bank". On February 13, 2001, the Stanislaus County Board of Supervisors approved the formation of a Community Economic Development "Bank" for the purpose of providing resources for economic development projects throughout the County. It is the Board's intent that the funds be used by the nine cities and communities to leverage State, Federal and private dollars to finance infrastructure that makes possible greater opportunities for job retention and creation.

The Board agreed to fund the "Bank" with $1.5 million each year for five years. After a five-year period, the Board of Supervisors will review the public benefit of their contribution to the "Bank." It is

anticipated that other entities will also contribute funds to the "Bank," including cities, private corporations and commercial banks to help fund economic development projects that have a regional impact. The County will be the fiscal agent for their contribution of funds.

HOW

The Board of Supervisors appointed an Ad Hoc Group consisting of the City Manager from each city and the County Chief Executive Officer to identify the appropriate structure for the "Bank," funding criteria and the approval process.

The Ad Hoc Group recommended that the Workforce Investment Board act as the Board of Directors for the "Bank." The Workforce Investment Board agreed and established an Advisory Committee consisting of City Managers from the nine cities and the County's Chief Executive Officer. The Advisory Committee meets whenever necessary to review applications for funding and makes recommendations to the Workforce Investment Board.

The "Bank" Structure, Guiding Principles, the Application Form, Funding Criteria, and process were subsequently approved by the Advisory Committee and the Workforce Investment Board.

Eligible jurisdictions wishing to obtain funding from the "Bank" must complete an application and submit it to the Director of Employment and Training (acting as the interim director for the Workforce Investment Board). The Director and his designees review each application for completeness and provide assistance in the application process if necessary. The Advisory Committee evaluates qualifying applications and makes recommendations to the Workforce Investment Board. The Workforce Investment Board takes action on the Advisory Committee's recommendation at its regularly scheduled meetings. A majority vote of the Workforce Investment Board members is required before a project will be forwarded to the Board of Supervisors for their concurrence. If concurrence on a project cannot be achieved, County funds will not be used to fund the project.

Projects must begin within 60 days from the day of funding, however, in any event, not prior to the formation of an Agreement between the County and the jurisdiction. The jurisdiction that is granted funds must assume full fiscal responsibility for the appropriate use of the funding and is responsible for disallowed expenditures. The

jurisdiction will draw down the funds by invoicing the County for work performed on its project. The County Auditor/Controller will conduct a project audit 120 days following an entity's receipt of the funds. The project will be managed by the applicant entity(ies). A project progress report(s) must be submitted to the County on a schedule that is negotiated at the time the project is approved for funding.

WHAT IF

The economic development "Bank" program will make possible the completion of infrastructure projects that facilitates business retention, expansion, and attraction. The outcome of this effort will be greater job opportunities and less dependency on public service programs.

On October 5, 2001, a Request for Proposals for Economic Development "Bank" first cycle of funding was released. On November 9, 2001, the Advisory Committee met to review the projects submitted and to determine recommendations to be presented to the Workforce Investment Board. On December 17, 2001, the Workforce Investment Board recommended $875,000 in funding for the following five projects:

Denair Community Services District (CSD) - Construction of water trunk line facilities to increase water supply and fire flow capacity to the Denair Business District. The funding request was $175,000. Funding was approved for a $50,000 grant and an advance of $125,000.

Hickman Municipal Advisory Committee - Preparation of a Community Development Plan with the specific goal of identifying economic development and job creation/retention opportunities for Hickman. The funding request was $40,000. Funding was approved for a grant of $ 35,000. The County will administer this grant on behalf of the community of Hickman in cooperation with the Hickman Advisory Council.

City of Modesto - Master Development Plan for Kansas Avenue Business Park. The funding request was $405,000. Funding was approved for an advance of $405,000.

City of Patterson - Advanced design engineering for Baldwin Road improvements to enhance access to the West Patterson Business

Park. The funding request was $210,000. Funding was approved for an advance in the amount of $210,000.

City of Waterford - Acquisition of and improvements to the Grange Hall to bring the building into code compliance to establish a Waterford Museum/Visitor's Center to enhance tourism. The funding request was $45,000. Funding was approved for a grant in the amount of $40,000.

Applications for the second round of funding were accepted until January 2, 2002. The Advisory Committee met on January 11, 2002, to review the projects for compliance with the minimum criteria for funding and to evaluate the projects for recommendation to the Workforce Investment Board. Projects funded during the first round totaled $865,000, leaving $635,000 for second round funding.

Applications were received from six entities:

City of Ceres - Water system improvements, including extension of water mains and a new well to serve the Service Road Industrial Area. The funding request was $553,125. Funding was approved for an advance of $330,000.

Central Valley Regional Theater Company - Capital improvements to the Denair Gaslight Theater, and for a Stock Company for theater production-related education. The funding request was $20,000. This project did not meet the minimum criteria and the Workforce Investment Board did not approve funding. Staff will work in partnership with the jurisdiction in efforts to seek other funding sources.

Knight's Ferry Community Services District - Water treatment plant equipment to comply with State and Federal requirements. The funding request was $93,450. This project did not meet the minimum criteria and the Workforce Investment Board did not approve funding. Staff will assist the jurisdiction in refining its application for future funding.

City of Newman - Improve and extend existing roads and utilities for the expansion of the Newman Industrial Park. The funding request was $250,000. Funding was approved for an advance of $190,000.

City of Oakdale - Construction of Greger Avenue to Wakefield to improve access to the Oakdale Business Park and other businesses. The funding request was for $157,500. Funding was approved for an advance of $115,000.

City of Turlock - Land acquisition and construction of a business incubator. The application was withdrawn by the City of Turlock after presentation to the Advisory Committee. The City of Turlock expressed interest in resubmitting the application after more information is obtained.

The above recommendations for the second funding cycle were approved by the Workforce Investment Board at its March 18, 2002, meeting.

In accordance with the Guiding Principles for the Economic Development "Bank," funding for the above-described projects is contingent upon the concurrence by the Stanislaus County Board of Supervisors.

It is requested that you concur with the Workforce Investment Board's list of projects for Economic Development "Bank" funding for fiscal year 2001-2002.

A funding agreement for each jurisdiction and a resolution for the community of Hickman are available from your Clerk.

POLICY ISSUE:

The purpose and operation of the Economic Development "Bank" meets the Board's goals and priorities of:

Facilitate Economic Development
Achieve Multi-Jurisdictional Cooperation
Model Community Leadership

STAFFING IMPACT:

Staff in the Chief Executive Office, Economic Development Unit, will be utilized to monitor the funding for these projects.

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

Date: April 9, 2002 No. 2002-237

On motion of Supervisor Blom Seconded by Supervisor Paul
and approved by the following vote,
Ayes: Supervisors: Mayfield, Blom, Simon, Caruso, and Chair Paul
Noes: Supervisors: None
Excused or Absent: Supervisors: None
Abstaining: Supervisor: None

Item: B-15

THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, as February 13, 2001, the County Board of Supervisors authorized the establishment of an economic development "Bank" with an annual appropriation of $1.5 million dollars. The bank funds are to be used for economic development within the County. The Board directed the Chief Executive Officer to meet with City Managers to develop a structure for the "Bank" and a process for approving funding allocations from the "Bank". The County's CEO and City Managers recommended that the Work Force Investment Board (WIB) act as the "Board of Directors" for the bank; and

WHEREAS, on June 16, 2001, the WIB agreed to act as the Board of Directors of the "Bank" and established an advisory committee consisting of the nine City Managers and the County CEO; and

WHEREAS, on September 17, 2001, the WIB approved guiding principles, application documents, an evaluation system and criteria that measures the public benefit of promoting economic development and providing jobs; and

WHEREAS, on October 5, 2001, requests for proposals for use of the bank funds were issued and on November 9, 2001, the advisory committee evaluated five proposals and its recommendations were presented to the WIB; and

WHEREAS, on December 17, 2001, the WIB approved forwarding to the Board of Supervisors a proposal to grant $35,000 from the bank for the preparation of a Community Development Plan to identify economic development and job creation and retention opportunities for the community of Hickman, along with a community implementation plan.

NOW, THEREFORE, the COUNTY resolves as follows:

1. COUNTY shall set aside $35,000 from the "Bank" in an account to be used for the purpose of preparing a Community Development Plan that identifies economic development and job creation and retention opportunities for the community along with a Community Implementation Plan. The CEO shall be responsible for administering these funds consistent with the Hickman Advisory Council's proposal described in Exhibit "A", attached hereto and incorporated by reference.

2. Any contracts for services shall be negotiated by the CEO with the advice and consent of the Hickman Municipal Advisory Council. The CEO shall be responsible for signing any agreements that fall within the scope of Exhibit "A".

ATTEST: **CHRISTINE FERRARO TALLMAN, Clerk**
Stanislaus County Board of Supervisors,
State of California
Christine Ferraro
By: Deputy

File No.

STANISLAUS COUNTY AND CITY OF WATERFORD

JOINT POWERS AGREEMENT

This Agreement is made and entered into in the County of Stanislaus, State of California, this 7TH day of MARCH, 2002, by and between the City of Waterford (hereinafter "CITY"), and the County of Stanislaus, a political subdivision of the State of California, (hereinafter "COUNTY").

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

WHEREAS, on February 13, 2001, the County Board of Supervisors authorized the establishment of an economic development "Bank" with an annual appropriation of $1.5 million dollars. The bank funds are to be used for economic development within the County. The Board directed the Chief Executive Officer to meet with City Managers to develop a structure for the "Bank" and a process for approving funding allocations from the "Bank". The County's CEO and City Managers recommended that the Work Force Investment Board (WIB) act as the "Board of Directors" for the bank; and

WHEREAS, on June 16, 2001, the WIB agreed to act as the Board of Directors of the "Bank" and established an advisory committee consisting of the nine City Managers and the County CEO; and

WHEREAS, on September 17, 2001, the WIB approved guiding principles, application documents, an evaluation system and criteria that measures the public benefit of promoting economic development and providing jobs; and

WHEREAS, on October 5, 2001, requests for proposals for use of the bank funds were issued and on November 9, 2001, the advisory committee evaluated five proposals and its recommendations were presented to the WIB; and

WHEREAS, on December 17, 2001 the WIB approved forwarding the Board of Supervisors a proposal to award the "CITY" an economic development grant of $40,000 for the purchase of and improvements to the Waterford Grange Hall building.

NOW, THEREFORE, CITY and COUNTY enter into a Joint Power's Agreement pursuant to California Government Code section 6502 for the consideration hereinafter stated, agree as follows:

100. OBLIGATIONS OF THE COUNTY TO DISTRIBUTE BANK FUNDS

101. COUNTY agrees to advance $40,000 to the "CITY" from the "Bank" to be used for the purchase of and improvements to the Waterford Grange Hall building which is to be converted into a museum/visitors center according to the City's application, attached hereto, as Exhibit "A". The County Auditor-Controller shall set up an account payable from the "Bank" to the "CITY" in the amount of $40,000. Payments from the "Bank" to the "CITY" shall be made upon the "CITY" presenting invoices or other documentation showing that the amounts requested are for the purchase of and improvements to the Grange Hall as described in Exhibit "A". The COUNTY shall

designate that the County Auditor-Controller provide the "CITY" with the status of this account upon receiving a written request from the "CITY"; otherwise, a statement showing the status of the account will be provided to the "CITY" at the end of each fiscal year until the account payable reaches a zero balance.

200. CITY'S OBLIGATIONS

201. "CITY" agrees to utilize the funds received from the COUNTY described in paragraph 101 exclusively for the purposes described in Exhibit "A".

202. "CITY" agrees that the purchase of and improvements to the Waterford Grange Hall building shall be completed before June 30, 2007.

203. "CITY" upon receiving a written request from the County's Chief Executive Officer shall provide proof that the "CITY" has expended the funds received from the "Bank" as contemplated by this Agreement and is repaying funds received as required by the terms of this Agreement.

300. MUTUAL OBLIGATIONS

301. Any notices or communications required or permitted hereunder shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, return receipt requested, postage prepaid as follows:

If to COUNTY:
Chief Executive Officer, County of Stanislaus
1010 Tenth Street, Suite 6800
Modesto, CA 95354

If to CITY:

Charles Deschenes - City Administrator
P.O. Box 199
Waterford, CA 95386

302. The provisions of this Agreement, shall constitute the entire Agreement between the parties and unless modified by written agreement duly executed by the parties hereto, shall continue in full force and effect.

303. Venue for any actions initiated by either party shall be in the Superior Court of Stanislaus County and California law shall apply to all the Agreement's terms and conditions.

304. CITY and COUNTY further covenant to cooperate with one another in all respects necessary to ensure the successful consummation of the action contemplated by this Agreement, and each will take all actions within its authority to ensure cooperation of its officials, officers, agents and employees.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first written above.

CITY OF WATERFORD

By _____
Charles ~~Deschenes~~ TURNER
~~City Administrator~~ MAYOR

COUNTY OF STANISLAUS

By _____
Reagan Wilson
Chief Executive Officer

APPROVED AS TO FORM:

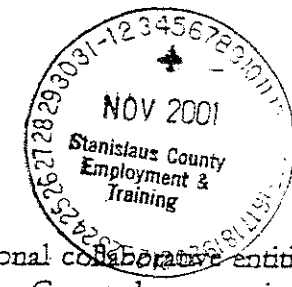
By _____
Attorney
City of Waterford

APPROVED AS TO FORM:

By _____
E. Vernon Seeley,
Assistant County Counsel

ECONOMIC DEVELOPMENT "BANK"
APPLICATION FOR FUNDING
Cover Sheet

NOV 2001
Stanislaus County Employment & Training



Concept

It is the purpose of the Economic Development "Bank" to make funds available to regional collaborative entities for economic development projects that will result in job retention and creation. Stanislaus County has committed to contributing $1.5 million per year to the "Bank" for economic development projects. It is expected that additional funds will be contributed to the "bank" from grants or other entities. Funds from the Economic Development "Bank" are intended to benefit the cities, the county and the community by leveraging these funds to match State, Federal and private dollars, in order to construct much-needed infrastructure and to promote programs that are conducive to countywide economic development.

Eligibility

Stanislaus County, Cities in Stanislaus County, Municipal Advisory Committees, Community Service Districts in Partnership With Stanislaus County, Non-Profits and Schools In Partnership With a City and/or the County.

Applications for funds should be submitted on this form.

Applicant Information

Applying Entity CITY OF WATERFORD Contact Name CHARLES DESCHENES Title CITY ADMINISTRATOR

Mailing Address POST OFFICE BOX 199, WATERFORD, CA 95386

Phone/Fax/email PHONE: 874-2328, FAX: 874-9656 EMAIL: CITYADMIN@CITYOFWATERFORD.ORG

Project Title GRANGE HALL ACQUISITION

Please provide a brief description of your project (25 words or less).
SEE ATTACHED COVER SHEET

Which part of the County or City will this project benefit? CITY OF WATERFORD AND AREAS EAST STANISLAUS

Total Project Budget $ 161,000 Please submit an attached one-page categorized project budget showing the project components and how the Economic Development "Bank" funds will be used in conjunction with contributions from other sources.

Amount Requested $ 45,000

How will this loan be repaid? THE CITY OF WATERFORD DOES NOT ANTICIPATE REPAYMENT

Signature/Endorsement by Mayor or Board Chair Betty Jo Roraburgh, Vice Mayor

This application and attachments are complete and accurate to the best of my knowledge.

Signature of Applicant Charles E. Deschenes Print Name Charles Deschenes

Print Organization Name City of Waterford Telephone: (209) 874-2328

EXHIBIT "A"

Grange Hall Acquisition

Application by: *City of Waterford*

Contact: Charles Deschenes, City Administrator
City of Waterford
Post Office Box 199
Waterford, CA 95386
Phone: (209) 874-2328, Fax: (209) 874-9656
Email: cityadmin@cityofwaterford.org

Project Fund Request:

The City of Waterford is seeking the award of $45,000 from the Economic Development Bank which will be utilized to fund construction upgrades to bring the building into compliance with current health and safety codes including handicapped accesses and ramps, bathroom facilities, meeting areas and fire codes. Some funds will also be used to provide displays for the museums and informational kiosks for the Visitor's Center.

Project Location:

12308 Bentley Street, Waterford, CA 95386
Stanislaus County Assessor's Parcel Number: 134-02-33

The Grange Hall #553 is located at Highway 132 and Bentley Street in Waterford. The project site is an ideal location for the Museum/Visitor's Center development because it is located on the main highway in town. It is also considered a gateway project as Bentley Street is the main thoroughfare to the core downtown facilities. The location is ideal for local citizen access as it is in the center of town and ideal for visitors because it is a highly visualized location.

Project Description:

The City of Waterford will purchase the Grange Hall building located at the eastern corner of Highway 132 and Bentley Street to establish the Waterford Museum/Visitor's Center. The project involves the cooperative efforts of the City of Waterford, the Waterford Historical Society, Waterford Chamber of Commerce and State Grant Funds through the California Department of Parks and Recreation. The project funds and in-kind matches will be utilized for purchase of the property, construction of on-site improvements to insure the building meets current building codes and establishment of the museum and visitor's center. It is anticipated that the museum will showcase the local history though the display of collected artifacts, documented personal and family histories and picture portfolios specific to the Waterford area. The Visitor's Center will provide business and recreation information to passing tourist groups and local area citizens further enhancing the utilization of local business resources and area recreation opportunities specific to the region of Waterford.

Public Benefit/Economic Development:

In 1995 the City of Waterford hired Applied Development Economics to complete an Economic Development Strategy to evaluate the local economy and pinpoint its strengths and weaknesses. This document has been a great benefit to the city as it has helped focus local development and city decision-making processes to align with projects beneficial to Waterford. In summary, the Economic Development Study gave short term and long term goals which specifically recommended that local businesses and city government work together to target seasonal visitors who utilize Highway 132 to access Turlock and Modesto Reservoirs, La Grange and Don Pedro. It recommended that "the City should encourage the establishment of fruit stands, visitor recreation services (e.g. fishing and boating supplies or rentals), or a novelty visitor's attraction.

The development of the Waterford Museum and Visitor's Center is seen to meet that recommendation by providing an educational component to visitors who pass through and provide additional information to them by brochures and informational packets. By locating the Chamber of Commerce at the site the local business community can then focus attention of this sector of the local economy through additional visitor contacts, business information sharing and eventual business recruiting.

The Visitor's Center will also be seen as a vehicle to job retention and growth in the area by enhancing the ability of the Chamber of Commerce to communicate with local business. By creating a Chamber Center local meetings, job focus and problem resolution can occur in an organized and streamlined manner. By communicating the study's focus needs to the community in a concise manner the establishment of businesses geared towards the local tourist economy, more businesses will flourish. For example, the study states that the City of Waterford will not have the ability to compete for heavy industrial and commercial users because of the location and ability to develop its property in the necessary manner. Conclusions to the study suggest that the niche in Waterford is capitalizing on tourist dollars and passive recreation uses.

Waterford has been working to accommodate the above conclusions in a number of ways. The City has been working to obtain passive recreation lands adjacent to the Tuolumne River. The Stanislaus County Parks and Recreation Needs Analysis designated Appling Park as a future site for passive uses along the Tuolumne River. The area is seen as one component in a larger project to link park sites along the river, preserving the river habitat and enhancing uses along the route. The City anticipates the Visitor's Center as a resource and guide to all the new developments the City and County have been working on together.

The Waterford Historical Society has been working diligently to find a location for the Waterford Museum. Some of the Waterford Historical Society goals include preserving the local history for the benefit of the local citizenry. Members are keenly aware that knowledge of the local area history, traditions and artifacts encourages a sense of community pride that would be lost if not established. To the greater public benefit, the society has collected and preserved information concerning the original settlement of Waterford, gold rush culture and impacts, the reservoir projects and dam impacts, the Tuolumne River as an important local resource and local family impacts that go beyond Stanislaus County.

By categorizing, documenting and displaying these items, the Waterford Historical Society will impact the local area and encourage understanding by area visitors. Plans are being made to work closely with the local school district to insure each child in the system will have an opportunity to view and understand the local area history and how it fits with Stanislaus County and the State of California.

