MODESTO CITY COUNCIL
RESOLUTION NO. 2011-445

A RESOLUTION DESIGNATING COUNCILMEMBER BURNSIDE TO SERVE AS VICE MAYOR FOR THE ENSUING YEAR PURSUANT TO SECTION 603 OF THE CHARTER OF THE CITY OF MODESTO

BE IT RESOLVED by the Council of the City of Modesto that Councilmember Burnside is hereby designated to serve as Vice Mayor for the ensuing year pursuant to Section 603 of the Charter of the City of Modesto.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
MODESTO CITY COUNCIL
RESOLUTION NO. 2011-446

A RESOLUTION APPROVING ADJUSTMENTS TO THE MAXIMUM RATE SCHEDULE FOR CITY RESIDENTIAL, COMMERCIAL, AND INDUSTRIAL SOLID WASTE COLLECTION SERVICES, TO BECOME EFFECTIVE JANUARY 1, 2012, INCLUDING FUEL COST, AND RESCINDING RESOLUTION NO. 2011-386

WHEREAS, with the adoption of Ordinance No. 3068-C.S. in November of 1997, the City no longer sets rates for the collection of garbage in Modesto, and instead performs a comprehensive review of cost information submitted by the contract garbage haulers, and

WHEREAS, the City sets a maximum rate that the haulers may charge for the various types of services provided under the contracts based on cost data provided by the lowest cost hauler, and

WHEREAS, Section f(2) of the City’s Service Agreements with its solid waste collectors requires that when the City makes adjustments to the collection services provided under the Agreements, any additional costs should be covered by adjustments to the maximum rates, and

WHEREAS, in addition, maximum rates for solid waste collection services are reviewed annually as requested by the City’s garbage collection companies, and

WHEREAS, the City conducted an analysis using the audited financial statements provided by the garbage haulers, supplemental data provided by the garbage haulers, and fuel price information and forecast prices developed by the United States Department of Energy, and

RESCINDED

JUN 26 2012

THIS RESOLUTION WAS RESCINDED BY MODESTO CITY COUNCIL RESOLUTION NO. 2011-386
WHEREAS, new maximum rates were calculated, and a recommendation for a new maximum rate schedule was developed, which included a recommendation that quarterly adjustments to the fuel component of the maximum rates be made, and

WHEREAS, a report dated December 6, 2011, from the Parks, Recreation and Neighborhoods Department, a copy of which is on file in the office of the City Clerk, sets forth said recommendations, and

WHEREAS, it was found and determined by the Council of the City of Modesto that the existing schedules of rates and charges for garbage service in the City of Modesto should be revised as recommended, and that quarterly adjustments to the fuel component of the maximum rates should be made, and

WHEREAS, staff has adjusted the fuel component of the maximum rates and has incorporated the fuel component adjustment into the schedule of Maximum Charges for Garbage Service attached hereto, marked Exhibit “1” and incorporated herein by reference.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the adjustments to the Maximum Charges for Garbage Service as attached hereto, marked Exhibit “1” and incorporated herein by reference. Said Maximum Charges for Garbage Service includes twice-a-year bulky item pickup for residential customers and all other residential services as stipulated in the Service Agreements and shall become effective January 1, 2012, and shall remain in effect until revised by Council.
BE IT FURTHER RESOLVED that any person who has prepaid garbage service charges for residential garbage service shall be entitled to receive garbage service for the balance of said prepaid period at the prepaid rates.

BE IT FURTHER RESOLVED that Resolution No. 2011-386 is hereby rescinded, effective January 1, 2012.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: Stephanie Lopez, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: Susana Alcala Wood, City Attorney
MAXIMUM CHARGES FOR SOLID WASTE SERVICES

STANDARD CONTAINERS
Maximum Monthly Rates
(Once a Week Pickup Service)

Standard container service shall include the following:
• One, 96-gallon container for garbage
• One, 96-gallon container for green waste, food, paper, and other organics
• Countertop container for kitchen scraps
• Drop-off of old TV and computer tubes
• Two bulky item collections per year by appointment
• Pruned Refuse Collection

Standard container service customers may opt for smaller containers; however, maximum rates apply. Containers must be placed in a location set forth in Section 5-5.111 of the Municipal Code.

1. **Standard container service** –
   a. The maximum rate for new sign ups for service or changes in service that occur after July 1, 1996, shall be $24.79 per month regardless of size of container. A fuel component of $1.30 per month is included in the maximum rate for the quarter beginning January 1, 2012 and ending March 31, 2012. The fuel component may be adjusted quarterly.
   b. The maximum rate for each additional garbage container shall be $18.44 per month, and $9.93 per month for each additional green waste container.

2. **60-gallon container service (grandfathered customers)** –
   a. The maximum rate for customers with 60-gallon containers who subscribed to service at an address prior to July 1, 1996 and who have not changed their service address shall be $20.80 per month. A fuel component of $1.30 per month is included in the maximum rate for the quarter beginning January 1, 2012 and ending March 31, 2012. The fuel component may be adjusted quarterly.
   b. The maximum rate for each additional 60-gallon garbage container shall be $17.98 per month.

3. **Fuel Component adjustments** - The fuel component shall be analyzed quarterly and adjustments shall be made as necessary. The adjustment shall be based on the average price of fuel for a preceding quarter as follows: July 1/January-March; October 1/April-June; January 1/July-September; April 1/October-December. Average prices shall be determined based on published prices for California from the Department of Energy, Energy Information Agency.
## DETACHABLE CONTAINERS
### Maximum Monthly Rates

<table>
<thead>
<tr>
<th>Container Size</th>
<th>Regular Container Maximum Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NUMBER OF COLLECTIONS PER WEEK</td>
</tr>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>1 CY</td>
<td>$ 29.46</td>
</tr>
<tr>
<td>2 CY</td>
<td>$ 58.92</td>
</tr>
<tr>
<td>3 CY</td>
<td>$ 88.38</td>
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<tr>
<td>4 CY</td>
<td>$117.84</td>
</tr>
<tr>
<td>5 CY</td>
<td>$147.30</td>
</tr>
<tr>
<td>6 CY</td>
<td>$176.76</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fork Participants Container Maximum Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Container Size</td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>2 CY</td>
</tr>
<tr>
<td>3 CY</td>
</tr>
<tr>
<td>4 CY</td>
</tr>
<tr>
<td>5 CY</td>
</tr>
<tr>
<td>6 CY</td>
</tr>
<tr>
<td>90-gallon</td>
</tr>
</tbody>
</table>

1. **Weekly rental/Detachable Containers** - Shall not exceed the rate for 1 pickup per week for each size container.

2. **Fuel Component** - A fuel component of $1.12 per cubic yard per month ($0.26 per cubic yard) for a 1 cubic yard container collected once a week is included in the maximum rate for the quarter beginning January 1, 2012 and ending March 31, 2012. The fuel component shall be analyzed quarterly and adjustments shall be made as necessary. The adjustment shall be based on the average price of fuel for a preceding quarter as follows: July 1/January-March; October/April-June; January 1/July-September; April 1/October-December. Average prices shall be determined based on published prices for California from the Department of Energy.

## DROP BOX CONTAINERS

1. **Pick up charge** - $231.10 per pick up
2. **Rental** - $0.85 per day up to 7 day maximum rental
   - $3.00 per day for boxes kept 7 or more days without servicing
   - $10.00 per day for boxes kept 21 or more days without servicing
3. **Disposal charge** - Actual charge to be paid by customer. Garbage company will provide up to 40 CY Drop Box containers for above stated charges subject only to load limit of transfer vehicle. An AB 939 Green Waste Diversion Fee of $8.56 per ton will be added to the disposal charges.
COMPACTORS

Front Loader Type:

<table>
<thead>
<tr>
<th>Container Size</th>
<th>NUMBER OF COLLECTIONS PER WEEK</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>3 CY</td>
<td>$265.14</td>
</tr>
<tr>
<td>4 CY</td>
<td>$353.52</td>
</tr>
<tr>
<td>6 CY</td>
<td>$530.28</td>
</tr>
</tbody>
</table>

Roll-Off Type:
1. 6 CY to 40 CY $231.10 per pickup
2. Medical waste compactors $265.00 per pickup
3. Washing compactor $30.00
4. Disposal Charge: Actual charge to be paid by customer
5. AB 939 Green Waste Diversion Fee $8.56 per ton

EXTRA PICKUPS
1. Standard containers or equivalent $3.50 plus $1.38/container
2. Detachable containers $12.00 plus $2.75/cubic yard

SPECIAL SERVICE CONDITIONS
In situations where none of the above maximum rates reasonably apply, the cost of service is to be negotiated between the garbage company and the customer.

DETACHABLE CONTAINER ONLY REPLACEMENT AND CLEANING SERVICE

<table>
<thead>
<tr>
<th></th>
<th>1 CY</th>
<th>1½ CY</th>
<th>2 CY</th>
<th>3 CY</th>
<th>4 CY</th>
<th>5 CY</th>
<th>6 CY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$10.12</td>
<td>$11.00</td>
<td>$12.10</td>
<td>$15.40</td>
<td>$20.24</td>
<td>$25.08</td>
<td>$29.92</td>
</tr>
</tbody>
</table>

NOTATIONS
1. The above maximum rates include a $0.25 per month residential recycling fee; a $0.05 per cubic yard ($0.22/cubic yard/month) commercial recycling fee; and a $5.00 per pull ($0.25 per ton) industrial recycling fee, a $0.15 per month residential litter abatement fee, and a $0.05 per cubic yard ($0.22/cubic yard/month) commercial litter abatement fee.
2. The above residential maximum rates include a $1.63 per month per household AB 939 Green Waste Diversion Fee.
3. The above commercial bin and front-loader compactor maximum rates include an AB 939 Green Waste Diversion Fee of $2.92 per yard/month.
4. The above maximum rates include Carpenter Road Landfill Mitigation Fees of $0.25 per month on residential wastes, $0.21 per cubic yard ($0.90/cubic yard/month) on commercial wastes; and $5.00 per pull on industrial wastes.
5. Pursuant to Section 11-6.16(c)(2) of the Modesto Municipal Code, the garbage company may require a deposit equivalent to two (2) months service charge from customers prior to beginning service. The deposit will be credited back to the customer after 18 months under specified conditions.

12/7/11
MODESTO CITY COUNCIL
RESOLUTION NO. 2011-447

A RESOLUTION APPROVING AN AGREEMENT BETWEEN THE CITY OF MODESTO AND OFFICER PARSONS FOR THE PURCHASE OF RETIRED CITY OF MODESTO POLICE CANINE, MICK; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, from time to time, the Police Chief for the City of Modesto officially
retires police canines from Departmental service, and

WHEREAS, City of Modesto Police canine handler, Officer Parsons, wishes to
purchase and assume possession of his assigned canine, Mick, upon the dog’s official
retirement, and

WHEREAS, it is necessary to adopt a resolution authorizing the purchase of a
City of Modesto Police canine by its assigned handler,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto
that it hereby approves an Agreement between the City of Modesto and Officer Parsons
for the purchase of retired police canine, Mick.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby
authorized to execute the Agreement.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature]

(SEAL)

APPROVED AS TO FORM:

By: [Signature]

SUSANA ALCALA WOOD, City Attorney
MODESTO CITY COUNCIL
RESOLUTION NO. 2011-448

A RESOLUTION APPROVING AN AGREEMENT BETWEEN THE CITY OF MODESTO AND OFFICER ROMAN FOR THE PURCHASE OF RETIRED CITY OF MODESTO POLICE CANINE, MAX; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, from time to time, the Police Chief for the City of Modesto, officially retires police canines from Departmental service, and

WHEREAS, City of Modesto Police canine handler, Officer Roman, wishes to purchase and assume possession of his assigned canine, Max, upon the dog’s official retirement, and

WHEREAS, it is necessary to adopt a resolution authorizing the purchase of a City of Modesto Police canine by its assigned handler,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement between the City of Modesto and Officer Roman for the purchase of retired police canine, Max.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Agreement.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

(Seal)

ATTEST: [Signature]

STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: [Signature]

SUSANA ALCALA WOOD, City Attorney
A RESOLUTION ACCEPTING THE 2011 COPS SECURE OUR SCHOOLS GRANT, IN THE AMOUNT OF $316,411, FROM THE U.S. DEPARTMENT OF JUSTICE, OFFICE OF COMMUNITY ORIENTED POLICING SERVICES; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE NECESSARY DOCUMENTS

WHEREAS, the City of Modesto Police Department desires to undertake a certain project designated as the COPS Secure Our Schools (SOS) grant from the U.S. Department of Justice (USDOJ), Office of Community Oriented Policing Services, and

WHEREAS, the Police Department was awarded a grant in the sum of $316,411 from USDOJ, and

WHEREAS, acceptance of the grant in the amount of $316,411 will provide funding for law enforcement to create partnerships with public schools to improve school safety, help protect children and prevent school violence within the community, and

WHEREAS, the Modesto Police Department is partnering with Modesto City Schools (MCS) and Stanislaus County Office of Education (SCOE), and

WHEREAS, the Modesto Police Department (MPD) is the local law enforcement agency with jurisdiction throughout the Modesto City limits and will serve as the lead and fiscal agent, and

WHEREAS, MCS and SCOE will provide 3% of the grant award of $316,411, or $9,492, for administrative costs to the City of Modesto Finance Department, and

WHEREAS, MPD will provide reimbursement for fifty percent (50%) of all approved purchases as received through the COPS Secure Our Schools grant, and
WHEREAS, a 50% cash match is required and MCS and SCOE will fund the match required, and

WHEREAS, the term of this grant will be from September 1, 2011, through August 31, 2013,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the 2011 COPS Secure Our Schools Grant in the amount of $316,411, from the U.S. Department of Justice, Office of Community Oriented Policing Services.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the necessary grant documents.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 

(SEAL)

APPROVED AS TO FORM:
By: SUSANA ALCALA WOOD, City Attorney
A RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE MODESTO POLICE DEPARTMENT, MODESTO CITY SCHOOLS AND STANISLAUS COUNTY OFFICE OF EDUCATION FOR A GRANT, IN THE AMOUNT OF $316,411, FROM THE COPS SECURE OUR SCHOOLS GRANT

WHEREAS, this Memorandum of Understanding (MOU) is entered into by and between the Modesto Police Department (MPD), Modesto City Schools (MCS) and the Stanislaus County Office of Education (SCOE), and

WHEREAS, the purpose of this MOU is to establish responsibilities for the Secure Our Schools Grant Program, and

WHEREAS, MPD, in partnership with MCS and SCOE, applied for and has been awarded an overall total of $632,822 from the U.S. Department of Justice, Office of Community Oriented Policing Services a Secure Our Schools Grant, and

WHEREAS, there is a match share of $316,411 that will be paid by MCS and SCOE, and

WHEREAS, the MPD is required to be the fiduciary, and

WHEREAS, the partnership will begin September 1, 2011, and terminate August 31, 2013, and

WHEREAS, attached is the MOU (Exhibit A) and Project Logic Model (Exhibit B) of activities and measure/deliverables defined, and

WHEREAS, MCS and SCOE will provide quarterly fiscal reports to the MPD by the 10th day of the month following each quarter,
NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Memorandum of Understanding between the Modesto Police Department, Modesto City Schools and Stanislaus County Office of Education for a grant, in the amount of $316,411, from the COPS Secure Our Schools Grant.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the grant application upon award.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

(Seal)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney

ATTEST: STEPHANIE LOPEZ, City Clerk
MEMORANDUM OF UNDERSTANDING
BETWEEN THE MODESTO POLICE DEPARTMENT,
MODESTO CITY SCHOOLS AND STANISLAUS COUNTY OFFICE OF
EDUCATION FOR A GRANT IN THE AMOUNT OF $316,411, FROM THE COPS
SECURE OUR SCHOOLS GRANT

WHEREAS, this Memorandum of Understanding (MOU) is entered into by and between the Modesto Police Department (MPD), Modesto City Schools (MCS) and the Stanislaus County Office of Education (SCOE). Within this document, the MPD, MCS and SCOE may also be referred to as "Project Partners." The purpose of this MOU is to establish responsibilities for the Secure Our Schools Grant Program (Program).

WHEREAS, the Project Partners recognize the need to ensure that students are safe on school campuses. With a long history of working together toward that end, each entity has agreed to formalize this partnership for the purpose of applying for and carrying out a COPS Secure Our Schools grant-funded project. The partnership will begin September 1, 2011, and terminate August 31, 2013, or when all final reports have been submitted; however, the Project Partners agree to track all equipment acquired with grant funds for a minimum of three years beyond the life of the grant and according to each agencies internal procurement, auditing and inventory control procedures. The Program will be implemented with funding from the Grant and a fifty percent (50%) match provided by SCOE and MCS for project costs.

NOW, THEREFORE, the Project Partners agree as follows:

RECITALS:

I. The MPD, in partnership with MCS and SCOE, applied for and has been awarded a Secure Our Schools Grant in the amount of $632,822 from the U.S. Department of Justice, Office of Community Oriented Policing Services. The local match share is $316,411. The COPS Secure Our Schools Grant provides funding for
law enforcement to create partnerships with public schools to improve school safety.

II. The Grant requires the law enforcement agency with primary authority of the targeted schools to be the primary applicant, and requires a partnership with the School District(s). The primary beneficiary of the Grant must be the School District(s).

III. The Grant Application is attached to this MOU as Exhibit “A”. Specific grant activities and measure/deliverables are defined in the Project Logic Model, attached to this MOU as Exhibit “B”.

Now, therefore, in consideration of the mutual promises stated below and other valuable consideration, the parties agree as follows:

A. The MPD shall use its best efforts to fulfill all conditions precedent to obtaining the Grant stated in the MOU. MCS and SCOE will cooperate and provide all documents necessary for the MPD to fulfill the conditions precedent. MCS and SCOE further assume all other MPD liabilities on this project, and bind themselves to the MPD for all the MPD’s obligations to the Grant and contained in the MOU. MCS and SCOE will work with the MPD to implement the Program and contract for all necessary materials and services to accomplish the Program in accordance with MCS and SCOE purchasing policies and procedures, provide all necessary reporting data, and provide the required fifty percent (50%) local matching funds, estimated at $316,411. The MPD will provide financial management of the Grant and serve as the liaison between Project Partners and the COPS grant office.
B. MCS and the SCOE will supply the cash match based on a proportional share of the total match as shown in the attached budget. The full cost of project expenditures for SCOE and MCS will be incurred up front by each district with grant funding provided as a fifty percent (50%) reimbursement of total incurred costs.

C. MCS and SCOE will coordinate with MPD regarding surveillance/security equipment systems and their installation. Furthermore, all activities related to the purchase and installation of security devices will be the responsibility of MCS and SCOE. Prior to installation, each piece of equipment purchased will be tagged by MCS and SCOE to enable the tracking of assets purchased with grant funds. The MPD does not assume any obligations to MCS and SCOE to install, operate, or maintain the improvements contemplated by the grant.

D. MCS and SCOE will provide quarterly fiscal reports to the MPD by the 10th day of the month following each quarter, as shown in the table below. MPD will submit required quarterly financial reports to the COPS office. SCOE will prepare the Annual and Final Periodic Program Progress Reports and submit to MPD 20 days prior to the COPS Grant Office reporting deadline, which is yet to be established.

<table>
<thead>
<tr>
<th>Reporting Quarter</th>
<th>Date Due to the City of Modesto</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1 – March 31</td>
<td>April 10</td>
</tr>
<tr>
<td>April 1 – June 30</td>
<td>July 10</td>
</tr>
<tr>
<td>July 1 – September 30</td>
<td>October 10</td>
</tr>
<tr>
<td>October 1 – December 31</td>
<td>January 10</td>
</tr>
</tbody>
</table>

E. Unless a claim by the U.S. Department of Justice, Office of Community Oriented Policing Services, arises out of the negligence or other wrongful act of the MPD, MCS and SCOE shall be responsible to the MPD for any claim
under the MOU, in the same manner and extent as the MPD may be responsible to U.S. Department of Justice, Office of Community Oriented Policing Services.

F. MCS and SCOE shall operate and maintain the improvements contemplated by the MOU, in accordance with established MCS and SCOE policy for equipment and maintenance. Should any claim for personal injuries, property damage or wrongful death be asserted as a result of the construction, operation, maintenance, or use of the improvements contemplated by the MOU, the parties shall be responsible for such claim in the manner provided by the California Governmental Immunity Act and the California law concerning pro-rata liability. The parties shall not be jointly and severally liable for such claims.

G. The MPD shall not be liable to any person, firm or corporation that contracts with MCS and SCOE to provide goods and services associated with funds for the Program; nor shall the MPD be liable to any person, firm, or corporation for claims against the Project Partners or debts incurred by the same.

H. Project Partners agree to comply with and to conduct the Program in accordance with all conditions and requirements of the U.S. Department of Justice, Office of Community Oriented Policing Services and the United States Office of Management and Budget, as defined in Exhibit “C” SOS Grant Terms and Conditions.

I. This document, and exhibits, shall constitute the entire agreement of the Parties. This MOU shall terminate simultaneously with the termination of all obligations under the Grant Application.
Financial Management:

1. The budget for the Program will be spent over the 24-month Program period. In the event the Program is funded with an amount that is greater or less than the amount requested, the budget will be adjusted accordingly.

2. Grant funds will be held by the City of Modesto Finance Department, on behalf of the MPD, and Program expenses will be processed by the Public Safety Business Services Analyst at the MPD. The MPD Fiscal Division will request funds from the COPS Office on a cash accounting basis. MCS and SCOE will submit requests for funds to MPD by providing supporting documentation of expenses incurred and paid in accordance with the parameters of the Program. The MPD will provide reimbursement as paid by the Grant for fifty percent (50%) of all approved purchases. Final purchases need to be submitted to the City of Modesto Finance Department 120 days before the grant end date of August 31, 2013.

3. Financial reports (SF 425’s and others as may be required) will be submitted to the U.S. Department of Justice, Office of Community Oriented Policing Services, by the MPD.

4. Accurate records of expenditures of Grant funds will be kept and made available at all reasonable times for inspection, review or audit by the Clerk of the Circuit Court and representatives of the U.S. Department of Justice, Office of Community Oriented Policing Services. Records will be kept for a period of at least three (3) years following the end of the Grant period, and, in the case of a dispute, the records shall be kept until the recipient receives notice that it does not need to retain these records any longer.
5. Property records of any equipment funded through a COPS award must be maintained by each of the Project Partners and available for review by MPD as the grantee and the COPS office. The records should include a description of the property; a serial number or other identification number; the source of the property; the name of the person or entity that holds the title; the acquisition date and cost of the property; the percentage of federal participation in the cost of the property; the location, use, and condition of the property; and any ultimate disposition data, including the date of disposal and sale price of the property. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property.

   a. Items of equipment with a current per-unit fair market value of less than $5,000 may be retained, sold, or otherwise disposed of with no further obligation to the awarding agency.

   b. Items of equipment with a current per-unit fair market value in excess of $5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the awarding agency’s share of the equipment.

6. All partners will comply with the minimum wage and maximum hour provisions of the Federal Fair Labor Standards Act, if applicable.

IN WITNESS WHEREOF, the City of Modesto, a municipal corporation, has authorized the execution of this Memorandum of Understanding in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No. 2011-______, adopted by the Council of the City of Modesto on the ______ day of _____________.
2011, and the Stanislaus County Office of Education and Modesto City Schools have caused this Memorandum of Understanding to be duly executed.