Projected Outcomes/Goals:

The expected outcomes of acquiring the Grange Hall are:

1.0 The acquisition of real property.
2.0 Establishment of the Waterford Museum. Using volunteer labor the Waterford Historical Society and other civic groups will display and preserve the local history for viewing by visitors.
3.0 Establishment of the Waterford Visitor's Center. Proving further information to local visitor's and pass through users of Highway 132 to parks and recreational opportunities, local business services and additional resources in the area.
4.0 Advertise and utilize facilities to educate citizens and visitor's regarding Waterford history, area recreational opportunities and services thereby expanding the utilization of resources specific to the area.
5.0 Establish regular business and civic meeting locations that encourage economic development, business retention and new business recruitment. ie. Chamber of Commerce development, SCEDCO small business training and local civic groups working to the same end.

Project Outcome Measurement/Responsible Agency

1.1 The City of Waterford has entered into a purchase agreement with the Waterford Grange #553 to purchase the Grange Hall. The escrow is scheduled for 180 days. Upon close of escrow the purchase of real property will be complete. The City of Waterford will be responsible for day to day operations in conjunction with users. The Waterford City Council will establish operation manuals and specific rules for use.
2.1 The Waterford Historical Society will begin construction of the museum facilities as soon as the project upgrades are completed. It is anticipated that the museum facility will be opened within ten months of the completion of the project upgrades. The Waterford Historical Society has been responsible for spearheading this project and the group anticipates the completion of their portion of the project.
3.1 The initial establishment of the Visitor's Center will include an informational kiosk and minimal personal assistance as provided by volunteers. It is anticipated that the Chamber of Commerce offices will be open and operational in this location just after the project upgrades are completed but the City anticipates 1-2 years of further group development before a more proactive role is assumed. The location and opportunity provide the basis for further more extensive services by the group.

4.1 Once opened as a Museum/Visitor's Center the City of Waterford, Historical Society, Chamber of Commerce and other civic groups that will utilize the facility will start advertising campaigns to encourage use by local citizens and visitor's. A program to encourage the local school district to utilize the facility will be started by attendance at school board meetings, local school classes and teacher meetings.

5.1 The City of Waterford will insure the facility is used by local civic groups as a meeting site. The current community center at 540 "C" Street is always booked ahead of time. It is anticipated that the new location will help free the community center for further use.

Collaborative Effort

The City of Waterford – the City has established a lead role in assuming responsibility for the facilities to be acquired. The City has also utilized its staff to write and apply for perspective grants to fund the acquisition. The City will establish user rules and operation requirements for all other collaborators in the project. It is anticipated that a planning meeting will help to incorporate the specific needs of each group into the overall project operation.
The Waterford Historical Society – The society members have been working diligently to collect, gather and document all artifacts from the local area. The group will be responsible for the establishment of the museum and specific presentations via volunteers and members.
The Waterford Chamber of Commerce – The group will provide local visitor information and business resources once established in the building.

Continued Use

The City of Waterford assumes responsibility for the maintenance and day to day operations of the Grange Hall. User fees and local general fund monies will be utilized to continue the project. The partner users will be required to further efforts and recruit members to carry on the project.

Accounting

Standard governmental practices of accounting will be utilized to track expenditures and operations of the facility. The City is in escrow for the purchase of the property and then will go out to bid for the construction phase of the project.

Grange Hall Acquisition Budget & Timeline
City of Waterford/Waterford Historical Society
Updated: October 20, 2001

Project	Cost	Funding Source	Volunteer Hours	Staff Time/Cost Match for Project	Timeline
Grange Hall Acquisition	$100,000.00	State Funds	city staff time: administration - contract for purchase, city attorney - contract writing grant writing - application to State	$4,000.00	Close of Escrow upon Grant award and contract execution
Construction Upgrades	$45,000.00	"County Bank"	N/A		3-4 month after acquisition
Museum Improvements	$6,000.00	City	volunteer time to be utilized to setup, document and display historical documents **10 hrs/week X 24 weeks/yr @ 10.00/hr X 15 volunteers = $36,000**		10 months after acquisition
Visitor's Center	$10,000.00	Chamber/other	volunteer time and local organizations		1-2 years after acquisition
	$161,000.00				

CERTIFICATION:

I, Charles E. Deschenes, City Clerk, City of Waterford, County of Stanislaus, State of California, hereby certify, under penalty of perjury, that the foregoing is a true and correct copy of the Waterford City Council Resolution 2001-75 Approving the Applicant to Apply for the Roberti-Z'Berg Urban Open Space and Recreation Program Under the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Act of 2000, passed and adopted on October 18, 2001.

DATED: November 5, 2001

Charles E. Deschenes

Charles E. Deschenes, City Clerk

WATERFORD CITY COUNCIL
RESOLUTION 2001-75

RESOLUTION OF THE CITY OF WATERFORD APPROVING THE APPLICANT TO APPLY FOR THE ROBERTI-Z'BERG URBAN OPEN SPACE AND RECREATION PROGRAM UNDER THE SAFE NEIGHBORHOOD PARKS, CLEAN WATER, CLEAN AIR AND COASTAL PROTECTION BOND ACT OF 2000

ACQUISISION OF GRANGE HALL FOR ESTABLISHMENT OF WATERFORD MUSEUM

WHEREAS, the people of the State of California have enacted the Safe Neighborhood Parks, Clean Water, Clean Air, and coastal Protection Bond Act of 2000 which provides funds for the Roberti-Z'Berg-Harris Open Space and Recreation Program; and,

WHEREAS, the Legislature of the State of California has enacted the Roberti-Z'Berf-Harris Open Space and Recreation Program, which provides funds to certain political subdivisions of the State of California for acquiring lands and for developing facilities to meet urban recreational needs; and,

WHEREAS, the California Department of Parks and Recreation has been delegated the responsibility for the administration of the grant program, setting up necessary procedures; and,

WHEREAS, the project being submitted to the CA Department of Parks and Recreation has been found to be categorically exempt pursuant to CEQA Guidelines, Class I, Section 15301 – Existing Facilities; and,

WHEREAS, the Applicant will enter into a Contract with the State of California;

NOW, THEREFORE, BE IT RESOLVED that the City of Waterford finds:

1. Approves the filing of an Application for local assistance funds from the **Roberti-Z'Berg-Harris Urban Open Space and Recreation Program under the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Act of 2000**; and
2. Certifies that the Applicant has or will have sufficient funds to operate and maintain the project(s); and
3. Certifies that the Applicant has reviewed, understands and agrees to the General Provisions contained in the Contract shown in the Procedural Guide; and
4. Appoints **Charles Deschenes, City Administrator,** as agent to conduct all negotiations, execute and submit all documents including, but not limited to Applications, agreements, payment requests and so on, which may be necessary for the completion of project(s).

CITY COUNCIL
RESOLUTION 2001-75

The foregoing Resolution was passed and adopted by the City Council of the City of Waterford, County of Stanislaus, State of California, at a regular meeting thereof held on the 18th day of October, 2001.

AYES:
NOES:
ABSENT:
ABSTAIN:

Tracey Jones, City Clerk

Charles Turner, Mayor

APPROVED AS TO FORM:

William E Gnass, City Attorney

Stanislaus County
Striving to be the Best

CHIEF EXECUTIVE OFFICE
Reagan M. Wilson
Chief Executive Officer
1010 10TH Street, Suite 6800, Modesto, CA 95354
PO Box 3404, Modesto, CA 95353-3404

CHIEF EXECUTIVE OFFICE
2002 MAR 29 P 2:40

Patricia Hill Thomas
Assistant Executive Officer
Phone: 209.525.6333 Fax: 209.544.6226

March 27, 2002

Hand Delivered

Mr. Bruce Bannerman
City Manager
City of Oakdale
280 N. Third Avenue
Oakdale, California 95361

Re: Economic Development "Bank" Advance to Oakdale
Joint Powers Agreement

Dear Mr. Bannerman:

Enclosed are three originals of the Stanislaus County and City of Oakdale Joint Powers Agreement regarding the advance from the "Bank" to Oakdale for construction of Greger Avenue to Wakefield to benefit the Oakdale Business Park.

Please obtain the appropriate signatures on all three originals and return them to me as soon as possible. We plan to go to the Board of Supervisors for approval of the projects on April 9, 2002.

Should you have any questions, please do not hesitate to contact me. Thank you for your cooperation.

Very truly yours,

Arlene Stevens
Associate Management Consultant

Enclosures

STANISLAUS COUNTY AND CITY OF OAKDALE
JOINT POWERS AGREEMENT

This Agreement is made and entered into in the County of Stanislaus, State of California, this 10 day of April, 2002, by and between the City of Oakdale (hereinafter "CITY"), and the County of Stanislaus, a political subdivision of the State of California, (hereinafter "COUNTY").

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

WHEREAS, on February 13, 2001, the County Board of Supervisors authorized the establishment of an economic development "Bank" with an annual appropriation of $1.5 million dollars. The bank funds are to be used for economic development within the County. The Board directed the Chief Executive Officer to meet with City Managers to develop a structure for the "Bank" and a process for approving funding allocations from the "Bank". The County's CEO and City Managers recommended that the Work Force Investment Board (WIB) act as the "Board of Directors" for the bank; and

WHEREAS, on June 16, 2001, the WIB agreed to act as the Board of Directors of the "Bank" and established an advisory committee consisting of the nine City Managers and the County CEO; and

WHEREAS, on September 17, 2001, the WIB approved guiding principles, application documents, an evaluation system and criteria that measures the public benefit of promoting economic development and providing jobs; and

WHEREAS, on January 11, 2002, requests for proposals for use of the bank funds were reviewed by the Economic Development "Bank" Advisory Committee for the the January through June, 2002 cycle and its recommendations were presented to the WIB; and

WHEREAS, on March 18, 2002, the WIB approved forwarding the Board of Supervisors a proposal to award the "CITY" an economic development advance of $115,000 for construction of Greger Avenue to Wakefield to improve access to the business park.

NOW, THEREFORE, CITY and COUNTY enter into a Joint Power's Agreement pursuant to California Government Code section 6502 for the consideration hereinafter stated, agree as follows:

100. OBLIGATIONS OF THE COUNTY TO DISTRIBUTE BANK FUNDS

101. COUNTY agrees to advance $115,000 to the "CITY" from the "Bank" to be used for construction of Greger Avenue to Wakefield to improve access to the business

park according to the City's application, attached hereto, as Exhibit "A". The County Auditor-Controller shall set up an account payable from the "Bank" to the "CITY" in the amount of $115,000. Payments from the "Bank" to the "CITY" shall be made upon the "CITY" presenting invoices or other documentation showing that the amounts requested are for the improvements described in Exhibit "A". The COUNTY shall designate that the County Auditor-Controller provide the "CITY" with the status of this account upon receiving a written request from the "CITY"; otherwise, a statement showing the status of the account will be provided to the "CITY" at the end of each fiscal year until the account payable reaches a zero balance.

200. CITY'S OBLIGATIONS

201. "CITY" agrees to utilize the funds received from the COUNTY described in paragraph 101 exclusively for the purposes described in Exhibit "A".

202. "CITY" agrees that the construction of Greger Avenue to Wakefield shall be completed before June 30, 2004 and the advance will be retired by December 31, 2007.

203. "CITY" upon receiving a written request from the County's Chief Executive Officer shall provide proof that the "CITY" has expended the funds received from the "Bank" as contemplated by the this Agreement and is repaying funds received as required by the terms of this Agreement.

300. MUTUAL OBLIGATIONS

301. Any notices or communications required or permitted hereunder shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, return receipt requested, postage prepaid as follows:

If to COUNTY:

Chief Executive Officer, County of Stanislaus
1010 Tenth Street, Suite 6800
Modesto, CA 95354

If to CITY:

Bruce Bannerman, City Administration
280 N. Third Avenue
Oakdale, CA 95361

302. The provisions of this Agreement, shall constitute the entire Agreement between the parties and unless modified by written agreement duly executed by the parties hereto, shall continue in full force and effect.

303. Venue for any actions initiated by either party shall be in the Superior Court

of Stanislaus County and California law shall apply to all the Agreement's terms and conditions.

304. CITY and COUNTY further covenant to cooperate with one another in all respects necessary to ensure the successful consummation of the action contemplated by this Agreement, and each will take all actions within its authority to ensure cooperation of its officials, officers, agents and employees.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first written above.

CITY OF OAKDALE

By _____
Bruce Bannerman,
City Administrator

COUNTY OF STANISLAUS

By _____
Reagan Wilson,
Chief Executive Officer

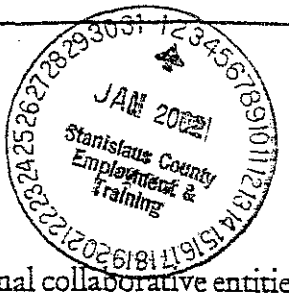
APPROVED AS TO FORM:

By _____
Attorney,
City of Oakdale

APPROVED AS TO FORM:

By _____
E. Vernon Seeley,
Assistant County Counsel

ECONOMIC DEVELOPMENT "BANK"
APPLICATION FOR FUNDING
Cover Sheet



Concept

It is the purpose of the Economic Development "Bank" to make funds available to regional collaborative entities for economic development projects that will result in job retention and creation. Stanislaus County has committed to contributing $1.5 million per year to the "Bank" for economic development projects. It is expected that additional funds will be contributed to the "bank" from grants or other entities. Funds from the Economic Development "Bank" are intended to benefit the cities, the county and the community by leveraging these funds to match State, Federal and private dollars, in order to construct much-needed infrastructure and to promote programs that are conducive to countywide economic development.

Eligibility

Stanislaus County, Cities in Stanislaus County, Municipal Advisory Committees, Community Service Districts in Partnership With Stanislaus County, Non-Profits and Schools In Partnership With a City and/or the County.

Applications for funds should be submitted on this form.

Applicant Information

Applying Entity City of Oakdale Contact Name Bruce Bannerman Title City Administrator

Mailing Address 280 N. Third Avenue, Oakdale, CA 95361

Phone/Fax/email (209) 847-3031/(209) 847-6834/bbannerman@ci.oakdale.ca.us

Project Title Wakefield Drive Extension

Please provide a brief description of your project (25 words or less).
Construction of Gregor Ave. to Wakefield to improve access to the 60-acre Oakdale Business Park and to ConAgra and Ball Corp Plants to the west.

Which part of the County or City will this project benefit? Oakdale Business Park

Total Project Budget $ 314,987 Please submit an attached one-page categorized project budget showing the project components and how the Economic Development "Bank" funds will be used in conjunction with contributions from other sources.

Amount Requested $ 157,500

How will this loan be repaid? area of benefit assessment

Signature/Endorsement by Mayor or Board Chair Pat Kuhn

This application and attachments are complete and accurate to the best of my knowledge.

Signature of Applicant [signature] Print Name Bruce Bannerman

Print Organization Name City of Oakdale Telephone: (209) 847-3031

EXHIBIT "A"

1. PROJECT DESCRIPTION

Greger Ave will be constructed to Wakefield to improve access to the 60-acre Oakdale Business Park and to ConAgra and Ball Corp Plants to the west. The Oakdale Business Park has ten businesses with a total of over 150 employees. Five more businesses adding an expected 110 new jobs are planned for the next 12 months. All access to the Park is currently by Delano drive, with an uncontrolled "Tee" intersection at South Yosmite. Traffic on South Yosemite was measured at 14,000 ADT in 2000.

Construction of the new street will provide a second access with a full, signalized intersection. The right of way for the street will be dedicated by the owner in conjunction with his planned split of the six acres into three new lots, all fronting on the new street. The owner is responsible for the cost of half the street. The balance including the signal will be paid for by the city with developer fees and from other sources.

The new controlled intersection will also benefit the ConAgra and Ball Corp Plants to the west on Greger. Both use Greger as the primary truck access to the plants. The ConAgra plant produces tomato, paste and Rosarita Beans. It is the largest tomato paste plant in the world. During peak season one tomato truck per minute arrives or leaves the marshalling yard. Access to the plant at South Yosemite is a problem that this project will correct.

This is a timing issue. While the developer fully intends to build on his property and has submitted plans to do so, he is not ready to proceed in absence of firm business commitment. There are ten existing businesses and five new with firm plans on other properties that need this road. Funding from the economic development bank will allow the project to be built this year. The property owners share of the cost will be recovered from assessments on the property collected at the time of sale or issuance of a building permit, whichever comes first.

2. PROJECT OUTCOMES

The project will result in retention of upwards of 200 jobs and creation of over 100 new jobs.

3. HOW ACCOMPLISHED/MEASURED

The street will be built by the city under public works contract. Jobs creation will be assessed based on new business development. Five new businesses will be permitted within the next six months.

4.WHO EVALUATES

The Oakdale City Council will evaluate the results and present a report to the WIB at the end of 2002.

5.COLLABORATION

The property owner, Jim Daniels has agreed to dedicate the right of way and will sign a reimbursement agreement.

6.CONTINGENCY FUNDING

The project is sufficiently well defined so that there will not be a need for significant additional funding. The City will fund the construction contingency.

7.ACCOUNTING

The City Finance Department will handle accounting. The City will handle reimbursement payments in same manner as other benefit districts currently administered.

ECONOMIC DEVELOPMENT BANK PROJECT BUDGET

Uses	
Street Construction	$315,000
Signal	$250,000
R/W	$0
Contingency	$25,000
Total Cost	$590,000
Sources	
Economic Bank	$157,500
Capital Fees	$157,500
RDA	$275,000
Total	$590,000

STANISLAUS COUNTY AND CITY OF NEWMAN
JOINT POWERS AGREEMENT

This Agreement is made and entered into in the County of Stanislaus, State of California, this ____ day of _____, 2002, by and between the City of Newman (hereinafter "CITY"), and the County of Stanislaus, a political subdivision of the State of California, (hereinafter "COUNTY").

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

WHEREAS, on February 13, 2001, the County Board of Supervisors authorized the establishment of an economic development "Bank" with an annual appropriation of $1.5 million dollars. The bank funds are to be used for economic development within the County. The Board directed the Chief Executive Officer to meet with City Managers to develop a structure for the "Bank" and a process for approving funding allocations from the "Bank". The County's CEO and City Managers recommended that the Work Force Investment Board (WIB) act as the "Board of Directors" for the bank; and

WHEREAS, on June 16, 2001, the WIB agreed to act as the Board of Directors of the "Bank" and established an advisory committee consisting of the nine City Managers and the County CEO; and

WHEREAS, on September 17, 2001, the WIB approved guiding principles, application documents, an evaluation system and criteria that measures the public benefit of promoting economic development and providing jobs; and

WHEREAS, on January 11, 2002, requests for proposals for use of the bank funds were reviewed by the Economic Development "Bank" Advisory Committee for the January through June, 2002, cycle and its recommendations were presented to the WIB; and

WHEREAS, on March 18, 2002 the WIB approved forwarding the Board of Supervisors a proposal to award the "CITY" an economic development advance of $190,000 for extension of roads and utilities into a new area of an existing Industrial Park and the addition of a well to serve the industrial area.

NOW, THEREFORE, CITY and COUNTY enter into a Joint Power's Agreement pursuant to California Government Code section 6502 for the consideration hereinafter stated, agree as follows:

100. OBLIGATIONS OF THE COUNTY TO DISTRIBUTE BANK FUNDS

101. COUNTY agrees to advance $190,000 to the "CITY" from the "Bank" to be used for the extension of roads and utilities into a new area of an existing Industrial Park and the addition of a well to serve the industrial area according to the City's application, attached hereto, as Exhibit "A". The County Auditor-Controller shall set up an account payable from the "Bank" to the "CITY" in the amount of $190,000. Payments from the "Bank" to the "CITY" shall be made upon the "CITY" presenting invoices or other documentation showing that the amounts requested are for the extension of roads, utilities and a well as described in Exhibit "A". The COUNTY shall designate that the County Auditor-Controller provide the "CITY" with the status of this account upon receiving a written request from the "CITY"; otherwise, a statement showing the status of the account will be provided to the "CITY" at the end of each fiscal year until the account payable reaches a zero balance.

200. CITY'S OBLIGATIONS

201. "CITY" agrees to utilize the funds received from the COUNTY described in paragraph 101 exclusively for the purposes described in Exhibit "A".

202. "CITY" agrees that the extension of roads, utilities and the addition of the well shall be completed and repayment will begin on January 1, 2004, and that the advance shall be retired within 20 years, and in all probability within 10 years.

203. "CITY" upon receiving a written request from the County's Chief Executive Officer shall provide proof that the "CITY" has expended the funds received from the "Bank" as contemplated by the this Agreement and is repaying funds received as required by the terms of this Agreement.

300. MUTUAL OBLIGATIONS

301. Any notices or communications required or permitted hereunder shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, return receipt requested, postage prepaid as follows:

If to COUNTY:
Chief Executive Officer, County of Stanislaus
1010 Tenth Street, Suite 6800
Modesto, CA 95354

If to CITY:

M. Cleve Morris, City Manager
1162 Main Street
P.O. Box 787
Newman, CA 95360

302. The provisions of this Agreement, shall constitute the entire Agreement between the parties and unless modified by written agreement duly executed by the parties hereto, shall continue in full force and effect.

303. Venue for any actions initiated by either party shall be in the Superior Court of Stanislaus County and California law shall apply to all the Agreement's terms and conditions.

304. CITY and COUNTY further covenant to cooperate with one another in all respects necessary to ensure the successful consummation of the action contemplated by this Agreement, and each will take all actions within its authority to ensure cooperation of its officials, officers, agents and employees.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first written above.

CITY OF NEWMAN
By _____
M. Cleve Morris,
City Manager

COUNTY OF STANISLAUS
By _____
Reagan Wilson,
Chief Executive Officer

APPROVED AS TO FORM:
By _____
Attorney,
City of Newman

APPROVED AS TO FORM:
By _____
E. Vernon Seeley,
Assistant County Counsel

City of Newman

Application For

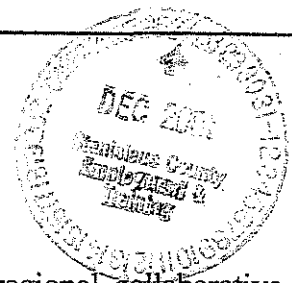
Stanislaus County
Economic Development "Bank"
Funding

Submitted To:

Economic Development "Bank"
c/o Stanislaus County
Department of Employment and Training
251 E. Hackett Road
Modesto, CA 95354
Attention: Terry Plett, Director

EXHIBIT "A"

ECONOMIC DEVELOPMENT "BANK"
APPLICATION FOR FUNDING
Cover Sheet



Concept

It is the purpose of the Economic Development "Bank" to make funds available to regional collaborative entities for economic development projects that will result in job retention and creation. Stanislaus County has committed to contributing $1.5 million per year to the "Bank" for economic development projects. It is expected that additional funds will be contributed to the "bank" from grants or other entities. Funds from the Economic Development "Bank" are intended to benefit the cities, the county and the community by leveraging these funds to match State, Federal and private dollars, in order to construct much-needed infrastructure and to promote programs that are conducive to countywide economic development.

Eligibility

Stanislaus County, Cities in Stanislaus County, Municipal Advisory Committees, Community Service Districts in Partnership With Stanislaus County, Non-Profits and Schools In Partnership With a City and/or the County.

Applications for funds should be submitted on this form.

Applicant Information

Applying Entity Newman Contact Name M. Cleve Morris Title City Manager

Mailing Address 1162 Main Street, Newman, CA 95360

Phone/Fax/email (209) 862-3725 (209) 862-3199 cmorris@cityofnewman.com

Project Title Newman Industrial Park Expansion

Please provide a brief description of your project (25 words or less). Extension of roads and utilities into new area of existing Industrial Park. Addition of a well to serve the industrial area.

Which part of the County or City will this project benefit? South West Stanislaus County and the City of Newman

Total Project Budget $ 1,900,000 Please submit an attached one-page categorized project budget showing the project components and how the Economic Development "Bank" funds will be used in conjunction with contributions from other sources.

Amount Requested $ $250,000

How will this loan be repaid? Property Tax Increment Proceeds from New Business developed in the Newman Industrial Park. This will require a long term loan until additional expanxion occurs. The City of Newman is requesting that $50,000 of the loan be provided as a grant.

Signature/Endorsement by Mayor or Board Chair

This application and attachments are complete and accurate to the best of my knowledge.

Signature of Applicant M. Cleve Morris Print Name M. CLEVE MORRIS

Print Organization Name CITY OF NEWMAN Telephone: 862-3725

Newman Industrial Park Expansion
Narrative Questions

1. **Describe the project. What public benefit, need, problem or issues does it address? How does it promote economic development and job creation/retention?**

The City of Newman in conjunction with the Newman Redevelopment Agency will improve existing roads and extend roads and utilities for the expansion of the Newman Industrial Park. (See Attachment 1) The total project is $1.9 million. The project will use Economic Development Bank funds to help pay for the reconstruction of "L", "M" and Stanislaus Streets, Extension of L Street to the south and construction of Industrial Way. These improvements are critical to providing access to potential businesses and to reconstruct streets that have deteriorated beyond repair. Another major part of this project includes the installation of an additional well to provide adequate water service to the pending business development in the area. The City of Newman has had an unemployment rate of over 10.2 percent over the last couple years which is nearly twice that of the statewide average. In 1997 Leprino Foods, the largest employer in the City of Newman closed its doors. This had a significant impact on Newman and our economy. Adding jobs to the community will help alleviate the problem of unemployment and stimulate the business climate within the city. This project also represents a proactive step to ensure adequate infrastructure support is provided for businesses to invest in Newman and prevent existing businesses from seeking other locations.

2. **What are the projected outcomes for the proposed project?**

These improvements will open up an additional 12.3 acres for immediate development. In addition to the extension of infrastructure, the next phase of expansion will be ready to proceed. It consists of approximately 49 acres of industrial land. The City is currently finalizing agreements with businesses to develop the first 12.3 acres. It is anticipated that construction on these developments will begin in April 2002 depending on infrastructure readiness.

Although the specific number of jobs is not yet determined, at least 35 jobs will be saved due to the availability of land for an existing business. (See attached letter) Also, it is estimated that at least 40-50 additional jobs will be created at full build out of the 12.3 acre project.

In 1994 the City of Newman adopted the Newman Industrial Area Specific Plan to promote development of jobs in the City. This specific Plan was funded by a CDBG planning grant and estimates the creation of 4,000 jobs at full build out of the industrial land in the city. Due to the slow economy in the early and mid 90's development of the industrial park has been slow. Lack of funding for infrastructure improvements delayed implementation of the plan. With the assistance of the Economic Development Bank

funds and other public and private funding, the industrial area can be expanded creating much needed jobs.

3. How will the stated outcomes be accomplished and measured?

The City has verbal agreements in place and contracts are being negotiated for 8 of the 12 acres available. Additional negotiations are under way for the remaining 4 acres. Each of the negotiated agreements require the businesses to be developed within one year. This will assure the development of these properties.

The project is being undertaken in conjunction with the Newman Redevelopment Agency which has additional funding dedicated to the project. The Redevelopment Agency will monitor the success of the project and the outcomes in terms of jobs.

The City of Newman is also participating in the County wide development of an Economic Development Strategy in conjunction with SCEDCO and the Workforce Investment Board. It is the goal of the City to develop marketing strategies through this study to assist in further development of the Industrial Park.

4. Who will be involved in evaluating the outcome of the project?

Primary responsibility for measuring the outcomes of the project will be with the City of Newman City Manager and Finance Department staff. This loan is part of a large funding pool which will enable this project to move forward. Other components of the pool also require monitoring of specific outcomes. These monitoring reports will be used for all components of the funding including the ED Bank Loan.

5. Describe the extent of collaborative efforts and identify the partners and the level of each partner's participation (or areas of responsibility of each party) in this project, if any.

Main areas of collaboration exist between the City of Newman and the Newman Redevelopment Agency. In addition a portion of the industrial park extends into Merced County. The City has an agreement with Merced County to allow the development to extend into this area. The agreement gives the City development control over the area and will assist the City in providing additional jobs.

6. How will the project be continued (if necessary) after "Bank" funding has been exhausted? List other funding sources and length of funding, if available.

The City is proposing to use the following funding sources to complete the project in addition to the County ED Bank:

Name of Funding Source	Resolution Number or Date of Commitment Letter, as applicable	Amount Committed
Redevelopment Funds	2001-45	$200,000
Tartaric Settlement Funds	2001-45	$300,000
Water Capital Funds	2001-45	$150,000
State Economic Development loan/Grant	2001-45	$300,000
County Economic Development Bank	2001-45	$250,000
Proceeds from Sale of Redevelopment Owned Property	City Manager Letter dated 12/12/01	$300,000
Central Valley Infrastructure Grant Program	2001-45	$400,000
Total		**$1,900,000**

Agreements with developers to purchase property allow for the setup of an Assessment District to pay for maintenance of infrastructure if necessary.

Additional funding will be sought for further development of the industrial park. Future sources include additional redevelopment funding, state grants and loans and private funding provided by developers of the project.

7. **What accounting method/system will you use to track expenditures for the duration of the project?**

The project will be monitored through the City of Newman's Finance department. Accounting software including project software is in place and currently monitors all projects within the City.

Conclusion:

The City of Newman has aggressively pursued all sources of funding in order to promote development in the Newman Industrial Park. This funding from the Economic Development Bank will enable us to reach our funding goals and help the project move forward.

Newman's location is somewhat isolated from the remaining portion of Stanislaus County. Therefore, additional assistance is required to promote development and assist in job creation. Approving the $50,000 grant portion and the $200,000 loan will assist the City in providing the necessary incentives to promote industrial development.

Industrial Park Expansion
Project Budget

Uses	State CVICP	Other State Government	Local Government	County ED Bank	Private Lender	Other-specify	Total
Roads	$390,000		$328,000	$250,000			$968,000
Utilities			$83,775				83,775
Water			$28,000				28,000
Sewer			$23,000				23,000
Well & Pump		$300,000	$135,000				435,000
Related Fees Engineering and Construction Admin			$203,560				203,560
Contingency			$148,665				148665
Administration	$10,000						10,000
Totals	$400,000	$300,000	$1,200,000				1,900,000

Stanislaus County
Striving to be the Best

CHIEF EXECUTIVE OFFICE
Reagan M. Wilson
Chief Executive Officer
1010 10TH Street, Suite 6800, Modesto, CA 95354
PO Box 3404, Modesto, CA 95353-3404

Patricia Hill Thomas
Assistant Executive Officer
Phone: 209.525.6333 Fax: 209.544.6226

March 27, 2002

Hand Delivered

RECEIVED
MAR 27 2002
CITY OF CERES

Betina McCoy
City of Ceres
Grant Coordinator
2720 Second Street
Ceres, CA 95307

Re: Economic Development "Bank" Advance to Ceres
Joint Powers Agreement

Dear Betina,

Enclosed are three originals of the Stanislaus County and City of Ceres Joint Powers Agreement regarding the advance from the "Bank" to Ceres for water system improvements to benefit the Service Road Industrial Area.

Please obtain the appropriate signatures on all three originals and return them to me as soon as possible. We plan to go to the Board of Supervisors for approval of the projects on April 9, 2002.

Should you have any questions, please do not hesitate to contact me. Thank you for your cooperation.

Very truly yours,

Arlene Stevens
Associate Management Consultant

Enclosures

STANISLAUS COUNTY AND CITY OF CERES
JOINT POWERS AGREEMENT

This Agreement is made and entered into in the County of Stanislaus, State of California, this ____ day of _____, 2002, by and between the City of Ceres (hereinafter "CITY"), and the County of Stanislaus, a political subdivision of the State of California, (hereinafter "COUNTY").

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

WHEREAS, on February 13, 2001, the County Board of Supervisors authorized the establishment of an economic development "Bank" with an annual appropriation of $1.5 million dollars. The bank funds are to be used for economic development within the County. The Board directed the Chief Executive Officer to meet with City Managers to develop a structure for the "Bank" and a process for approving funding allocations from the "Bank". The County's CEO and City Managers recommended that the Work Force Investment Board (WIB) act as the "Board of Directors" for the bank; and

WHEREAS, on June 16, 2001, the WIB agreed to act as the Board of Directors of the "Bank" and established an advisory committee consisting of the nine City Managers and the County CEO; and

WHEREAS, on September 17, 2001, the WIB approved guiding principles, application documents, an evaluation system and criteria that measures the public benefit of promoting economic development and providing jobs; and

WHEREAS, on January 11, 2002, the advisory committee evaluated proposals to be funded by the "Bank" for the January through June 2002, cycle and its recommendations were presented to the WIB; and

WHEREAS, on March ____, 2002 the WIB approved forwarding the Board of Supervisors a proposal to award the "CITY" an economic development advance of $330,000 for water system improvements.

NOW, THEREFORE, CITY and COUNTY enter into a Joint Power's Agreement pursuant to California Government Code section 6502 for the consideration hereinafter stated, agree as follows:

100. OBLIGATIONS OF THE COUNTY TO DISTRIBUTE BANK FUNDS

101. COUNTY agrees to advance $330,000 to the "CITY" from the "Bank" to be used for water system improvements according to the City's application, attached hereto, as Exhibit "A". The County Auditor-Controller shall set up an account payable from the "Bank" to the "CITY" in the amount of $330,000. Payments from the "Bank" to the "CITY"

shall be made upon the "CITY" presenting invoices or other documentation showing that the amounts requested are for water system improvements as described in Exhibit "A". The COUNTY shall designate that the County Auditor-Controller provide the "CITY" with the status of this account upon receiving a written request from the "CITY"; otherwise, a statement showing the status of the account will be provided to the "CITY" at the end of each fiscal year until the account payable reaches a zero balance.

200. CITY'S OBLIGATIONS

201. "CITY" agrees to utilize the funds received from the COUNTY described in paragraph 101 exclusively for the purposes described in Exhibit "A".

202. "CITY" agrees that the water system improvements shall be completed before December 31, 2002, and the $330,000 advance shall be retired by December 31, 2007.

203. "CITY" upon receiving a written request from the County's Chief Executive Officer shall provide proof that the "CITY" has expended the funds received from the "Bank" as contemplated by the this Agreement and is repaying funds received as required by the terms of this Agreement.

300. MUTUAL OBLIGATIONS

301. Any notices or communications required or permitted hereunder shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, return receipt requested, postage prepaid as follows:

If to COUNTY:

Chief Executive Officer, County of Stanislaus
1010 Tenth Street, Suite 6800
Modesto, CA 95354

If to CITY:

Tim Kerr, City Manager
2720 Second Street
Ceres, CA 95307

302. The provisions of this Agreement, shall constitute the entire Agreement between the parties and unless modified by written agreement duly executed by the parties hereto, shall continue in full force and effect.

303. Venue for any actions initiated by either party shall be in the Superior Court of Stanislaus County and California law shall apply to all the Agreement's terms and conditions.

304. CITY and COUNTY further covenant to cooperate with one another in all respects necessary to ensure the successful consummation of the action contemplated by this Agreement, and each will take all actions within its authority to ensure cooperation of its officials, officers, agents and employees.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first written above.

CITY OF CERES

By _____
Eric E. Ingwerson
Mayor

COUNTY OF STANISLAUS

By _____
Reagan Wilson,
Chief Executive Officer

APPROVED AS TO FORM:

By _____
Attorney, Michael L. Lyions
City of Ceres

APPROVED AS TO FORM:

By _____
E. Vernon Seeley,
Assistant County Counsel

JAN 2002 Stanislaus County Employment & Training

ECONOMIC DEVELOPMENT "BANK" APPLICATION FOR FUNDING
Cover Sheet

Concept

It is the purpose of the Economic Development "Bank" to make funds available to regional collaborative entities for economic development projects that will result in job retention and creation. Stanislaus County has committed to contributing $1.5 million per year to the "Bank" for economic development projects. It is expected that additional funds will be contributed to the "bank" from grants or other entities. Funds from the Economic Development "Bank" are intended to benefit the cities, the county and the community by leveraging these funds to match State, Federal and private dollars, in order to construct much-needed infrastructure and to promote programs that are conducive to countywide economic development.

Eligibility

Stanislaus County, Cities in Stanislaus County, Municipal Advisory Committees, Community Service Districts in Partnership With Stanislaus County, Non-Profits and Schools In Partnership With a City and/or the County.

Applications for funds should be submitted on this form.

Applicant Information

Applying Entity City of Ceres Contact Name Betina McCoy Title Grants Coordinator

Mailing Address 2720 Second St., Ceres, CA 95307

Phone/Fax/email (209) 538-5746/ (209) 538-5650/ bmccoy@ci.ceres.ca.us

Project Title Service Road Industrial Area-Water System Improvements

Please provide a brief description of your project (25 words or less).
Completion of water system improvements, including extenstion of water mains and a new well to serve the Service Road Industrial Area. The 323-acre commercial- and industrial-zoned project will create nearly 4,500 jobs for the City of Ceres at build-out.

Which part of the County or City will this project benefit? Service Road Industrial Area - Ceres

Total Project Budget $ 1,810,190 Please submit an attached one-page categorized project budget showing the project components and how the Economic Development "Bank" funds will be used in conjunction with contributions from other sources.

Amount Requested $ 553,125

How will this ~~loan~~ ADVANCE be repaid? Developer fees and City funds

Signature/Endorsement by Mayor or Board Chair

This application and attachments are complete and accurate to the best of my knowledge.

Signature of Applicant Betina McCoy Print Name Betina McCoy

Print Organization Name City of Ceres Telephone (209) 538-5746

EXHIBIT "A"

The Application

1. *Describe the project. What public benefit, need, problem or issues does it address? How does it promote economic development and job creation/retention?*

The Service Road Industrial Project (**Attachment A**) is a 323-acre area that was annexed by the City of Ceres in May 1996 after completion of the Master Plan. The project was designed to meet forecasted market demand (*West Ceres Marketing Analysis-Jones & Stokes*); to create industrial, commercial and public facilities to balance existing and future residential development; and to geographically balance growth between the community's east and west sides. Zoned for primarily industrial development (88%) with some commercial (12%) and existing community facilities uses, the project will generate approximately 4.3 million square feet of development and 4,464 jobs for the City at build-out.

Currently, less than fifty industrial-zoned acres are developed, including Stanislaus Farm Supply Company, Borden & Sons, Clark Pest Control, a T.I.D. cogeneration power plant, and a new fire station that will be housed in an existing structure. However, various infrastructure improvements need to be completed to accommodate the full development of the area. An estimate of the cost to expand the City's sewer and water systems, and to complete street improvements in the project area is calculated at $1.8 million. The City is requesting and Economic Development "Bank" loan for the water supply and distribution system improvements in the amount of $553,125 (**Attachment B**).

The Service Road Industrial Project will create an increased water demand of approximately 2.3 million gallons per day–330,000 for domestic use and the balance for fire protection. A review of the City's ability to provide water for development of the entire project area concluded that the water infrastructure is not adequate. The improvement plan involves extending an existing 12-inch main from Boyle Drive to Crows Landing Road, a 10-inch main south along Crows Landing Road to T.I.D. Lateral No. 2 and east along the proposed collector street alignment to the Union Pacific Railroad. A 10-inch main will be constructed along Boyle Drive to connect the water main in the proposed collector street with the Service Road main. The plan also calls for the construction of a well site–the City has tentative plans to place the well on the future fire station site, a City-owned property (**Attachment C**).

2. *What are the projected outcomes for the proposed project?*

The project will provide additional water supplies needed for fire protection of the industrial facilities. The completion of these improvements, in conjunction with the new

fire station, will not only serve to facilitate development of the area by making it more attractive to potential businesses, but will also benefit surrounding properties.

3. *How will the stated outcomes be accomplished and measured?*

A master plan was developed for the Service Road Industrial Area in 1996. The master plan identifies improvement areas, and outlines general and specific objectives to increase the water supply and improve the water distribution system. Upon receiving funding, it will take approximately nine months to complete project design and construction.

4. *Who will be involved in evaluating the outcome of the project?*

City staff will have primary responsibility for monitoring the project's progress and for it's acceptance upon completion. Staff will keep the City Council apprised of the project's status, as warranted.