CITY OF Modesto
a municipal corporation

By ____________________________
  GREG NYHOFF, City Manager

PROJECT PARTNER
Modesto City Schools

By ____________________________

PROJECT PARTNER
Stanislaus County Office of Education

By ____________________________

ATTEST: ________________________
  STEPHANIE LOPEZ, City Clerk

APPROVED AS TO FORM:
SUSANA ALCALA WOOD, City Attorney

By ____________________________
  JAMES WILSON, Senior Deputy City Attorney
EXHIBIT B

Project Logic Model
## Goal 1: Address the school security needs identified in campus safety assessments by installing video surveillance systems, lighting, door locking hardware, and communications equipment. *(Primary CP Tenet: Problem Solving)*

<table>
<thead>
<tr>
<th>Objective</th>
<th>CP</th>
<th>OT</th>
<th>PS</th>
<th>Activities</th>
<th>Measures/Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Implement the routine use of video surveillance systems at each of the four project schools.</td>
<td></td>
<td></td>
<td></td>
<td><em>(a)</em> Following district procurement policies, contract with vendors to install planned video surveillance systems with appropriate equipment and monitoring software. Lead: Each district project lead.</td>
<td><em>(a)</em> Video surveillance hardware and software installed at each campus by Aug 31, 2012, with project status reported with each COPS grant report.</td>
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<td></td>
<td><em>(b)</em> Develop written policies and procedures for use of the video surveillance systems, including agreements for sharing of system access with law enforcement and other appropriate response agencies. Lead: Each district project lead, school police officer.</td>
<td><em>(b)</em> Video surveillance system manual published for each school site and shared with law enforcement by Sep 30, 2012.</td>
</tr>
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<td></td>
<td><em>(c)</em> Train security personnel and administrators on the use of the video surveillance systems, and all personnel on the capabilities and purpose of the system. Lead: Each district project lead, system contractors.</td>
<td><em>(c)</em> Training logs showing all school administrators, campus supervisors, on-call monitoring team members and school police officers trained to use the video surveillance system by Oct 31, 2012, with general training for all staff by Sep 30, 2012.</td>
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<td></td>
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<td></td>
<td><em>(d)</em> Conduct quarterly tests of the surveillance system to evaluate effectiveness and assess further needs for expansion or modifications. Lead: Campus administrator/supervisor, school police officer.</td>
<td><em>(d)</em> Brief reporting forms will be completed for each surveillance system test and shared with the school district office and school police officer within 30 days following each assessment; test summaries to be provided with each COPS grant report after implementation.</td>
</tr>
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<td></td>
<td><em>(e)</em> Provide laptop computers for remote video surveillance monitoring to the school police officer and school security personnel to ensure appropriate access to relevant data and to improve the agency’s overall efficiency and effectiveness. Lead: SCOE project lead.</td>
<td><em>(e)</em> Purchase laptops for appropriate staff and provide training within 30 days of system launch.</td>
</tr>
</tbody>
</table>
**Goal 1) Address the school security needs identified in campus safety assessments by installing video surveillance systems, lighting, door locking hardware, and communications equipment. (Primary CP Tenet: Problem Solving)**

<table>
<thead>
<tr>
<th>Objective</th>
<th>CP</th>
<th>OT</th>
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<th>Activities</th>
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</tr>
</thead>
<tbody>
<tr>
<td>B) Improve campus lockdown capabilities and day-to-day security of schools in mixed-use shared facilities.</td>
<td>S</td>
<td>P</td>
<td></td>
<td>(a) Following district procurement policies, contract with vendors to install planned door locking hardware and lighting improvements at Valley Charter High School. Lead: SCOE project lead.</td>
<td>(a) Door locks and lighting improvements installed at Valley Charter by July 31, 2012, with project status reported with each COPS grant report.</td>
</tr>
<tr>
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<td></td>
<td>(b) Develop and implement a key control system to track key distribution and establish varied levels of access for key recipients. Lead: SCOE project lead, campus supervisor.</td>
<td>(b) Key control system manual and sample tracking logs; with keys distributed to personnel by the start of the 2012-13 school year.</td>
</tr>
<tr>
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<td></td>
<td>(c) Replace outdated two-way radios for PACE and Valley Charter High School. Lead: SCOE project lead.</td>
<td>(c) Radios purchased and provided to personnel and/or positioned at school sites by Feb 28, 2012, with project status reported with each COPS grant report.</td>
</tr>
<tr>
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<td>(d) Develop written policies and procedures for radio communications to include plans for equipment inventory and maintenance and interagency communication between school personnel and emergency responders. Lead: SCOE project lead.</td>
<td>(d) Radio communications system manual and field operating guides published and distributed to appropriate personnel by Feb 28, 2012.</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>(e) Train school personnel in the use of the new two-way communications equipment, to include instruction on procedures for communicating with outside response agencies during a coordinated response. Lead: SCOE project lead.</td>
<td>(e) All school personnel receiving a radio and all members of each campus emergency response team will participate in an annual training on the use and maintenance of new school radios. Training will be held by Feb 28, 2012.</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>(f) Conduct annual campus safety assessments at each participating campus to evaluate the effectiveness of SOS project initiatives and identify any adjustments that should be made in school safety plans or procedures. Lead: SCOE project lead, Campus administrators.</td>
<td></td>
</tr>
</tbody>
</table>
**Goal 2)** Enhance community policing strategies through ongoing collaboration and coordination between schools, law enforcement and others for the development of effective school safety plans and delivery of safety training and exercises.  
*(Primary CP Tenets: Community Partnerships and Organizational Transformation)*

<table>
<thead>
<tr>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Organize a Secure Our Schools project leadership team to manage grant implementation and serve as a forum for collaboration among law enforcement and school officials from facilities and student welfare.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>CP</th>
<th>OT</th>
<th>PS</th>
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<tr>
<td>A)</td>
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<table>
<thead>
<tr>
<th>Activities</th>
<th>Measures/Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Convene quarterly meetings of the SOS Leadership Team to include participation from the project implementation lead person from each agency, school facilities managers, student welfare administrators, law enforcement and others when appropriate. Lead: SCOE project lead</td>
<td></td>
</tr>
<tr>
<td>(b) Document best practices and lessons learned through this SOS project and share this information with other schools and law enforcement agencies through online publications and presentations conducted by members of the SOS Leadership Team to various groups such as labor unions, student organization, parent-teacher associations, public safety councils, etc. Lead: SCOE project lead with input from others</td>
<td></td>
</tr>
<tr>
<td>(c) Establish and manage a secure online shared workspace (like a Wiki or Google Groups site) for SOS Leadership Team members to use in sharing and reviewing project materials including plans and procedures, training resources and assessment tools. Lead: SCOE project lead</td>
<td></td>
</tr>
<tr>
<td>(a) Quarterly meetings will be held and documented with agendas, minutes and sign-in sheets with the first meeting to be held by Oct 31, 2011.</td>
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<tr>
<td>(b) 2-4 online publications will be published each year and at least three presentations will be conducted by members of the SOS Leadership Team each year, for a total of 4-8 online publications and at least six presentations.</td>
<td></td>
</tr>
<tr>
<td>(c) Secure online shared workspace will be established by Oct 31, 2011 and training and technical assistance will be provided as needed; updates on the use of this resource will be shared in the COPS grant progress reports.</td>
<td></td>
</tr>
</tbody>
</table>
Goal 2) Enhance community policing strategies through ongoing collaboration and coordination between schools, law enforcement and others for the development of effective school safety plans and delivery of safety training and exercises. 

(Primary CP Tenets: Community Partnerships and Organizational Transformation)

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</tr>
</thead>
<tbody>
<tr>
<td>B) Increase the amount of training and response exercises for schools and community partners to build skills for maintaining a safe school environment and effectively responding to school crises.</td>
<td>P</td>
<td>P</td>
<td>(a) Coordinate two emergency response exercises at schools within the project area to assess the coordinated response of law enforcement and school personnel to a campus crisis. Test video surveillance and communications systems installed as part of this project. (Simulated scenarios may include active shooter, terrorist activity, gang-related incident, etc.) Lead: SCOE project lead, Prevention Programs Dept.</td>
<td>(a) One functional exercise will be conducted each year at schools and public editions of the exercise plans and after action reports for each exercise will be provided with COPS grant progress reports.</td>
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<td>(b) Provide printed guides and technical assistance to campus administrators to enable them to conduct regular mini tabletop exercises during routine campus meetings to increase staff familiarity with response plans. Lead: SCOE project lead</td>
<td>(b) Printed resources for mini tabletop exercises with discussion guides and 7-10 scenario scripts will be provided to school administrators by Dec 31, 2011 and documentation of technical assistance provided and school progress will be reported in the COPS grant progress reports.</td>
</tr>
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<td>(c) Increase participation of personnel from the project partner agencies in the annual Safe Schools Planning Workshop and School Crisis Response Training conducted annually by the SCOE Prevention Programs Department. Lead: Each district project lead</td>
<td>(c) At least 20 school personnel and partners will participate in each of the school safety trainings conducted by the SCOE Prevention Programs Department, training agendas and participant rosters will be included with COPS grant progress reports.</td>
</tr>
</tbody>
</table>
Goal 2) Enhance community policing strategies through ongoing collaboration and coordination between schools, law enforcement and others for the development of effective school safety plans and delivery of safety training and exercises. *(Primary CP Tenets: Community Partnerships and Organizational Transformation)*

<table>
<thead>
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<th>Activities</th>
<th>Measures/Deliverables</th>
</tr>
</thead>
<tbody>
<tr>
<td>C) Strengthen collaboration among community partners through increased meeting participation and information sharing related to school security.</td>
<td>P</td>
<td>S</td>
<td>(a) School police officers will attend at least four School Site Council or other appropriate advisory meetings for the schools included in this project each year. Lead: School police officer</td>
<td></td>
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<td></td>
<td>(b) Develop policies and procedures for the use of social media tools (such as Twitter and Facebook) by schools as a strategy to openly share safety information as needed day-to-day and for critical information related to crisis response. Incorporate these policies into the district risk communications plan and school safety plans at each site. Share samples of the developed policies by disseminating to all other district safety coordinators in Stanislaus County.</td>
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<td></td>
<td>(c) Identify and promote the use of effective communications tools to receive alerts from students and members of the community regarding safety concerns for schools and the surrounding community. Model the Modesto City Schools “Safety Hotline” currently in place and implement across all participating school sites.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) School police officer participation in School Site Council meetings will be summarized in COPS grant progress reports.
(b) Policy manuals for the use of social media tools for risk communication by schools will be developed by Jun 30, 2012 and copies will be provided with COPS grant progress reports.
(c) Project school sites will have implemented at least one system to effectively receive input from students and other members of the community regarding risks to school security by Jun 30, 2012.

Table Header Abbreviations: CP = Community Policing, OT = Organizational Transformation, PS = Problem Solving
Table Data Abbreviations: P = Primary focus, S = Secondary focus
MODESTO CITY COUNCIL
RESOLUTION NO. 2011-451

A RESOLUTION APPROVING A MEMORANDUM OF AGREEMENT BETWEEN THE MODESTO POLICE DEPARTMENT, MODESTO CITY SCHOOLS AND STANISLAUS COUNTY OFFICE OF EDUCATION FOR ADMINISTRATIVE FEE SERVICES FOR THE SECURE OUR SCHOOLS GRANT

WHEREAS, this Memorandum of Agreement (MOA) is entered into by and between the Modesto Police Department (MPD), Modesto City Schools (MCS) and the Stanislaus County Office of Education (SCOE), and

WHEREAS, the purpose of this MOU is to establish an administrative services fee for the Secure Our Schools Grant Program, and

WHEREAS, MPD, in partnership with MCS and SCOE, applied for and has been awarded an overall total of $632,822 from the U.S. Department of Justice, Office of Community Oriented Policing Services a Secure Our Schools Grant, and

WHEREAS, there is a match share of $316,411 that will be paid by MCS and SCOE, and

WHEREAS, the partnership will begin September 1, 2011, and terminate August 31, 2013,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Memorandum of Agreement between the Modesto Police Department, Modesto City Schools and Stanislaus County Office of Education for a grant, in the amount of $316,411, from the COPS Secure Our Schools Grant.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the grant application upon award.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature]

(SEAL)

APPROVED AS TO FORM:

By: [Signature]

SUSAN V. ALCALA WOOD, City Attorney
MODESTO CITY COUNCIL
RESOLUTION NO. 2011-452

A RESOLUTION AMENDING THE FISCAL YEAR 2011/2012 OPERATING AND MULTI-YEAR GRANT BUDGET TO REFLECT REVENUE AND EXPENSES IN THE AMOUNT OF $316,411, RELATED TO THE 2011 COPS SECURE OUR SCHOOLS GRANT

WHEREAS, the City of Modesto Police Department (MPD) desires to undertake a certain project designated as the COPS Secure Our Schools (SOS) grant from the U.S. Department of Justice (USDOJ), Office of Community Oriented Policing Services, and

WHEREAS, the MPD was awarded a grant in the sum of $316,411 from USDOJ, and

WHEREAS, acceptance of said $316,411 grant will provide funding for law enforcement to create partnerships with public schools to improve school safety, help protect children and prevent school violence within the community, and

WHEREAS, the MPD is partnering with Modesto City Schools (MCS) and Stanislaus County Office of Education (SCOE), and

WHEREAS, the MPD is the local law enforcement agency with jurisdiction throughout the Modesto City limits and will serve as the lead and fiscal agent, and

WHEREAS, MCS and SCOE will provide 3% of the grant award of $316,411, or $9,492, for administrative costs to the City of Modesto Finance Department, and

WHEREAS, MPD will provide reimbursement for fifty percent (50%) of all approved purchases as received through the COPS Secure Our Schools grant, and

WHEREAS, a 50% cash match is required and MCS and SCOE will fund the match required, and
WHEREAS, final purchases needed to be submitted to the City of Modesto Finance Department 120 days before the grant end date of August 31, 2013, and

WHEREAS, the term of this grant will be from September 1, 2011, through August 31, 2013,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Fiscal Year 2011/2012 Operating and Multi-Year Budget is hereby adjusted as indicated on budget adjustment attached (Exhibit A – Budget Adjustment).

BE IT FURTHER RESOLVED that the Director of Finance, or her designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 

(SIGNATURE)

STEFANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 

(SIGNATURE)

SUSANA ALCALA WOOD, City Attorney
Exhibit A

The Secure Our Schools allocation for Fiscal Year 2011/2012 will be applied to:

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>Increase/(Decrease)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>To:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MY-1341-19999-42090-100671</td>
<td>$316,411</td>
<td>DOJ SOS Grant</td>
</tr>
<tr>
<td>MY-1341-19999-42406-100671</td>
<td>$316,411</td>
<td>In-Kind Contribution</td>
</tr>
</tbody>
</table>

**TOTAL** $632,822

**Expenses:**

<table>
<thead>
<tr>
<th>Expenses:</th>
<th>Increase/(Decrease)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>To:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MY-100671- Salary Adjustment-Increase</td>
<td>$143,696</td>
<td>Salary Adjustment - Increase</td>
</tr>
<tr>
<td>MY-100671- Salary Adjustment-Benefits</td>
<td>$48,750</td>
<td>Salary Adjustment - Benefits</td>
</tr>
<tr>
<td>MY-100671- Police Equipment &lt; $5,000</td>
<td>$41,050</td>
<td>Police Equipment &lt; $5,000</td>
</tr>
<tr>
<td>MY-100671- Professional Services</td>
<td>$387,290</td>
<td>Professional Services</td>
</tr>
<tr>
<td>MY-100671- Miscellaneous Services</td>
<td>$10,000</td>
<td>Miscellaneous Services</td>
</tr>
<tr>
<td>MY-100671- Office Supplies</td>
<td>$2,036</td>
<td>Office Supplies</td>
</tr>
</tbody>
</table>

**TOTAL** $632,822

Non-grant eligible administrative oversight to be funded by Stanislaus County Office of Education and Modesto City Schools:

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>Increase/(Decrease)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>To:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MY-1341-19999-42090-100671</td>
<td>$9,492</td>
<td>Due for Other Govt. Agency</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses:</th>
<th>Increase/(Decrease)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>To:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MY-100671- Svcs City Forces-Interfund</td>
<td>$9,492</td>
<td>Intergovernmental Svcs.</td>
</tr>
</tbody>
</table>
RESOLUTION APPROVING THE SUBMITTAL OF THE AIRPORT CAPITAL IMPROVEMENT PLAN UPDATE TO THE FEDERAL AVIATION ADMINISTRATION AND CALTRANS AERONAUTICS

WHEREAS, Modesto City-County Airport is a commercial service airport that is a part of the federal airport system and is eligible for federal funding, and

WHEREAS, as airport sponsor, the City is eligible for discretionary funding from the Federal Airport Improvement Program (AIP), and

WHEREAS, the Federal Aviation Administration (FAA) requires that the City submit a revised ACIP covering at least the next five years to maintain eligibility for future project funding; and

WHEREAS, in addition to updating cost estimates, the ACIP annual update is intended to reflect ongoing changes in City priorities, airport needs, and/or federal mandates, and

WHEREAS, keeping the ACIP current helps the FAA plan for the airport’s long-term funding needs and better distribute the funds on a priority rating, and

WHEREAS, Caltrans uses the ACIP submission to develop the State Capital Improvement Plan (SCIP), and

WHEREAS, the Modesto City-County Airport ACIP update will be focusing on mandated safety and compliance issues (obstruction removal), current infrastructure needs, and planning for future airport needs, and

WHEREAS, the total package of capital improvements submitted to the FAA for the multi-year period ending in 2019 is estimated to cost $12,466,000, and
WHEREAS, funding for projects that are approved will be borne by the FAA at 95% ($11,842,700), with the Airport Fund providing the remaining 5% ($623,300), and

WHEREAS, Passenger Facility Fees will generate most of the revenue for the 5% match, and

WHEREAS, the Airport Advisory Committee, at its October 20, 2011 meeting, recommended forwarding this item to Council for consideration,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves submittal of the Airport Capital Improvement Plan Update, attached hereto as Exhibit A, to the Federal Aviation Administration and Caltrans Aeronautics.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmember: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmember: None

ABSENT: Councilmember: None

ATTEST:  

(Seal)

APPROVED AS TO FORM:

By:  

SUSANA ALCALA WOOD, City Attorney
## Airport Capital Improvement Program (ACIP) Summary, 2012-2019

### 2011

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Total</th>
<th>FAA (95%)</th>
<th>Sponsor (5%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obstruction Removal - Environmental NEPA/CEQA (18 mos.)</td>
<td>$380,000</td>
<td>$361,000</td>
<td>$19,000</td>
</tr>
</tbody>
</table>

### 2012

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Total</th>
<th>FAA (95%)</th>
<th>Sponsor (5%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airfield Electrical Improvements (est.)</td>
<td>$262,500</td>
<td>$250,000</td>
<td>$12,500</td>
</tr>
<tr>
<td>Airfield Drainage Improvements (est.)</td>
<td>$787,500</td>
<td>$750,000</td>
<td>$37,500</td>
</tr>
<tr>
<td>Reconstruct 1,000' South Perimeter Security Fence</td>
<td>$50,000</td>
<td>$47,500</td>
<td>$2,500</td>
</tr>
<tr>
<td>Design - Sterile Boarding Lounge Addition - existing terminal</td>
<td>$200,000</td>
<td>$190,000</td>
<td>$10,000</td>
</tr>
<tr>
<td></td>
<td>$1,300,000</td>
<td>$1,237,500</td>
<td>$62,500</td>
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</tbody>
</table>

### 2013

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Total</th>
<th>FAA (95%)</th>
<th>Sponsor (5%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obstruction Removal - Tree Trimming</td>
<td>$500,000</td>
<td>$475,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Construct - Sterile Boarding Lounge Addition - existing terminal (est.)</td>
<td>$1,500,000</td>
<td>$1,425,000</td>
<td>$75,000</td>
</tr>
<tr>
<td></td>
<td>$1,500,000</td>
<td>$1,425,000</td>
<td>$75,000</td>
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</tbody>
</table>

### 2014

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Total</th>
<th>FAA (95%)</th>
<th>Sponsor (5%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airfield Slurry Seal - Rubber Removal - Marking Removal, Crack Repair and Repaint</td>
<td>$700,000</td>
<td>$665,000</td>
<td>$35,000</td>
</tr>
</tbody>
</table>

### 2013-2018 (2002 dollars)

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Total</th>
<th>FAA (95%)</th>
<th>Sponsor (5%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Runway 28R Extension, 500'-600'</td>
<td></td>
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<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Environmental NEPA/CEQA</td>
<td>$300,000</td>
<td>$270,000</td>
<td>$30,000</td>
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<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land Acquisition - Phase I (15)</td>
<td>$1,875,000</td>
<td>$1,867,500</td>
<td>$17,500</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land Acquisition - Phase 2 (15)</td>
<td>$1,875,000</td>
<td>$1,867,500</td>
<td>$17,500</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Land Acquisition - Phase 3 (13)</td>
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<td>$1,462,500</td>
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<td>2017</td>
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<tr>
<td>Relocate Localizer</td>
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<td>Relocate Perimeter Road</td>
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<td>2018</td>
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### 2019

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### TOTAL - all projects

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<td>$11,842,700</td>
<td>$623,300</td>
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RESOLUTION APPROVING AN AGREEMENT WITH CAROLLO ENGINEERS FOR THE DEVELOPMENT OF A FACILITIES LAYOUT PLAN FOR THE WASTEWATER DIVISION, SUTTER WASTEWATER TREATMENT PLANT; IN AN AMOUNT NOT TO EXCEED $158,888; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the Sutter Wastewater Treatment Plant has approximately 110 employees from different sections of the Wastewater Division in various buildings on site, and

WHEREAS, a number of large trucks, backhoes, and other equipment are kept on site; as are tools, replacement parts, raw materials, and other supplies stored where space is available throughout the site, and

WHEREAS, the Facilities Layout Plan (FLP) for the Sutter Plant will show the dimensions and locations of existing improvements and future facilities (prioritized and phased) that reflect the proposed Capital Improvement Program (CIP) identified in the City’s Wastewater Treatment Master Plan (WWTMP); including the potential removal or relocation of certain existing infrastructure, and

WHEREAS, the FLP will also include the identification and evaluation of certain operational issues at the Plant that may not necessarily be described in the WWTMP, such as the adequacy and efficiency of the equipment storage and maintenance areas, employee and visitor parking, material storage locations, and other facilities that directly support the functions of the Sutter Plant, and

WHEREAS, on August 4, 2010, by Resolutions Nos. 2010-234 through 2010-238, Council approved On-Call Engineering Service agreements with five consulting
firms, who, through a selection process, have been qualified to provide On-Call Engineering Services for the Wastewater Division, and

WHEREAS, on July 8, 2011, staff issued a Request for Proposals (RFP) to the five consulting firms to develop a FLP for the City’s Primary Wastewater Treatment Plant (Sutter Plant), and

WHEREAS, three of the five consulting firms responded to the RFP, and

WHEREAS, after review of the proposals by Wastewater and Engineering staff, Carollo Engineers was selected to develop the FLP at a total cost of $158,888,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with Carollo Engineers for the development of a Facilities Layout Plan for the Wastewater Division, Sutter Wastewater Treatment Plant, for a total cost of $158,888.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Agreement.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
RESOLUTION APPROVING THE TRANSFER OF $79,444 FROM CIP 100372 SUTTER PLANT PARKING LOT AND $79,444 FROM CIP 100383 SECURITY UPGRADE SUTTER TO OPERATING ORG 4210-54020-53300 – WASTEWATER SERVICES ADMIN, SERVICES – PROFESSIONAL AND OTHER TO FUND THE FACILITY LAYOUT PLAN

WHEREAS, a budget adjustment transferring funds in the amount of $79,444 from CIP 100372 Sutter Plant Parking Lot and $79,444 from CIP 100383 Security Upgrade Sutter to the Operating Org 4210-54020-53300 – Wastewater Services Admin, Services – Professional and Other is necessary to fund this Agreement,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the transfer of funds in the amount of $79,444 from CIP 100372 Sutter Plant Parking Lot and $79,444 from CIP 100383 Security Upgrade Sutter to Operating Org 4210-54020-53300 – Wastewater Services Admin, Services – Professional and Other to fund the Facility Layout Plan.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
RESOLUTION REJECTING ALL BIDS FOR THE JET-VAC DUMP SITE REHABILITATION PROJECT, AND AUTHORIZING STAFF TO RE-ADVERTISE THE PROJECT

WHEREAS, the bids received for the Jet-Vac Dump Site Rehabilitation Project were opened at 11:00 a.m. on November 8, 2011, and

WHEREAS, immediately following the bid opening, Nolte Vertical Five (Nolte), the design consultant who prepared the plans and specifications, advised staff there were inconsistencies with some of the bid items that would have caused bid confusion, and

WHEREAS, City staff consulted the attorney’s office, who recommended rejecting all bids in order to prevent potential bid protests, and

WHEREAS, staff have reviewed all information and has determined it is in the best interest of the City to recommend that all bids be rejected, and

WHEREAS, Nolte will modify the project specifications prior to City staff re-advertising the project, and

WHEREAS, City staff recommends re-advertising the Jet-Vac Dump Site Rehabilitation Project,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby rejects all bids received for the Jet-Vac Dump Site Rehabilitation Project, opened in the office of the City Clerk on November 8, 2011.