5. *Describe the extent of collaborative efforts and identify the partners and the level of each partner's participation (or areas of responsibility of each party) in this project, if any.*

The City currently has no partners in this project. However, there are developers interested in the area that have been working with the City's Economic Development Department. As a condition of development, developers are responsible for installing the water distribution improvements. Should Economic Development "Bank" funding be granted to the City, the developer(s) will be required to pay back the loan through the Water portion of their Public Facilities Fees. Based on FY 2001/02 approved fees, approximately $330,000 in Water Fees will be collected.

Development	Sq. Ft. (est)	Current Fee (per 1,000 sf)	Amount
Commercial	425,000	$119	$50,575
Industrial	3,875,000	$72	$279,000

6. *How will the project be continued (if necessary) after "Bank" funding has been exhausted? List other funding sources and length of funding, if available.*

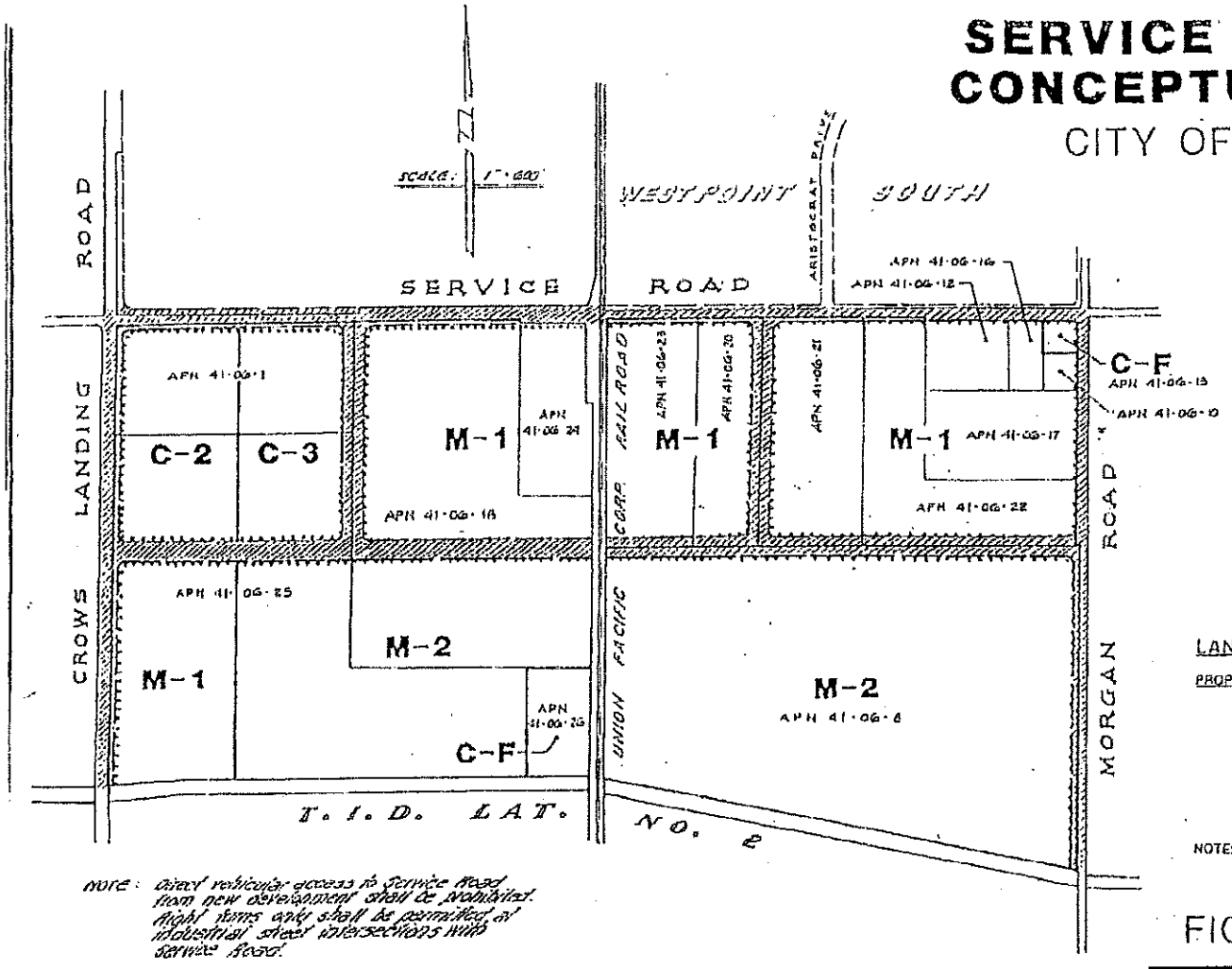
The City is requesting the full amount of the estimate for water system improvements so they may be completed prior to having developers online. However, this is only a portion of the total infrastructure required; future requests may be made to the "Bank." Financing

of infrastructure for the Service Road Industrial Area is secured through developer-paid Public Facilities Fees. The balance of those projects will be supported by City funds as development occurs. Should "Bank" funding be exhausted, infrastructure development will be completed as developers are added to the project. Immediate funding of any portion of the infrastructure projects without developers would require the City to obtain other grants or loans.

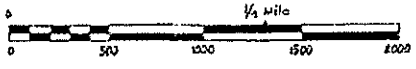
7. *What accounting method/system will you use to track expenditures for the duration of the project?*

Project expenditures will be tracked utilizing the City's financial software, following GAAP and governmental accounting standards.

SERVICE ROAD INDUSTRIAL
CONCEPTUAL MASTER PLAN
CITY OF CERES, CALIFORNIA



note: direct vehicular access to service road from new development shall be prohibited. right turns only shall be permitted at industrial street intersections with service road.



GRAPHIC SCALE

OWNERS AND APPLICANTS:

APN	OWNER
41-06-01	JAMES W. HATCH, ET AL
41-06-08	MARCHY & SONS, INC.
41-06-10	RALPH E. GRAYSON, JR.
41-06-12	FERN REEVES
41-06-12	NOEL T. BORDEN, TRUST
41-06-13	TURLOCK IRRIGATION DISTRICT
41-06-16	WALTER M. DUFFY
41-06-17	ROY DEROS
41-06-18	BOYLE TRUST & INVESTMENT CO.
41-06-20	OCTAVIO AVINA
41-06-21	OCTAVIO AVINA
41-06-22	OCTAVIO AVINA
41-06-23	STANISLAUS FARM SUPPLY CO.
41-06-24	STANISLAUS FARM SUPPLY CO.
41-06-25	BOYLE TRUST & INVESTMENT CO.
41-06-26	TURLOCK IRRIGATION DISTRICT

LAND USE DATA:

PROPOSED ZONE	DESCRIPTION	APPROXIMATE ACREAGE
C-F	COMMUNITY FACILITIES ZONE	6.0 AC ±
C-2	COMMUNITY COMMERCIAL ZONE	20.0 AC ±
C-3	WHOLESALE COMMERCIAL ZONE	19.0 AC ±
M-1	LIGHT INDUSTRIAL ZONE	174.0 AC ±
M-2	GENERAL INDUSTRIAL ZONE	144.0 AC ±
	APPROXIMATE TOTAL ACREAGE =	323.0 AC ±

NOTE: MASTER PLAN CIRCULATION AND LAND USE PLANS ARE CONCEPTUAL IN NATURE AND SUBJECT TO CHANGE AT THE DEVELOPMENT PLAN APPLICATION STAGE.

FIGURE "1"

REVISED 1-9-95 by RCF
PREPARED 5-13-93 by RCF

DELAMARE-FULTZ
ENGINEERING AND SURVEYING
3421 TULLY ROAD • SUITE J • MODESTO, CA. 95350
TELEPHONE (209) 529-7450

Dec 28 01 04:14p CITY OF CERES 209 538 5650 p.7
Attachment A

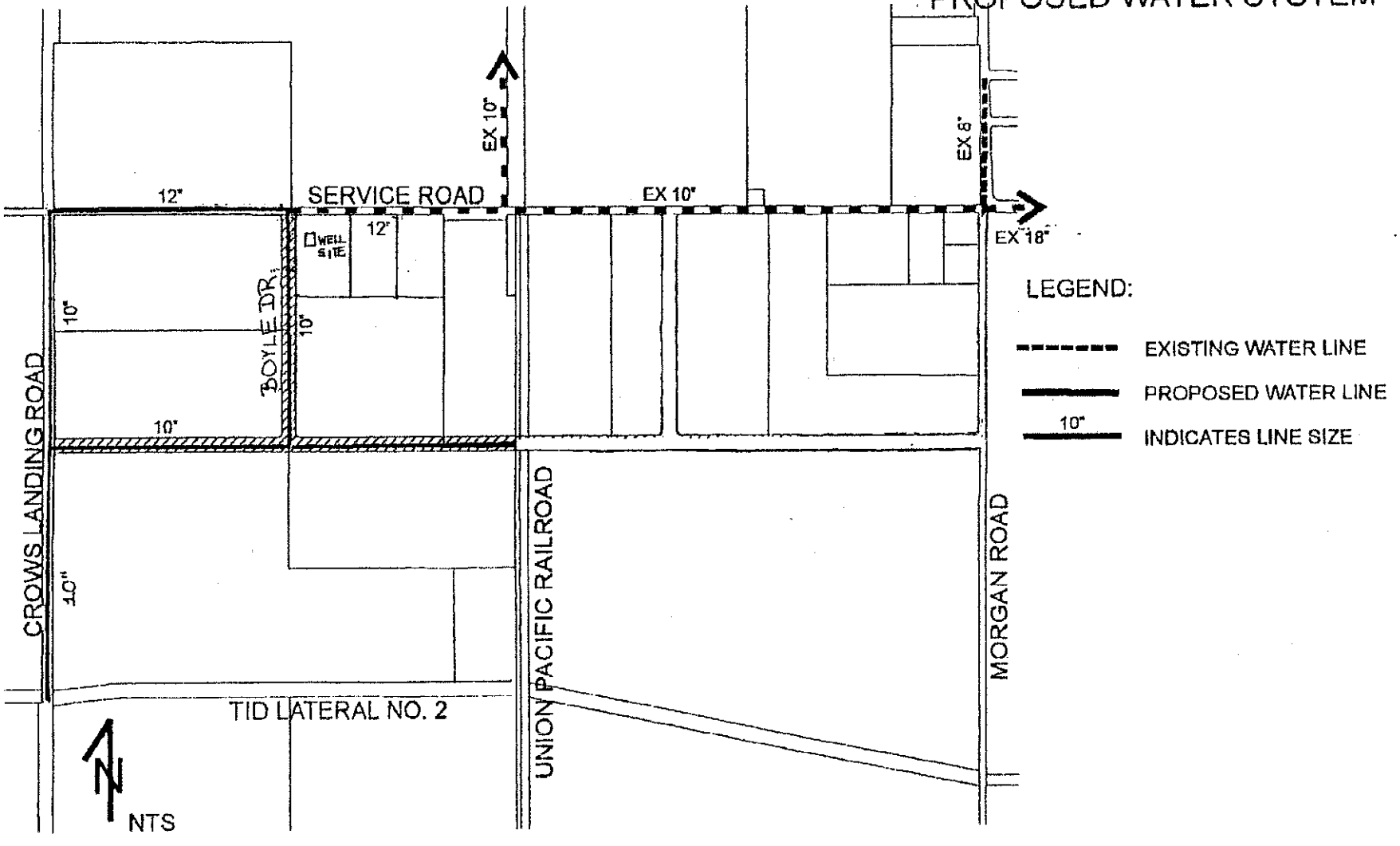
Attachment B

CITY OF CERES - *SERVICE ROAD INDUSTRIAL AREA*
INFRASTRUCTURE IMPROVEMENTS
Budget Estimate

well & outside loop
2600 lf is outside loop
$343,000

Water System Improvements		$553,125
1,300 lf of 12" water main	$45,500	
6,500 lf of 10" water main (2)	$195,000	
26 ea. Fire hydrants	$52,000	
1 ea. 750 GPM well (1)	$150,000	
15% Engineering	$66,375	
10% Contingency	$44,250	
Sewer System Improvements		$133,750
2,600 lf of 10" sewer main	$91,000	
8 ea. Sewer manholes	$16,000	
15% Engineering	$16,050	
10% Contingency	$10,700	
Street Improvements		$1,123,315
11,100 lf of curb, gutter, sidewalk	$299,700	
304,200 sf of 3"/6" AC pavement	$532,350	
37 ea. Street lights	$66,600	
15% Engineering	$134,800	
10% Contingency	$89,865	
COMPLETE PROJECT TOTAL		$1,810,190

SERVICE ROAD INDUSTRIAL
CONCEPTUAL MASTER PLAN
PROPOSED WATER SYSTEM



Dec 28 01 04:15p CITY OF CERES 209 538 5650 P.9
Attachment C

CSD

Denair Community
Services District
3850 N. Gratton Road
P.O. Box 217
Denair, California 95316

Phone: 209-634-4986
Fax: 209-634-9805

February 19, 2002

Board of Supervisors
Stanislaus County
1010 10th Street / Suite 6500
Modesto CA 95354

RE: Joint Powers Agreement between Stanislaus County and Denair Community Services District

Dear Reader:

At the regular meeting of the Denair Community Services District held on Tuesday, February 19, 2002, the Board of Directors unanimously authorized Manager Gaylon Wade to sign the above document.

Sincerely,

Mildred A. DePalma

Mildred A. DePalma, Chairman
Denair Community Services

STANISLAUS COUNTY AND DENAIR COMMUNITY SERVICES DISTRICT

JOINT POWERS AGREEMENT

This Agreement is made and entered into in the County of Stanislaus, State of California, this _____ day of _____, 2002, by and between the Denair Community Services District (hereinafter "DISTRICT"), and the COUNTY OF STANISLAUS, a political subdivision of the State of California, (hereinafter "COUNTY").

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

WHEREAS, on February 13, 2001, the County Board of Supervisors authorized the establishment of an economic development "bank" with an annual appropriation of $1.5 million dollars. The bank funds are to be used for economic development within the County. The Board directed the Chief Executive Officer to meet with City Managers to develop a structure for the "bank" and a process for approving funding allocations from the "bank". The County's CEO and City Managers recommended that the Work Force Investment Board (WIB) act as the "Board of Directors" for the bank; and

WHEREAS, on June 16, 2001, the WIB agreed to act as the Board of Directors of the "bank" and established an advisory committee consisting of the nine City Managers and the County CEO; and

WHEREAS, on September 17, 2001, the WIB approved guiding principles, application documents, an evaluation system and criteria that measure the public benefit of promoting economic development and providing jobs; and

WHEREAS, on October 5, 2001, requests for proposals for use of the bank funds were issued and on November 9, 2001, the advisory committee evaluated five proposals and its recommendations were presented to the WIB; and

WHEREAS, on December 17, 2001, the WIB approved forwarding to the Board of Supervisors a proposal to award the Denair Community Services District a community grant of $50,000 and an advance which is to be repaid of $125,000 from the bank for the construction of water trunk line facilities to increase water supply and fire flow capacity to the Denair Business District.

NOW, THEREFORE DISTRICT and COUNTY enter into a Joint Power's Agreement pursuant to California Government Code section 6502 for the consideration hereinafter stated, agree as follows:

100. OBLIGATIONS OF THE COUNTY TO DISTRIBUTE BANK FUNDS

_____101. COUNTY agrees to advance sums as needed up to $175,000 to the DISTRICT from the "Bank" for the purpose of construction of a water trunk line facility to increase water supply and fire flow capacity to the Denair Business District according to

provisions in the DISTRICT'S application, attached hereto, as Exhibit "A". The County Auditor-Controller shall set up an account payable from the "Bank" to the "DISTRICT" in the amount of $175,000. Payments from the "Bank" to the "DISTRICT" shall be made upon the "DISTRICT" presenting invoices or other documentation showing that the amounts requested are within the scope of the work described in Exhibit "A". Payments up to $125,000 from the "Bank" to the "DISTRICT" shall be set up as an account receivable by the COUNTY Auditor-Controller which shall be retired over time by the "DISTRICT" as "DISTRICT" funds become available. This receivable shall be entirely retired by the "DISTRICT" before June 30, 2007. The COUNTY shall designate that the County Auditor-Controller provide the "DISTRICT" with the status of these accounts upon receiving a written request from the "DISTRICT"; otherwise, a statement showing the status of the accounts will be provided to the "DISTRICT" at the end of each fiscal year.

200. DISTRICT'S OBLIGATIONS

201. "DISTRICT" agrees to utilize the funds received from the COUNTY described in paragraph 101 exclusively for the purposes described in Exhibit "A".

202. "DISTRICT" agrees that up to $125,000 of the funds received from the "Bank" shall be reimbursed to the bank as funds become available in amounts sufficient to retire $125,000 or the amounts received by the "DISTRICT" from the "Bank", whichever is less by June 30, 2007.

203. "DISTRICT" upon receiving a written request from the County's Chief Executive Officer shall provide proof that the "DISTRICT" has expended the funds received from the "Bank" as contemplated by the this Agreement and is repaying funds received as required by the terms of this Agreement.

300. MUTUAL OBLIGATIONS

301. Any notices or communications required or permitted hereunder shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, return receipt requested, postage prepaid as follows:

If to COUNTY:

Chief Executive Officer, County of Stanislaus
1010 Tenth Street, Suite 6800
Modesto, CA 95354

If to COMMITTEE:

Gaylon Wade - General Manager
Denair Community Services District
P.O. Box 217

Denair, CA 95316

302. The provisions of this Agreement, shall constitute the entire Agreement between the parties and unless modified by written agreement duly executed by the parties hereto, shall continue in full force and effect.

303. Venue for any actions initiated by either party shall be in the Superior Court of Stanislaus County and California law shall apply to all the Agreement's terms and conditions.

304. DISTRICT and COUNTY further covenant to cooperate with one another in all respects necessary to ensure the successful consummation of the action contemplated by this Agreement, and each will take all actions within its authority to ensure cooperation of its officials, officers, agents and employees.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the _____ day and year first written above.

DENAIR COMMUNITY SERVICES DISTRICT

By _____
Gaylon Wade
General Manager

COUNTY OF STANISLAUS

By _____
Reagan Wilson
Chief Executive Officer

APPROVED AS TO FORM:

By _____
Attorney
Denair Community Services District

APPROVED AS TO FORM:

By _____ for
E. VERNON SEELEY
Assistant County Counsel

EXHIBIT "A"

ECONOMIC DEVELOPMENT BANK
APPLICATION FOR FUNDING

APPLICANT INFORMATION

APPLICANT:	Denair Community Services District P.O. Box 217 Denair, CA 95316
Applicant contact:	Gaylon Wade
Title:	General Manager
Phone	209-634-4986
Fax	209-634-9805
Email	gwade@cwnet.com
Project Title:	Denair Water System Improvements

Brief Project Description: Denair CSD has begun a water system improvement program. The project includes improvement of fire flow capacity for the business district, allowing for new business to locate in the Community.

Which part of the County or City will this project benefit? The Community of Denair

Total Project Budget:	$6,501,402
2001/2002 Budget	$761,230
Amount Requested:	$175,000
How will loan be repaid:	Operating Budget Funds

Signature of Board Chair _____
Mickey DePalma

This application and attachments are complete and accurate to the best of my knowledge.

Signature of Applicant _____
Gaylon Wade
General Manager
Denair Community Services District

209-634-4986 Applicant contact: Gaylon Wade
Title: General Manager

ECONOMIC DEVELOPMENT BANK APPLICATION
APPLICANT QUESTIONNAIRE

1. Project Description – Denair Community Services District has begun a water system rehabilitation program to increase water supply and potable water delivery capability to the community. The Denair Community currently has a population of approximately 3,300. The program involves the development of a new municipal well site (1,100 to 1,500 MGD), upgrade existing transmission system and construction of new transmission lines to "loop" the system. The project will increase fire flow and water supply to the Denair business district area. Public Benefit: The public benefit value of the project is two fold. First, increase fire flow capacity and water pressure for both business and residential properties. Second, increase water supply available for the community to eliminate a building moratorium. Economic Development/Job Creation and Retention: The project will allow new businesses to be located in the redevelopment area because of adequate fire flow capacity. The construction project will create construction jobs for the local area for up to ten-years.