BE IT FURTHER RESOLVED that staff is hereby authorized to re-advertise the project.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

(ATTEST: 

STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 

SUSANA ALCALA WOOD, City Attorney
RESOLUTION APPROVING AN AMENDMENT TO AGREEMENT WITH CAROLLO ENGINEERS, INC. FOR FINAL DESIGN SERVICES FOR PHASE 2 BIOLOGICAL NUTRIENT REMOVAL/TERTIARY TREATMENT FACILITY PROJECT IN AN AMOUNT NOT TO EXCEED $253,426, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AMENDMENT TO AGREEMENT

WHEREAS, in April 2008, the Central Valley Regional Water Quality Control Board (RWQCB) adopted a new National Pollutant Discharge Elimination System (NPDES) permit for the City of Modesto with stricter limits to the City’s treated wastewater discharge into the San Joaquin River, and

WHEREAS, these limits were not in the original draft permit, and were not accounted for in the Wastewater Master Plan (WWMP) that was adopted in March 2007, and

WHEREAS, this new permit required the City to meet these discharge requirements by April 25, 2013, and

WHEREAS, if the City did not comply with these new discharge requirements, it would be subject to Mandatory Minimum Penalties (MMPs) and third-party lawsuits, and

WHEREAS, on June 23, 2009, by Resolution No. 2009-271, the City Council approved an agreement with Carollo Engineers, P.C. (Carollo) to prepare the final project design of this project, and

WHEREAS, in order to meet the April 2013 compliance date, the design agreement is based on an expedited design and construction schedule, and final design was originally expected to be completed by March 2010, and
WHEREAS, on September 1, 2009, City staff requested a 33-month compliance extension to its NPDES permit to allow a longer implementation schedule for the Phase 2 Tertiary Project and to reduce the impact on rates, and

WHEREAS, on March 18, 2010, the RWQCB granted the City an extension of the compliance date to February 2016, and

WHEREAS, the compliance extension has allowed the City to reasonably revise its design and construction schedule, and

WHEREAS, the design of the Phase 2 Project has been completed, and

WHEREAS, however, unanticipated delays during the review by both state and federal agencies of the City’s Clean Water State Revolving Fund (CWSRF) $130 million loan application has impacted the construction schedule of the Phase 2 Project and has delayed the advertisement for the Phase 2 Project construction bids, and

WHEREAS, the State Water Resources Control Board has required the City to seek approval from the National Oceanic Atmospheric Agency-National Marine Fisheries Service (NOAA-NMFS) stating that the City’s tertiary treated effluent, in particular water temperature, will not have a major environmental impact to the San Joaquin River, and

WHEREAS, these requirements are not in the City’s current NPDES effluent discharge permit, and

WHEREAS, in order to finalize the CWSRF loan requirements for the construction of the Phase 2 Project, the City must address NOAA-NMFS concerns prior to the final Phase 2 Project funding approval, and

WHEREAS, the City has subsequently addressed these issues and has recently received NOAA-NMFS approval, and
WHEREAS, as a result, City started advertising bids for the project in early November 2011, and anticipates opening bids in January 2012, and due to state review requirements, awarding the project in May 2012, and

WHEREAS, staff is recommending approval of this amendment to cover the additional scope of work that is beyond the original final design agreement, and

WHEREAS, the following list summarizes the changes and additional work by Carollo that is necessary to complete the design beyond what has been approved and budgeted for the project: 1) Due to the highly specialized treatment equipment required for the project, additional design work was necessary to incorporate the specialized equipment packages, which included SCADA/HMI, fine screens, pumps and blowers, into the treatment plant design; 2) Additional time was needed for meetings, project management, and project bidding support, due to both the NPDES time extensions and unanticipated CWSRF funding delays. This amendment will cover costs up through the Phase 2 bid period; 3) Modifications to the bid documents were needed in order to comply with the CWSRF loan application requirements. Initially, the Phase 2 Project was intended to be financed through bond sales, however, the CWSRF loan was determined to have more favorable terms and significant cost savings for the City over the term of the loan; 4) Additional time was needed to extend the construction permit for the City’s building permit for the project; 5) An optional task is included in the amendment to assist City staff, in case there is a bid protest from one of the pre-qualified contractors, and
WHEREAS, City staff does not have the staffing level or subject matter expertise to provide final design services for Phase 2 Project, and current workload levels do not provide for timely in-house solutions/responses, and

WHEREAS, City staff recommends approving an Amendment to Agreement with Carollo for final design services for Phase 2 project that is beyond the original final design Agreement,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Amendment to Agreement with Carollo Engineers, Inc. for final design services for Phase 2 Biological Nutrient Removal/Tertiary Treatment Facility project, in an amount not to exceed $253,426.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Amendment to Agreement.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
RESOLUTION APPROVING A SECOND AMENDMENT TO AGREEMENT WITH WEST YOST ASSOCIATES, INC. FOR BID PERIOD CONSTRUCTION MANAGEMENT SERVICES FOR PHASE 2 BIOLOGICAL NUTRIENT REMOVAL/TERTIARY TREATMENT FACILITY PROJECT IN AN AMOUNT NOT TO EXCEED $112,500, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AMENDMENT TO AGREEMENT

WHEREAS, on December 16, 2010, staff recommended to the City Manager that a portion of West Yost’s proposed services be approved to complete time-critical segments of the constructability review, and

WHEREAS, on January 4, 2011, the City executed an agreement in the not to exceed amount of $49,000 with West Yost for constructability review services, and

WHEREAS, on February 2, 2011, by Resolution 2011-056, the City Council approved an amendment to the agreement in the amount of $104,965 to complete the remaining portions of the constructability review and provide bid period services, and

WHEREAS, there have been unanticipated delays during the review of the City’s Clean Water State Revolving Fund loan application, which has impacted the bid schedule, and

WHEREAS, additional services beyond the original scope and amendment are recommended, and

WHEREAS, this second amendment is recommended to cover the following additional tasks: 1) Additional Bid Period Services; 2) Construction Management Work Plan; and 3) Preconstruction Preparation, and
WHEREAS, City staff recommends approving an amendment to agreement with West Yost as the City does not have the staffing level or expertise to provide the related services,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Second Amendment to Agreement with West Yost Associates, Inc. for Bid Period services for Phase 2 Biological Nutrient Removal/Tertiary Treatment Facility project, in an amount not to exceed $112,500.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Second Amendment to Agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE PUBLIC WORKS DEPARTMENT AND PARKS, RECREATION AND NEIGHBORHOODS DEPARTMENT FOR PROJECT LOAN REPAYMENT RELATED TO RELOCATION OF THE SOLID WASTE COMPOST FACILITY, FOR THE PHASE 2 BNR/TERTIARY WASTEWATER TREATMENT FACILITY

WHEREAS, on April 25, 2008, the Regional Water Quality Control Board issued a new waste discharge permit which reduces discharge limits of some constituents into the San Joaquin River, and

WHEREAS, this permit resulted in the Phase 2 BNR/Tertiary Treatment Project (Phase 2 Tertiary), which will allow for operation of a tertiary-level treatment process at the Jennings Road Wastewater Treatment and Disposal Facility (Jennings Plant), and

WHEREAS, since the facility opened, it has processed more than 657,646 tons of materials and has saved ratepayers approximately $8,600,000 by keeping this material out of more costly disposal facilities, and

WHEREAS, this facility has become an even more essential component of the City’s diversion programs, and

WHEREAS, the Compost Facility currently rents and occupies the space at 7001 Jennings Road, under the terms and conditions established in a City of Modesto Inter-Department Memorandum of Understanding (MOU) dated April 17, 2007, and

WHEREAS, on June 23, 2009, by Resolution No. 2009-270, the Council approved locating the Phase 2 Tertiary facilities at the existing Compost location during the Preliminary Design Report (PDR) phase of the project, and

RESCINDED

MAR 2 2 2016

THIS RESOLUTION WAS
RESCINDED BY MODESTO
CITY COUNCIL RESOLUTION
NO. 2011-459

12/06/2011/PW/PR&N/GDeJesus/Item 18
WHEREAS, City staff, including Utility Planning and Projects - Engineering, Public Works - Wastewater Operations and Parks, Recreation and Neighborhoods - Compost, participated in making the ultimate decision of the new Phase 2 Tertiary location, and

WHEREAS, the proposed site was chosen such that the Phase 2 Tertiary facilities would be operationally congruent with the existing Phase 1A Tertiary facilities as well as future phases of tertiary-treatment facilities, and

WHEREAS, the proposed layout allows the facility to be phased in such a way to create a common wastewater treatment plant campus for the state-of-the-art equipment,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Memorandum of Understanding between the Public Works Department and Parks, Recreation and Neighborhoods Department for project loan repayment related to relocation of the Solid Waste Compost Facility, for the Phase 2 BNR/Tertiary Wastewater Treatment Facility.
The foregoing resolution was introduced at a regular meeting of the Council of
the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez,
who moved its adoption, which motion being duly seconded by Councilmember Cogdill,
was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez,
Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

(Seal)

APPROVED AS TO FORM:

By:  
SUSANA ALCALA WOOD, City Attorney

ATTEST:  
STEPHANIE LOPEZ, City Clerk

12/06/2011/PW/PR&N/GDeJesus/Item 18  3  2011-459
RESOLUTION ACCEPTING THE CAPITAL FACILITIES FEES ANNUAL REPORT FOR FISCAL YEAR 2010-2011, AND MAKING FINDINGS RELATING TO EACH OF THE FEE CATEGORIES

WHEREAS, Section 8-1.904 of the Modesto Municipal Code authorizes the City Council to establish Capital Facilities Fees ("CFF") by resolution, and

WHEREAS, California Government Code Sections 66001 and 66006 require that the City make certain information available to the public and findings relating to the necessity of collecting fees for new development, and

WHEREAS, the City is collecting CFF for the purpose of constructing public improvements that will be needed as a result of new development, and

WHEREAS, on March 22, 2011, the City Council, by Resolution No. 2011-105, established the nexus for fees imposed by each land use, and

WHEREAS, the Streets CFF fund was established to accrue funds for arterial roadways, intersections, expressways, freeway interchanges and associated landscaping, and

WHEREAS, the Transit CFF fund was established to accrue funds for the expansion of the City’s transit system including additional buses and their associated facilities, and

WHEREAS, the Air Quality Mitigation CFF Fund was established to accrue funds to assist in the reduction of automobile travel, specifically for the development of park and ride lots, Class I Bike Trails, and
WHEREAS, the Police CFF Fund was established to accrue funds for additional policing needs including an additional station, police cars and associated equipment, a northeast area precinct, a training facility, a computer aided dispatch system, and an expanded radio system, and

WHEREAS, the Fire CFF Fund was established to accrue funds for the construction of additional fire stations, fire vehicles, and a new training station, and

WHEREAS, the Parks and Recreation CFF Fund was established to accrue funds for the development of additional regional parks, community centers, and neighborhood parks, and the expansion of the McClure museum, and

WHEREAS, the General Government CFF Fund was established to accrue funds for the expansion of City Hall, expansion of the City’s corporation yards, and technology expansions, and

WHEREAS, the CFF program is a pay-as-you go program that enables improvements to be constructed when enough monies have been accumulated, and

WHEREAS, the Capital Facilities Fee Annual Report for Fiscal Year 2010-2011 has been completed and is on file with the City Clerk and is attached as Exhibit “A”, and

WHEREAS, a public hearing at the City Council in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California was set for December 6, 2011, to enable the public to have the opportunity to comment on the CFF collected,

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby finds and determines that the Capital Facilities Fee program, set forth in
City Council Resolution No. 2011-105, and incorporated herein by reference, is a necessary program to fund future infrastructure needed for new development.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that it hereby finds that the CFF revenue anticipated for the full development of infrastructure improvements for new development has not been fully collected to complete the financing of incomplete improvements. It is presently anticipated that there will be no regular sources of funding to develop CFF infrastructure improvements apart from CFF collections.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that it hereby finds that the anticipated dates for the full collection of fees is unknown at this time as fees are based on development activity which is not controlled by the City.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that it hereby finds that the funding for constructing and/or purchasing additional fire stations, fire vehicles, and a new training station, have not yet been accumulated and the approximate date is not yet known, but there is still a need as outlined in Resolution No. 2011-105, and therefore fees should still be collected for these purposes.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that it hereby finds that the funding for constructing and/or purchasing an additional police station, police cars and associated equipment, a northeast area precinct, a training facility, a computer aided dispatch system, and an expanded radio system, have not yet been accumulated and the approximate date is not yet known, but there is still a need as outlined in Resolution No. 2011-105, and therefore fees should still be collected for these purposes.
BE IT FURTHER RESOLVED by the Council of the City of Modesto that it hereby finds that the funding for the development of additional regional parks, community centers, neighborhood parks, and the expansion of McClure museum have not yet been accumulated and the approximate date is not yet known, but there is still a need as outlined in Resolution No. 2011-105, and therefore fees should still be collected for these purposes.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that it hereby finds that the funding for the expansion of City Hall, expansion of the City’s corporation yards, and additional technology expansions is not yet known, but there is still a need as outlined in Resolution No. 2011-105, and therefore fees should still be collected for these purposes.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that it hereby finds that the funding for the reduction of automobile travel, specifically for the development of park and ride lots and Class I Bike Trails is not yet known, but there is still a need as outlined in Resolution No. 2011-105, and therefore fees should still be collected for these purposes.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that it hereby finds that the funding for arterial roadways, intersections, expressways, freeway interchanges and all of their associated landscaping is not yet known, but there is still a need as outlined in Resolution No. 2011-105, and therefore fees should still be collected for these purposes.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that it hereby finds that the funding for the expansion of the transit system is not yet known, but
there is still a need as outlined in Resolution No. 2011-105, and therefore fees should still be collected for these purposes.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that it hereby accepts the Fiscal Year 2010-2011 Capital Facilities Fees Report as described in Exhibit “A”, attached hereto and incorporated herein by reference.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Geer, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: Lopez

ATTEST: ________________

STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: ______________________

SUSANA ACALA WOOD, City Attorney
City of Modesto

CAPITAL FACILITIES FEES
ANNUAL REPORT

Fiscal Year
2010-2011

Prepared By:
Community & Economic Development
Infrastructure Financing Program

October 24, 2011
Introduction

This Capital Facilities Fees (CFF) Annual Report for Fiscal Year 2010-2011 (Report) has been prepared as an annual requirement by the State of California in accordance with Section 66006 of the Government Code. The City of Modesto (City) collects CFF on new development to fund infrastructure improvements that are necessary to accommodate new growth.

State law requires that the City make the following information available to the public for each separate fund on an annual basis, and that the City Council review that information at a public meeting. The law requires the report to include the following information for each individual fund for the fiscal year:

- The beginning and ending balance of the fund
- The amount of the fees collected and interest earned
- The amount of refunds made
- A description of each interfund transfer or loan made by the fund
- Identification of each public improvement on which fees were expended and the amount expended on each improvement

If the agency no longer needs the funds for the purposes collected, or if the agency fails to make required findings, or perform certain administrative tasks prescribed by Assembly Bill 1600 (AB 1600), the agency may be required to refund, on a prorated basis to owners of the properties upon which the fees for the improvement were imposed, the monies collected for that project and any interest earned on those funds.

Beginning and Ending Balance of Funds, Amount of Fees Collected and Interest Earned

Table 1: "Combining Statement of Revenues, Expenditures, and Changes in Fund Balances" outlines the beginning and ending balance of each fund for Fiscal Year 2010-2011. Detailed expenditures are shown under each fund description. Since this is a pay-as-you-go program, the City must accrue enough revenue to construct a project. This results in an "aging" of fund balances. The aging or accumulation occurs until enough revenue is generated to construct a project.

Refunds

There were a total of fifteen (15) CFF refunds, which are outlined in Table 2. Refunds are not uncommon and can occur for a variety of reasons such as a property owner paid the fees but later decided not to build a project. In June 2010, Modesto City Council Resolution No. 2010-272 approved a reduction in CFF rates due to the significant decrease in land values. Additionally in May 2011, Modesto City Council Resolution No. 2011-105 approved an additional reduction in CFF to reflect the decrease in capital facilities projects and cost estimates for the Streets, Parks, and Air Quality components of the CFF Program. In both instances, CFF refunds, for the difference between programs were issued to those applicants who pulled permits during the sixty (60) day time period following adoption and implementation of the new CFF rates.
Table 1. City of Modesto Capital Facilities Fees Combining Statement of Revenues, Expenditures and Changes in Fund Balances [DRAFT] Year ended June 30, 2011.

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<th>City Hall Expansion Cap fees</th>
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<td>202,816</td>
<td>860</td>
<td>5,467</td>
<td>259,364</td>
</tr>
<tr>
<td>Net change in fair value of investments</td>
<td>(320)</td>
<td>(21)</td>
<td>(6,396)</td>
<td>(654)</td>
<td>(160)</td>
<td>(30,240)</td>
<td>(115)</td>
<td>(790)</td>
<td>(38,687)</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total revenues</td>
<td>27,200</td>
<td>7,762</td>
<td>137,770</td>
<td>17,722</td>
<td>155,000</td>
<td>3,460,182</td>
<td>7,026</td>
<td>23,776</td>
<td>3,836,438</td>
</tr>
<tr>
<td>EXPENDITURES:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General government</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>166,170</td>
</tr>
<tr>
<td>Highways and streets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,204,213</td>
</tr>
<tr>
<td>Public works</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>69,661</td>
</tr>
<tr>
<td>Parks and recreation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>69,661</td>
</tr>
<tr>
<td>Public safety</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>69,661</td>
</tr>
<tr>
<td>Capital outlay:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,460,044</td>
</tr>
<tr>
<td>Total expenditures</td>
<td></td>
<td>69,661</td>
<td>69,661</td>
<td>166,170</td>
<td>3,204,213</td>
<td>3,460,044</td>
<td>7,026</td>
<td>23,776</td>
<td>376,394</td>
</tr>
<tr>
<td>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</td>
<td>27,200</td>
<td>7,762</td>
<td>137,770</td>
<td>17,722</td>
<td>(31,170)</td>
<td>255,969</td>
<td>7,026</td>
<td>23,776</td>
<td>376,394</td>
</tr>
<tr>
<td>OTHER FINANCING SOURCES (USES):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>228,000</td>
<td>250</td>
<td>(450,000)</td>
<td>(2,862)</td>
<td>24,555</td>
<td>24,805</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers out</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale of assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL OTHER FINANCING SOURCES (USES)</td>
<td>(228,000)</td>
<td>(14,356)</td>
<td>(450,000)</td>
<td>(2,862)</td>
<td>24,555</td>
<td>24,805</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</td>
<td>(200,000)</td>
<td>7,762</td>
<td>54,003</td>
<td>(432,278)</td>
<td>(34,032)</td>
<td>208,185</td>
<td>6,826</td>
<td>(307,729)</td>
<td>(699,023)</td>
</tr>
<tr>
<td>FUND BALANCES, July 1</td>
<td>317,636</td>
<td>(1,064,521)</td>
<td>$5,471,938</td>
<td>$626,488</td>
<td>$158,885</td>
<td>$26,813,567</td>
<td>$97,723</td>
<td>$677,815</td>
<td>$33,099,521</td>
</tr>
<tr>
<td>FUND BALANCES, June 30</td>
<td>$116,836</td>
<td>(1,056,759)</td>
<td>$6,526,941</td>
<td>$194,210</td>
<td>$124,853</td>
<td>$27,021,742</td>
<td>$104,589</td>
<td>$370,086</td>
<td>$32,401,498</td>
</tr>
</tbody>
</table>
Table 2. 2010-2011 Capital Facilities Fees Payment Refunds.

<table>
<thead>
<tr>
<th>Date</th>
<th>Applicant</th>
<th>Permit Number</th>
<th>Amount</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>9/14/10</td>
<td>Charles Evins</td>
<td>BLD2010-81219</td>
<td>318.37</td>
<td>Resolution No. 2010-272.</td>
</tr>
<tr>
<td>9/14/10</td>
<td>Vinjay Kumar</td>
<td>BLD2009-72504</td>
<td>283.94</td>
<td>Resolution No. 2010-272.</td>
</tr>
<tr>
<td>9/14/10</td>
<td>Dave Olsen</td>
<td>BLD2010-81266</td>
<td>159.00</td>
<td>Resolution No. 2010-272.</td>
</tr>
<tr>
<td>9/14/10</td>
<td>Roderick Pineda</td>
<td>BLD2010-81696</td>
<td>398.25</td>
<td>Resolution No. 2010-272.</td>
</tr>
<tr>
<td>9/14/10</td>
<td>PRC Foundation</td>
<td>BLD2010-81288</td>
<td>601.41</td>
<td>Resolution No. 2010-272.</td>
</tr>
<tr>
<td>9/14/10</td>
<td>Sanders Properties</td>
<td>BLD2010-80877</td>
<td>3,855.40</td>
<td>Resolution No. 2010-272.</td>
</tr>
<tr>
<td>9/14/10</td>
<td>Trusteem</td>
<td>BLD2010-81948</td>
<td>495.36</td>
<td>Resolution No. 2010-272.</td>
</tr>
<tr>
<td>9/14/10</td>
<td>Stewart Partner, LLC</td>
<td>BLD2010-82333</td>
<td>9,069.50</td>
<td>Resolution No. 2010-272.</td>
</tr>
<tr>
<td>11/9/10</td>
<td>Metric Motors</td>
<td>BLD2010-83012</td>
<td>4,096.00</td>
<td>Resolution No. 2010-272.</td>
</tr>
<tr>
<td>11/1/10</td>
<td>California Equity Management Group</td>
<td>BLD2006-45307</td>
<td>38,448.63</td>
<td>Building permit expired and building not constructed</td>
</tr>
<tr>
<td>2/15/11</td>
<td>In Shape Health Club</td>
<td>BLD2009-72501</td>
<td>10,758.75</td>
<td>Trailer removed from property</td>
</tr>
<tr>
<td>6/7/11</td>
<td>Modesto Cambodian Society</td>
<td>BLD2010-90740</td>
<td>535.81</td>
<td>Resolution No. 2011-105</td>
</tr>
<tr>
<td>7/18/11</td>
<td>Stewart Partners, LLC</td>
<td>BLD2010-82333</td>
<td>46,269.00</td>
<td>Appeal granted by Resolution No. 2011-286</td>
</tr>
</tbody>
</table>

Total $134,088.39

Revenues

Table 3 “Five Year Revenue History of CFF Funds” illustrates all CFF revenues over a five (5) year period. As previously noted, these funds are based on new development. Overall, revenues decreased 36.7% from the Fiscal Year 2009-2010 to Fiscal Year 2010-2011.

Table 3. Five Year Revenue History of CFF Funds.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>3410 Streets</td>
<td>$7,873,750.20</td>
<td>$6,824,400.00</td>
<td>$3,171,598.48</td>
<td>$4,166,007.00</td>
<td>$758,299.00</td>
<td>$21,924,953.68</td>
</tr>
<tr>
<td>3430 Public Transportation</td>
<td>$100,955.52</td>
<td>$100,941.00</td>
<td>$29,891.32</td>
<td>$22,402.00</td>
<td>$7,027.00</td>
<td>$250,765.84</td>
</tr>
<tr>
<td>3430 Air Mitigation</td>
<td>$317,174.10</td>
<td>$253,905.00</td>
<td>$62,242.82</td>
<td>$25,761.00</td>
<td>$23,776.00</td>
<td>$686,566.92</td>
</tr>
<tr>
<td>3440 Police</td>
<td>$4,188,476.63</td>
<td>$347,000.00</td>
<td>$83,155.97</td>
<td>$36,581.00</td>
<td>$27,201.00</td>
<td>$915,786.60</td>
</tr>
<tr>
<td>3450 Fire</td>
<td>$67,007.27</td>
<td>$45,634.00</td>
<td>$20,183.85</td>
<td>$2,762.00</td>
<td>$1,762.00</td>
<td>$82,107.42</td>
</tr>
<tr>
<td>3460 Parks</td>
<td>$1,992,592.54</td>
<td>$1,959,151.54</td>
<td>$1,339,347.00</td>
<td>$178,701.00</td>
<td>$158,020.00</td>
<td>$5,601,623.08</td>
</tr>
<tr>
<td>3470 General Government</td>
<td>$377,515.12</td>
<td>$284,469.00</td>
<td>$22,884.25</td>
<td>$49,071.00</td>
<td>$32,723.00</td>
<td>$715,167.67</td>
</tr>
<tr>
<td>3480 Administration</td>
<td>$161,731.68</td>
<td>$156,335.00</td>
<td>$48,965.63</td>
<td>$23,814.00</td>
<td>$11,071.00</td>
<td>$545,847.53</td>
</tr>
</tbody>
</table>

TOTAL $11,260,033.57 | $11,746,245.34 | $4,779,601.62 | $1,792,129.00 | $1,134,088.00 | $30,723,817.73 |

1. Less intergovernmental grant revenues.
2. The increase reflects a journal voucher transaction moving $141,550 from Fund 3430 to Fund 3480 for the 2011 CFF Streets Update.
CFF Expenditures & Transfers

Capital Facilities Fees mitigate the impacts caused by new development on certain public facilities. They are used to finance the acquisition, construction and improvement of public facilities needed as a result of this new development.

**Fund 3410 (formerly Fund 1410) - Streets Capital Facilities Fee Fund**
The fees collected and deposited into this fund are for roadway improvements such as expressways, arterials and collectors, as well as their intersections and traffic signals. In Fiscal Year 2010-2011, there were several major projects partially funded by this fund: McHenry/Briggsmore Right Turn Lanes (2), Pelandale Interchange at State Route 99, Pelandale 6 Lanes Dale to McHenry, and New Traffic Signals (Scott/Cheyenne and Prescott/Hawn).

**Fund 3420 (formerly Fund 1420) - Public Transportation Capital Facilities Fee Fund**
The fees collected and deposited into this fund are for buses, bus shelters, bus stops, the Bus Maintenance Facility, and the Northeast Transfer Station. There were no projects funded in Fiscal Year 2010-2011.

**Fund 3430 (formerly Fund 1430) - Air Quality Mitigation Capital Facilities Fee Fund**
The fees collected and deposited into this fund are for facilities that reduce automobile travel by facilitating alternative modes of travel such as the Amtrak Station parking lot, park and ride lots, vanpooling/ carpooling, bike paths and bike storage, footpaths and pedestrian accesses. There were no projects funded in Fiscal Year 2010-2011.

**Fund 3440 (formerly Fund 1310) - Police Capital Facilities Fee**
The fees collected and deposited into this fund are for the Police Tactical Training Center and police vehicles and equipment. There were no projects funded in Fiscal Year 2010-2011.

Historically, $228,000 has been transferred annually to assist in making a debt service payment. However, given the current fund balance, this was the last year that this fund was able to make this payment.

**Fund 3450 (formerly Fund 1320) - Fire Capital Facilities Fee Fund**
The fees collected and deposited into this fund are for fire facility expansion, fire vehicles such as engines and ladder trucks and other fire equipment. There were no projects funded in Fiscal Year 2010-2011.

This fund has a negative balance as a result of a previous loan for fire apparatus from the general fund. A loan agreement is in place, but due to the economic conditions, revenue has not been adequate to cover the debt service payment.
Fund 3460 (formerly Fund 1350) - Parks Capital Facilities Fee Fund
The fees collected and deposited into this fund are for neighborhood parks, community and regional parks, sports facilities and community buildings. Two major projects are being partially funded by this fund: Mary E. Grogan Community Park and the Northeast Community Services Center.

Fund 3470 (formerly Fund 1380) - City Hall and Other Facilities Capital Facilities Fee Fund
The fees collected and deposited into this fund are for City Hall and related parking facilities, the corporation yard and related facilities, City vehicles, and the City’s information technology expansion. There were no projects funded in Fiscal Year 2010-2011.

Historically, $450,000 has been transferred annually to assist in paying for debt service for Tenth Street Place. However, given the current fund balance; this was the last year that this fund was able to make this payment.

Fund 3480 (formerly Fund 1390) - Capital Facilities Fee Administration Fund
The fees collected and deposited into this fund are for the administration of the CFF Program to include the preparation of the Annual and Five Year Capital Facilities Fee Reports, and periodic Capital Facilities Fee Updates. In Fiscal Year 2010-2011, there were two (2) updates to the CFF program. The 2010 CFF Update adjusted fees to reflect the reduction in land values. The 2011 CFF Update reflects the decrease in capital facilities projects and cost estimates for the Streets, parks, and Air Quality components of the CFF Program. Other administrative requirements include the day to day management of CFF funded Capital Improvement Program (CIP) projects which includes the preparation of annual CIP budgets and the preparation of the CFF proformas for all eight sub-funds that make up the CFF proforma. Pursuant to Government Code Section 66000 requiring the preparation of the Annual and Five-Year Report, the City has included this fund as a means to document and fund the administrative costs associated with this state mandated reporting requirement.