2. What are the projected outcomes? The intended project outcome is as follows: To increase the potable water supply and improve the water delivery system capability of the CSD's water system. The increased water supply and improved delivery system will allow for the removal of a building moratorium. Removal of the moratorium will allow existing businesses to expand and new businesses to locate in the Community of Denair. Existing homes will also benefit from increased water pressure and fire flow capacity. The program will allow for additional homes to be built in the District Service boundary.

3. How will the stated outcomes be accomplished and measured? Denair Community Services District had the District Engineer, Carter and Burgess, prepare The Denair CSD Water Master Plan (DMWP), dated January 2000. The DCSDWMP identifies specific improvements required to increase water supply (wells) and improve the water transmission and distribution system. The DCSDWMP estimates construction costs, lists improvement priorities and phasing of improvements. A separate implementation plan has been developed. A funding master plan is currently being developed.

4. Who will be involved in evaluating the outcome of the project? Primary responsibility for managing and monitoring the system improvements is Gaylon Wade, General Manager, for Denair Community Services District. The Denair Community Services District Board of Directors is responsible for project funding and oversight.

5. Describe the extent of collaborative efforts and identify the partners and the level of each partner's participation (or areas of responsibility of each party) in this project, if any. The Denair Community Services District's primary partner is Stanislaus County. The Economic Development Bank and Community Block Grant Funding requires the two entities to partner. The water system improvement project and water service is the primary responsibility of Denair Community Services District. Community participation is achieved through the MAC, School District, Volunteer Fire Department, Lions Club and other civic associations.

ECONOMIC DEVELOPMENT BANK APPLICATION
APPLICANT QUESTIONNAIRE

6. How will the project be continued (if necessary) after "bank" funding has been exhausted? List other funding sources and length of funding, if available. The project requires approximately $6,500,000 of funds over a 15-year period. The Economic Bank fund will be a "contributing" fund to the project. The Denair Community Services District is seeking funds from grants and loans. Potential sources of funds include: Community Block Grant, Stanislaus County Tobacco Tax Funds ($100,000), Central Valley Infrastructure Grand Fund, Farmers Home Administration (grant and loan), California – Safe Drinking Water Revolving Fund, California Water Resources Loan, Denair operating revenue increases, development impact fees, redevelopment funds and market rate loan funds.

7. What accounting method/system will you use to track expenditures for the duration of the project? All water related projects are accounted for through the District's Water Fund Account. The water fund account has specific allocation cost and income accounts each major project component. An annual audit is performed for the District during July each year with results published each October.

11/03/2001 11:36 FAX 916 929 1772 CARLER & BURNES

DENAIR COMMUNITY SERVICES DISTRICT
DOMESTIC WATER SYSTEM IMPROVEMENT PROGRAM BUDGET

Water Facility Component	Total Cost 1999 Dollars	Year(s) 2001/2002	2003/2007	2008/2011	2012/2016
Groundwater Well Facilities					
New Well # 9	500,000	500,000			
New Well #10	500,000			500,000	
Well #8 Treatment	50,000		50,000		
Water Storage					
0.5 MG Reservoir/1,500 GPM Booster Pump	1,800,000		900,000		900,000
Water System Monitoring and Control	80,000	20,000	30,000	30,000	
Booster Pump Facilities					
Well #7 Booster Pump	50,000		50,000		
Pipeline and Appurtenances					
Trunk Line Facilities (12-inch Diameter)	1,006,795	241,230	765,565		
Hydraulic Flow Restrictions (10-Inch & 8-Inch)	1,277,812		499,375	454,731	323,706
Old Pipes	1,236,795		429,394	170,563	636,838
TOTAL IMPROVEMNENT PROJECTS	$6,501,402	$761,230	$2,724,334	$1,155,294	$1,860,544

Source of Funds	Year(s) 2001/2002	2003/2007	2008/2011	2012/2016
Denair CSD Operating Budget	$60,000			
Denair CSD Water Fund	350,000			
County Tobbacco Tax Fund	100,000			
Economic Development Bank	175,000			
Central Valley Infrastructure Grant Fund				
Economic Development Bank				
California Water Resources Loan				
Farmers Home Administration				
Redevelopment Funds	75,000			
Developer Impact Fees				
Total	$760,000	$0	$0	$0

ORIGINAL

STANISLAUS COUNTY AND CITY OF PATTERSON
JOINT POWERS AGREEMENT

This Agreement is made and entered into in the County of Stanislaus, State of California, this 5th day of February, 2002, by and between the City of Patterson (hereinafter "CITY"), and the County of Stanislaus, a political subdivision of the State of California, (hereinafter "COUNTY").

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

WHEREAS, on February 13, 2001, the County Board of Supervisors authorized the establishment of an economic development "Bank" with an annual appropriation of $1.5 million dollars. The bank funds are to be used for economic development within the County. The Board directed the Chief Executive Officer to meet with City Managers to develop a structure for the "Bank" and a process for approving funding allocations from the "Bank". The County's CEO and City Managers recommended that the Work Force Investment Board (WIB) act as the "Board of Directors" for the bank; and

WHEREAS, on June 16, 2001, the WIB agreed to act as the Board of Directors of the "Bank" and established an advisory committee consisting of the nine City Managers and the County CEO; and

WHEREAS, on September 17, 2001, the WIB approved guiding principles, application documents, an evaluation system and criteria that measures the public benefit of promoting economic development and providing jobs; and

WHEREAS, on October 5, 2001, requests for proposals for use of the bank funds were issued and on November 9, 2001, the advisory committee evaluated five proposals and its recommendations were presented to the WIB; and

WHEREAS, on December 17, 2001 the WIB approved forwarding the Board of Supervisors a proposal to award the "CITY" an advance which is to be repaid from the bank for the construction of Baldwin Road, the main entry street to the West Patterson Business Park.

NOW, THEREFORE, CITY and COUNTY enter into a Joint Power's Agreement pursuant to California Government Code section 6502 for the consideration hereinafter stated, agree as follows:

100. OBLIGATIONS OF THE COUNTY TO DISTRIBUTE BANK FUNDS

101. COUNTY agrees to advance sums as needed up to $210,000 to the "CITY" from the "Bank" for the purpose of construction of Baldwin Road according to provisions in the "CITY'S" application, attached hereto, as Exhibit "A". The County Auditor-Controller

shall set up an account payable from the "Bank" to the "CITY" in the amount of $210,000. Payments from the "Bank" to the "CITY" shall be made upon the "CITY" presenting invoices or other documentation showing that the amounts requested are within the scope of the work described in Exhibit "A". The payments of up to $210,000 from the "Bank" to the "CITY" shall be set up in an account receivable by the County Auditor-Controller which shall be retired over time by the "CITY" as funds from development become available. This receivable shall be entirely retired by the "CITY" before June 30, 2007. The COUNTY shall designate that the County Auditor-Controller provide the "CITY" with the status of the receivable account upon receiving a written request from the "CITY"; otherwise, a statement showing the status of the account will be provided to the "CITY" at the end of each fiscal year.

200. CITY'S OBLIGATIONS

201. "CITY" agrees to utilize the funds received from the COUNTY described in paragraph 101 exclusively for the purposes described in Exhibit "A".

202. "CITY" agrees that up to $210,000 of the funds received from the "Bank" shall be reimbursed to the bank as funds from development become available in amounts sufficient to retire the entire $210,000 or the amounts received by the "CITY" from the "Bank", whichever is less by June 30, 2007.

203. "CITY" upon receiving a written request from the County's Chief Executive Officer shall provide proof that the "CITY" has expended the funds received from the "Bank" as contemplated by the this Agreement and is repaying funds received as required by the terms of this Agreement.

300. MUTUAL OBLIGATIONS

301. Any notices or communications required or permitted hereunder shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, return receipt requested, postage prepaid as follows:

If to COUNTY:

Chief Executive Officer, County of Stanislaus
1010 Tenth Street, Suite 6800
Modesto, CA 95354

If to CITY:

George T. Lambert - City Manager
City of Patterson
P.O. Box 667
Patterson, CA 95363

302. The provisions of this Agreement, shall constitute the entire Agreement between the parties and unless modified by written agreement duly executed by the parties hereto, shall continue in full force and effect.

303. Venue for any actions initiated by either party shall be in the Superior Court of Stanislaus County and California law shall apply to all the Agreement's terms and conditions.

304. CITY and COUNTY further covenant to cooperate with one another in all respects necessary to ensure the successful consummation of the action contemplated by this Agreement, and each will take all actions within its authority to ensure cooperation of its officials, officers, agents and employees.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the 5th day and year first written above.

CITY OF PATTERSON

By _____
George T. Lambert,
City Manager

COUNTY OF STANISLAUS

By _____
Reagan Wilson,
Chief Executive Officer

APPROVED AS TO FORM:

By _____
City Attorney,
City of Patterson

APPROVED AS TO FORM:

By _____
E. Vernon Seeley,
Assistant County Counsel

EXHIBIT "A"

ECONOMIC DEVELOPMENT "BANK"
APPLICATION FOR FUNDING
Cover Sheet

Concept

It is the purpose of the Economic Development "Bank" to make funds available to regional collaborative entities for economic development projects that will result in job retention and creation. Stanislaus County has committed to contributing $1.5 million per year to the "Bank" for economic development projects. It is expected that additional funds will be contributed to the "bank" from grants or other entities. Funds from the Economic Development "Bank" are intended to benefit the cities, the county and the community by leveraging these funds to match State, Federal and private dollars, in order to construct much-needed infrastructure and to promote programs that are conducive to countywide economic development.

Eligibility

Stanislaus County, Cities in Stanislaus County, Municipal Advisory Committees, Community Service Districts in Partnership With Stanislaus County, Non-Profits and Schools In Partnership With a City and/or the County.

Applications for funds should be submitted on this form.

Applicant Information

Applying Entity: City of Patterson Contact Name: George T. Lambert Title: City Manager

Mailing Address: P.O. Box 667 Patterson, CA 95363

Phone/Fax/email: (209) 892-2041 ext. 108 (209) 892-6119 pasncity@evansinet.com

Project Title: West Patterson Business Park – Advance Engineering

Please provide a brief description of your project (25 words or less).

This project is the advance engineering to design street improvements for the main entry street to the West Patterson Business Park. The proposed Bank funding is limited to the engineering design. Other funds to be leveraged by this investment include an Economic Development Administration grant or other County funding of the street improvement construction costs.

Which part of the County or City will this project benefit? West Patterson Business Park

Total Project Budget $ 4,497,400 Please submit an attached one-page categorized project budget showing the project components and how the Economic Development "Bank" funds will be used in conjunction with contributions from other sources.

Amount Requested $ 210,000

How will this loan be repaid? Reimbursements from Developers and/or EDA grant

Signature/Endorsement by Mayor or Board Chair _____

Richard E. Dodds, Mayor of the City of Patterson

This application and attachments are complete and accurate to the best of my knowledge.

Signature of Applicant _____ Print Name George T. Lambert

Print Organization Name City of Patterson Telephone (209) 892-2041 ext. 108

The Application

- Applications received should not be more than a total of five pages, including the cover sheet and the project budget. In order to have your project considered for funding, applicants must complete the cover page, respond to the seven questions and submit a project budget.

Response to the Following Questions:

WEST PATTERSON BUSINESS PARK – ADVANCE ENGINEERING

1. *Describe the project. What public benefit, need, problem or issues does it address? How does it promote economic development and job creation/retention?*

The City of Patterson and the County of Stanislaus are jointly developing a master plan business park of approximately 800 acres located between the Sperry/I-5 freeway interchange and the Patterson City limits. This business park development will accommodate between four million and eight million sq. ft. of building space and employ between eight thousand and fifteen thousand workers. The City and County are developing an infrastructure financing program that includes development fees and taxes and public investments. The County is preparing an application to the Economic Development Administration for a grant to widen and improve Baldwin Road from Sperry Avenue to the business park main entrance. The County also will be funding the widening and improvement of Sperry Avenue from I-5 to Baldwin Road. The purpose of this proposal is to receive funding to pay for the design engineering for the Baldwin Road improvements.

2. *What are the projected outcomes for the proposed project?*

The project will pay for the design engineering required to widen and improve Baldwin Road including a landscape median.

3. *How will the stated outcomes be accomplished and measured?*

Upon funding by the County Economic Development Bank, it will take approximately six months to complete the design of the Baldwin Road improvements. The construction of this road improvement project can be completed within six to nine months following completion of the engineering designs. The actual construction work will commence upon the earlier of receipt of a grant commitment from the Economic Development Administration or July 2004. If an EDA grant is not secured, this project will be constructed by Stanislaus County.

4. *Who will be involved in evaluating the outcome of the project?*

The City of Patterson, County of Stanislaus and SCEDCO.

5. *Describe the extent of collaborative efforts and identify the partners and the level of each partner's participation (or areas of responsibility of each party) in this project, if any.*

The business park is being developed by a collaborative effort involving the City, the County, land owners and Keystone Corporation. The City is the lead agency responsible for master plan development, environmental review and infrastructure financing. The County is involved in the approval of project specific development agreements, land use approvals and funding certain infrastructure to support the project. The project land owners will participate in the infrastructure financing through formation of a community facilities district. Keystone Corporation is the lead developer and will be committing to a phase development of approximately 225 acres of the 800 acre business park.

6. *How will the project be continued (if necessary) after "Bank" funding has been exhausted? List other funding sources and length of funding, if available.*

The County Infrastructure Bank is being requested to fund the design engineering for Baldwin Road improvements. Other funding requests may be made to the Bank in the future. The primary funding from other sources includes CFD taxes, development impact fees, County road funds and Economic Development Administration grants.

7. *What accounting method/system will you use to track expenditures for the duration of the project?*

The City of Patterson's accounting system will be is to track project expenditures which for the purpose of the Bank project is limited to the engineering contract for Baldwin Road.

Evaluation of the Project

- Project promotes economic development (30 points)
- Project results in the direct creation or retention of jobs (30 points)
- Project includes a repayment schedule and proposed terms (10 points)
- Project provides a match or leverages of other funding sources (20 points)
- Project includes a partnership with other agencies (10 points)

Process

Applicants should submit

A fully-completed cover sheet

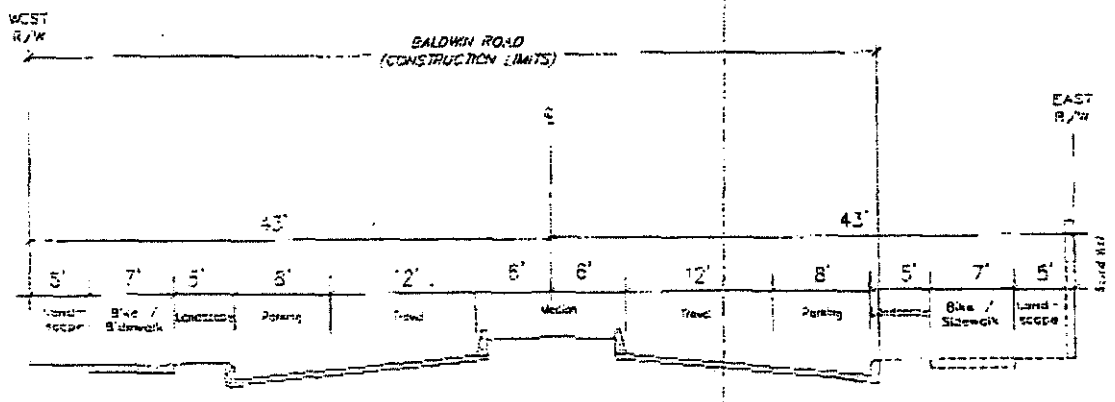
- No more than three pages in response to the Questions, and
- A one-page proposed project budget to:

Economic Development "Bank"
c/o Stanislaus County Department of Employment and Training
251 E. Hackett Road, Modesto, CA 95354
Attention Terry Plett, Director

DATE: OCTOBER 30, 2001
IMPROVEMENT COST ESTIMATE
BASED ON PRELIMINARY LAYOUTS

BALDWIN ROAD IMPROVEMENTS
SPERRY TO NORTH LIMITS OF BUSINESS PARK
EAST CURB TO WEST R/W

SITE PREPARATION	SUB TOTAL	$	78,000
GRADING	SUB TOTAL	$	264,072
SANITARY SEWER	SUB TOTAL	$	9,400
WATER DISTRIBUTION	SUB TOTAL	$	407,400
STORM DRAINAGE	SUB TOTAL	$	462,200
ROADWAY IMPROVEMENTS	SUB TOTAL	$	1,668,648
MISCELLANEOUS	SUB TOTAL	$	451,100
STREET LIGHTS	SUB TOTAL	$	89,100
	TOTAL COSTS	$	3,429,920
	15% CONTINGENCY		$514,488
	DESIGN ENGINEERING		$210,000
	10% CONTRACT ADMIN. / STAKING / CONST. MANAGEMENT		$342,992
	GRAND TOTAL COSTS	$	4,497,400



86' R/W
BALDWIN ROAD

Resolution No. 2001-97

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PATTERSON APPROVING AN APPLICATION FOR FUNDING FROM THE STANISLAUS COUNTY COMMUNITY DEVELOPMENT "BANK" FOR THE PROJECT OF THE WEST PATTERSON BUSINESS PARK - ADVANCE ENGINEERING

WHEREAS, on February 13, 2001, the Stanislaus County Board of Supervisors approved the formation of Economic Development "Bank" and agreed to make an annual contribution of $1.5 million to the "Bank" for a period of five years; and

WHEREAS, the Workforce Investment Board (WIB) will serve as the Board of Directors for the "Bank". The City Manager from each City and the County Chief Executive Officer will serve as an Advisory Committee and make funding recommendations to the Workforce Investment Board; and

WHEREAS, the Stanislaus County Board of Supervisors approved the formation of the "Bank" for the purpose of providing resources for economic development projects throughout the County; and

WHEREAS, it is the Board's intent that the funds be used by the nine cities and communities to leverage State, Federal and private dollars to finance infrastructure that makes possible greater opportunities for job retention and creation.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Patterson does hereby Support by Resolution the Approval of an Application for Funding from the Stanislaus County Community Development "Bank" for the Project of the West Patterson Business Park - Advance Engineering.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Council of the City of Patterson hereby;

1. Approves the filing of an Application for Funding from the Stanislaus County Community Development "Bank" for the Project of the West Patterson Business Park - Advance Engineering.

2. Certifies that the City of Patterson has and will have sufficient funds to operate and maintain the project; and

3. Certifies that the City of Patterson has reviewed, understands and agrees to the "Bank" Structure, Guiding Principles, the Application Form, Funding Criteria and Process.

4. Appoints the City Manager as the agent to conduct all negotiations, execute and submit all documents including, but not limited to, applications, agreements, payment requests and so on, which may be necessary for the completion of the project.

Approved and Adopted on the 6th day of November, 2001.

I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the Patterson City Council following a roll call vote:

Ayes:

Noes:

Absent:

Approved:

Richard E. Dodds, Mayor of the City of Patterson

Attest:

Maricela L. Vela, City Clerk of the City of Patterson

I hereby certify that the foregoing is a full, correct and true copy of a resolution passed by the City Council of the City of Patterson, a Municipal Corporation of the County of Stanislaus, State of California, at a regular meeting held on the 6th day of November 2001, and I further certify that said resolution is in full force and effect and has never been rescinded or modified.

DATED:

City Clerk of the City of Patterson

MODESTO CITY COUNCIL
RESOLUTION NO. 2001-603

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MODESTO APPROVING APPLICATION TO THE STANISLAUS COUNTY COMMUNITY DEVELOPMENT "BANK" FOR FUNDING FOR THE KANSAS AVENUE BUSINESS PARK PROJECT – CONCEPT MASTER PLANNING

WHEREAS, on February 13, 2001, the Stanislaus County Board of Supervisors approved the formation of an Economic Development "Bank" and agreed to make an annual contribution of $1.5 million to the "Bank" for a period of five years; and

WHEREAS, the Workforce Investment Board (WIB) will serve as the Board of Directors for the "Bank". The City Manager from each City and the County Chief Executive Officer will serve as an Advisory Committee and make funding recommendations to the Workforce Investment Board; and

WHEREAS, the Stanislaus County Board of Supervisors approved the formation of the "Bank" for the purpose of providing resources for economic development projects throughout the County; and

WHEREAS, it is the Board's intent that the funds be used by the nine cities and communities to leverage State, Federal and private dollars to finance infrastructure that makes possible greater opportunities for job retention and creation.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Modesto does hereby support by resolution the submission of an Application to the Stanislaus County Community Development "Bank" for Funding for the Kansas Avenue Business Park Project – Concept Master Planning.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Council of the City of Modesto hereby;

1. Approves the filing of an Application to the Stanislaus County Community Development "Bank" for funding for the Kansas Avenue Business Park Project for Concept Master Planning.

2. Certifies that the City of Modesto will have sufficient funds to operate and maintain the project; and

3. Certifies that the City of Modesto has reviewed, understands, and agrees to the "Bank" Structure, Guiding Principles, the Application Form, Funding Criteria, and Process.

4. Appoints the City Manager as the agent to conduct all negotiations, and execute and submit all documents including, but not limited to, applications, agreements, payment requests and so on, which may be necessary for the completion of the Kansas Avenue Business Park Concept Master Plan in the event that funding is received from the Stanislaus County Community Development "Bank".

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto, held on the 20th day of November, 2001, by Councilmember Friedman, who moved its adoption, which motion being duly seconded by Councilmember Fisher, was upon roll call carried and the resolution adopted by the following vote:

AYES:	Councilmembers:	Conrad, Fisher, Friedman, Frohman, Serpa, Smith
NOES:	Councilmembers:	Mayor Sabatino
ABSENT:	Councilmembers:	None

ATTEST Jean Zahr
Jean Zahr, City Clerk

APPROVED AS TO FORM:

By
Michael D. Milich, City Attorney

WRITTEN COMMUNICATIONS

13. A request from Gregory C. Tesluk, M.D. concerning the water utility/fire service charge applied to commercial buildings with fire protection sprinklers located in Zone 2 (the former Del Este Water Company service area).

ACTION: By Motion (Fisher/Friedman; unan.) referred item to Utility Services & Franchise Committee.

NEW BUSINESS

14. Consider an application to the Stanislaus County Community development "Bank" for $405,000 funding for the Kansas Avenue Business Park project.
(Resolution approving submittal of an application by the City of Modesto to the Stanislaus County Community Development "Bank" for funding for the Kansas Avenue Business Park —Concept Master Planning recommended.)
Community Development; Linda Boston, 571-5179, lboston@modestogov.com

ACTION: **Res. No. 2001-603** (Friedman/Fisher; majority; Sabatino, no) approving submittal of an application by the City of Modesto to the Stanislaus County Community Development "Bank" for funding for the Kansas Avenue Business Park—Concept Master Planning.

COUNCIL COMMENTS & REPORTS

15. At the request of Councilmember Serpa, consider application from Stanislaus County Police Activities League for use of the Centre Plaza for the Youth Christmas Event.

ACTION: By motion (Sabatino/Conrad; majority; Serpa, no.) to deny request.

- Mayor Sabatino read his letter to Judge Mayhew regarding a breach of confidentiality from the Grand Jury.

MATTERS TOO LATE FOR THE AGENDA

None

ADJOURNMENT

This meeting adjourned at 7:15 p.m.

EXHIBIT "A"

The Application

1. Describe the project. What public benefit, need, problem or issues does it address? How does it promote economic development and job creation/retention?

The Kansas Avenue Business Park is being developed as a cohesive and integrated business park that will not only encourage business development and job creation, but also offer workforce training opportunities.

Modesto, and the Central Valley in general, have suffered for some time from relatively high unemployment and few high-income job opportunities. While Modesto's population has grown, and continues to grow, at a rapid pace[1], the number of employment opportunities has failed to keep up.[2] Current market absorption for the greater Modesto area is estimated at fifty (50) acres of industrial/business park land per year. The completion of the Business Park will have a significant impact on the local economy and the job market, creating a total of 1,500 new moderate to high-income jobs.

The current zoning that governs the properties within the Business Park (currently light industrial and heavy industrial) will be replaced by a specific planned development zone for mixed-use professional business office and light industrial usage. The new planned development zoning will accommodate the types of targeted uses and level of employment development envisioned for this area. The new targeted industries will generate moderate to high-income employment opportunities, and result in increased economic activity and increased tax revenue for the benefit of the citizens of Modesto.

An Economic Development Bank loan is being requested to help the City finance and complete a critical item in the Business Park development path: the "Concept Master Plan." The Concept Master Plan is integral, as it is the strategic planning document that will serve to guide the entire development process of the Business Park. Engineering studies have already been funded and performed in order to determine approximate infrastructure costs at $3.9 million dollars. However, the essential next step in the development process, preparation of the "Concept Master Plan" will require additional funding of $405,000. Economic Development "Bank" financing will assist the City in planning for transportation improvements, construction phasing, hazmat remediation, finance strategy, specific planning preparation, and all related architectural and engineering elements of project. Upon completion of the "Concept Master Plan" it is anticipated that actual ground-breaking will commence fourth quarter of 2002, with an anticipated completion date at build out in 2007.

Summary of the Kansas Avenue Business Park project is as follows:

- Creation of new subdivision plan to provide parcels in the two to five acre size range, accommodating a range of business needs, and providing an approximate floor area ratio no greater than 40%.
- Creation of a specific planned development zone with a set of permitted uses to be designated.
- Realignment of Graphics Drive to provide efficient traffic circulation through the Business Park and onto U.S. Highway 99.
- Public transportation service to be accommodated through Business Park to Graphics Drive.
- Open space network through the Business Park to include Bicycle / pedestrian pathways.
- Aesthetically designed detention ponds to improve storm water service.
- Attractively designed landscaping, lighting, and building standards for all development.
- Streetscape landscaping, lighting, and setbacks along external and internal roadways and streets.

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[1] Modesto's population growth from 1990-2000 was the 26th fastest in the state, with a 14.6% growth rate. Modesto's population growth from 2000-2001 was the 24th fastest in the state, with a current 2001 population at 194,400. (Ranking of incorporated places of 100,000 or more) *California Dept. of Finance / U.S. Census Bureau, Census 2000.*

[2] Modesto's 2000 annual average unemployment rate was 9.2%. Over the past year (September 2000 to September 2001) total wage and salary employment gained a mere 200 jobs, a growth rate of only 0.1 percent. *EDD-Labor Market Information Div.*

2. What are the projected outcomes for the proposed project?

- **1,500 new jobs.** The primary goal for the City in developing the Kansas Avenue Business Park is JOB CREATION. Employment in the Business Park is currently very limited, with a total employment of 175 jobs, or 1.9 jobs per acre. These current employment opportunities range from low-income to high-income. In stark contrast, it is calculated that future employment opportunities to be created by development of the Business Park will total 1,500 jobs, or 16.3 jobs per acre. These future employment opportunities will be moderate to high-income paying jobs.
- **Cleanup of contaminated soils.** A portion (approximately 30 acres) of the Business Park property is impacted by barium contamination as a result of past operations of the property owner, FMC Corporation, which closed its plant 20 years ago. FMC still owns the property and is in the process of developing a remediation plan under the State of California Department of Toxic Substance Control's (DTSC) Voluntary Clean Up Program. The City of Modesto is working closely with DTSC to ensure timely delivery of the property for business park development.
- **Workforce development and training.** The City has been working closely with Modesto Junior College on workforce development and training. An onsite workforce development training facility is proposed for the Business Park that will specifically target the employment needs of the businesses that choose to locate there, and will provide training for unemployed workers to fill the moderate to high-income employment opportunities that will be generated in the new Business Park. It is anticipated that the onsite workforce development and training facility will be able to serve and train a total of 750 unemployed/underemployed workers per year to fill employment opportunities within the Business Park and also within the business community at large.
- **Infill vacant/underutilized land.** Currently, 61% of the Business Park property, or 56.3 acres out of 91.8 acres, sits vacant or underutilized. The Business Park project will revitalize and economically develop this property, eliminate visual and economic blight, and turn vacant land into jobs and productivity.

3. How will the stated outcomes be accomplished and measured?

Upon project buildout, the success of the project will be measured against the following set of performance measures:

- Number of new jobs created within the Business Park and jobs per square foot of developed property.
- Wages & benefits earned by those employed within the Business Park.
- Number of persons served by onsite workforce development and training facility.
- Total dollar amount of developer investment within the Business Park.
- Cleanup of two contaminated parcels within the Business Park.

4. Who will be involved in evaluating the outcome of the project?

Modesto City staff will be the principal project evaluation team in charge of keeping accurate record of project progress and success, and of collecting and compiling data for progress reports. In addition, workforce development professionals who will operate the onsite training facility will also be compiling workforce development data. Project status updates are submitted to the Modesto City Council on a periodic basis, as project progress warrants. In addition, the Modesto Redevelopment Agency will receive project status updates, as progress warrants. It is further understood that project progress report(s) will be submitted to the Economic Development Bank Advisory Committee on a schedule to be negotiated at the time funding is approved.

5. Describe the extent of collaborative efforts and identify the partners and the level of each partner's participation (or areas of responsibility of each party) in this project, if any.

Property Acquisition & Cleanup Partner...

The City is partnered with the Modesto Redevelopment Agency to provide financial and non-financial assistance in developing the Kansas Avenue Business Park. Because the Park is located in the Redevelopment Agency's Project

Area, a variety of assistance is available, from assembling and clearing portions of the property, to cleaning up soil contamination, in order to make the Park ready for developers.

Industry Partner...
The City is partnered with Modesto Irrigation District. MID plans to build a new, state-of-the-art 80-magawatt power plant at the northern end of the Park. The power plant is expected to create up to six (6) new medium-income to high-income jobs. MID is working with the City to design and construct a water line to serve both the power plant and new development within the Park. The City and MID are also exploring the feasibility of partnering with the private sector (Foster Farms Dairy) to create a dedicated source of distilled water for the power plant generators.

Planning Partner...
The City is partnered with Stanislaus County Economic Development Corporation in the development of the Concept Master Plan for the Kansas Avenue Business Park.

Workforce Development Partner...
The City is partnered with Modesto Junior College to develop a workforce development and training facility onsite at the Kansas Avenue Business Park. The onsite facility will specifically target the employment needs of the businesses that choose to locate there, providing workforce and training programs and employment incentives. It is calculated that the onsite facility will be able to serve and train 750 unemployed and low-income workers annually to fill employment opportunities within the Park and also within the business community at large.

Eco-Industrial Partner...
The City is partnered with the National Center for Eco-Industrial Development, a joint project of the University of Southern California and Cornell University, to explore the potential for developing recycling/reuse partnerships in the Kansas Avenue Business Park. The Center will collect production and waste stream data and explore potentials for creating industry clusters and recycling/reuse clusters. This project will provide manufacturing and service businesses in the Park an opportunity to work cooperatively together to improve their environmental performance, increase efficiency and competitiveness, reduce the use of raw materials, reduce output of waste, conserve energy and water resources, and reduce transportation requirements.

6. How will the project be continued (if necessary) after "Bank" funding has been exhausted? List other funding sources and length of funding, if available.

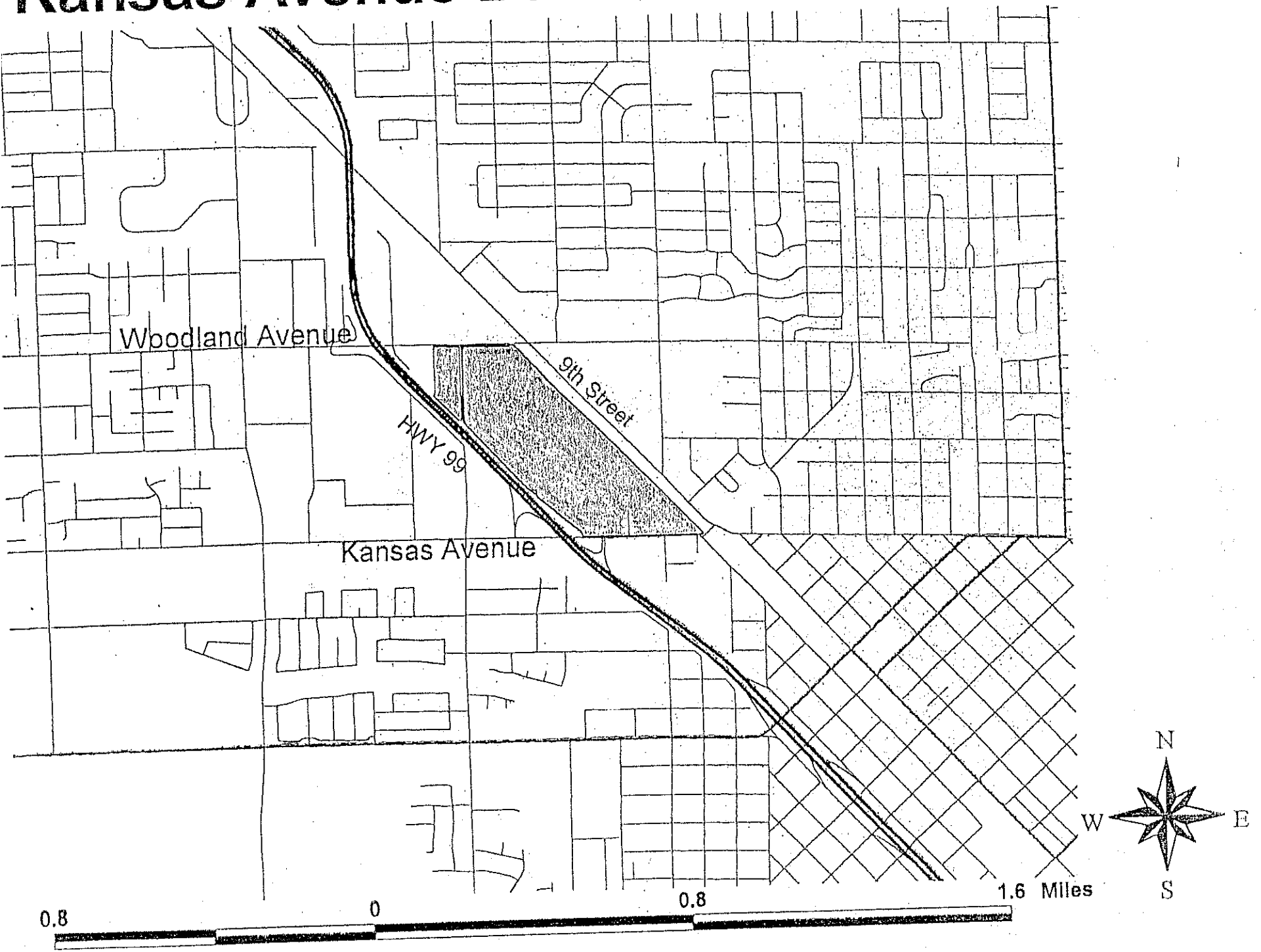
The "Bank" funding of $405,000 will be utilized by the City to complete FY 2001-02 component of project, the Concept Master Plan. Once the Concept Master Plan is completed with "Bank" funding, the City will have a concrete plan which can be used by the City to obtain additional bond financing to continue into FY 2002-03 and begin actual capital improvements. The Modesto Redevelopment Agency anticipates assisting with property acquisition, site preparation, and developer negotiations. The City will also be able to seek financial assistance for remediation of the two parcels with soil contamination. See Attachment B "Categorical Project Budget" for clarification.

7. What accounting method/system will you use to track expenditures for the duration of the project?

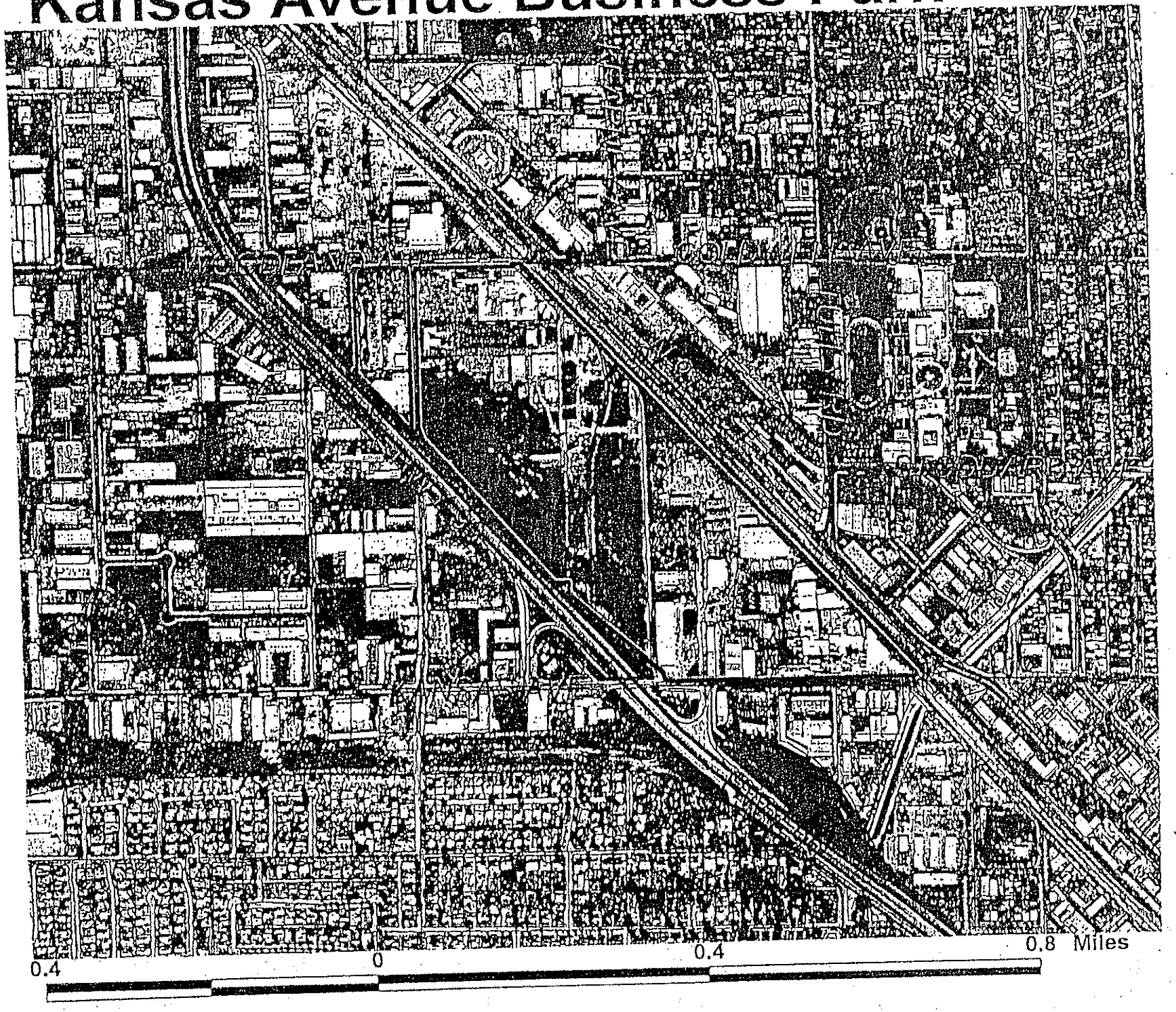
GAAP (Generally Accepted Accounting Procedures).