Table 4 “Fiscal Year 2010-2011 Expenditures and Transfers by Fund” outlines all CFF expenses by fund. It should be noted that these are projects that were planned for in the CFF program and that most if not all span two to three fiscal years since considerable time is necessary to plan, acquire right of way, design and construct the projects.

Summary
This is an Annual Report as required by Section 66006 of the Government Code. The City collects these fees on a pay-as-you-go basis. This Report reflects the requirements as stipulated in the Government Code.

Capital Facilities Fees Annual Report
Fiscal Year 2010-2011
Table 4. Fiscal Year 2010-2011 CFF Expenditures and Transfers by Fund.

<table>
<thead>
<tr>
<th>Fund / Fund Name</th>
<th>Project</th>
<th>Project Description</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund 3410 Streets CFF</td>
<td>100029 CED</td>
<td>Traffic Signal - Tilly &amp; Union</td>
<td>$ 152.69</td>
</tr>
<tr>
<td></td>
<td>100030 CED</td>
<td>Right Turn Northbound McHenry - Eastbound Briggsmore</td>
<td>$ 37,919.37</td>
</tr>
<tr>
<td></td>
<td>100031 CED</td>
<td>Right Turn Eastbound Briggsmore - Southbound McHenry</td>
<td>$ 32,665.21</td>
</tr>
<tr>
<td></td>
<td>100032 CED</td>
<td>New Traffic Signals 2010</td>
<td>$ 21,040.02</td>
</tr>
<tr>
<td></td>
<td>100035 CED</td>
<td>Dale Road CCTV Cameras</td>
<td>$ 7,295.18</td>
</tr>
<tr>
<td></td>
<td>100036 CED</td>
<td>Right Turn Lanes - 3 Intersections</td>
<td>$ 124,850.86</td>
</tr>
<tr>
<td></td>
<td>100037 CED</td>
<td>Scott/Cheyenne and Prescott/Hawn Traffic Signals</td>
<td>$ 349,977.82</td>
</tr>
<tr>
<td></td>
<td>100041 CEO</td>
<td>New Traffic Signals 2010</td>
<td>$ 48.64</td>
</tr>
<tr>
<td></td>
<td>100044 CED</td>
<td>Pelandale CCTV/Fiber Optics</td>
<td>$ 3,456.59</td>
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<tr>
<td></td>
<td>100045 CED</td>
<td>Pelandale Interchange at State Route 59</td>
<td>$ 1,511,014.19</td>
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<tr>
<td></td>
<td>100047 CED</td>
<td>Coffee and Claratina Intersection Improvements</td>
<td>$ 4,628.48</td>
</tr>
<tr>
<td></td>
<td>100048 CED</td>
<td>Claratina to McHenry BN &amp; SF Plan Lane Section</td>
<td>$ 38.74</td>
</tr>
<tr>
<td></td>
<td>100049 CED</td>
<td>Oakdale Road Widening</td>
<td>$ 1,338.25</td>
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<td></td>
<td>100050 CED</td>
<td>Bangs/Prescott Street Improvements</td>
<td>$ 172.76</td>
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<tr>
<td></td>
<td>100051 CED</td>
<td>Claratina/McHenry to Coffee 4 Lanes</td>
<td>$ 5,823.74</td>
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<tr>
<td></td>
<td>100052 CED</td>
<td>Gauss Road Briggsmore to Sylvan 4 Lanes</td>
<td>$ 173.35</td>
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<tr>
<td></td>
<td>100053 CED</td>
<td>Carpenter Road Bridge Seismic Retrofit</td>
<td>$ 120,333.81</td>
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<tr>
<td></td>
<td>100054 CED</td>
<td>Claratina - Oakdale to Roselle</td>
<td>$ 21,310.94</td>
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<td>100055 CED</td>
<td>Pelandale/Dale to McHenry Additional Improvements</td>
<td>$ 2,333.39</td>
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<td>100451 UPP</td>
<td>Pelandale Sid to 99 Improvements</td>
<td>$ 153,692.72</td>
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<td></td>
<td>100456 UPP</td>
<td>6 Lanes Dale to McHenry</td>
<td>$ 679,474.84</td>
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<tr>
<td></td>
<td>100586 CED</td>
<td>7th Street Bridge at Tuolumne River</td>
<td>$ 6,003.74</td>
</tr>
</tbody>
</table>

Fund 3410 - Streets CFF Total Expenditures: $ 3,276,551.27

Fund 3420 Public Transportation CFF

Fund 3430 Air Quality CFF

Fund 3440 Police CFF

Fund 3450 Fire CFF

Fund 3460 Parks CFF

Fund 3470 General Government CFF

Fund 3480 CFF Administration

Fund 3490 Capital Facilities Fees Annual Report Fiscal Year 2010-2011
RESOLUTION DIRECTING STAFF TO INCORPORATE STANDARDS FOR DOWNTOWN COMPLETE STREETS AND STREET FURNITURE INTO THE STANDARD SPECIFICATIONS

WHEREAS, on July 13, 2010, the City Council adopted Ordinance 3535-C.S, amending Chapter 2 of Title 10 of the Municipal Code to add Article 8, creating a new Downtown Core (DC) Zone, and

WHEREAS, in adopting the Downtown Core Zone, the City Council directed staff to complete work on new downtown street standards, and

WHEREAS, staff worked with downtown property owners, interested parties and the Economic Development Committee (EDC) to develop a street cross section that follows “complete street” principles, facilitating travel by vehicle, transit, bike and foot in a contextually appropriate manner, and

WHEREAS, on August 8, 2011, EDC recommended a cross section (Exhibit A) to Council that achieves the desired objectives, and

WHEREAS, in addition to the street cross section, EDC recommended various street furniture elements (Exhibit B) for incorporation into the Standard Specifications, and

WHEREAS, said matter was considered by the City Council on December 6, 2011, in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California, and

WHEREAS, this action is exempt from CEQA, pursuant to Section 15301 of the CEQA Guidelines, which exempts projects involving the maintenance, repair and minor alteration of existing facilities,
NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby directs staff to incorporate standards for downtown complete streets and street furniture into the Standard Specifications based on the attached Exhibits A and B.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 6th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Muratore, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
STREET FURNITURE

Benches

Bike Racks

Bus Shelters

Trees and Tree Cages
The **LAMPLIGHTER** Series
Bench with back and center arms
Exclusive By Design™

An industry classic with Keystone Ridge Designs’ flair, the Lamplighter offers nostalgic Victorian appeal that befits an historic streetscape or an upscale mall. The cast *aluminum* legs with steel slats complete the traditional sentimental appeal.

- Coordinating litter receptacles, ash urns, planters, tables and other furnishings
- Exclusive KEYSHIELD® polyester powder coating finish—our stamp of armored excellence that is foremost in the industry
- Fully assembled unit

**Standard Features**
- Color: standard KEYSHIELD® powder coat
- Support: bolt down or freestanding

**Custom Options**
- Color: custom KEYSHIELD® powder coat
- Custom length
- Support: bury extension

**Enhancements**
- Pillows
- Cast bronze plaques
- Custom laser cut plaques
- Custom nameplate

L28 Options available with 2 center arms. See back for details.

L26C

Options available with 2 center arms. See back for details.

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www.keystoneridgedesigns.com
**The LAMPLIGHTER Series**
Bench with back and center arms
Exclusive By Design™

**KEYSHIELD® Metal Finish**
The KEYSHIELD® finish protects each piece of furniture from chipping, cracking, UVA damage and provides unparalleled corrosion resistance. KEYSHIELD® is strength, durability and quality - our assurance of armored excellence. Steel products are finished with a two-coat powder coating process applied to a 7-15 mil thickness. Substrate preparation includes sandblasting to a white finish to remove all surface contaminants, the ultimate degree in powder coat preparation. The raw product then receives a corrosion-inhibiting phosphate coating prior to the application of the powder coating. The first coat applied to the substrate is zinc rich epoxy powder primer used exclusively on sandblasted parts. The second coat is a colored polyester powder coating. Both coats are electrostatically applied and oven cured according to powder coating manufacturing specifications to create a smooth, satin-like finish. The result of this two-coat process is an optimum non-porous armor that defines the Keystone Ridge Designs' stamp of quality. KEYSHIELD® is a registered trademark of Keystone Ridge Designs, Inc.

**Fully Assembled Unit**
The LAMPLIGHTER bench with back and center arms is manufactured as a fully assembled unit to provide ultimate stability and avoid damage during transit to the site.

**Proprietary Statement**
Keystone Ridge Designs, Inc.® is proud to offer the design community exceptional site amenities. Due to the time and resources invested in designing, manufacturing and marketing Keystone Ridge Designs' products and services, we pursue design patents, copyrights, trademarks and service marks whenever possible. Any unlawful duplication or misrepresentation of Keystone Ridge Designs' products will be rigorously protected.

<table>
<thead>
<tr>
<th>Item #</th>
<th>Description</th>
<th>Length</th>
<th>Width</th>
<th>Height</th>
<th>Seat Height</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>L282C</td>
<td>Lamplighter bench with back and 2 center arms 8'</td>
<td>91 1/8&quot;</td>
<td>23 7/8&quot;</td>
<td>30 7/8&quot;</td>
<td>14 1/8&quot;</td>
<td>335 lbs</td>
</tr>
</tbody>
</table>
HORIZON 13' SHELTER WITH 2-SIDED KIOSK – HZ13AD2
SHOWN WITH STANDING SEAM STEEL ROOF
Downtown Street Tree List

LARGE TREES (6’x6’ or larger planter depending on variety)
- *Acer rubrum* ‘October Glory’ – Red Maple 60’ high and 40’ wide
- *Celtis occidentalis* – Common Hackberry 50’ high and as wide
- *Ginkgo biloba* – Maidenhair tree 70-80’ high and 35-50’ wide
- *Nyssa sylvatica* – Sour Gum 30-50’ high and 15-25’ wide
- *Platanus x acerifolia* ‘Colombia’ or ‘Liberty’ – London Plane Tree 40-80’ high and 30-40’ wide
- *Quercus cocinea* – Scarlet Oak 60-80’ high and 40-60’ wide
- *Zelkova serrata* – Sawleaf Zelkova 60’ high and wide

MEDIUM TREES (5’x5’ or 6’x6’ planter recommended)
- *Acer griseum* – Paperbark Maple 25’+ high and almost as wide
- *Celtis sinensis* – Chinese Hackberry 40’ high and as wide
- *Cercis Canadensis* – Eastern Redbud 25-30’ high and as wide
- *Koelreuteria bipinnata* – Chinese Flame Tree 20-40’ high and as wide
- *Pistacia chinensis* – Chinese Pistache 25-35’ high and as wide
- *Pyrus calleryana cultivars* – Ornamental Pear 35-40’ high and 20-25’ wide
- *Tilia cordata cultivars* – Little-Leaf Linden 30-50’ high and 15-30’ wide

SMALL – ACCENT TREES (3’x3’ or 4’x4’ planter recommended)
- *Acer buergerianum* – Trident Maple 20-25’ high and as wide
- *Cercis occidentalis* – Western Redbud 10-18’ high and as wide
- *Lagerstroemia indica cultivars* – Crape Myrtle 15-20’ high and as wide
- *Prunus x yedoensis* ‘Akebono’ – Flowering Cherry up to 25’ high and as wide
Ginkgo biloba – Maidenhair Tree (70-80' high and 35-50' wide)
Quercus Coccinea – Scarlet Oak (60-80' tall and 40-60' wide)
Platanus x Acerifolia ‘Liberty’ – London Plane Tree (40-80' high and 30-40' wide)
Zelkova Serrata – Sawleaf Zelkova (60’ high and as wide)
Acer Rubrum 'October Glory'—Red Maple (60’ high and 40’ wide)
Nyssa Sylvatica — Sour Gum 30-50' high and 15-25' wide
Celtis Occidentalis – Common Hackberry (50' high and as wide)
RESOLUTION APPOINTING DUKE LEFFLER, RICK REID AND EVAN YOSHINO TO THE BOARD OF BUILDING APPEALS

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the Economic Development Committee met on November 14, 2011, and recommended the appointment of Duke Leffler, Rick Reid and Evan Yoshino to the Board of Building Appeals,

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

SECTION 1: Duke Leffler is hereby appointed to the Board of Building Appeals with a term expiration of January 1, 2016.

SECTION 2: Rick Reid is hereby appointed to the Board of Building Appeals with a term expiration of January 1, 2016.

SECTION 3: Evan Yoshino is hereby appointed to the Board of Building Appeals with a term expiration of January 1, 2016.

SECTION 4: The City Clerk is hereby directed to transmit a copy of this resolution to the appointed members of the Board of Building Appeals, and the Secretary thereof.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 15th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
RESOLUTION APPOINTING DENNIS SMITH TO THE DISABLED ACCESS APPEALS BOARD

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the Economic Development Committee met on November 14, 2011, and recommended the appointment of Dennis Smith to the Disabled Access Appeals Board,

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

SECTION 1: Dennis Smith is hereby appointed to the Disabled Access Appeals Board with a term expiration of January 1, 2016.

SECTION 2: The City Clerk is hereby directed to transmit a copy of this resolution to the appointed members of the Disabled Access Appeals Board, and the Secretary thereof.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MODESTO, SUPPORTING AN EFFECTIVE SUSTAINABLE COMMUNITY STRATEGY FOR STANISLAUS COUNCIL OF GOVERNMENTS AS REQUIRED BY SB 375 AND COMMITTING TO LEADERSHIP FOR ECONOMICALLY VIABLE SMART GROWTH PLANNING

San Joaquin Valley Network, advocating for smart growth and sustainability

IT IS HEREBY RESOLVED, by the City Council (the “Council”) of the City of Modesto (the “City”), State of California that

WHEREAS, City of Modesto has affirmed our commitment to the long term goals set forth in the Blueprint Planning Principles and Smart Valley Places / U.S. Partnership for Sustainable Communities Livability Principles, which all strive to strengthen existing communities with more walkable, vibrant neighborhoods and help improve air quality and support better health for all residents; and

WHEREAS, SB 375 is California state legislation that became law effective January 1, 2009, that prompts California regions to reduce greenhouse gas emissions from cars and light trucks; this law requires the creation of Sustainable Community Strategies (SCS) which combine transportation and land use elements as part of the Stanislaus Council of Governments’ Regional Transportation Plan (RTP); and

WHEREAS, the SCS/RTP can provide valuable support to the City in achieving its goals including economic vitality, lower traffic, and cleaner air; and

WHEREAS, access to new state and federal funds for transportation and land use planning and development are increasingly encouraging alignment with efficient smart growth and regional planning efforts, and this alignment has already brought significant funds and national attention to San Joaquin Valley governments, such as the Smart
Valley Places Initiative, which received a $4 million planning grant; and

WHEREAS, the National Association of Realtors has found that 83 percent of US residents support building communities where people can walk more and use their car less; more Californians want to live in communities where they can walk, bike or take public transit to their destinations; and real estate market experts have projected that these changing housing preferences and changing demographics will lead to a shortage of housing in compact, walkable communities; and

WHEREAS, the average household in the City is currently burdened with spending more of its income on the combined costs of housing and long commutes due to increased fuel prices, costs that will continue to rise particularly if people have no choice but to drive longer distances to get to schools, jobs, shopping, and services; and

WHEREAS, building new homes at all income levels and jobs in compact, walkable, and bike-friendly communities near public transportation can ensure that residents of all income and age levels have choices about how to travel to work, school, or shopping, while a lack of transportation options can isolate or preclude opportunity from those such as senior citizens who do not drive or drive less; and

WHEREAS, building sufficient homes affordable to families of all incomes, maintaining existing transportation infrastructure and investing in public transportation, upgrading water and sewage infrastructure to support growth in existing communities, and building complete streets will put people back to work, revitalize existing communities, preserve valuable natural resources and water supplies for future generations, and safeguard the agricultural economy; and
WHEREAS, better studying and understanding the benefits of our land use and transportation planning will ultimately help us best address issues such as health and safety in our neighborhoods, diabetes and obesity among our school aged children, and the costs of housing and transportation to all of our residents, and thereby help increase capacity for smart growth planning and discussions in our community; and

WHEREAS, building new homes and jobs in a compact development pattern and promoting more infill development can reduce long-term costs to local governments and agencies; now, therefore

BE IT RESOLVED that the City of Modesto supports the creation of an effective Sustainable Communities Strategy that makes significant strides in improving air quality and reducing pollution-related illness, providing convenient and affordable housing and transportation options to help create inclusive communities and provide opportunities for all residents, lowering maintenance and infrastructure costs for local agencies, protecting valuable natural resources and preserving farmland, and supporting safe streets for walking and biking; and

BE IT ALSO RESOLVED that the City of Modesto asks that the Sustainable Community Strategy process provide a wider range of information on potential benefits for our residents such as health, street safety, economic and infrastructure impacts, and job opportunities; and

BE IT ALSO RESOLVED that the City of Modesto requests and offers its assistance to the COG in developing this Sustainable Communities Strategy through a process that engages its residents, a wide array of public stakeholders, and the City Council to ensure that this plan best meets our local needs.
Pledged by the following on December 13, 2011.

The foregoing resolution was introduced at a regular meeting of the Council of
the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez,
who moved its adoption, which motion being duly seconded by Councilmember Cogdill,
was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez,
        Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature]

(SEAL)

APPROVED AS TO FORM:

By: [Signature]

SUSANA ALCALA WOOD, City Attorney
RESOLUTION APPROVING THE SUMMARY VACATION OF THE PORTION OF GROVELAND STREET LOCATED SOUTH OF YOSEMITE BOULEVARD

WHEREAS, the E. & J. Gallo Winery, a California corporation ("Gallo Winery"), has requested in writing that the City of Modesto abandon the portion of Groveland Street located south of Yosemite Boulevard, and

WHEREAS, a public hearing was held by the Planning Commission on October 3, 2011, for the purpose of making a report as to the conformity of the proposed street vacation with the City’s General Plan. The Planning Commission, by Resolution No. 2011-20, adopted on October 3, 2011, determined that the proposed street vacation was in conformity with the City of Modesto’s General Plan, and

WHEREAS, when the portion of Groveland Street located south of Yosemite Boulevard is summarily vacated, the title of the property will revert to the owner of the adjacent property, which is Gallo Winery, and

WHEREAS, California Streets and Highways Code - Division 9, Part 3, Chapter 4 Article 1, Section 8331 states: “The legislative body of a local agency may summarily vacate a street or highway if both of the following conditions exist: (a) For a period of five consecutive years, the street or highway has been impassable for vehicular travel. (b) No public money was expended for maintenance on the street or highway during such period”, and

WHEREAS, the portion of Groveland Street south of Yosemite Boulevard which is proposed to be summarily vacated, is a dead-end section of street. This section of Groveland Street is surrounded on three sides by Gallo Winery buildings that are adjacent
to the property line. On the fourth side, Gallo Winery installed a gated fence over ten years ago. The fence is located about 75 feet south of Yosemite Boulevard. This fence has prevented the public from using this portion of Groveland Street for the required five consecutive years. Additionally, no public money has been expended for maintenance of this portion of Groveland Street for the required five consecutive years, and

WHEREAS, as a condition of the City summarily vacating the portion of Groveland Street located south of Yosemite Boulevard, Gallo Winery will be required to grant an easement to the City of Modesto for the existing public sewer pipeline that is located in a portion of Groveland Street south of Yosemite Boulevard being summarily vacated, and

WHEREAS, there are no other utilities, not owned by Gallo Winery, located within the portion of Groveland Street south of Yosemite Boulevard to be summarily vacated, and

WHEREAS, the California Environmental Quality Act Section 15301 exempts all “Existing Facilities” involving negligible or no expansion of use beyond that existing at the time of the lead agency’s determination. The key consideration is whether the project involves negligible or no expansion of an existing use. Since a summary vacation of the portion of Groveland Street south of Yosemite Boulevard will have no expansion of an existing use, it meets the criteria for exemption under this section,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that this summary vacation is made under Chapter 4, Part 3, of Division 9, of the California Streets and Highways Code.
BE IT FURTHER RESOLVED that the Council of the City of Modesto finds that a) for a period of five consecutive years, the portion of Groveland Street south of Yosemite Boulevard to be summarily vacated has been impassable for vehicular travel, and b) for a period of five consecutive years, no public money was expended for maintenance of the portion of Groveland Street south of Yosemite Boulevard to be summarily vacated.

BE IT FURTHER RESOLVED that as a condition of the City summarily vacating the portion of Groveland Street located south of Yosemite Boulevard, Gallo Winery will be required to grant an easement to the City of Modesto for the existing public sewer pipeline that is located in the portion of Groveland Street south of Yosemite Boulevard being summarily vacated.

BE IT FURTHER RESOLVED that from and after the date this Resolution is recorded, the street, highway, or public service easement vacated no longer constitutes a street, highway, or public service easement.

BE IT FURTHER RESOLVED that the portion of Groveland Street located south of Yosemite Boulevard in the City of Modesto, which is more particularly described in Exhibit “A” and Exhibit “B” attached hereto and incorporated herein by reference, is hereby summarily vacated.

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to record with the Stanislaus County Recorder’s Office a certified copy of this Resolution attested to by the City Clerk under seal.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature]

(SEAL)

APPROVED AS TO FORM:

By: [Signature]

SUSANA ALCALA WOOD, City Attorney
EXHIBIT "A"
LEGAL DESCRIPTION
ABANDONMENT
GROVELAND STREET (PORTION)

ALL that real property situate in the Northwest Quarter of Section 33, Township 3 South, Range 9 East, Mount Diablo Base and Meridian, City of Modesto, County of Stanislaus, State of California, more particularly described as follows:

BEING that portion of Groveland Street (a 60 foot-wide City Street) lying south of the southerly right-of-way line of Grand Street (now Yosemite Boulevard) as shown on the plats of Blocks 221 and 222 of the City of Modesto, filed in Book 15 of Maps, pages 221 and 222, Stanislaus County Records.

CONTAINING 17,010 sq. ft., more or less.

SUBJECT TO all rights-of-way and easements of record.

This description was prepared by me or under my direction in accordance with the Subdivision Map Act.

Kevin J. Genasci, P.L.S. 8660
March 12, 2010
SCALE: 1' = 60'

PROPOSED AREA OF ABANDONMENT
17,010 SQ. FT.

APN 106-021-005
BLOCK 221
15-A-221

283.5'

60' GROVE LAND STREET
(TO BE ABANDONED)

APN 106-022-009
BLOCK 222
15-A-222

3/10/10
MODESTO CITY COUNCIL
RESOLUTION NO: 2011-466

A RESOLUTION ACCEPTING THE ANNUAL REPORT FOR THE FISCAL YEAR ENDING JUNE 30, 2011, FOR THE REDEVELOPMENT AGENCY OF THE CITY OF MODESTO

WHEREAS, pursuant to Health & Safety Code Section 33080, the Redevelopment Agency is required to file with the Controller within six months of the end of the agency’s fiscal year a copy of the Annual Report, and

WHEREAS, the Annual Report contains the following documents which are attached hereto as Exhibit “A”, and made a part hereof:

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

WHEREAS, pursuant to Health & Safety Code Section 33080.1, the Agency is required to submit the Annual Report to its legislative body, and

WHEREAS, the legislative body is defined in Health & Safety Code Section 33007 as the City Council,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the Annual Report for the Redevelopment Agency of the City of Modesto for the Fiscal Year ending June 30, 2011.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto, held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following votes:

**AYES:** Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

**NOES:** Councilmembers: None

**ABSENT:** Councilmembers: None

ATTEST: 

(SEAL)

APPROVED AS TO FORM:

By:

SUSANA ALCALA WOOD, City Attorney
## General Information

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2011</th>
</tr>
</thead>
</table>

### Members of the Governing Body

<table>
<thead>
<tr>
<th>Last Name</th>
<th>First Name</th>
<th>Middle Initial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rideout</td>
<td>Jim</td>
<td></td>
</tr>
<tr>
<td>Lopez</td>
<td>Dave</td>
<td></td>
</tr>
<tr>
<td>Hawn</td>
<td>Brad</td>
<td></td>
</tr>
<tr>
<td>Muratore</td>
<td>Juli</td>
<td></td>
</tr>
<tr>
<td>Marsh</td>
<td>Garrad</td>
<td></td>
</tr>
<tr>
<td>Gear</td>
<td>David</td>
<td></td>
</tr>
<tr>
<td>Olsen</td>
<td>Kristin</td>
<td></td>
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</tbody>
</table>

### Mailing Address

- **Street 1**: P.O. Box 642
- **Street 2**:  
- **City**: Modesto  
- **State**: CA  
- **Zip**: 95354
- **Phone**: (209) 571-5566

### Agency Officials

<table>
<thead>
<tr>
<th>Last Name</th>
<th>First Name</th>
<th>Middle Initial</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nyhoff</td>
<td>Greg</td>
<td></td>
<td>(209) 577-5221</td>
</tr>
<tr>
<td>Beck</td>
<td>Giorlote</td>
<td></td>
<td>(209) 577-5371</td>
</tr>
<tr>
<td>Lopez</td>
<td>Stephanie</td>
<td></td>
<td>(209) 577-5398</td>
</tr>
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</table>

### Report Prepared By

**Firm Name**: Maze and Associates

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle Initial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fraser</td>
<td>Meyer</td>
<td></td>
</tr>
<tr>
<td>Donald</td>
<td>Amy</td>
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### Independent Auditor

<table>
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<tr>
<th>Firm Name</th>
<th>Last</th>
<th>First</th>
<th>Middle Initial</th>
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<tbody>
<tr>
<td>Maze and Associates</td>
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### General Information

**Is Address Changed?** [ ]
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Was the Report Prepared from Audited Financial Data, and Did You Submit a Copy of the Audit?</td>
<td>Yes</td>
</tr>
<tr>
<td>Indicate Financial Audit Opinion</td>
<td>Unqualified</td>
</tr>
<tr>
<td>If Financial Audit is not yet Completed, What is the Expected Completion Date?</td>
<td></td>
</tr>
<tr>
<td>If the Audit Opinion was Other than Unqualified, State Briefly the Reason Given</td>
<td></td>
</tr>
<tr>
<td>Was a Compliance Audit Performed in Accordance with Health and Safety Code Section 33300.1 and the State Controller's Guidelines for Compliance Audits, and Did You Submit a Copy of the Audit?</td>
<td>Yes</td>
</tr>
<tr>
<td>Indicate Compliance Audit Opinion</td>
<td>Unqualified</td>
</tr>
<tr>
<td>If Compliance Audit is not yet Completed, What is the Expected Completion Date?</td>
<td></td>
</tr>
</tbody>
</table>

If compliance opinion includes exceptions, state the areas of non-compliance, and describe the agency's efforts to correct.
<table>
<thead>
<tr>
<th>Fiscal Year 2011</th>
<th>Project Area Name</th>
<th>Community Center Project Area</th>
</tr>
</thead>
</table>

Please provide a brief description of the activities for this Project Area during the reporting year.

**Activity Report**

<table>
<thead>
<tr>
<th>Forwarded from Prior Year?</th>
<th>P</th>
</tr>
</thead>
</table>

Enter Code for Type of Project Area Report

- P = Standard Project Area Report
- A = Administrative Fund
- L = Low and Moderate Income Housing Fund
- M = Mortgage Revenue Bond Program
- O = Other Miscellaneous Funds or Programs
- S = Proposed (Survey) Project Area

**Does the Plan Include Tax Increment Provisions?**

- Yes

**Data Project Area was Established**

- (MM-DD-YY)

**Most Recent Date Project Area was Amended**

- 7/6/1992

**Did this Amendment Add New Territory?**

- Yes

**Most Recent Date Project Area was Merged**

**Will this Project Area be Carried Forward to Next Year?**

- Yes

**Established Time Limit:**

- Repayment of Indebtedness (Year Only)
  - 2041

- Effectiveness of Plan (Year Only)
  - 2022

- New Indebtedness (Year Only)
  - 2011

**Size of Project Area in Acres**

- 2,000

**Percentage of Land Vacant at the Inception of the Project Area**

- Health and Safety Code Section 33320.1 (xxx%)
  - 4.5

**Percentage of Land Developed at the Inception of the Project Area**

- Health and Safety Code Section 33320.1 (xxx%)
  - 39.5

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

(Enter the appropriate code(s) in sequence as shown)

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

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

- RICPO (Enter the appropriate code(s) in sequence as shown)
### Assessed Valuation Data

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Area Name</td>
<td>Community Center Project Area</td>
</tr>
<tr>
<td>Frozen Base Assessed Valuation</td>
<td>561,273,363</td>
</tr>
<tr>
<td>Increment Assessed Valuation</td>
<td>566,666,496</td>
</tr>
<tr>
<td>Total Assessed Valuation</td>
<td>1,130,940,360</td>
</tr>
<tr>
<td>Amounts Paid To Taxing Agencies Pursuant To:</td>
<td>H &amp; S Code Section 33401</td>
</tr>
<tr>
<td>--------------------------------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>County</td>
<td>533,564</td>
</tr>
<tr>
<td>Cities</td>
<td></td>
</tr>
<tr>
<td>School Districts</td>
<td>555,581</td>
</tr>
<tr>
<td>Community College District</td>
<td>81,485</td>
</tr>
<tr>
<td>Special Districts</td>
<td></td>
</tr>
<tr>
<td>Total Paid to Taxing Agencies</td>
<td>$1,170,650</td>
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**Net Amount to Agency**

<table>
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<tr>
<th></th>
<th>Section 33401</th>
<th>Section 33576</th>
<th>Section 33687</th>
<th>Section 33445</th>
<th>Section 33445.5</th>
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<tbody>
<tr>
<td></td>
<td>$4,579,385</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

**Gross Tax Increment Generated**

|                      |              |              |              |              |              | 6,796,235    |

---

*Modesto Redevelopment Agency*

*Redevelopment Agency Financial Transactions Report*

Fiscal Year: 2011

Project Area Name: Community Center Project Area
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Area Name</td>
<td>Summary/Debt/Project Area</td>
</tr>
<tr>
<td>Tax Allocation Bond Debt</td>
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<tr>
<td>Revenue Bonds</td>
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<tr>
<td>Other Long Term Debt</td>
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<td>City/County Debt</td>
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<tr>
<td>Low and Moderate Income Housing Fund</td>
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<td>Other</td>
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<td>Total</td>
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<td>Available Revenues</td>
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<td>Net Tax Increment Requirements</td>
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### Fiscal Year 2011

#### Project Area Name: Community Center Project Area

<table>
<thead>
<tr>
<th>Description</th>
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<tbody>
<tr>
<td>Forward from Prior Year</td>
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</tr>
<tr>
<td>Bond Type</td>
<td>Certificates of Participation</td>
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<tr>
<td>Year of Authorization</td>
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<tr>
<td>Principal Amount Authorized</td>
<td>$7,225,000</td>
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<td>Purpose of Issue</td>
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<tr>
<td>Maturity Date Beginning Year</td>
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<td>Maturity Date Ending Year</td>
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<td>Adjustment Explanation</td>
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<tr>
<td>Interest Added to Principal</td>
<td></td>
</tr>
<tr>
<td>Principal Amount Issued During Fiscal Year</td>
<td></td>
</tr>
<tr>
<td>Principal Amount Matured During Fiscal Year</td>
<td></td>
</tr>
<tr>
<td>Principal Amount Defeased During Fiscal Year</td>
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<td>Principal Amount Unmatured End of Fiscal Year</td>
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<td>Principal Amount in Default</td>
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<td>Interest In Default</td>
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#### Bond Types Allowed:
- Tax Allocation Bonds
- Revenue Bonds
- Certificates of Participation
- Tax Allocation Notes
- Financing Authority Bonds
- City/County Debt
- US/State Loans
- Lease Obligations
- Notes
- Deferred Pass-Through
- Deferred Compensation
- Other
## Agency Long-Term Debt

### Fiscal Year 2011

#### Project Area Name
Community Center Project Area

<table>
<thead>
<tr>
<th>Forward from Prior Year</th>
<th>Bond Type</th>
<th>Year of Authorization</th>
<th>Principal Amount Authorized</th>
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<tbody>
<tr>
<td></td>
<td>Loans</td>
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#### Purpose of Issue
Economic Development

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<tr>
<th>Maturity Date Beginning Year</th>
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<tbody>
<tr>
<td>2008</td>
<td>2012</td>
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<th>Adjustment Made During Year</th>
<th>Adjustment Explanation</th>
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<table>
<thead>
<tr>
<th>Interest Added to Principal</th>
<th>Principal Amount Issued During Fiscal Year</th>
<th>Principal Amount Matured During Fiscal Year</th>
<th>Principal Amount Deferred During Fiscal Year</th>
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<table>
<thead>
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<th>Principal Amount Unmatured End of Fiscal Year</th>
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<table>
<thead>
<tr>
<th>Principal Amount In Default</th>
<th>Interest In Default</th>
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### Bond Types Allowed:
- Tax Allocation Bonds
- Revenue Bonds
- Certificates of Participation
- Tax Allocation Notes
- Financing Authority Bonds
- City/County Debt
- US/State Loans
- Lease Obligations
- Notes
- Deferred Pass-Throughs
- Deferred Compensation
- Other
### Agency Long-Term Debt

**Fiscal Year:** 2011  
**Project Area Name:** Community Center Project Area

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<thead>
<tr>
<th>Forward from Prior Year</th>
<th>Bond Type</th>
<th>Year of Authorization</th>
<th>Principal Amount Authorized</th>
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<tr>
<td></td>
<td>Revenue Bonds</td>
<td>2008</td>
<td>18,899,300</td>
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<th>Maturity Date Beginning Year</th>
<th>Maturity Date Ending Year</th>
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<tr>
<td>18,899,300</td>
<td>Refund prior Revenue Bonds</td>
<td>2008</td>
<td>2033</td>
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<table>
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<th>Principal Amount Unmatured Beginning of Fiscal Year</th>
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<th>Adjustment Made During Year</th>
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<table>
<thead>
<tr>
<th>Interest Added to Principal</th>
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<table>
<thead>
<tr>
<th>Principal Amount Issued During Fiscal Year</th>
<th>$295,800</th>
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<table>
<thead>
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<th>Principal Amount Defeased During Fiscal Year</th>
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<thead>
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<table>
<thead>
<tr>
<th>Principal Amount In Default</th>
<th>Interest In Default</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>

**Bond Types Allowed:**  
- Tax Allocation Bonds, Revenue Bonds, Certificates of Participation, Tax Allocation Notes, Financing Authority Bonds, City/County Debt, US/State, Leases, Lease Obligations, Notes, Deferred Pass-Through, Deferred Compensation, Other
<table>
<thead>
<tr>
<th></th>
<th>Capital Project Funds</th>
<th>Debt Service Funds</th>
<th>Low and Moderate Income Housing Funds</th>
<th>Special Revenue/Other Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Increment Gross</td>
<td>330,267</td>
<td>4,269,005</td>
<td>1,151,968</td>
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<td>$5,750,235</td>
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<td>(Include All Apportionments)</td>
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<tr>
<td>Special Supplemental Subvention</td>
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<td>Property Assessments</td>
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<tr>
<td>Sales and Use Tax</td>
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<td>Transient Occupancy Tax</td>
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<td>Interest Income</td>
<td>931</td>
<td>138,582</td>
<td>21,354</td>
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<td>$199,873</td>
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<td>Rental Income</td>
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<tr>
<td>Lease Income</td>
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</tr>
<tr>
<td>Sale of Real Estate</td>
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<tr>
<td>Gain on Land Held for Resale</td>
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<tr>
<td>Federal Grants</td>
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<tr>
<td>Grants from Other Agencies</td>
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<tr>
<td>Bond Administrative Fees</td>
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<td>Other Revenues</td>
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Fiscal Year: 2011
Project Area Name: Community Center Project Area

Statement of Income and Expenditures - Revenues

[Signatures]
<table>
<thead>
<tr>
<th>Project Area Name</th>
<th>Community Center Project Area</th>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>Capital Project Funds</th>
<th>Debt Service Funds</th>
<th>Low/Moderate Income Housing</th>
<th>Special Revenue/Other</th>
<th>Total</th>
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<tbody>
<tr>
<td>Administration Costs</td>
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<td>Planning, Survey, and Design</td>
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<td>Real Estate Purchases</td>
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<tr>
<td>Acquisition Expense</td>
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<tr>
<td>Operation of Acquired Property</td>
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<tr>
<td>Relocation Costs</td>
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<td>Relocation Payments</td>
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<tr>
<td>Site Clearance Costs</td>
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<td>Project Improvement / Construction Costs</td>
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<td>Disposal Costs</td>
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<tr>
<td>Loss on Disposition of Land Held for Resale</td>
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</table>
### Community Center Project Area

#### Statement of Income and Expenditures - Expenditures

<table>
<thead>
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<th>Fiscal Year</th>
<th>2011</th>
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<tbody>
<tr>
<td>Project Area Name</td>
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<table>
<thead>
<tr>
<th>Item</th>
<th>Capital Project Funds</th>
<th>Debt Service Funds</th>
<th>Low/Moderate Income Housing</th>
<th>Special Revenue/Other</th>
<th>Total</th>
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<tbody>
<tr>
<td>Decline in Value of Land Held for Relocation</td>
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<td>Rehabilitation Costs</td>
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<td>Other Expenditures Including Pass-Through Payment(s)</td>
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<td>Debt Principal Payments:</td>
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<td>Tax Allocation Bonds and Notes</td>
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<td>Revenue Bonds, Certificates of Participation, Financing Authority Bonds</td>
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<td>All Other Long-Term Debt</td>
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<td>-------------</td>
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<tr>
<td>Project Area Name</td>
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<tr>
<td><strong>Capital Project Funds</strong></td>
<td><strong>Debt Service Funds</strong></td>
<td><strong>Low/Moderate Income Housing</strong></td>
<td><strong>Special Revenue/Other</strong></td>
<td><strong>Total</strong></td>
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<td>Sale of Fixed Assets</td>
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<td>Miscellaneous Financing Sources (Uses)</td>
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<tr>
<td>Operating Transfers In</td>
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<tr>
<td>Tax Increment Transfers In</td>
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<tr>
<td>Operating Transfers Out</td>
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<td>Tax Increment Transfers Out</td>
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<tr>
<td>(To the Low and Moderate Income Housing Fund)</td>
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<td><strong>Total Other Financing Sources (Uses)</strong></td>
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<td>$0</td>
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</tr>
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<td>Fiscal Year</td>
<td>2011</td>
<td></td>
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<td></td>
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<tr>
<td>------------------</td>
<td>--------------------------</td>
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<tr>
<td>Project Area Name</td>
<td>Community Center Project Area</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses</td>
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<td>Total</td>
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<td>Capital Project Funds</td>
<td>Debt Service Funds</td>
<td>Low/Moderate Income Housing</td>
<td>Special Revenue/Other</td>
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</tr>
<tr>
<td>$111,113</td>
<td>($448,025)</td>
<td>$991,117</td>
<td>$0</td>
<td>$653,901</td>
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<td>Equity, Beginning of Period</td>
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<td>Residual Equity Transfers</td>
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<td>Equity, End of Period</td>
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<td>$957,567</td>
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### Balance Sheet - Assets and Other Debits

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<th>Fiscal Year</th>
<th>Capital Projects Funds</th>
<th>Debt Service Funds</th>
<th>Low/Moderate Income Housing Funds</th>
<th>Special Revenue/Other Funds</th>
<th>General Long-Term Debt</th>
<th>General Fixed Assets</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td></td>
<td></td>
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**Assets and Other Debits**

<table>
<thead>
<tr>
<th>Description</th>
<th>Capital Projects Funds</th>
<th>Debt Service Funds</th>
<th>Low/Moderate Income Housing Funds</th>
<th>Special Revenue/Other Funds</th>
<th>General Long-Term Debt</th>
<th>General Fixed Assets</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Imprest Cash</td>
<td>$34,082</td>
<td>$97,105</td>
<td>$2,615,676</td>
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<tr>
<td>Tax Incorments Receivable</td>
<td>$202,049</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Accounts Receivable</td>
<td>$6,196</td>
<td></td>
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<td>$16,634</td>
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<td>Accrued Interest Receivable</td>
<td>$569</td>
<td>$7,491</td>
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<td>$12,063</td>
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<tr>
<td>Loans Receivable</td>
<td></td>
<td></td>
<td>$2,210,997</td>
<td></td>
<td></td>
<td></td>
<td>$2,210,997</td>
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<td>Contracts Receivable</td>
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<tr>
<td>Lease Payments Receivable</td>
<td></td>
<td></td>
<td>$35,722,920</td>
<td></td>
<td></td>
<td></td>
<td>$35,722,920</td>
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<tr>
<td>Unearned Finance Charge</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Due from Capital Projects Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>$24,073</td>
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<td>Due from Debt Service Fund</td>
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<td></td>
<td></td>
<td></td>
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<td></td>
<td>$7,167,925</td>
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<tr>
<td>Due from Low/Moderate Income Housing Fund</td>
<td></td>
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<td>$0</td>
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<tr>
<td>Due from Special Revenue/Other Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</table>
### Balance Sheet - Assets and Other Debts

<table>
<thead>
<tr>
<th>Fiscal Year 2011</th>
<th>Capital Projects Funds</th>
<th>Debt Service Funds</th>
<th>Low/Moderate Income Housing Funds</th>
<th>Special Revenue/Other Funds</th>
<th>General Long-Term Debt</th>
<th>General Fixed Assets</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
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<tr>
<td>Other Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
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<tr>
<td>Investments: Land Held for Resale</td>
<td></td>
<td></td>
<td>$784,000</td>
<td></td>
<td></td>
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<tr>
<td>Allowance for Decline in Value of Land Held for Resale</td>
<td></td>
<td></td>
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<tr>
<td>Fixed Assets: Land, Structures, and Improvements</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$5,528,424</td>
<td>$5,528,424</td>
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<tr>
<td>Equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$1,328,266</td>
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<tr>
<td>Amount Available In Debt Service Fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
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<tr>
<td>Amount to be Provided for Payment of Long-Term Debt</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Total Assets and Other Debts</td>
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<td>$2,780,739</td>
<td>$6,618,090</td>
<td>$0</td>
<td>$35,723,090</td>
<td>$69,856,680</td>
<td>$52,714,930</td>
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(Must Equal Total Liabilities, Other Credits, and Equities)
<table>
<thead>
<tr>
<th>Fiscal Year 2011</th>
<th>Capital Projects Funds</th>
<th>Debt Service Funds</th>
<th>Low/Moderate Income Housing Funds</th>
<th>Special Revenue/Other Funds</th>
<th>General Long-Term Debt</th>
<th>Total Liabilities and Other Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities and Other Credits</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>$955,648</td>
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<tr>
<td>Accounts Payable</td>
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<td>694,852</td>
<td>702</td>
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<td></td>
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<tr>
<td>Tax Anticipation Notes Payable</td>
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<td>0</td>
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<tr>
<td>Loans Payable</td>
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<td>575,000</td>
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<td>Other Liabilities</td>
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<td>196,727</td>
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<td>Due to Debt Service Fund</td>
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<td>0</td>
<td></td>
<td></td>
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<td>Due to Low/Moderate Income Housing Fund</td>
<td>24,078</td>
<td>1,187,928</td>
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<td></td>
<td></td>
<td>$1,192,004</td>
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<tr>
<td>Due to Special Revenue/Other Funds</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td>0</td>
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<tr>
<td>Tax Allocation Bonds Payable</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td></td>
<td>0</td>
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<tr>
<td>Lease Revenue, Certificates of Participation Payable, Financing Authority Bonds</td>
<td>0</td>
<td>35,318,960</td>
<td>0</td>
<td></td>
<td></td>
<td>$35,318,960</td>
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<tr>
<td>All Other Long-Term Debt</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td>405,000</td>
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<tr>
<td>Total Liabilities and Other Credits</td>
<td>$25,112</td>
<td>$1,822,778</td>
<td>$771,489</td>
<td>0</td>
<td>$38,723,960</td>
<td>$38,343,329</td>
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<td>Fiscal Year 2011</td>
<td>Capital Projects Funds</td>
<td>Debt Service Funds</td>
<td>Low/Moderate Income Housing Funds</td>
<td>Special Revenue/Other Funds</td>
<td>General Long-Term Debt</td>
<td>General Fixed Assets</td>
</tr>
<tr>
<td>-----------------</td>
<td>------------------------</td>
<td>-------------------</td>
<td>----------------------------------</td>
<td>---------------------------</td>
<td>-----------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Equities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment in General Fixed Assets</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Fund Balance Reserved</td>
<td>9,259</td>
<td>857,957</td>
<td>5,080,297</td>
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<tr>
<td>Fund Balance Unreserved-Designated</td>
<td></td>
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<tr>
<td>Fund Balance Unreserved-Undesignated</td>
<td>500,290</td>
<td>996,274</td>
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<td></td>
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<tr>
<td>Total Equities</td>
<td>509,543</td>
<td>957,957</td>
<td>5,080,297</td>
<td></td>
<td></td>
<td>$6,856,690</td>
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<tr>
<td>Total Liabilities, Other Credits, and Equities</td>
<td>$534,855</td>
<td>$2,760,735</td>
<td>$6,818,090</td>
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<td>$55,729,530</td>
<td>$62,714,090</td>
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</table>
## California Redevelopment Agencies - Fiscal Year 2010/2011
### Status of Low and Moderate Income Housing Funds

Sch C  Agency Financial Summary

MODesto

<table>
<thead>
<tr>
<th>Adjusted Beginning Balance</th>
<th>Project Area Receipts</th>
<th>Agency Other Revenue</th>
<th>Total Expenses</th>
<th>Net Resources Available</th>
<th>Other Housing Fund Assets</th>
<th>Total Housing Fund Assets</th>
<th>Encumbrances</th>
<th>* Unencumbered Balance</th>
<th>Unencumbered Designated</th>
<th>Unencumbered Not Designated</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,026,910</td>
<td>$1,657,205</td>
<td>$0</td>
<td>$623,587</td>
<td>$6,060,528</td>
<td>$365,100</td>
<td>$6,425,628</td>
<td>$0</td>
<td>$6,060,528</td>
<td>$0</td>
<td>$6,060,528</td>
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</table>

### Expenses

<table>
<thead>
<tr>
<th></th>
<th>Housing Construction</th>
<th>Other</th>
<th>Planning and Administration Costs</th>
<th>Property Acquisition</th>
<th>SERAF loan</th>
<th>Subsidies</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010/2011</td>
<td>$7,978</td>
<td>$50,000</td>
<td>$120,394</td>
<td>$27,217</td>
<td>$365,100</td>
<td>$52,888</td>
<td>$623,587</td>
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</tbody>
</table>

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

Note: Print this report in Landscape Orientation (Use the Print icon just above, then Properties then Landscape)
### California Redevelopment Agencies - Fiscal Year 2010/2011
#### Status of Low and Moderate Income Housing Funds
Sch C Agency Financial and Program Detail  
MODESTO

<table>
<thead>
<tr>
<th>Item</th>
<th>Subitem</th>
<th>Amount</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Balance</strong></td>
<td></td>
<td><strong>$5,026,910</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Adjustment to Beginning Balance</strong></td>
<td></td>
<td><strong>$0</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted Beginning Balance</strong></td>
<td></td>
<td><strong>$5,026,910</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Tax Increment From PA(s)</strong></td>
<td><strong>$1,151,960</strong></td>
<td><strong>$1,151,960</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Receipts from PA(s)</strong></td>
<td></td>
<td><strong>$1,657,205</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Other Revenues not reported on Schedule A</strong></td>
<td></td>
<td><strong>$0</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Sum of Beginning Balance and Revenues</strong></td>
<td></td>
<td><strong>$6,684,115</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Expenditure Item</th>
<th>Subitem</th>
<th>Amount</th>
<th>Remark</th>
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</thead>
<tbody>
<tr>
<td><strong>Housing Construction</strong></td>
<td></td>
<td></td>
<td><strong>Subtotal of Housing Construction</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>$7,978</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
<td><strong>Subtotal of Other</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>$50,000</strong></td>
<td>General Fund loan repayment for a loan that was provided by the General Fund for the purchase of the Downey Avenue property.</td>
</tr>
<tr>
<td><strong>Planning and Administration Costs</strong></td>
<td><strong>Administration Costs</strong></td>
<td><strong>$120,394</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal of Planning and Administration Costs</strong></td>
<td><strong>$120,394</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Property Acquisition</strong></td>
<td><strong>Operation of Acquired Property</strong></td>
<td><strong>$1,140</strong></td>
<td>Includes $19,216 in Attorney Fees for the various housing projects, $5,431 in miscellaneous discretionary</td>
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<tr>
<td></td>
<td><strong>Other</strong></td>
<td><strong>$26,077</strong></td>
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</tbody>
</table>

*Page 1 of 3  12/02/11*
**California Redevelopment Agencies - Fiscal Year 2010/2011**

**Status of Low and Moderate Income Housing Funds**

**Sch C Agency Financial and Program Detail**

**MODESTO**

### Expenditure

<table>
<thead>
<tr>
<th>Item</th>
<th>Subitem</th>
<th>Amount</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Acquisition</td>
<td></td>
<td></td>
<td>expenses for projects, and $1,430 in property maintenance expenses.</td>
</tr>
<tr>
<td></td>
<td>Subtotal of Property Acquisition</td>
<td>$27,217</td>
<td></td>
</tr>
<tr>
<td>SERAF loan</td>
<td></td>
<td>$365,100</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Subtotal of SERAF loan</td>
<td>$365,100</td>
<td></td>
</tr>
<tr>
<td>Subsidies from the LMIHF</td>
<td>Rental Subsidies</td>
<td>$52,898</td>
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<tr>
<td></td>
<td>Subtotal of Subsidies from the LMIHF</td>
<td>$52,898</td>
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</tr>
<tr>
<td></td>
<td>Total Expenditures</td>
<td>$623,587</td>
<td></td>
</tr>
</tbody>
</table>

**Net Resources Available** $6,060,528

**Indebtedness For Seta sides Deferred** $0

### Other Housing Fund Assets

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Remark</th>
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</thead>
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<tr>
<td>SERAF Total Receivable</td>
<td>$365,100</td>
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<tr>
<td>Total Other Housing Fund Assets</td>
<td>$365,100</td>
<td></td>
</tr>
<tr>
<td>Total Fund Equity</td>
<td>$6,425,628</td>
<td>$623,587</td>
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</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Remark</th>
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</thead>
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<tr>
<td>2006/2007</td>
<td>$1060704</td>
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<tr>
<td>2007/2008</td>
<td>$1162764</td>
<td>Sum of 4 Previous Years’ Tax Increment for 2010/2011</td>
</tr>
<tr>
<td>2009/2010</td>
<td>$1304303</td>
<td>$4773488</td>
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<tr>
<td></td>
<td>$4,712,765</td>
<td>$4,864,754</td>
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**Sum of Current and 3 Previous Years’ Tax Increments** $4,864,754
### Site Improvement Activities Benefiting Households

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Low</th>
<th>Very Low</th>
<th>Moderate</th>
<th>Total</th>
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### Land Held for Future Development

<table>
<thead>
<tr>
<th>Site Name</th>
<th>Num Of Acres</th>
<th>Zoning</th>
<th>Purchase Date</th>
<th>Estimated Start Date</th>
<th>Remark</th>
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### Use of the Housing Fund to Assist Mortgagors

Income Adjustment Factors

<table>
<thead>
<tr>
<th>Home</th>
<th>Hope</th>
</tr>
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</table>