Attachment A – Project Map

Kansas Avenue Business Park



Kansas Avenue Business Park



Attachment B – Categorical Project Budget

Kansas Avenue Business Park - Categorical Project Budget

Category	FY 2000-01			FY 2001-02			FY 2002-03		
	RDA $$	City $$	Developer $$	RDA	City	Developer	RDA	City	Developer
Capital Expenditures									
Onsite improvements								1,619,994	975000
Offsite improvements								1,300,000	325000
Bond issuance costs for above								590,000	
Property acquisition-									
Purchase Option on FMC-owned parcels				50,000					
Acquisition of FMC-owned parcels							1,150,000		
Operating Expenditures									
Concept Master Plan									
Master Plan Advisor		50,000			90,000				
Hazmat Advisor		15,000			10,000				
Architectural & Planning		50,000			60,000				
Transportation Advocacy		10,000			10,000				
Legal Services		10,000			20,000				
Engineering Services					200,000				
Appraisals		10,000			10,000				
Title Reports		3,000			5,000				
HazMat Remediation							not yet determined		
Specific Plan & Environmental Review					60,000			40,000	
Subdivision Design								400,000	
Site Grading							375,000		
TOTAL(s)	$0	$148,000	$0	$50,000	$465,000	$0	$1,525,000	$3,949,994	$1,300,000

PROJECT TOTAL	$7,437,994
RDA TOTAL	$1,575,000
CITY TOTAL	$4,157,994
DEVELOPER TOTAL	$1,300,000
ECON.DEV."BANK"FUNDING	$405,000

AGREEMENT BY AND BETWEEN STANISLAUS COUNTY, CITY OF MODESTO AND MODESTO REDEVELOPMENT AGENCY

This Agreement is made and entered into in the County of Stanislaus, State of California, this _____ day of _____, 2002, by and between the City of Modesto, a charter city and a municipal corporation of the State of California ("CITY"), the Redevelopment Agency of the City of Modesto, a public body, corporate and politic ("RDA"), and the County of Stanislaus, a political subdivision of the State of California, ("COUNTY").

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

WHEREAS, on February 13, 2001, the County Board of Supervisors authorized the establishment of an economic development "Bank" with an annual appropriation of $1.5 million dollars. The "Bank" funds are to be used for economic development within the County. The Board directed the Chief Executive Officer (CEO) to meet with City Managers to develop a structure for the "Bank" and a process for approving funding allocations from the "Bank". The County's CEO and City Managers recommended that the Work Force Investment Board (WIB) act as the Board of Directors for the "Bank"; and

WHEREAS, on June 16, 2001, the WIB agreed to act as the Board of Directors of the "Bank" and established an Advisory Committee consisting of the nine City Managers and the County CEO; and

WHEREAS, on September 17, 2001, the WIB approved guiding principles, application documents, an evaluation system and criteria that measures the public benefit of promoting economic development and providing jobs; and

WHEREAS, on October 5, 2001, requests for proposals for use of the "Bank" funds were issued and on November 9, 2001, the Advisory Committee evaluated five proposals and its recommendations were presented to the WIB; and

WHEREAS, on December 17, 2001, the WIB approved forwarding the Board of Supervisors a proposal to award the "CITY" an advance of $405,000 which is to be repaid to the "Bank" for the preparation of a Master Development Plan for the 92-acre Kansas Avenue Business Park (the "Project"); and

WHEREAS, CITY submitted an application to the WIB for the Project in the amount of $405,000 and, based on the development structure and repayment revenue, it is more appropriate that both CITY and RDA be parties to the agreement, and

WHEREAS, it is the intention of the parties that the funding source for repayment of said "Bank" advance will be taken from any combination of the following: (1) Tax increment funding from the RDA resulting from the increased property values within the Project site; (2) Funding generated by the proceeds of the land sale to a private developer; (3) Tax allocation bonds issued by the RDA to generate funding for the Project improvements in an amount sufficient to repay the "Bank" advance; and

WHEREAS, it is the intention of the parties that the Master Development Plan will be completed and at least a portion of the intended improvements will be constructed on said Project site on or about December 2007.

NOW THEREFORE, CITY, RDA and COUNTY enter into an Agreement for the consideration hereinafter stated, agree as follows:

100. OBLIGATIONS OF THE COUNTY TO DISTRIBUTE BANK FUNDS

101. COUNTY agrees to advance sums as needed up to $405,000 to the RDA from the "Bank" for the preparation of a Master Plan for the Project according to provisions in the CITY's application attached hereto as Exhibit "A" and incorporated herein by reference. The County Auditor-Controller shall set up an account payable from the "Bank" to the RDA in the amount of $405,000. Payments from the "Bank" to the RDA shall be made upon the RDA presenting invoices or other documentation showing that the amounts requested are within the scope of the work described in Exhibit "A". The payments of up to $405,000 from the "Bank" to the RDA shall be set up in an account receivable by the County Auditor-Controller which shall be retired over time by the RDA as RDA funds generated from the Project become available. The COUNTY shall designate that the County Auditor-Controller provide the RDA with the status of the receivable account upon receiving a written request from the RDA; otherwise, a statement showing the status of the account will be provided to the RDA at the end of each fiscal year.

200. RDA'S AND/OR CITY'S OBLIGATIONS

201. RDA agrees to utilize the funds received from the COUNTY described in paragraph 101 exclusively for the purposes described in Exhibit "A". CITY and RDA both agree to jointly review RDA's administration of said funds, as they are expended, to ensure proper and accurate accounting of said funds.

202. RDA agrees to reimburse up to $405,000 of the funds received from the "Bank" and to commence repayment to the "Bank" as funds from development become available pursuant to this Agreement from the Project's income stream generated by any or all of the following: (1) Tax increments received from property improvement; (2) Proceeds of the land sale to a developer; (3) Tax allocation bonds issued by the RDA in amount sufficient to repay the "Bank" advance.

203. Given the current status of the development of the Project, the parties agree that repayment could begin on or about December, 2007. However, the RDA

shall have no obligation to begin repayment until said revenue streams become available for that purpose.

204. RDA and/or CITY agrees to inform COUNTY of the date that any of the above-referenced revenue begins to materialize. It is the expectation of the parties that repayment shall commence soon after a revenue stream develops which is expected to be shortly after December, 2007.

205. COUNTY understands and agrees that the primary source of repayment of said "Bank" advance will be any combination of the income stream described in paragraph 202. It is anticipated that any advance made will be repaid by June 30, 2015. Terms for repayment of any outstanding balance as of that date will be renegotiated within 60 days upon terms satisfactory to all parties.

206. RDA upon receiving a written request from the County's Chief Executive Officer shall provide proof that the RDA has expended the funds received from the "Bank" as contemplated by this Agreement and is repaying funds received as required by the terms of this Agreement.

300. MUTUAL OBLIGATIONS

301. Any notices or communications required or permitted hereunder shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, return receipt requested, postage prepaid as follows:

If to COUNTY:
Richard Jantz, Deputy Executive Officer
Chief Executive Office, County of Stanislaus
1010 Tenth Street, Suite 6800
Modesto, CA 95354

If to RDA or CITY:
Linda Boston, Business Development Manager
Modesto Redevelopment Agency or City of Modesto
1010 Tenth Street, Suite 3300
Modesto, CA 95353

302. The provisions of this Agreement, shall constitute the entire Agreement between the parties and unless modified by written agreement duly executed by the parties hereto, shall continue in full force and effect.

303. Venue for any actions initiated by either party shall be in the Superior Court of Stanislaus County and California law shall apply to all the Agreement's terms and conditions.

304. RDA, CITY and COUNTY further covenant to cooperate with one another in all respects necessary to ensure the successful consummation of the action

contemplated by this Agreement, and each will take all actions within its authority to ensure cooperation of its officials, officer, agents and employees.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.

CITY OF MODESTO AND
MODESTO REDEVELOPMENT AGENCY

By_____
Jack Crist,
City Manager/Executive Director

APPROVED AS TO FORM:

By_____
Michael Milich,
City Attorney/RDA Counsel

Modesto.
Wilson
on 4/23
09

COUNTY OF STANISLAUS

By _____
Reagan Wilson,
Chief Executive Officer

APPROVED AS TO FORM:

By E. Vernon Seeley
E. Vernon Seeley,
Assistant County Counsel

AGREEMENT BY AND BETWEEN STANISLAUS COUNTY. CITY OF MODESTO AND MODESTO REDEVELOPMENT AGENCY

This Agreement is made and entered into in the County of Stanislaus, State of California, this 6 day of November, 2002, by and between the City of Modesto, a charter city and a municipal corporation of the State of California ("CITY"), the Redevelopment Agency of the City of Modesto , a public body, corporate and politic ("RDA"), and the County of Stanislaus, a political subdivision of the State of California ("COUNTY").

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

WHEREAS, on February 13, 2001, the County Board of Supervisors authorized the establishment of an Economic Development Bank with an annual appropriation of $1.5 million dollars. The Bank funds are to be used for economic development within the County. The Board directed the Chief Executive Officer to meet with City Managers to develop a structure for the Bank and a process for approving funding allocations from the Bank. The County's CEO and City Managers recommended that the Work Force Investment Board (WIB) act as the Board of Directors for the Bank; and

WHEREAS, on June 16, 2001, the WIB agreed to act as the Board of Directors of the Bank and established an Advisory Committee consisting of the nine City Managers and the County CEO; and

WHEREAS, on September 17, 2001, the WIB approved guiding principles, application documents, an evaluation system and criteria that measures the public benefit of promoting economic development and providing jobs; and

WHEREAS, on October 5, 2001, requests for proposals for use of the Bank funds were issued and on November 9, 2001, the Advisory Committee evaluated five proposals and its recommendations were presented to the WIB; and

WHEREAS, on December 17, 2001 the WIB approved forwarding the Board of Supervisors a proposal to award the "CITY" a loan of $405,000 which is to be repaid to the bank for the preparation of a Master Development Plan for the 92acre Kansas Avenue Business Park (the "Project"); and

WHEREAS, CITY submitted an application to the WIB for the Project in the amount of $405,000 and, based on the development structure and repayment revenue, it is more appropriate that both CITY and RDA be parties to the agreement, and

WHEREAS, it is the intention of the parties that the funding source for repayment of said Bank loan will be taken from any combination of the following: (1) Tax increment funding from the RDA resulting from the increased property values within the Project site; (2) Funding generated by the proceeds of the land sale to a private developer; (3) Tax allocation bonds issued

by the RDA to generate funding for the Project improvements in an amount sufficient to repay the Bank loan; and

WHEREAS, it is the intention of the parties that the Master Development Plan will be completed and at least a portion of the intended improvements will be constructed on said Project site on or about December 2007

NOW, THEREFORE, CITY, RDA and COUNTY do hereby enter into an Agreement for the consideration hereinafter stated as follows:

100. OBLIGATIONS OF THE COUNTY TO DISTRIBUTE BANK FUNDS

101. COUNTY agrees to advance sums as needed up to $405,000 to the RDA from the Bank for the preparation of a Master Plan for the Project according to provisions in the CITY's and RDA'S application, attached hereto, as "Exhibit A". The County Auditor-Controller shall set up an account payable from the Bank to the RDA in the amount of $405,000. Payments from the Bank to the RDA shall be made upon the RDA presenting invoices or other documentation showing that the amounts requested are within the scope of the work described in "Exhibit A". The payments of up to $405,000 from the Bank to the RDA shall be set up in an account receivable by the County Auditor-Controller which shall be retired over time by the RDA as RDA funds generated from the Project become available. The COUNTY shall designate that the County Auditor-Controller provide the RDA with the status of the receivable account upon receiving a written request from the RDA; otherwise, a statement showing the status of the account will be provided to the RDA at the end of each fiscal year.

200. RDA's and/or CITY'S OBLIGATIONS

201. RDA agrees to utilize the funds received from the COUNTY described in paragraph 101 exclusively for the purposes described in "Exhibit A". CITY and RDA both agree to jointly review RDA's administration of said funds, as they are expended, to ensure proper and accurate accounting of said funds.

202. RDA agrees to reimburse up to $405,000 of the funds received from the Bank and to commence repayment to the Bank as funds from development become available pursuant to this Agreement from the Project's income stream generated by any of the following: (1) Tax increments received from property improvements; (2) Proceeds of the land sale to a developer; (3) Tax allocation bonds issued by the RDA in amount sufficient to repay the Bank loan.

203. Given the current status of the development of the Project, the parties anticipate that repayment could begin on or about December, 2007. However, the RDA shall have no obligation to begin repayment until said revenue streams become available for that purpose.

204. County understands and agrees that the sole source of repayment of said Bank loan will be the income stream described in paragraph 202. The parties further agree that if the loan is not repaid in full by June 30, 2015, the parties agree to renegotiate the term and conditions of the loan repayment. Finally, County acknowledges, understands, and agrees that

CITY shall have no obligation whatsoever to repay said Bank loan.

205. RDA upon receiving a written request from the County's Chief Executive Officer shall provide proof that the RDA has expended the funds received from the Bank as contemplated by this Agreement and is repaying funds received as required by the terms of this Agreement.

300. MUTUAL OBLIGATIONS

301. Any notices or communications required or permitted hereunder shall be in writing and sufficiently given if delivered in person or sent by certified or registered mail, return receipt requested, postage prepaid as follows:

If to COUNTY:
Richard Jantz, Deputy Executive Officer
Chief Executive Office, County of Stanislaus
1010 Tenth Street, Suite 6800
Modesto, CA 95354

If to RDA or CITY:
Linda Boston, Business Development Manager
Modesto Redevelopment Agency or City of Modesto
1010 Tenth Street, Suite 3300
P.O. Box 642
Modesto, CA 95353

302. The provisions of this Agreement shall constitute the entire Agreement between the parties and unless modified by written agreement duly executed by the parties hereto, shall continue in full force and effect.

303. Venue for any actions initiated by either party shall be in the Superior Court of Stanislaus County and California law shall apply to all the Agreement's terms and conditions.

304. RDA, CITY and COUNTY further covenant to cooperate with one another in all respects necessary to ensure the successful consummation of the action contemplated by this Agreement, and each will take all actions within its authority to ensure cooperation of its officials, officers, agents and employees.

///

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date above shown and the City of Modesto, a charter city and a municipal corporation of the State of California, the Redevelopment Agency of the City of Modesto, a public body, corporate and politic, and the County of Stanislaus, a political subdivision of the State of California have duly authorized the execution of this Agreement in duplicate by their respective officials under authority of City Council Resolution No. 2002-553 and Modesto Redevelopment Agency Resolution No. 15-2002, adopted by their respective governing bodies on the 6th day of November, 2002.

REDEVELOPMENT AGENCY
OF THE CITY OF MODESTO

By _____
Jack Crist,
Executive Director

COUNTY OF STANISLAUS,

By _____
Reagan Wilson,
Chief Executive Officer

CITY OF MODESTO

By _____
Jack Crist, City Manager

APPROVED AS TO FORM:

By _____
Michael D. Milich,
City Attorney

By _____
Michael D. Milich, RDA General Counsel

APPROVED AS TO FORM:

By _____
John P. Doering
Assistant County Counsel

ATTEST:

By: _____
Jean Zahr
City Clerk/Auditor and Redevelopment Secretary

EXHIBIT A

Attachment B

ECONOMIC DEVELOPMENT "BANK"
APPLICATION FOR FUNDING
Cover Sheet

Applications for funds should be submitted on this form.

Applicant Information

Applying Entity **City of Modesto, CA** Contact Name **Linda Boston** Title **Business Development Manager**

Mailing Address **1010 Tenth Street, Suite 3300, P.O. Box 642, Modesto, CA 95353**

Phone/Fax/email **Phone: (209)571-5566 / Fax: (209)491-5798 / Email: Lboston@ci.modesto.ca.us**

Project Title **Kansas Avenue Business Park**

Please provide a brief description of your project (25 words or less). **Revitalization and redesign of a 91.87 acre area northwest of downtown Modesto, which will become the new Kansas Avenue Business Park. The Business Park project at build out will result in 1,500 new moderate to high-income jobs. Economic Development "Bank" financing is requested to complete an integral component of the project: the Kansas Avenue Business Park Concept Master Plan.**

Which part of the County or City will this project benefit?

Please refer to Attachment A – "Project Map"

Total Project Budget $ **7,437,994 Please refer to Attachment B – "Categorical Project Budget"** Please submit an attached one-page categorized project budget showing the project components and how the Economic Development "Bank" funds will be used in conjunction with contributions from other sources.

Amount Requested $ **405,000**

How will this loan be repaid? **Loan to be repaid from proceeds of land sale to developer and/or tax increment received from property improvements. It is estimated that the project will generate upon completion, between $250,000 to $350,000 per year in new tax increment revenues.**

Signature/Endorsement by Mayor or Board Chair

_____

This application and attachments are complete and accurate to the best of my knowledge.

Signature of Applicant _____

Print Name **Linda Boston, Business Development Manager**

Print Organization Name **City of Modesto**

Telephone: **(209) 571-5566**

The Application

1. Describe the project. What public benefit, need, problem or issues does it address? How does it promote economic development and job creation/retention?

The Kansas Avenue Business Park is being developed as a cohesive and integrated business park that will not only encourage business development and job creation, but also offer workforce training opportunities.

Modesto, and the Central Valley in general, have suffered for some time from relatively high unemployment and few high-income job opportunities. While Modesto's population has grown, and continues to grow, at a rapid pace[1], the number of employment opportunities has failed to keep up.[2] Current market absorption for the greater Modesto area is estimated at fifty (50) acres of industrial/business park land per year. The completion of the Business Park will have a significant impact on the local economy and the job market, creating a total of 1,500 new moderate to high-income jobs.

The current zoning that governs the properties within the Business Park (currently light industrial and heavy industrial) will be replaced by a specific planned development zone for mixed-use professional business office and light industrial usage. The new planned development zoning will accommodate the types of targeted uses and level of employment development envisioned for this area. The new targeted industries will generate moderate to high-income employment opportunities, and result in increased economic activity and increased tax revenue for the benefit of the citizens of Modesto.

An Economic Development Bank loan is being requested to help the City finance and complete a critical item in the Business Park development path: the "Concept Master Plan." The Concept Master Plan is integral, as it is the strategic planning document that will serve to guide the entire development process of the Business Park. Engineering studies have already been funded and performed in order to determine approximate infrastructure costs at $3.9 million dollars. However, the essential next step in the development process, preparation of the "Concept Master Plan" will require additional funding of $405,000. Economic Development "Bank" financing will assist the City in planning for transportation improvements, construction phasing, hazmat remediation, finance strategy, specific planning preparation, and all related architectural and engineering elements of project. Upon completion of the "Concept Master Plan" it is anticipated that actual ground-breaking will commence fourth quarter of 2002, with an anticipated completion date at build out in 2007.

Summary of the Kansas Avenue Business Park project is as follows:

- Creation of new subdivision plan to provide parcels in the two to five acre size range, accommodating a range of business needs, and providing an approximate floor area ratio no greater than 40%.
- Creation of a specific planned development zone with a set of permitted uses to be designated.
- Realignment of Graphics Drive to provide efficient traffic circulation through the Business Park and onto U.S. Highway 99.
- Public transportation service to be accommodated through Business Park to Graphics Drive.
- Open space network through the Business Park to include Bicycle / pedestrian pathways.
- Aesthetically designed detention ponds to improve storm water service.
- Attractively designed landscaping, lighting, and building standards for all development.
- Streetscape landscaping, lighting, and setbacks along external and internal roadways and streets.

---

[1] Modesto's population growth from 1990-2000 was the 26th fastest in the state, with a 14.6% growth rate. Modesto's population growth from 2000-2001 was the 24th fastest in the state, with a current 2001 population at 194,400. (Ranking of incorporated places of 100,000 or more) *California Dept. of Finance / U.S. Census Bureau, Census 2000.*

[2] Modesto's 2000 annual average unemployment rate was 9.2%. Over the past year (September 2000 to September 2001) total wage and salary employment gained a mere 200 jobs, a growth rate of only 0.1 percent. *EDD-Labor Market Information Div.*

2. What are the projected outcomes for the proposed project?

- **1,500 new jobs.** The primary goal for the City in developing the Kansas Avenue Business Park is JOB CREATION. Employment in the Business Park is currently very limited, with a total employment of 175 jobs, or 1.9 jobs per acre. These current employment opportunities range from low-income to high-income. In stark contrast, it is calculated that future employment opportunities to be created by development of the Business Park will total 1,500 jobs, or 16.3 jobs per acre. These future employment opportunities will be moderate to high-income paying jobs.
- **Cleanup of contaminated soils.** A portion (approximately 30 acres) of the Business Park property is impacted by barium contamination as a result of past operations of the property owner, FMC Corporation, which closed its plant 20 years ago. FMC still owns the property and is in the process of developing a remediation plan under the State of California Department of Toxic Substance Control's (DTSC) Voluntary Clean Up Program. The City of Modesto is working closely with DTSC to ensure timely delivery of the property for business park development.
- **Workforce development and training.** The City has been working closely with Modesto Junior College on workforce development and training. An onsite workforce development training facility is proposed for the Business Park that will specifically target the employment needs of the businesses that choose to locate there, and will provide training for unemployed workers to fill the moderate to high-income employment opportunities that will be generated in the new Business Park. It is anticipated that the onsite workforce development and training facility will be able to serve and train a total of 750 unemployed/underemployed workers per year to fill employment opportunities within the Business Park and also within the business community at large.
- **Infill vacant/underutilized land.** Currently, 61% of the Business Park property, or 56.3 acres out of 91.8 acres, sits vacant or underutilized. The Business Park project will revitalize and economically develop this property, eliminate visual and economic blight, and turn vacant land into jobs and productivity.