Non Housing Redevelopment Funds Usage

Resource Needs

### LMIHF Deposits/Withdrawals

<table>
<thead>
<tr>
<th>Document Name</th>
<th>Document Date</th>
<th>Custodian Name</th>
<th>Custodian Phone</th>
<th>Copy Source</th>
</tr>
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</table>

### Achievements

Description

---

Adjusted Balance: $6,060,528
Excess Surplus for next year: $1,195,774
Net Resources Available: $6,060,528
Unencumbered Designated: $0
Unencumbered Undesignated: $6,060,528
Total Encumbrances: $0
Unencumbered Balance: $6,060,528
Unencumbered Balance Adjusted for Debt Proceeds: $0
Unencumbered Balance Adjusted for Land Sales: $0
Excess Surplus Expenditure Plan: No
Excess Surplus Plan Adoption Date

Page 3 of 3 12/02/11
<table>
<thead>
<tr>
<th>Project Area</th>
<th>100% of Tax Increment</th>
<th>20% Set Aside Requirement</th>
<th>Tax Increment Allocated</th>
<th>Amount Exempted</th>
<th>Amount Suspended and/or Deferred</th>
<th>Tax Incr. Deposited to Hang Fund</th>
<th>Percent of Tax Incr Dep</th>
<th>Repayment Deferrals</th>
<th>Other Income</th>
<th>Total Deposited to Housing</th>
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</thead>
<tbody>
<tr>
<td>MODESTO PROJECT</td>
<td>$5,759,801</td>
<td>$1,151,960</td>
<td>$1,151,960</td>
<td>$0</td>
<td>$0</td>
<td>$1,151,960</td>
<td>20.00%</td>
<td>$0</td>
<td>$505,245</td>
<td>$1,657,205</td>
</tr>
<tr>
<td>Agency Totals:</td>
<td>$5,759,801</td>
<td>$1,151,960</td>
<td>$1,151,960</td>
<td>$0</td>
<td>$0</td>
<td>$1,151,960</td>
<td>20.00%</td>
<td>$0</td>
<td>$505,245</td>
<td>$1,657,205</td>
</tr>
</tbody>
</table>

Note: Print this report in Landscape Orientation (Use the Print (con just above, then Properties then Landscape)
## California Redevelopment Agencies - Fiscal Year 2010/2011
### Project Area Contributions to Low and Moderate Income Housing Fund
#### Sch A  Project Area Financial Information

**Agency:** MODESTO  
**Address:**  
1010 Tenth Street  
PO Box 642  
Modesto  
CA 95353

<table>
<thead>
<tr>
<th><strong>Project Area</strong></th>
<th><strong>MODESTO PROJECT</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type:</strong></td>
<td>Inside Project Area</td>
</tr>
<tr>
<td><strong>Status:</strong></td>
<td>Active</td>
</tr>
<tr>
<td><strong>Plan Adoption:</strong></td>
<td>1983</td>
</tr>
<tr>
<td><strong>Plan Expiration Year:</strong></td>
<td>2032</td>
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</table>

<table>
<thead>
<tr>
<th><strong>Gross Tax Increment</strong></th>
<th><strong>Calculated Deposit</strong></th>
<th><strong>Amount Allocated</strong></th>
<th><strong>Amount Exempted</strong></th>
<th><strong>Amount Suspended and/or Deferred</strong></th>
<th><strong>Total Deposited</strong></th>
<th><strong>%</strong></th>
<th><strong>Cumulative Def.</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>$5,759,801</td>
<td>$1,151,960</td>
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<td>$0</td>
<td>$0</td>
<td>$1,151,960</td>
<td>20.00%</td>
<td>$0</td>
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</tbody>
</table>

- **Repayment:** $0
- **Category**
  - **Interest Income:** $12,210
  - **Loan Repayments:** $422,167
  - **Other Revenue:** $35,434
  - **Total Additional Revenue:** $505,245

**Total Housing Fund Deposits for Project Area:** $1,657,205

### Agency Totals For All Project Areas:

<table>
<thead>
<tr>
<th><strong>Gross Tax Increment</strong></th>
<th><strong>Calculated Deposit</strong></th>
<th><strong>Amount Allocated</strong></th>
<th><strong>Amount Exempted</strong></th>
<th><strong>Amount Suspended and/or Deferred</strong></th>
<th><strong>Total Deposited</strong></th>
<th><strong>%</strong></th>
<th><strong>Cumulative Def.</strong></th>
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<td>$1,151,960</td>
<td>20%</td>
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</table>

- **Total Additional Revenue from Project Areas:** $505,245
- **Total Deferral Repayments:** $0
- **Total Deposit to Housing Fund from Project Areas:** $1,657,205
**SCHEDULE HCD E**
**CALCULATION OF INCREASE IN AGENCY'S INCLUSIONARY OBLIGATION FOR ACTIVITIES**
*(This Form is Information Only: Actual Obligation is based on Implementation Plan)*

**Report Year:** 2010/2011

**Agency:** MODESTO

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**NOTE:** This form is a summary of the totals of all new construction or substantial rehabilitation units from forms HCD-D7 which are developed in a project area by any entity (agency or non-agency).

### PART I

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*Totals may be impacted by rounding*
### Schedule HCD E1

**Calculation of Increase in Agency's Inclusionary Obligation for Activities**  
*(This Form is Information Only: Actual Obligation is based on Implementation Plan)*

**Report Year:** 2010/2011

**Agency:** MODESTO  
**Project Area:** MODESTO PROJECT  
**Project:** 17TH AND G STREET

**NOTE:** This form is a summary of the totals of all new construction or substantial rehabilitation units from forms HCD-D7 which are developed in a project area by any entity (agency or non-agency).

#### PART I

**[H & SC Section 33413(b)(1)]**  
**Agency Developed**

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<tbody>
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#### PART II

**[H & SC Section 33413(b)(2)]**  
**Non-Agency Developed Units**

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**Totals**

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SCHEDULE HCD E1
CALCULATION OF INCREASE IN AGENCY'S INCLUSIONARY OBLIGATION FOR ACTIVITIES
(This Form is Information Only: Actual Obligation is based on Implementation Plan)

Report Year: 2010/2011

Agency: MODESTO
Project Area: MODESTO PROJECT
Project: ARCHWAY COMMONS

NOTE: This form is a summary of the totals of all new construction or substantial rehabilitation units from forms HCD-D7 which are developed in a project area by any entity (agency or non-agency).

<table>
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<tr>
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California Redevelopment Agencies - Fiscal Year 2010/2011
Schedule E (1100)
*Totals may be impacted by rounding

Page 2 of 3
SCHEDULE HCD E1
CALCULATION OF INCREASE IN AGENCY'S INCLUSIONARY OBLIGATION FOR ACTIVITIES
(This Form is Information Only: Actual Obligation is based on Implementation Plan)

Report Year: 2010/2011

Agency: MODESTO
Project Area: MODESTO PROJECT
Project: DOWNEY AVENUE

NOTE: This form is a summary of the totals of all new construction or substantial rehabilitation units from forms HCD-D7 which are developed in a project area by any entity (agency or non-agency).

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California Redevelopment Agencies - Fiscal Year 2010/2011
Schedule E (1100) 12/02/2011
*Totals may be impacted by rounding

Page 3 of 3
FY 2011
MODESTO REDEVELOPMENT AGENCY

HEALTH AND SAFETY CODE §33080.1

- ALLEVIATION OF BLIGHT
- LOAN DEFAULT REPORT
- PROPERTY LISTING
- FISCAL STATEMENT
MODESTO REDEVELOPMENT AGENCY
PROJECT AREA

2000 Acres (Est.)
I. HEALTH AND SAFETY CODE §33080.1(d)

ALLEVIATION OF BLIGHT

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

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

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

During FY 2011, the Redevelopment Agency of the City of Modesto completed the following actions to implement the objectives of the Implementation Plan in alleviating blight within the Project Area. (Note: The Agency’s Implementation Plan was approved for the period of 2010-2014.)

Vision
- Modesto’s parks, plazas, and greenways contribute to a public realm that provides an attractive, inviting “Oasis in the Valley.”
- Modesto’s unique history and character are preserved to make the city a pleasant place to live, and are actively promoted to attract new investment.
- The downtown is a vibrant mixed-use area with an established residential element.
- Transportation opportunities are multi-modal and well-connected throughout the Redevelopment Area, city, and region

Goals

Goal 1
Create a unique and recognizable image for Modesto and use it to strenuously promote the City.

Project: Outreach and Coordination
Agency Expenditure: $500
Status: Initiated August 2009: Ongoing
The Agency will continue to partner with City departments to advance economic development objectives. Staff will also continue to meet regularly with leaders of the Modesto Chamber, Downtown Improvement District, the Stanislaus County Workforce Alliance, and Modesto Convention & Visitors Bureau in a collaborative effort to further the common goals of business attraction and retention.
Goal 2
Promote the economic viability of the Redevelopment Area by attracting new development.

The State of California’s Supplemental Augmentation Fund payments of $2,015,341 in FY--10 and $414,923 in FY 10-11 have eliminated funding for any new development. Depending on the outcome of the litigation regarding AB 1X 26 and AB 1X 27, funding for future projects is in question. In the meantime, the Agency has partnered in the following projects/activities:

Project: Stanislaus County Courthouse
Agency Expenditure: TBD
Status: Under consideration by the State of California
This project includes both RDA owned property and privately owned property together, located on the corner of 10th and I Streets. The State of California is conducting a search for a location to build a new Stanislaus County Courthouse. Given the serious decline in development activity over the last several years, this project will bring jobs and renewed vitality to the downtown area.

Project: Historic Graffiti Cruise Route
Agency Expenditure: Staff time
Status: Designation Established, Private Donor Recruitment underway.
This project is a collaboration of the Redevelopment Agency, the Downtown Improvement District, the Convention and Visitors’ Bureau and a local community advocate. In February 2011, the City Council designated 10th and 11th Streets between I and J the Historic Graffiti Cruise Route in honor of Modesto’s role as the location for the movie American Graffiti and the community’s rich history with classic cars. In addition to the walking tour designation, the committee has developed flags which hang from street poles along the route and have developed kiosk type signs that will provide information and facts to visitors on the route.

Goal 3
Implement higher density, mixed-use development to create a balanced, vibrant downtown and active neighborhood centers.

The State of California’s Supplemental Augmentation Fund payments of $2,015,341 in FY--10 and $414,923 in FY 10-11 have eliminated funding for any new development. Depending on the outcome of the litigation regarding AB 1X 26 and AB 1X 27, funding for future projects is in question. In the meantime, the Agency has partnered in the following projects/activities

Project: Downtown Streetscape Standards
Agency Expenditure: N/A
Status: Scheduled for Council consideration in December 2011
This item was reviewed by the Council Economic Development Committee in August, 2011 and is schedule for Council consideration in December, 2011. The goal is to develop a street cross section that follows “complete street” principles, facilitating travel by vehicle, transit, bike and foot in a contextually appropriate manner. Implementation of the “future” street cross section will be addressed in the Standard Specifications. City-initiated reconstruction of streets on a block by block basis is one possible implementation method. Large scale redevelopment projects encompassing complete blocks may present another opportunity to implement the downtown street cross section. Small Infill projects or small scale redevelopment efforts (affecting single interior lots within a block or portions of a block) will not likely be subject to the new street standards.
standard. In addition to the street cross section, various street furniture elements have been recommended for incorporation into the Standard Specifications including benches, bike racks, bus shelters, trees and tree cages. Other street furniture elements, such as trash receptacles and lampposts, were determined to be sufficiently addressed by current Standards. The recommended street furniture provides a “timeless” design that ties in with the existing street furniture and respects Modesto’s heritage while remaining relevant and functional into the future.

**Goal 4**
Provide the rationale and impetus for the City to update its development standards to support the goals identified in this document.

**Project: Amendment of City of Modesto Zoning Codes**
**Agency Expenditure:** $0
**Status:** Completed in January 2012
The Zoning Code, the City’s main regulations for land use and development, was originally adopted in 1955 and has since been incrementally updated. The last comprehensive update was completed in the mid-1980’s. This is a comprehensive maintenance update that will modernize and reformat the Zoning Code. The proposed code amendment will not result in major changes to land use requirements and development standards. A summary of this effort includes: Review and update of permitted and conditional land uses; Convert land use provisions from a text format to a table format; Review and update of development standards; Convert standards from a text format to a table format; Review and update of administrative and procedural provisions and provide a new authoritative table.

**Project: Proposition 84 Planning Grant – Form Based Codes**
**Agency Expenditure:** $0
**Status:** In process
Stanislaus County is the lead agency for this grant from the Strategic Growth Council. The City’s portion of the grant award will fund the development of a form-based code to facilitate enhanced economic development in the downtown area, outside of the “downtown core” area that is already subject to an existing form-based code. The project is a revitalization strategy which is expected to reduce vehicle miles traveled, improve non-automobile mode share and reduce air pollution, while increasing property and sales tax revenue. Furthermore, accommodating additional or intensified development downtown will result in improved efficiencies for service provision – including public safety and utilities among others.

**Goal 5**
Develop a variety of housing types in the Redevelopment Area, including affordable housing, particularly in the downtown, to act as a catalyst for other types of development.

**Project: Affordable Housing Project – N. 9th Street**
**Estimated Agency Expenditure:** $6,749,000
**Status:** Construction anticipated to begin in December 2011
On March 21, 2007, the Agency and the City of Modesto were contacted by EAH, Inc., proposing construction of a one-hundred fifty (150) unit affordable housing development (“Archway Commons”) at North 9th and Carver Street in the City of Modesto. Agency and City staff met jointly in preliminary discussions to review options for financial assistance toward the development of “Archway Commons”. Some of the major milestones achieved to date have been:
• The Agency has purchased all the necessary land to develop Archway Commons totaling $3,980,000
• The Agency and the developer EAH, Inc. have executed a Disposition and Development Agreement (DDA)
• Through the executed DDA, the Agency has released $900,000 to the developer for pre-development activities such as site design, engineering, etc.
• The developer has secured all permanent sources of financing for the project with an exception of private equity financing.
• The developer has submitted four applications for Federal & State Tax Credits. In the current economy this process has become extremely difficult but the Agency remains confident that the developer will be successful in obtaining the final piece of funding.

On June 23, 2010, the Agency worked with the developer EAH, Inc. to split the project into two phases. This was done in an effort to strengthen the developers’ Federal & State Tax Credit application. The Agency has allocated a total of $8,947,093 to the project. Through an executed DDA a loan has been established which consist of the remaining $1,869,000 that still needs to be spent for construction activities, $900,000 for pre-development activities and $3,980,000 for land acquisition cost. The total loan amount is $8,749,000. In March 2011, the developer applied for Federal & State Tax Credits worth an estimated $14,000,000. This application was successful in obtain a credit reservation.

At this time, Archway Commons is ready to break ground in March of 2012.

The proposed site for this project demonstrates the following advantages to the Agency:
1. Site is inside the RDA Project Area
2. Site is identified as a Catalyst Site in the RDA Master Plan
3. Site is surrounded on two sides with residential and a neighborhood shopping center, creating a good adjacent land use mix
4. Site was a County island that was annexed into the City as part of the project
5. Site is 8.46 acres which affords room for a significant number of Multi-family apartment rentals

Project: Affordable Housing Project — Palm Valley
Estimated Agency Expenditure: $730,000
Status: Owner Participation Agreement for project development
This is an existing apartment complex on East Coolidge Avenue consisting of 40 units. The Agency partnered with HOME funds to help the local Housing Authority acquire all 40 units and convert the units to affordable housing. The Agency also provided funds to the local Housing Authority to rehabilitate one of the existing units to upgrade to an accessible unit and installed a security gate to fully secure the property. This property was acquired in Fiscal Year 2008-2009 and the property improvements were completed in Fiscal Year 2009-2010. The Agency provided a loan in the amount of $730,000 to finance this project.

Project: Affordable Housing Project — Senior Affordable Units on 412 & 416 Downey Ave.
Estimated Agency Expenditure: $525,000
Status: Purchase of property to construct senior affordable housing
In Fiscal Year 2008 & 2009 the Agency purchased 416 Downey Avenue from the City of Modesto for $525,000. Previously, the property was home to fire station number one which was decommissioned in the 1980’s. The property was operated by building services and used to provide homeless services up until the Agency acquired the property. The property was determined to be unsafe and therefore the building was demolished to pave the way for the future
development of 11 units of senior affordable housing. Shortly after the Agency acquired 416 Downey Avenue, the City of Modesto's Community Development Block Grant (CDBG) funds were used to acquire the adjacent property located at 412 Downey Avenue. The property was purchased so 416 & 412 Downey Avenue could be joined together to make one parcel to provide the necessary building space needed to build the 11 units of senior affordable housing.

CDBG funds demolishing 412 Downey Avenue and the site is ready for development. The Agency released a Request for Proposal (RFP) soliciting for affordable housing developers and on April 6, 2010 the RFP closed. Over the next year the Agency will be working with the chosen developer to develop the project and will assist in the financing components of the project. This project has been placed on hold due the Redevelopment Law suit against the State of California.

**Project: Affordable Housing Project – 17th & G Streets**

**Agency Expenditure:** $780,000

**Status:** Potential location for 48 units for senior housing.

In Fiscal Year 2007 & 2008 the Agency purchased property located at 17th & G Streets for $780,000.00. The property is home to the infamous “Water Tower” which must be removed if the property is to be a viable location for affordable housing. The delay behind this project is due to the securing of funding needed to allow the water tank to be removed. Community Development Block Grant (CDBG) funding has currently budgeted $120,000.00 towards the removal of the water tower allowing the project to move forward in developing affordable housing.

Last fiscal year the Agency released a Request for Qualifications (RFQ) for the development of 17th & G Streets. This RFQ did not require the detailed and specific plans typically requested in this type of process, but rather focused on having the proposers submit information demonstrating their ability to build a complex project on a difficult property (in this case very small). This saved money while producing options for the Agency. Once a developer was selected then the chosen developer was required to submit a full proposal with all specifics contained within its second submittal.

Through the RFQ process, Satellite Housing & American Baptist Homes of the West was selected as the developer. The developer has proposed 48 units of Senior Affordable Housing on this site serving seniors who are at 50% or below the area median income. The project has a timeframe of breaking ground by November 2012.

The Agency is working with the developer on preliminary design issues and towards a funding commitment subject to final Agency approval on June 8, 2010. Once the developer has Agency commitment then the developer will begin working on all other permanent sources of funding needed to make 17th & G Streets a reality. The goal is to have all design & construction documents completed by November 2011 and have all permanent sources of financing secured by November 2012 with construction to follow shortly after.

**Goal 6**

Enhance the visual appeal of Modesto’s public spaces by upgrading existing parks, plazas, and streets, and by creating new parks and plazas that offer public access.

**Project: Downtown Beautification**

**Agency Expenditure:** $0

**Status:** Underway/Ongoing

The Agency is working with local businesses, the Chamber of Commerce, and the Downtown Improvement District to upgrade and enhance the visual appeal of the downtown core area. To date 10th Street (between I and J) and 11th Street (between I and K) have been repaved and
restriped. Curb, gutter and sidewalk have been repaired or replaced and repainted. In addition, through a foundation grant, public safety efforts have been enhanced and events held in the public plaza. Gum removal from the sidewalks is underway.

**Project: Tuolumne River Regional Park**  
**Agency Expenditure: Expense Paid By Private Developers**  
The Tuolumne River is the foremost natural asset bordering the Redevelopment Project Area. The City of Modesto has adopted a Master Plan for the development of this valuable open space. Bluff property overlooking the park should be investigated as a site for a regional educational and recreational facility oriented primarily to children and families.

**Project: New private parks and plazas**  
**Agency Expenditure: Expense Paid By Private Developers**  
As part of the implementation of the form-based zoning code, the Agency will be working with the City Planning Commission to include the development requirement for open space and plazas within all private developments in the Project Area. These open space areas will encourage pedestrian traffic and will also address the issue of building massing in the downtown.

**Goal 7**  
Develop historic I and 10th Streets as an attractive, pedestrian-oriented zone. Create a clear sense of arrival at Modesto’s downtown by enhancing the 6th and I Street Gateway and the intersection of I and 10th Streets.

**Project: Historic Graffiti Cruise Route**  
**Agency Expenditure: $0**  
**Status: Designation Established, Private Donor Recruitment underway.**  
This project is a collaboration of the Redevelopment Agency, the Downtown Improvement District, the Convention and Visitors' Bureau and a local community advocate. In February 2011, the City Council designated 10th and 11th Streets between I and J the Historic Graffiti Cruise Route in honor of Modesto's role as the location for the movie *American Graffiti* and the community's rich history with classic cars. In addition to the walking tour designation, the committee has developed flags which hang from street poles along the route and have developed kiosk type signs that will provide information and facts to visitors on the route.

**Goal 8**  
Promote efficient automobile, bicycle, and pedestrian circulation and linkages into and through the Redevelopment Area.

**Project: Downtown Infrastructure**  
**Agency Expenditure: $300,000**  
**Status: Ongoing**  

**Complete Streets:**  
Work on redesign of the downtown streets to accommodate multiple modes of transportation (i.e., vehicles, bicycles, pedestrians and transit, etc.) began with development of the recently-adopted Downtown Core Zone. Originally intended to apply to the downtown core, the effort has expanded to include the entire downtown area. This project is being facilitated by staff from various disciplines, including Planning, Land Development Engineering, Traffic Engineering, Transit and Parks staff. Several meetings have occurred with the City’s Economic Development...
Committee and members of the public to solicit input on design and various street elements. The next meeting is scheduled for December 13, 2010.

Utilities:
Work on upgrading the utilities (sewer, water and storm drainage) for anticipated downtown redevelopment has recently begun. Like complete streets, this effort is a companion to the recently-adopted Downtown Core Zone. A team of City staff has been selected to project intensification of the downtown over the next several years in order to determine the level of utility upgrades that are necessary in order to accommodate that additional growth.
II. HEALTH AND SAFETY CODE §33080.1(e)

REPORT ON ALL LOANS IN DEFAULT

The Modesto Redevelopment Agency has no loans in excess of $50,000 that are in default from the previous fiscal year or that are not in compliance with the terms of the loan approved by the Agency.
### III. HEALTH AND SAFETY CODE §33080.1(f)

**PROPERTY LISTING**

Property List:

<table>
<thead>
<tr>
<th>APN</th>
<th>Address</th>
<th>Street</th>
<th>City, State</th>
<th>Current use</th>
</tr>
</thead>
<tbody>
<tr>
<td>105-37-32</td>
<td>11TH STREET</td>
<td>11TH ST</td>
<td>MODESTO, CA 95354-0000</td>
<td>Parking garage</td>
</tr>
<tr>
<td>105-37-33</td>
<td>1010 TENTH ST 1st FLOOR</td>
<td>1010 10TH ST</td>
<td>MODESTO, CA 95354</td>
<td>Retail parcel</td>
</tr>
<tr>
<td>105-37-34</td>
<td>1010 TENTH ST 1st FLOOR</td>
<td>10TH ST</td>
<td>MODESTO, CA 95354</td>
<td>Retail parcel</td>
</tr>
<tr>
<td>105-41-21</td>
<td>9TH STREET</td>
<td>9TH ST</td>
<td>MODESTO, CA 95354-0000</td>
<td>Parking garage</td>
</tr>
<tr>
<td>105-48-06</td>
<td>1125 9TH STREET</td>
<td>1125 9TH ST</td>
<td>MODESTO, CA 95354-0000</td>
<td>Parking garage</td>
</tr>
<tr>
<td>105-48-08</td>
<td>9TH STREET</td>
<td>9TH ST</td>
<td>MODESTO, CA 95354-0000</td>
<td>Centre Plaza Bridge</td>
</tr>
<tr>
<td>105-48-11</td>
<td>1150 9TH ST</td>
<td>1150 11TH ST</td>
<td>MODESTO, CA 95354-0000</td>
<td>Centre Plaza</td>
</tr>
<tr>
<td>106-42-01</td>
<td>10th Street &amp; H Street</td>
<td>10TH Street</td>
<td>MODESTO, CA 95354-0000</td>
<td>Parking Lot</td>
</tr>
<tr>
<td>106-42-02</td>
<td>10th Street &amp; H Street</td>
<td>10th Street</td>
<td>MODESTO, CA 95354-0000</td>
<td>Parking Lot</td>
</tr>
<tr>
<td>106-42-03</td>
<td>10th Street &amp; H Street</td>
<td>10th Street</td>
<td>MODESTO, CA 95354-0000</td>
<td>Parking Lot</td>
</tr>
<tr>
<td>106-42-04</td>
<td>10th Street &amp; H Street</td>
<td>10th Street</td>
<td>MODESTO, CA 95354-0000</td>
<td>Parking Lot</td>
</tr>
<tr>
<td>106-06-02</td>
<td>17th &amp; G Street</td>
<td>17th Street</td>
<td>MODESTO, CA 95354-0000</td>
<td>Park Site</td>
</tr>
</tbody>
</table>
Financial information as required by the Health and Safety Code may be found in the State Controller’s Report (Financial Transactions Report) and the Housing and Community Development (HCD) Report, and the SOI contained in this Annual report. That information has been summarized below.

- Amount of outstanding indebtedness of the agency (Cover Page and Form A, SOI):
  - Total Debt - $301,550,750
  - Net Debt $299,573,700 (net of available revenue)
- Amount of gross tax increment generated in the Project Area: (Statement of Income and Expenditures- Revenues, Tax Increment Gross line , from the Financial Transactions Report):
  - $5,750,235
- Amount of tax increment paid to, or spent on behalf of, a taxing agency other than a school or community college district (Pass Through / School District Assistance form from the Financial Transactions Report):
  - $533,584
- The financial transaction report required pursuant to Section 53891 of the Government Code:
  - See the State Controller Financial Transaction Report
- Amount allocated to school or community college districts (Pass Through / School District Assistance form from the Financial Transactions Report):
  - School districts - $555,581
  - Community College - $81,485
- The amount of existing indebtedness, and the total amount of payments required to be paid on existing indebtedness for the fiscal year (Form A, SOI):
  - Amount of existing indebtedness - $299,573,700 (net of available revenue)
  - Amount of payments required for the fiscal year - $6,124,733
- Any other fiscal information which the agency believes useful to describe its programs:
  - None at this time
### STATEMENT OF INDEBTEDNESS - CONSOLIDATED

**FILED FOR THE 2011-12 TAX YEAR**

#### Cover Page

<table>
<thead>
<tr>
<th>Name of Redevelopment Agency</th>
<th>MODESTO REDEVELOPMENT AGENCY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Project Area</td>
<td>MODESTO REDEVELOPMENT PROJECT - AMENDED AREA</td>
</tr>
</tbody>
</table>

#### Balances Carried Forward From:

<table>
<thead>
<tr>
<th>Description</th>
<th>Line</th>
<th>Total Outstanding Debt</th>
<th>Principal/Interest Due During Tax Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Period - Totals</td>
<td>(1)</td>
<td>$203,776,060.80</td>
<td>$4,093,196.00</td>
</tr>
<tr>
<td>(Optional)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Post Fiscal Period - Totals</td>
<td>(2)</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>Grand Totals</td>
<td>(3)</td>
<td>$203,776,060.80</td>
<td>$4,093,196.00</td>
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<tr>
<td>Available Revenues from Calculation of Available Revenues, Line 7</td>
<td>(4)</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Net Requirement</td>
<td>(5)</td>
<td>$203,776,060.80</td>
<td></td>
</tr>
</tbody>
</table>

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

#### Certification of Chief Financial Officer:

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

Gloriette Beck, CPA
Director of Finance

Name: Gloriette Beck
Title: Director of Finance
Signature: [Signature]
Date: September 28, 2011

Rev 6/1/94
# STATEMENT OF INDEBTEDNESS

FILED FOR THE 2011-12 TAX YEAR

**Form A**

**Page 1 of 1 Pages**

**Name of Redevelopment Agency**

**MODESTO REDEVELOPMENT AGENCY**

**Name of Project Area**

**MODESTO REDEVELOPMENT PROJECT - AMENDED AREA**

**For Indebtedness Entered into as of June 30, 2011**

<table>
<thead>
<tr>
<th>Debt Identification</th>
<th>Original Data</th>
<th>Current Data</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Date</td>
<td>Principal</td>
</tr>
<tr>
<td>Pass through:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(A) Y.C.C.D.</td>
<td>11/05/91</td>
<td>4,258,077.00</td>
</tr>
<tr>
<td>(B) Pass through:</td>
<td>11/05/91</td>
<td>23,327,363.00</td>
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<tr>
<td>(C) County Office of Education</td>
<td>11/05/91</td>
<td>3,705,080.00</td>
</tr>
<tr>
<td>Pass through:</td>
<td>11/05/91</td>
<td>29,150,160.00</td>
</tr>
<tr>
<td>(E) Low-Mod Housing Set-aside</td>
<td>11/05/91</td>
<td>32,216,556.00</td>
</tr>
<tr>
<td>Reimbursement Agreement -</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(F) MPF 1998 Lease Revenue Bonds</td>
<td>03/11/98</td>
<td></td>
</tr>
<tr>
<td>(G) Stanislaus Co. Economic Development &quot;Bank&quot; - Kansas Ave BP</td>
<td>11/06/02</td>
<td>405,000.00</td>
</tr>
<tr>
<td>(H) All prior transfers now loans</td>
<td>06/30/03</td>
<td>11,463,277.00</td>
</tr>
<tr>
<td>Reimbursement Agreement -</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(I) MPF 2008 Lease Revenue Bonds</td>
<td>09/01-08</td>
<td>18,633,323.00</td>
</tr>
<tr>
<td>(J) Sub Total, This Page</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals Forward From All Other Pages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grand Totals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available Revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>From Calculation of Available Revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Requirement</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Purpose of Indebtedness:**

(A) Agreement pursuant to H&S Code Section 33401
(B) Agreement pursuant to H&S Code Section 33401
(C) Agreement pursuant to H&S Code Section 33401
(D) Agreement pursuant to H&S Code Section 33401
(E) 20% Low-Mod Income Housing set-aside (new est.)
(F) Modesto Public Financing Authority 1998 Lease Revenue Bonds
(G) Planning costs re: the proposed Kansas Ave. Business Park
(H) Transfers/loans from City, per City Council/RDA 6/30/03
(I) RDA Share of Modesto Financing Authority 2008 Refunding Lease Revenue Bonds
(J)
## RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS

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

**Tax Year**: 2011-12  
**Reconciliation Dates**: From July 1, 2010 To June 30, 2011

### Debit Identification:

<table>
<thead>
<tr>
<th>SOL page and line</th>
<th>Prior Yr</th>
<th>Current Yr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pg 1 A Line A</td>
<td>Y.C.C.D.</td>
<td>6,962,280.95</td>
</tr>
<tr>
<td>Pg 1 B Line A</td>
<td>Modesto City Schools</td>
<td>41,577,875.99</td>
</tr>
<tr>
<td>Pg 1 C Line A</td>
<td>County Office of Education</td>
<td>6,047,474.54</td>
</tr>
<tr>
<td>Pg 1 D Line A</td>
<td>Stanislaus County</td>
<td>51,872,972.57</td>
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<tr>
<td>Pg 1 E Line A</td>
<td>Low-Mod Housing Set-aside</td>
<td>40,920,323.26</td>
</tr>
<tr>
<td>Pg 1 F Line A</td>
<td>Reimbursement Agreement - MFP 1998 Lease Revenue Bonds</td>
<td>-</td>
</tr>
<tr>
<td>Pg 1 G Line A</td>
<td>Stanislaus Co. Economic Development &quot;Bank&quot; - Kansas Ave BP</td>
<td>405,000.00</td>
</tr>
<tr>
<td>Pg 1 H Line A</td>
<td>City of Modesto</td>
<td>interest added</td>
</tr>
<tr>
<td>Pg 1 I Line A</td>
<td>All prior transfers now loans</td>
<td>25,360,965.00</td>
</tr>
<tr>
<td>Pg 1 J Line A</td>
<td>Reimbursement Agreement - MFP 2008 Lease Revenue Bonds</td>
<td>31,454,724.00</td>
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</table>

### Outstanding Debt:

<table>
<thead>
<tr>
<th>Description</th>
<th>Adjustments</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Beginning Indebtedness</td>
<td>(Attach Explanation)</td>
</tr>
</tbody>
</table>

### Adjustments:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amounts Paid Against Indebtedness, from:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Attach Explanation)</td>
<td>Tax Increment</td>
</tr>
</tbody>
</table>

### Remaining Balance:

<table>
<thead>
<tr>
<th>Description</th>
<th>Tax: Increment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Funds</td>
<td>(A+B+C-D-E)</td>
</tr>
</tbody>
</table>

### Totals:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amounts Paid Against Indebtedness, from:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Attach Explanation)</td>
<td>Tax Increment</td>
</tr>
</tbody>
</table>

### NOTE:

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

**Name of Agency**: MODESTO REDEVELOPMENT AGENCY  
**Name of Project Area**: MODESTO REDEVELOPMENT PROJECT - AMENDED AREA  
**Tax Year**: 2011-12  
**Reconciliation Dates**: From July 1, 2010 To June 30, 2011

<table>
<thead>
<tr>
<th>Debt Identification:</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior Yr</td>
<td>Current Yr</td>
<td>Description</td>
<td>Outstanding Debt</td>
<td>Adjustments</td>
<td>Amounts Paid Against</td>
<td>Remaining Balance</td>
</tr>
<tr>
<td>SoL page and line:</td>
<td></td>
<td></td>
<td>All Beginning Indebtedness</td>
<td>Increases (Attach Explanation)</td>
<td>Decreases (Attach Explanation)</td>
<td>Indebtedness, from:</td>
</tr>
<tr>
<td>Pg</td>
<td>new Pg</td>
<td>Line new Line</td>
<td>T/I paid on Orig Area COP</td>
<td></td>
<td></td>
<td>Tax Increment</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1,533,240.75</td>
<td></td>
<td></td>
<td>1,533,240.75</td>
</tr>
<tr>
<td>Pg</td>
<td>new Pg</td>
<td>Line new Line</td>
<td>T/I for Admin &amp; ERAF</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>188,263.00</td>
<td></td>
<td></td>
<td>188,263.00</td>
</tr>
<tr>
<td>Pg</td>
<td>new Pg</td>
<td>Line new Line</td>
<td>T/I for Projects</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>142,004.00</td>
<td></td>
<td></td>
<td>142,004.00</td>
</tr>
</tbody>
</table>

**TOTAL - THIS PAGE**: 1,863,507.75  

**NOTE**: Column A must equal the previous year Statement of Indebtedness Outstanding Debt. Column F must equal this year’s SoL Outstanding Debt Column.
CALCULATION OF AVAILABLE REVENUES

AGENCY NAME  MODESTO-REDEVELOPMENT AGENCY

PROJECT AREA  MODESTO REDEVELOPMENT PROJECT - AMENDED AREA

TAX YEAR  2011-12

RECONCILIATION DATES: JULY 1, 2010 TO JUNE 30, 2011

1. Beginning Balance, Available Revenues
   (See Instructions)  $

2. Tax Increment Received - Gross
   All Tax Increment Revenues, including any Tax Increment
   passed through to other local taxing agencies  $5,291,245.20

3. All other Available Revenues Received
   (See Instructions)  $

4. Revenues from any other source, included
   in Column E of the Reconciliation
   Statement, but not included in (1 - 3) above  $

5. Sum of Lines 1 through 4  $5,291,245.20

6. Total amounts paid against indebtedness
   in previous year. (D + E on Reconciliation Statement)  $5,291,245.20

7. Available Revenues, End of Year (5 - 6)  $0.00
   FORWARD THIS AMOUNT TO STATEMENT OF INDEBTEDNESS

NOTES

Tax Increment Revenues:

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

Item 4. above:

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

Rev (5/2/84)
RESOLUTION AUTHORIZING THE AWARD OF CONTRACT FOR THE PURCHASE OF TWO (2) VAC-CON COMBINATION SEWER AND STORM DRAIN CLEANER TRUCKS FOR THE WATER QUALITY CONTROL DIVISION, WASTEWATER AND STORMWATER COLLECTION SECTIONS THROUGH THE PUBLIC WORKS DEPARTMENT, FLEET SERVICES DIVISION, BY "ACCESSING THE TERMS" OF A COMPETITIVELY BID CONTRACT WITH THE LOS ANGELES COUNTY SANITATION DISTRICT THROUGH MUNICIPAL MAINTENANCE EQUIPMENT, SACRAMENTO, CA, AND AUTHORIZING THE PURCHASING MANAGER TO ISSUE A PURCHASE ORDER FOR AN ESTIMATED TOTAL COST OF $770,614

WHEREAS, the Water Quality Control Division, Wastewater and Stormwater Collection Sections utilizes Vac-Con combination sewer and storm drain cleaner trucks to clean, maintain and repair sewer pipes to comply with the Clean Water Act, and

WHEREAS, the Vac-Con combination sewer and storm drain cleaner trucks are used to clean out roots and grease in sewer lines, keeping them clear of blockages and reducing the potential for sewer system overflows. The trucks are also utilized to clean out storm drain lines and to provide flood control support during storm events, and

WHEREAS, the two (2) Vac-Con combination sewer and storm drain cleaner trucks are replacements for 2001 and 2002 year model units that are at the end of the vehicles useful life and falls under the Air Resources Board (ARB) on-road diesel vehicle regulations, and

WHEREAS, the ARB compliance program rules require that these trucks be retired, replaced or retrofitted to meet new air quality standards. A review of the options revealed that retrofitting these trucks will not meet the compliance criteria due to their operational profile. As a result the compliance program requires that these trucks be replaced, and
WHEREAS, the two (2) Vac-Con combination sewer and storm drain cleaner trucks for the Water Quality Control Division, Wastewater and Stormwater Collection Sections were included in the FY 11/12 new vehicles and heavy equipment budget approved by Council on June 7, 2011 (No. 3550-C.S.), and

WHEREAS, on November 1, 2010, the Los Angeles County Sanitation District went through a competitive bid process for the purchase of a Vac-Con combination sewer and storm drain cleaner truck. The most responsive and responsible bidder that met the bid specifications was Municipal Maintenance Equipment, Sacramento, CA, and

WHEREAS, Municipal Maintenance Equipment was awarded the Los Angeles County Sanitation District bid and is extending the same bid pricing to the City of Modesto, and

WHEREAS, there are no local vendors for this type of equipment and to take advantage of this process and award by “accessing the terms” of the Los Angeles County Sanitation District competitive bid process is an efficient and effective way to purchase this Vac-Con combination sewer and storm drain cleaner truck, by saving the time and expense to the City to formally solicit RFB’s, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed $50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, one exception, MMC Section 8-3.204(d), is available where the Purchasing Manager, in his or her discretion, determines that a process other than the usual formal bid procedure set forth in MMC Section 8-3.203 will result in procurement for the City at the lowest possible cost commensurate with the desired quality. Acting
within his discretion, the Purchasing Manager invoked that exception for this purchase due to the cost savings of staff time and the limited number of competitors. There are no local vendors that can supply this type of equipment. The purchase of two (2) Vac-Con combination sewer and storm drain cleaner trucks, by “accessing the terms” of the Los Angeles County Sanitation District contract with Municipal Maintenance Equipment, Sacramento, CA, conforms to MMC Section 8-3.204(d), and

WHEREAS, sufficient funds are budgeted in Fiscal year 2011-12 in the following Fleet Equipment replacement account: 5410-53241-57003,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the award of contract for the purchase of two (2) Vac-Con combination sewer and storm drain cleaner trucks for the Water Quality Control Division, Wastewater Collection and Stormwater Sections through the Public Works Department, Fleet Services Division, by “accessing the terms” of a competitively bid contract with the Los Angeles County Sanitation District through Municipal Maintenance Equipment, Sacramento, CA.

BE IT FURTHER RESOLVED that the Purchasing Manager, or his designee, is hereby authorized to issue a purchase order for an estimated total cost of $770,614.
The foregoing resolution was introduced at a regular meeting of the Council of
the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez,
who moved its adoption, which motion being duly seconded by Councilmember Cogdill,
was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez,
               Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: ________________________
         STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: ____________________________
    SUSANA ALCALA WOOD, City Attorney
RESOLUTION APPROVING THE FIVE YEAR UPDATE OF THE CITY OF MODESTO LOCAL HAZARD MITIGATION PLAN AND THE STANISLAUS COUNTY MULTI-JURISDICIONAL HAZARD MITIGATION PLAN

WHEREAS, the Disaster Mitigation Act of 2000 (DMA), commonly known as the 2000 Stafford Act amendments, was approved by Congress on October 10, 2000, and

WHEREAS, on October 30, 2000, the President signed the Bill into law creating Public Law 106-390, and

WHEREAS, the purposes of the DMA were to amend the Stafford Act, establish a national program for pre-disaster mitigation, and to streamline the administration of disaster relief, and

WHEREAS, as a result, all government entities are required to have a Local Hazard Mitigation Plan (LHMP), and

WHEREAS, this LHMP allows local entities to receive Federal Emergency Management Association (FEMA) Pre-Disaster Mitigation (PDM) project grants, or to receive post-disaster Hazard Mitigation Grant Program (HMGP) project funding for disasters declared on or after November 1, 2004, and

WHEREAS, this LHMP covers the City of Modesto, including all City Departments and the portion of the Industrial Fire Protection District that currently contracts with the Modesto Fire Department for fire suppression services, and

WHEREAS, the LHMP is presented as a stand-alone document, but works congruently with the City’s Emergency Operations Plan (EOP) to help prepare, respond, and mitigate local disasters, and
WHEREAS, the LHMP is considered the representation of Modesto’s commitment to reduce risks from natural disasters, and

WHEREAS, the update of the LHMP started in October of 2009 with planning meetings with neighboring jurisdictions throughout Stanislaus County, and

WHEREAS, once the planning process meetings concluded a team of City staff was put together from various City departments to review and revise the LHMP to meet new State and Federal requirements, and

WHEREAS, the final document was reviewed and approved by the California Emergency Management Agency (Cal-EMA) on September 22, 2010, and the Federal Emergency Management Agency (FEMA) on March 7, 2011,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the five-year update of the City of Modesto Local Hazard Mitigation Plan and the Stanislaus County Multi-Jurisdictional Hazard Mitigation Plan.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: Stephane Lopez, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: Susana Alcala Wood, City Attorney
MODESTO CITY COUNCIL
RESOLUTION NO. 2011-469

A RESOLUTION APPROVING A DATA SHARING AGREEMENT BETWEEN THE MODESTO POLICE DEPARTMENT AND THE STANISLAUS COUNTY SHERIFF’S DEPARTMENT; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, on July 10, 2007, the City Council, by Resolution No. 2007-426, authorized the award of the proposed contract for an Integrated Public Safety System/Computer Aided Dispatch (CAD), and

WHEREAS, the COPLINK crime analytics system was a component of this regional Integrated Public Safety System Project, and

WHEREAS, COPLINK is a nationally recognized vendor that provides a solution to allow law enforcement agencies to share data, and

WHEREAS, the system provides a single source for analyzing data elements found in various law enforcement systems spanning multiple jurisdictions for the purpose of developing intelligence and identifying criminal suspects, and

WHEREAS, the Modesto Police Department and the Stanislaus County Sheriff’s Department have a need to share structured and seemingly unrelated data housed in separate computer-based record management systems (RMS), and

WHEREAS, consolidating and organizing data under a single highly secure platform and using known facts from ongoing criminal investigations could produce qualified leads within seconds, and

WHEREAS, the City of Modesto and Stanislaus County have partnered to develop and implement this regional system to address data interoperability in Stanislaus County, and
WHEREAS, the Law Enforcement Networking System (LENS) will allow law enforcement and criminal justice agencies throughout Stanislaus County to share information in their records systems and provides the opportunity to connect other regional systems,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Data Sharing Agreement between the Modesto Police Department and the Stanislaus County Sheriff's Department.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
MODESTO CITY COUNCIL
RESOLUTION NO. 2011-470

A RESOLUTION AUTHORIZING THE AWARD OF CONTRACT TO THE SOLE BRAND PROCUREMENT, DESIGN AND INSTALLATION OF LIEBERT UNINTERRUPTIBLE POWER SUPPLY SYSTEM FOR THE MODESTO POLICE DEPARTMENT BY ACCESSING THE TERMS OF THE WESTERN STATE CONTRACT ALLIANCE CONTRACT NUMBER B27164 TO HEWLETT PACKARD DIRECT, THROUGH NWN CORPORATION, SACRAMENTO, CA, AND AUTHORIZING THE PURCHASING MANAGER TO ISSUE A PURCHASE ORDER FOR AN ESTIMATED COST OF $119,800

WHEREAS, NWN Corporation has been awarded a portion of the national contract as third party provider for the Western State Contract Alliance (WSCA) which consists of government agencies in fifteen (15) western states (including Alaska and Hawaii), and

WHEREAS, the State of New Mexico initiated the competitive bidding process for this contract and encourages all WSCA agencies to participate and benefit from the substantially lower pricing, and

WHEREAS, the City of Modesto currently has a Liebert Uninterruptible Power Supply (UPS) in the main datacenter located at 1010 10th Street, and

WHEREAS, the request for a sole brand procurement of a Liebert UPS for the Modesto Police Department (MPD) data center will allow for staff knowledge transfer for one type of UPS and consistency for monitoring and maintenance, and

WHEREAS, Liebert Corporation has recommended NWN Corporation for their design knowledge and expertise in implementation of a Liebert UPS for datacenters, and

WHEREAS, NWN Corporation will utilize a local electrician for all electrical installations, and
WHEREAS, awarding a contract by “accessing the terms” of the WSCA competitive bid process is an efficient and effective way to purchase the design services and installation of a complete Liebert UPS system, and

WHEREAS, the purpose of the UPS is to provide continuous power to all data center computer equipment in the event the power fails, and

WHEREAS, the UPS is the “failsafe” that protects the MPD’s data center, including mission critical servers and data systems, and

WHEREAS, the UPS provides vital temporary power in the event of loss of utility power to allow servers and data systems to shut down in a normal fashion, and

WHEREAS, the immediate mode of shutdown often results in severe damage to the servers and/or data systems, and

WHEREAS, the shutdown of the data center and applications would negatively impact the MPD staff and the citizens of Modesto, and

WHEREAS, the current UPS is beyond capacity, insufficient and may not sustain power draw demands for all systems, and

WHEREAS, due to the critical need the Information Technology Department obtained a cost estimate from NWN Corporation and electrical contract experienced in UPS system, taking advantage of the WSCA pricing, including installation and construction material,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the award of contract for the sole brand procurement, design, and installation of a Liebert 40kVANX Uninterruptible Power Supply for an estimated cost of $119,800.
BE IT FURTHER RESOLVED that the Purchasing Manager, or his designee, is hereby authorized to issue a purchase order for an estimated cost of $119,800.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13 day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature]

(SEAL)

APPROVED AS TO FORM:

By: [Signature]

SUSANA ALCALA WOOD, City Attorney
RESOLUTION APPROVING A SECOND AMENDMENT TO THE HOME LOAN AGREEMENT BETWEEN THE CITY OF MODESTO AND EAH, INC. TO UTILIZE $250,000 FROM THE $1 MILLION LOAN AS AN INTERIM GAP FINANCING TO START THE PROJECT; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AMENDMENT TO AGREEMENT AND ANY RELATED DOCUMENTS

WHEREAS, on August 11, 2009, the City Council, by Resolution No. 2009-392, approved a HOME loan in the amount of $1 million for the development of a 150-unit affordable housing project proposed by EAH, Inc., also referred as to Archway Commons, and

WHEREAS, on February 22, 2011, the City Council, by Resolution No. 2011-060, approved an Amendment to the HOME Loan Agreement between the City of Modesto and EAH, Inc. for the proposed development of affordable housing units, also known as Archway Commons, and

WHEREAS, in the last tax credit funding cycle, EAH, Inc. received an award for nine percent (9%) tax credits and will proceed to construction start by March 26, 2012, and

WHEREAS, on October 14, 2011, EAH, Inc. submitted a request to utilize $250,000 of the HOME loan amount as an interim gap financing until permanent financing is secured,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Second Amendment to the HOME Loan Agreement between the City of Modesto and EAH, Inc. for the proposed development of affordable housing units, also known as Archway Commons.
BE IT FURTHER RESOLVED by the Council of the City of Modesto that the City Manager, or his designee, is hereby authorized to execute the Second Amendment to Agreement and related documents.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: ____________________________

SEAL

APPROVED AS TO FORM:

By: ________________________________

SUSANA ALCALA WOOD, City Attorney
MODESTO CITY COUNCIL
RESOLUTION NO. 2011-472

RESOLUTION RESCINDING RESOLUTION NO. 2010-238 FOR THE SOLE SOURCE PROCUREMENT FOR THE PURCHASE AND INSTALLATION OF MOTOROLA P25 SIMULCAST CELL, DIGITAL TRUNKING PUBLIC SAFETY COMMUNICATION EQUIPMENT FOR THE MODESTO POLICE DEPARTMENT AND STANISLAUS REGIONAL COMMUNICATIONS CENTER TO MOTOROLA COMMUNICATIONS, BURLINGAME, CA, AND DELTA WIRELESS, TURLOCK, CA

WHEREAS, four years ago Stanislaus County hired MACRO Corp. through an RFP process to perform a county-wide communications study, and

WHEREAS, MACRO Corp. recommended a county-wide, 14-site, 700-800 MHz, P25, linear simulcast trunking system be installed to replace all existing communication systems in the County, and

WHEREAS, this system would provide much needed inter-operability between all agencies and would improve radio communications county-wide, and

WHEREAS, a committee comprised of members of public safety departments from around Stanislaus County researched and determined that Motorola was the best choice at that time, and

WHEREAS, the committee asked permission to seek a sole source procurement to purchase from Motorola and although we met the requirements for the City to seek a sole source purchase, the committee later discovered that we did not meet the requirements that the Federal Government required for a sole source purchase, and

WHEREAS, the committee is asking that we now take our project to a formal “Request for Proposal” (RFP) process,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby rescinds Resolution No. 2010-238 for the sole source procurement for the
purchase and installation of Motorola P25 Simulcast Cell, Digital Trunking Public Safety Communication Equipment for the Modesto Police Department and Stanislaus Regional Communications Center to Motorola Communications, Burlingame, CA, and Delta Wireless, Turlock, CA.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 

(SEAL)

APPROVED AS TO FORM:

By: 

SUSANA ALCALA WOOD, City Attorney
MODESTO CITY COUNCIL
RESOLUTION NO. 2011-473

RESOLUTION AUTHORIZING STANISLAUS COUNTY TO ISSUE AND AWARD THE PROPOSAL FOR THE P25 SIMULCAST CELL, DIGITAL TRUNKING PUBLIC SAFETY COMMUNICATION EQUIPMENT

WHEREAS, four years ago Stanislaus County hired MACRO Corp. through an RFP process to perform a county-wide communications study, and

WHEREAS, MACRO Corp. recommended a county-wide, 14-site, 700-800 MHz, P25, linear simulcast trunking system be installed to replace all existing communication systems in the county, and

WHEREAS, this system would provide much needed inter-operability between all agencies and will improve radio communications county-wide, and

WHEREAS, a committee comprised of members of public safety departments from around Stanislaus County researched and determined that Motorola was the best choice at that time, and

WHEREAS, the committee asked permission to seek a sole source procurement to purchase from Motorola and although we met the requirements for the City to seek a sole source purchase, the committee later discovered that we did not meet the requirements that the Federal Government required for a sole source purchase, and