3. How will the stated outcomes be accomplished and measured?

Upon project buildout, the success of the project will be measured against the following set of performance measures:

- Number of new jobs created within the Business Park and jobs per square foot of developed property.
- Wages & benefits earned by those employed within the Business Park.
- Number of persons served by onsite workforce development and training facility.
- Total dollar amount of developer investment within the Business Park.
- Cleanup of two contaminated parcels within the Business Park.

4. Who will be involved in evaluating the outcome of the project?

Modesto City staff will be the principal project evaluation team in charge of keeping accurate record of project progress and success, and of collecting and compiling data for progress reports. In addition, workforce development professionals who will operate the onsite training facility will also be compiling workforce development data. Project status updates are submitted to the Modesto City Council on a periodic basis, as project progress warrants. In addition, the Modesto Redevelopment Agency will receive project status updates, as progress warrants. It is further understood that project progress report(s) will be submitted to the Economic Development Bank Advisory Committee on a schedule to be negotiated at the time funding is approved.

5. Describe the extent of collaborative efforts and identify the partners and the level of each partner's participation (or areas of responsibility of each party) in this project, if any.

Property Acquisition & Cleanup Partner...

The City is partnered with the **Modesto Redevelopment Agency** to provide financial and non-financial assistance in developing the Kansas Avenue Business Park. Because the Park is located in the Redevelopment Agency's Project

Area, a variety of assistance is available, from assembling and clearing portions of the property, to cleaning up soil contamination, in order to make the Park ready for developers.

Industry Partner...
The City is partnered with **Modesto Irrigation District**. MID plans to build a new, state-of-the-art 80-magawatt power plant at the northern end of the Park. The power plant is expected to create up to six (6) new medium-income to high-income jobs. MID is working with the City to design and construct a water line to serve both the power plant and new development within the Park. The City and MID are also exploring the feasibility of partnering with the private sector (Foster Farms Dairy) to create a dedicated source of distilled water for the power plant generators.

Planning Partner...
The City is partnered with **Stanislaus County Economic Development Corporation** in the development of the Concept Master Plan for the Kansas Avenue Business Park.

Workforce Development Partner...
The City is partnered with **Modesto Junior College** to develop a workforce development and training facility onsite at the Kansas Avenue Business Park. The onsite facility will specifically target the employment needs of the businesses that choose to locate there, providing workforce and training programs and employment incentives. It is calculated that the onsite facility will be able to serve and train 750 unemployed and low-income workers annually to fill employment opportunities within the Park and also within the business community at large.

Eco-Industrial Partner...
The City is partnered with the **National Center for Eco-Industrial Development**, a joint project of the University of Southern California and Cornell University, to explore the potential for developing recycling/reuse partnerships in the Kansas Avenue Business Park. The Center will collect production and waste stream data and explore potentials for creating industry clusters and recycling/reuse clusters. This project will provide manufacturing and service businesses in the Park an opportunity to work cooperatively together to improve their environmental performance, increase efficiency and competitiveness, reduce the use of raw materials, reduce output of waste, conserve energy and water resources, and reduce transportation requirements.

6. How will the project be continued (if necessary) after "Bank" funding has been exhausted? List other funding sources and length of funding, if available.

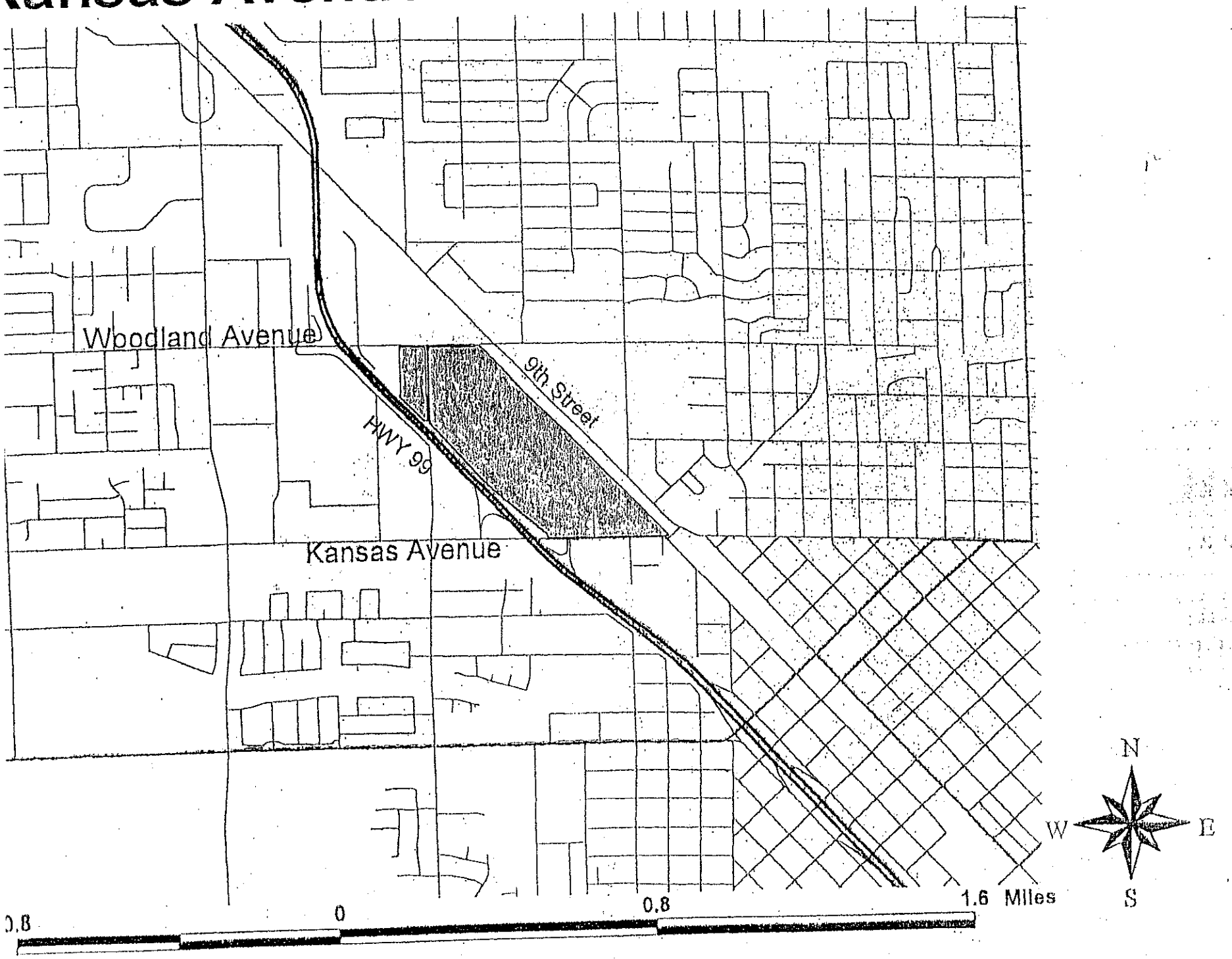
The "Bank" funding of $405,000 will be utilized by the City to complete FY 2001-02 component of project, the Concept Master Plan. Once the Concept Master Plan is completed with "Bank" funding, the City will have a concrete plan which can be used by the City to obtain additional bond financing to continue into FY 2002-03 and begin actual capital improvements. The Modesto Redevelopment Agency anticipates assisting with property acquisition, site preparation, and developer negotiations. The City will also be able to seek financial assistance for remediation of the two parcels with soil contamination. See Attachment B "Categorical Project Budget" for clarification.

7. What accounting method/system will you use to track expenditures for the duration of the project?

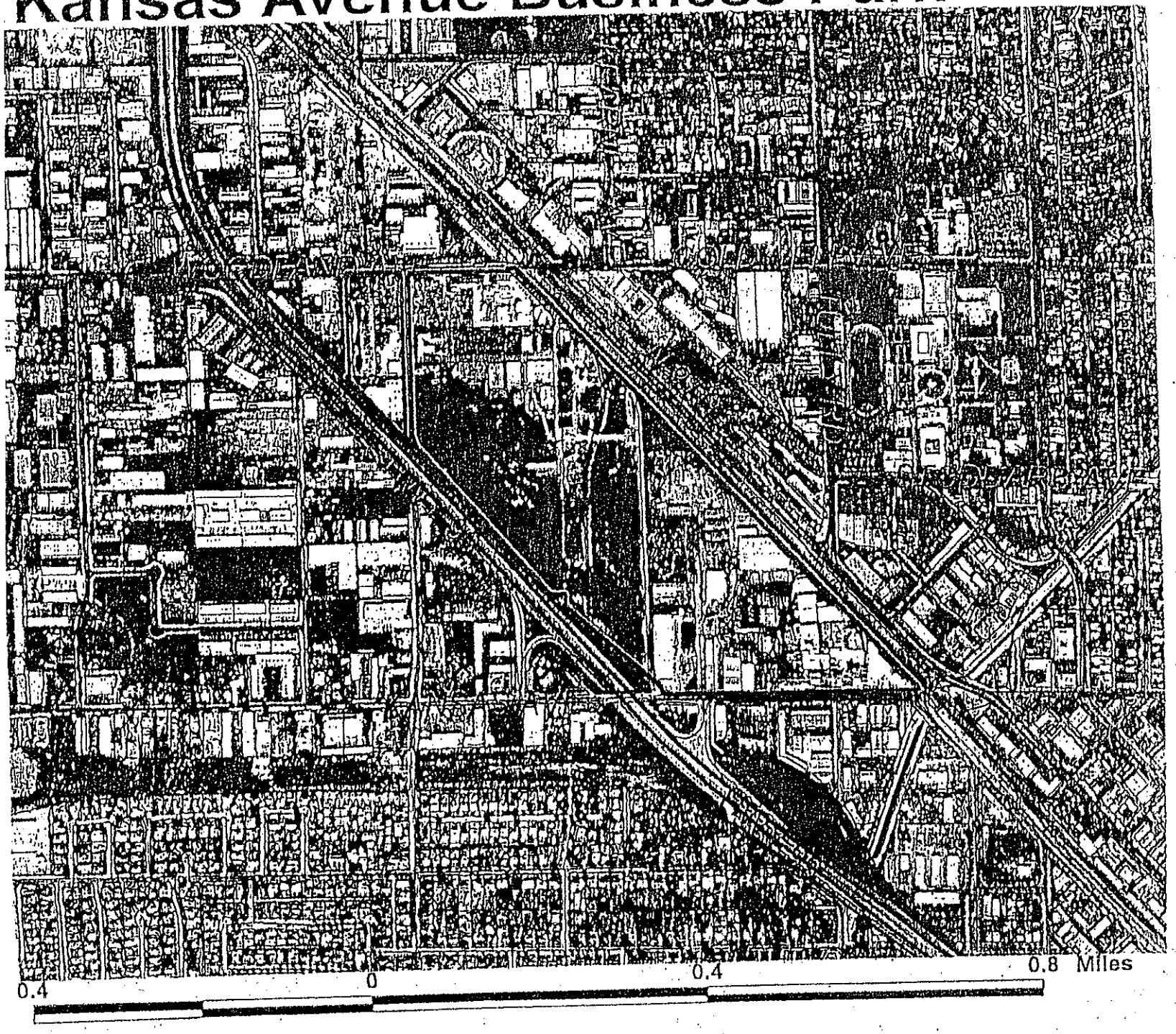
GAAP (Generally Accepted Accounting Procedures).

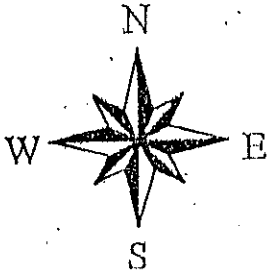
Attachment A – Project Map

Kansas Avenue Business Park



Kansas Avenue Business Park





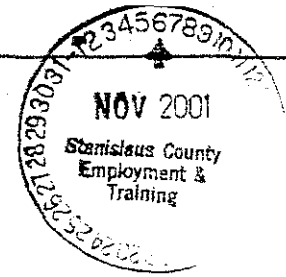
Attachment B – Categorical Project Budget

Kansas Avenue Business Park - Categorical Project Budget

Category	FY 2000-01			FY 2001-02			FY 2002-03		
	RDA $$	City $$	Developer $$	RDA	City	Developer	RDA	City	Developer
Capital Expenditures									
Onsite Improvements								1,619,994	975000
Offsite Improvements								1,300,000	325000
Bond issuance costs for above								590,000	
Property acquisition-									
Purchase Option on FMC-owned parcels				50,000					
Acquisition of FMC-owned parcels							1,150,000		
Operating Expenditures									
Concept Master Plan									
Master Plan Advisor		50,000			90,000				
Hazmat Advisor		15,000			10,000				
Architectural & Planning		50,000			60,000				
Transportation Advocacy		10,000			10,000				
Legal Services		10,000			20,000				
Engineering Services					200,000				
Appraisals		10,000			10,000				
Title Reports		3,000			5,000				
HazMat Remediation							not yet determined		
Specific Plan & Environmental Review					60,000			40,000	
Subdivision Design								400,000	
Site Grading							375,000		
TOTAL(s)	$0	$148,000	$0	$50,000	$465,000	$0	$1,525,000	$3,949,994	$1,300,000

PROJECT TOTAL	$7,437,994
RDA TOTAL	$1,575,000
CITY TOTAL	$4,157,994
DEVELOPER TOTAL	$1,300,000
ECON.DEV."BANK"FUNDING	$465,000

EXHIBIT "A"



ECONOMIC DEVELOPMENT "BANK"
APPLICATION FOR FUNDING
Cover Sheet

Concept

It is the purpose of the Economic Development "Bank" to make funds available to regional collaborative entities for economic development projects that will result in job retention and creation. Stanislaus County has committed to contributing $1.5 million per year to the "Bank" for economic development projects. It is expected that additional funds will be contributed to the "bank" from grants or other entities. Funds from the Economic Development "Bank" are intended to benefit the cities, the county and the community by leveraging these funds to match State, Federal and private dollars, in order to construct much-needed infrastructure and to promote programs that are conducive to countywide economic development.

Eligibility

Stanislaus County, Cities in Stanislaus County, Municipal Advisory Committees, Community Service Districts in Partnership With Stanislaus County, Non-Profits and Schools In Partnership With a City and/or the County.

Applications for funds should be submitted on this form.

Applicant Information

Applying Entity Hickman MAC Contact Name Tom Osteen Title Vice Chair

Mailing Address P.O. Box 190 Hickman CA 95323

Phone/Fax/email 209 874-1180

Project Title Hickman Community Development Plan

Please provide a brief description of your project (25 words or less).
We will complete a Hickman Community Development Plan with the specific goal of identifying economic development and job creation opportunities for Hickman.

Which part of the County or City will this project benefit? Hickman community and county

Total Project Budget $ 40,000 Please submit an attached one-page categorized project budget showing the project components and how the Economic Development "Bank" funds will be used in conjunction with contributions from other sources.

Amount Requested $ 40,000

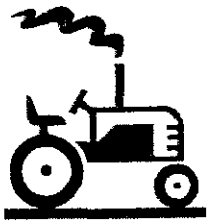
How will this loan be repaid? No short term repayment plan.

Signature/Endorsement by Mayor or Board Chair [signature] (for) Les Nethercutt

This application and attachments are complete and accurate to the best of my knowledge.

Signature of Applicant [signature] Print Name Tom Osteen

Print Organization Name Hickman MAC Telephone: 209 874 2803





Hickman Community Development Plan

2002 Budget and Schedule

Budget

Item	Cost
1. External Consultant (300 hours @ $120/hr)	$36,000
2. Advertising, Materials, Miscellaneous	$400
3. Contingency (10%)	$3,600
Total CY2002 Budget	**$40,000**

Schedule

Approval by Workforce Investment Board: **Nov/Dec 2001**

Research firms/request bids: **Jan - Feb 2002**

Kickoff meeting: **Mar 2002**

Community Planning Meeting: **Apr 2002**
(focus group)

Community Planning Meeting: **May 2002**
(focus group)

Community Planning Meeting
*(review **Draft** Community Development Plan):* **June 2002**

Community Planning Meeting
*(review **Final** Community Development Plan):* **July 2002**

Hickman Community Development Plan

Application Questions

1. Describe the project. What public benefit, need, problem or issues does it address? How does it promote economic development and job creation/retention?

We will complete a Hickman Community Development Plan with the specific goal of **identifying economic development and job creation/retention opportunities for Hickman within the context of an overall implementation plan for the community.**

Hickman is seeing a surge in growth (and traffic/visitors!) as a result of several factors, including:

- Expansion of Hickman School
- Hickman Church
- Growth in Waterford (including a new High School)
- Sports Complex and Agriculture Museum (next Spring)

These factors combine to poise our community for significant positive growth. Recognizing the need for solid planning in support of development, we will address how to implement additional community infrastructure improvements that:

a) complement these factors; and at the same time
b) provide opportunity for economic development and job creation/retention.

Development of the plan will be coordinated by the Hickman MAC. It will be completed in conjunction with community members, other area communities, county agencies (Planning, Redevelopment, Public Works, etc.), Hickman School, and professional consultants.

2. What are the projected outcomes for the proposed project:

The outcome of our project will be a **Hickman Community Development Plan**, including:

- Activities
- Priorities
- Timeframes
- Costs and potential funding sources

In addition, the community plan will also include development history and pattern information for Hickman and the communities goals in the areas of land use, circulation, and public services (law enforcement, fire protection, parks, schools, water service, etc.).

A corollary (but very important) outcome will be building partnerships between various stakeholders with the goal of a continuously improving the community.

3. How will the stated outcomes be accomplished and measured?

The plan will be developed over a six-month period beginning in 2002 (please reference attached schedule). The outcome will be measured by:

a) Delivery of our community development plan (on time, under budget, complete)
b) Level of participation by community members and stakeholders during development
c) Future projects initiated, funded, and completed based on the plan

4. Who will be involved in evaluating the outcome of the project?

- Community Members and Stakeholders
- County Partners

5. Describe the extent of collaborative efforts and identify the partners and the level of each partner's participation (or areas of responsibility of each party) in this project, if any:

Partner/Participant	Responsibility/Participation
Hickman MAC	Coordinate development of Plan
Community Members	Participate in Focus Groups and Reviews
Hickman Businesses	Participate in Focus Groups and Reviews
Hickman School	Participate in Focus Groups and Reviews
Hickman Church	Participate in Focus Groups and Reviews
County Agencies	-Provide advice in areas of expertise -Provide accounting support for funds
City of Waterford	Provide input as neighboring city
Professional Consultant Firm	-Facilitate information gathering -Generate Community Development Plan
Other communities (ex: Salida)	Provide advice/lessons learned on Plan development

6. How will the project be continued (if necessary) after "Bank" funding has been exhausted? List other funding sources and length of funding, if available.

An external consulting firm will be contracted to complete and deliver the plan within the specified budget. No other funding requirements are anticipated. The Hickman MAC has no funds, however numerous volunteer hours by MAC and community members are

anticipated in support of this effort. Additionally, it is one of the goals of the planning effort to identify future funding sources for projects proposed by the plan.

7. What accounting method/system will you use to track expenditures for the duration of the project?

The Hickman MAC Secretary/Treasurer will track all expenditures and deliverables and will review them monthly with the MAC for the duration of the project. County support is requested for formal accounting and tracking of funds.