WHEREAS, the committee is asking that we now take our project to a formal “Request for Proposal” (RFP) process, and

WHEREAS, the Stanislaus County Purchasing Department will be the lead in this project working in close cooperation with City of Modesto Purchasing Department,
NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes Stanislaus County to issue and award the proposal for the P25 Simulcast Cell, Digital Trunking Public Safety Communication Equipment.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature] STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: [Signature] SUSANA ALCALA WOOD, City Attorney
RESOLUTION ACCEPTING THE PRELIMINARY DESIGN REPORT DATED NOVEMBER 1, 2011 FOR REHABILITATION OF EMERALD LIFT STATION PROJECT AS COMPLETE

WHEREAS, the Emerald Sanitary Lift Station was built in 1953 and last remodeled in 1994, and

WHEREAS, based on the Condition Assessment conducted as part of the City’s 2007 Wastewater Collection System Master Plan (WWMP), section 6.4.2.1, this lift station requires remodel or replacement, and

WHEREAS, on March 22, 2011, by Resolution No. 2011-101, the City Council approved an agreement with HDR to complete the 35% design services for Rehabilitation of Emerald Lift Station project and summarize the project scope and cost estimates in a Preliminary Design Report (PDR), and

WHEREAS, both Public Works and Utility Planning & Projects staff worked closely with HDR to develop the PDR, and

WHEREAS, the 35% PDR has been successfully completed by HDR, and will serve as the basis for the final design of Rehabilitation of Emerald Lift Station project,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the Preliminary Design Report dated November 1, 2011 for Rehabilitation of Emerald Lift Station project as complete.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
RESOLUTION ACCEPTING THE PRELIMINARY DESIGN REPORT DATED AUGUST 31, 2011 FOR REPLACEMENT OF HAHN LIFT STATION PROJECT AS COMPLETE

WHEREAS, the Hahn Sanitary Lift Station was built in 1975 and last remodeled in 1999, and

WHEREAS, the dry well of the existing station is located under the middle of the curb return at the southeast corner of Honeycreek Road and Nightingale Drive (3808 Honeycreek Rd.), and the wet well is located at the centerline intersection of the streets, and

WHEREAS, based on the Capacity Evaluation and the Condition Assessment conducted as part of the 2007 Wastewater Collection System Master Plan (WWMP), sections 5.2.1.3.5 and 6.4.1.3, this lift station requires replacement, and

WHEREAS, the new site is located at 3200 Nightingale Drive, and

WHEREAS, on March 22, 2011, by Resolution No. 2011-101, the City Council approved an agreement with HDR to complete the 35% design services for Rehabilitation of Emerald Lift Station project and summarize the project scope and cost estimates in a Preliminary Design Report (PDR), and

WHEREAS, both Public Works and Utility Planning & Projects staff worked closely with HDR to develop the PDR, and

WHEREAS, the 35% PDR has been successfully completed by HDR, and will serve as the basis for the final design of Replacement of Hahn Lift Station project,
NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the Preliminary Design Report dated August 31, 2011 for Replacement of Hahn Lift Station project as complete.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: _________________

STEFANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: _______________________

SUSANA ALCALA WOOD, City Attorney
MODESTO CITY COUNCIL
RESOLUTION NO. 2011-476

RESOLUTION APPROVING AN AGREEMENT WITH HDR ENGINEERING, INC. FOR FINAL DESIGN SERVICES FOR EMERALD LIFT STATION PROJECT IN AN AMOUNT NOT TO EXCEED $287,749 FOR THE IDENTIFIED SCOPE OF SERVICES, PLUS $28,775 FOR ADDITIONAL SERVICES (IF NEEDED), FOR A MAXIMUM TOTAL AMOUNT OF $316,524, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the Emerald Sanitary Lift Station was built in 1953 and last remodeled in 1994, and

WHEREAS, based on the Condition Assessment conducted as part of the City’s 2007 Wastewater Collection System Master Plan (WWMP), section 6.4.2.1, this lift station requires remodel or replacement, and

WHEREAS, on March 22, 2011, by Resolution No. 2011-101, the City Council approved an agreement with HDR to prepare Preliminary Design Reports (PDRs) for both Rehabilitation of Emerald Lift Station and Replacement of Hahn Lift Station projects, and

WHEREAS, both Public Works and Utility Planning & Projects staff worked closely with HDR to develop the PDR, and

WHEREAS, the 35% PDR has been successfully completed by HDR, and will serve as the basis for the final design of Rehabilitation of Emerald Lift Station project, and

WHEREAS, this Final Design Services Agreement will allow for the final design, development of biddable documents, and assistance during the bid period for the project, and
WHEREAS, City staff recommends approving an Agreement with HDR as the City does not have the staffing level or subject matter expertise to complete the Final Design Services for Rehabilitation of Emerald Lift Station project, and current workload levels do not provide for timely in-house solutions/responses,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with HDR Engineering, Inc. for final design services for Rehabilitation of Emerald Lift Station project an amount not to exceed $287,749 for the identified scope of services, plus $28,775 for additional services (if needed), for a maximum total amount of $316,524.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
RESOLUTION APPROVING A MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF MODESTO AND THE COUNTY OF STANISLAUS FOR SERVICES PROVIDED BY THE CITY RELATED TO THE AIRPORT DISTRICT SEWER SYSTEM DESIGN, IN THE NOT-TO-EXCEED AMOUNT OF $266,200; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the existing sewer facilities serving residential properties in the Airport District consist of privately owned residential septic tanks, and

WHEREAS, the County of Stanislaus (County) has the need for sewer design services for its Airport District Septic to Sewer Planning, Design and Engineering Project, and

WHEREAS, the City of Modesto (City) has qualified staff with the experience to perform design services and the work set forth in the Scope of Services in the attached Memorandum of Agreement (MOA), and

WHEREAS, the County has agreed to compensate the City for design services related to the County’s Airport District Septic to Sewer Planning, Design and Engineering Project, in the not-to-exceed amount of $266,200, and

WHEREAS, the purpose of this MOA is to facilitate cooperation between the City and the County for the above referenced services,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Memorandum of Agreement between the City of Modesto and the County of Stanislaus for services provided by the City related to the Airport District Sewer System Design, in the not-to-exceed amount of $266,200.
BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Memorandum of Agreement.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
MEMORANDUM OF AGREEMENT
FOR SERVICES RELATED TO
AIRPORT DISTRICT SEWER SYSTEM DESIGN
(Sewer Design Services)

This memorandum of agreement (MOA) is made and entered into this 13th day of December, 2011, by and between the City of Modesto (hereinafter referred to as “City”) located at 1010 10th Street, Suite 4600 P.O. Box 642, Modesto, CA 95353, and the County of Stanislaus (hereinafter referred to as “County”) located at 1716 Morgan Road, Modesto, CA 95358.

INTRODUCTION

WHEREAS, the existing sewer facilities serving residential properties in Airport District consist of privately owned residential septic tanks. The design of sewer system, to connect residential properties within Airport District to the City of Modesto sewer system, will be funded by the Cleanup and Abatement Account Grant from the California State Water Board.

WHEREAS, County has the need for sewer design services for the Airport District Septic to Sewer Planning, Design and Engineering Project (hereinafter referred to as “Project”). The purpose of this MOA is to facilitate cooperation between the City and the County for the above referenced services.

WHEREAS, City of Modesto has the qualified staff with the experience to perform such services;

NOW, THEREFORE, the parties hereby mutually agree as follow:

TERMS AND CONDITIONS

1 SCOPE OF WORK:

1.1 City shall furnish to the County those services and work set forth in the attached Exhibit “A”, entitled “Scope of Services”, hereby incorporated and made a part of this MOA.

2 WORK SCHEDULE:

2.1 City agrees to perform in a timely manner, those services set forth in Exhibit “A”, within the dates specified on said exhibit and titled “Project Timeline.” Failure to meet the schedule could result in loss of funding from the Cleanup and Abatement Account Grant.

3 COMPENSATION:

3.1 County agrees to compensate City for those services set forth in Exhibit “A” using the method defined in said exhibit and titled “Compensation.”

4 TERM:

4.1 The term of this MOA shall be from the dates of approval of this MOA until completion of the services as set forth in Exhibit “A” and any written amendments or changes thereof.

ATTACHMENT 3
5 AMENDMENTS:

5.1 This MOA may be modified, amended, changed, added to or subtracted from or terminated by the mutual consent of the parties hereto if such amendment or changes is in written form and executed with the same formalities as this MOA and attached to the original continuity.

6 TERMINATION:

6.1 Either party may terminate this Agreement upon 30 days written notice to the other party. Expenditures through the date of termination will be reimbursed to the City.

7 INDEMNITY:

7.1 Each Party mutually agrees, pursuant to Government Code section 895.4, to indemnify, hold harmless, and defend the other Party, its County Board of Supervisors, City Councils, boards and commissions, officers, agents, employees, and volunteers (collectively, the "indemnified Parties") in an amount equal to its proportionate share of liability on a comparative fault basis. This indemnity obligation shall exist with respect to any claim, loss, liability, damage, lawsuit, cost or expense that arises out of, or is any way related to, the performance of services pursuant to this Agreement. This indemnity obligation extends, without limitation, to any injury, death, loss, or damage which occurs in the performance of the Agreement and that is sustained by a third party, agent, or contractor of a Party. Each Party executing this Agreement certifies that it has adequate self insured retention of funds to meet any obligation arising from this Agreement, and it shall continue to maintain such funds throughout the Term of this Agreement.

Notwithstanding the foregoing, nothing herein shall be construed to require any Party to indemnify any other Party from any Claim arising from the sole negligence or willful misconduct of another Party. Nothing in this section shall be construed as authorizing an award of attorney fees in any action on or to enforce the terms of this Agreement. This indemnity shall apply to all Claims and liability regardless of whether any insurance policies are applicable. Any policy limits shall not act as a limitation upon the amount of indemnification to be provided.

7.2 At its sole discretion, the indemnified Party may participate at its own expense in the defense of any claim, action or proceeding, but such participation shall not relieve the indemnitor of any obligation imposed by this Agreement. The Parties shall notify each other promptly of any claim, action or proceeding and cooperate fully in the defense. The Parties agree to defend themselves from any claim, action or proceeding arising out of the concurrent acts or omissions of each Party. In such cases, the Parties agree to retain their own legal counsel, bear their own defense costs, and waive their right to seek reimbursement of such costs. Where a trial verdict or arbitration award allocates or determines the comparative fault of the parties, the Parties may seek reimbursement and/or reallocation of defense costs, settlement payments, judgments and awards, consistent with such comparative fault. The provisions of this section shall survive the termination of this Agreement.
8 ENTIRE UNDERSTANDING:

8.1 This MOA contains the entire understanding of the parties and no representations, inducements, promises, or agreements otherwise between the parties not embodied herein or incorporated here by reference shall be of any force of effect.
IN WITNESS WHEREOF, the City of Modesto, a municipal corporation, has authorized the execution of this Agreement in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No. 2011-____, adopted by the Council of the City of Modesto on the 13th day of December, 2011, and COUNTY has authorized the execution of this Agreement in duplicate by the Director of the Department of Planning and Community Development under authority of Resolution No. D-1, adopted by the Board of Supervisors of Stanislaus County on the 4th day of October, 2011.

CITY OF MODESTO, a Municipal Corporation

By ____________________________
GREG NYHOFF, City Manager

COUNTY OF STANISLAUS, a Political Subdivision of the State of California

By ____________________________
KIRK FORD, Director
Department of Planning and Community Development

ATTEST:

By ____________________________
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:
JOHN DOERING, County Counsel

By ____________________________
THOMAS E. BOZE,
Deputy County Counsel

APPROVED AS TO FORM:
SUSANA ALCALA WOOD, City Attorney

By ____________________________
ROLAND R. STEVENS,
Assistant City Attorney
EXHIBIT A
SCOPE OF SERVICES

It is the intent of City of Modesto to provide all aspects of sewer system design services for this project and work in full cooperation and at the direction of the County ("Client").

<table>
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<tr>
<th>TASK 1 - PROJECT MANAGEMENT</th>
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Task 1.1 – Project Meetings

Conduct project meetings and regular correspondence with client.

a. Project kickoff meeting.
b. Communications and progress meetings to coordinate the work with utilities, design team, and the client (6 meetings).
c. 30, 60 and 90-percent design review meetings to receive and discuss client review comments to be incorporated into the final design.

Task 1.2 – Project Tracking

Provide a primary point of contact to the City Design Staff's team. Schedule regular progress meetings and incorporate directives and recommendations into the final design effort. Maintain schedule and budget accountability and provide monthly progress reports to keep the client informed about City Design Staff's progress.

Task 1.3 – Project Schedule

City Design Staff will prepare and maintain a project schedule to track the tasks and milestones for completing the final design.

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<tr>
<th>TASK 2 – FIELD INVESTIGATIONS</th>
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Task 2.1 – Coordinate with Existing Utilities

City Design Staff will coordinate with the agencies and utility companies identified needed to confirm locations of utilities and work with the utility owners to avoid conflicts with the design of the proposed sewer and structures.

Task 2.2 – Topographic Survey

City Design Staff will perform a topographic design level survey for confirmation and identification of surface features that will affect the design and placement of the sewer lines. City Design Staff shall perform a survey of the alignment to identify property lines, easements, current elevations, visible surface features of existing utilities, existing structures and to reconcile any discrepancies with base maps.

Pothole existing road at all locations critical for sewer design and construction. Locate any existing utilities that may conflict with installation of the proposed sewer improvements. For budgeting purposes assume one week of backhoe time to verify all vertical constraints for the sewer design.
TASK 3 – PRELIMINARY DESIGN

City Design Staff will prepare and provide a preliminary design report to the client for review and comment that shall include a preliminary layout (30% design) and engineer’s preliminary cost estimate based upon topographic survey, existing utilities and other constraints.

TASK 4 – CONSTRUCTION DOCUMENTS

Task 4.1 – Develop 60 Percent Plans and Specifications

Provide 60% construction documents to the client for review and comment. Three (3) half size plan sets, one (1) full size plan set, three (3) copies of specifications in Special Provisions Format and an updated cost estimate will be provided for review along with an electronic copy of all submittal documents.

Task 4.2 – Develop 90 Percent Plans and Specifications

City Design Staff will incorporate 60% submittal review comments from the client for Task 4.1 into the 90% construction documents and resubmit to the client for review along with an electronic copy of all submittal documents. Three (3) half size plan sets, one (1) full size plan set, three (3) copies of specifications in Special Provisions Format and an updated cost estimate will be provided for review.

Task 4.3 – Develop FINAL Plans and Specifications

City Design Staff will incorporate 100% submittal review comments from the client for Task 4.2 into the FINAL construction documents and provide to the client for bidding purposes.

Deliverables:

- **Plans:** Two sets of full-size (24” x36”) drawings with County provided borders. All sheets shall be uniform size as specified on the County Design Criteria. The plans shall be in a format to allow construction staking directly from the plans. One wet-stamped by engineer on vellum, the other on bond. CD containing electronic files of plans produced in a format readable by Auto Desk Civil 3D, release 2010.

- **Specifications:** Three bound copies of the Special Provisions relevant to the Project that will be used by the County to advertise and construct the project. Cover to be wet-stamped by engineer; engineer’s opinion of construction costs in bid schedule format; and a CD containing electronic files of the specifications in Microsoft Word (one file) and PDF format (one file). Special Provisions shall be delivered to the County after 100% plans are ready and signed by the engineer.

Task 4.4 – Develop Estimate of Probable Costs

City Design Staff will utilize the most current cost data and information from recent projects to update the cost estimates provided in the preliminary design. Project estimate prepared by the City of Modesto shall use Caltrans standard bid item descriptions wherever possible. Three hard copies and one electronic copy on a CD of final signed and stamped engineer’s estimate shall be delivered to the County after 100% plans are signed by the engineer. Note, the County will use engineer’s estimate to prepare bid quantities that will be released to public during project advertisement for construction. The City of Modesto shall be responsible and accountable for the accuracy of the
final engineer's estimate. It is ideal that the lowest bid for construction is below engineer's estimate.

PROJECT TIMELINE

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% Plans</td>
<td>February, 2012</td>
</tr>
<tr>
<td>60% Plans</td>
<td>April, 2012</td>
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<tr>
<td>90% Plans</td>
<td>May, 2012</td>
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<tr>
<td>100% Plans</td>
<td>June, 2012</td>
</tr>
<tr>
<td>Specifications</td>
<td>August, 2012</td>
</tr>
<tr>
<td>Bid Opening</td>
<td>September, 2012</td>
</tr>
<tr>
<td>Award contract</td>
<td>October, 2012</td>
</tr>
</tbody>
</table>

COMPENSATION:

City of Modesto will be compensated on a time and material basis, based on the actual hours worked by the City of Modesto employees at the weighted hourly rates in effect at the time of performance of the work. The parties hereto acknowledge the maximum amount to be paid by the County for the service provided shall not exceed the following: $266,200.

City of Modesto will invoice County on monthly basis for services performed by City of Modesto on said project. The County Department of Public Works will review and approve invoices. City of Modesto shall provide all the back up detail to support the invoiced charges.

[END of Exhibit]
RESOLUTION APPROVING AN AGREEMENT WITH CALIFORNIA VALLEY REAL ESTATE, INC. DBA PRUDENTIAL CALIFORNIA REALTY FOR ON-CALL REAL ESTATE BROKER SERVICES FOR VARIOUS UTILITY PLANNING & PROJECTS – CAPITAL IMPROVEMENT PROGRAM PROJECTS FOR ONE YEAR, WITH TWO ONE-YEAR EXTENSION OPTIONS, AT THE SOLE DISCRETION OF THE CITY, IN AN AMOUNT NOT TO EXCEED $100,000 PER YEAR, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT, AND UP TO TWO ONE-YEAR EXTENSION OPTIONS

WHEREAS, the Utility Planning and Projects Department (UP&P) has received requests to market and sell certain surplus City parcels, and

WHEREAS, in order to facilitate the requests, UP&P has determined the best method to market the properties is through the use of professional real estate brokers, and

WHEREAS, real estate firms have the resources to widely list the surplus properties, by using numerous listing and advertising services for maximum exposure to the general public, and

WHEREAS, on May 11, 2011, in compliance with Administrative Directive 3.1, Selection Procedures for Professional Consultants Who Provide Architectural and Engineering Services for Capital Projects, a Request for Qualifications and Proposals was initiated to perform on-call real estate broker services, and

WHEREAS, the Request for Qualifications was sent to nine (9) real estate broker firms. We received responses from four (4) firms who provided Qualification Statements and all were interviewed by the selection panel, which was comprised of three staff members of UP&P, and

WHEREAS, three (3) consulting firms, consisting of Rand Commercial Properties, Prudential California Realty, and Coldwell Banker Commercial, were chosen
as the most qualified since they are all licensed by the state and have several years experience in marketing and selling Modesto area properties, and

WHEREAS, subsequent to the selection process, Coldwell Banker Commercial withdrew its name from the selection list, and

WHEREAS, the remaining two firms are deemed qualified to provide the requested on-call real estate broker services in a timely, efficient, and cost effective manner, and

WHEREAS, Prudential California Realty (Prudential) of Modesto began under a different name and later changed its name when it became Prudential; it has over 45 years of experience in Modesto and the Central Valley, and

WHEREAS, this firm has previously provided services to other government agencies, including the U.S. Government, the State of California, and Stanislaus County, and

WHEREAS, Prudential will charge the City a six percent (6%) commission rate, which is the real estate industry standard rate, and

WHEREAS, Prudential’s marketing strategy is thorough, well experienced in the Modesto market, and has an edge with a more creative marketing strategy, and

WHEREAS, both firms use the standard listing services and Prudential uses additional services with state and national exposure, including direct e-mail marketing to its list of interested buyers, and

WHEREAS, it is also a larger firm with separate agents assigned to residential and commercial properties for City-owned parcels, and
WHEREAS, no new budget allocation will be sought because the project specific task orders under the agreement will be paid from existing CIPs, and

WHEREAS, Prudential will submit a written scope of services outlining the specific work, schedule, and cost estimate associated with each task order, and

WHEREAS, Prudential will perform no service until Capital Improvement Services management has approved the proposed specific task order and a written Notice to Proceed (NTP) is prepared and sent to Prudential prior to commencement of services, and

WHEREAS, at time of closing, Prudential shall be paid commission out of proceeds from the sale of the subject property by the title company, and

WHEREAS, revenues from the proceeds from property sales will be returned to each specific CIP project that originally funded the project, or determined on a case by case basis, and

WHEREAS, City staff recommends an On-call Appraisal and Consultant Services Agreement with Prudential be approved,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with California Valley Real Estate, Inc. dba Prudential California Realty for On-call Appraisal and Consultant Services for various Utility Planning & Project Dept. – Capital Improvement Program projects for one year, with two one-year extension options at the sole discretion of the City in an amount not to exceed $100,000 per year. Total cost for three years is not to exceed $300,000.
BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute said Agreement with California Valley Real Estate, Inc. dba Prudential California Realty, and up to two one-year extension options.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 

(SIGNATURE)

STEFANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 

SUSANA ALCALA WOOD, City Attorney
RESOLUTION APPROVING AN AGREEMENT WITH RAND COMMERCIAL PROPERTIES FOR ON-CALL REAL ESTATE BROKER SERVICES FOR VARIOUS UTILITY PLANNING & PROJECTS – CAPITAL IMPROVEMENT PROGRAM PROJECTS FOR ONE YEAR, WITH TWO ONE-YEAR EXTENSION OPTIONS, AT THE SOLE DISCRETION OF THE CITY, IN AN AMOUNT NOT TO EXCEED $100,000 PER YEAR, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT, AND UP TO TWO ONE-YEAR EXTENSION OPTIONS

WHEREAS, the Utility Planning and Projects Department (UP&P) has received requests to market and sell certain surplus City parcels, and

WHEREAS, in order to facilitate the requests, UP&P has determined the best method to market the properties is through the use of professional real estate brokers, and

WHEREAS, real estate firms have the resources to widely list the surplus properties, by using numerous listing and advertising services for maximum exposure to the general public, and

WHEREAS, on May 11, 2011, in compliance with Administrative Directive 3.1, Selection Procedures for Professional Consultants Who Provide Architectural and Engineering Services for Capital Projects, a Request for Qualifications and Proposals was initiated to perform on-call real estate broker services, and

WHEREAS, the Request for Qualifications was sent to nine (9) real estate broker firms. We received responses from four (4) firms who provided Qualification Statements and all were interviewed by the selection panel, which was comprised of three staff members of UP&P, and

WHEREAS, three (3) consulting firms, consisting of Rand Commercial Properties, Prudential California Realty, and Coldwell Banker Commercial, were chosen
as the most qualified since they are all licensed by the state and have several years experience in marketing and selling Modesto area properties, and

WHEREAS, subsequent to the selection process, Coldwell Banker Commercial withdrew its name from the selection list, and

WHEREAS, the remaining two firms are deemed qualified to provide the requested on-call real estate broker services in a timely, efficient, and cost effective manner, and

WHEREAS, Rand Commercial Properties (Rand) of Modesto, has over 32 years of local real estate experience and has previously worked with the City of Modesto successfully selling and leasing various properties, and

WHEREAS, Rand will charge the City a five percent (5%) commission rate, which is less than the real estate industry standard rate, and

WHEREAS, Rand is a smaller firm, not associated with a national chain, and is able to charge the lesser rate to attract more business, and

WHEREAS, this is a benefit to the City to be able to realize a significant savings that may total several thousand dollars over the life of the on-call agreement with Rand, and

WHEREAS, Rand has a proven track record of successfully bringing together sellers and buyers, and has previously represented the City in selling and leasing City property, and

WHEREAS, no new budget allocation will be sought because the project specific task orders under the agreement will be paid from existing CIPs, and
WHEREAS, Rand will submit a written scope of services outlining the specific work, schedule, and cost estimate associated with each task order, and

WHEREAS, Rand will perform no service until Capital Improvement Services management has approved the proposed specific task order and a written Notice to Proceed (NTP) is prepared and sent to Rand prior to commencement of services, and

WHEREAS, at time of closing, Rand shall be paid commission out of proceeds from the sale of the subject property by the title company, and

WHEREAS, revenues from the proceeds from property sales will be returned to each specific CIP project that originally funded the project, or determined on a case by case basis, and

WHEREAS, City staff recommends an On-call Appraisal and Consultant Services Agreement with Rand be approved,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with Rand Commercial Properties for On-call Appraisal and Consultant Services for various Utility Planning & Project Dept. – Capital Improvement Program projects for one year, with two one-year extension options at the sole discretion of the City in an amount not to exceed $100,000 per year. Total cost for three years is not to exceed $300,000.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute said Agreement with Rand Commercial Properties, and up to two one-year extension options.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(S Seal)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
RESOLUTION NO. 2011-480

RESOLUTION REJECTING ALL BIDS FOR THE PHASE 2 BNR/TERTIARY TREATMENT PROJECT PRELIMINARY SITE PREPARATION

WHEREAS, as part of the Phase 2 BNR/Tertiary Wastewater Treatment Project (Phase 2 Project), the City submitted an application to receive a loan through the Clean Water State Revolving Fund (CWSRF) to fund the project, and

WHEREAS, there have been unanticipated delays during the review of the CWSRF loan application which in turn delayed the advertisement and impacted the construction schedule of the Phase 2 Project, and

WHEREAS, staff determined that pre-construction site preparation activities were necessary in order to keep as much as possible of the construction schedule intact in an effort to meet the regulatory compliance date, and

WHEREAS, bids received for the Preliminary Site Preparation project were opened at 11:00 a.m. on September 6, 2011, and later tabulated by the Director of Utility Planning & Projects for the consideration of the Council, and

WHEREAS, the City has since received CWSRF funding approval earlier than originally anticipated which consequently no longer creates the need for pre-construction site preparation activities, and

WHEREAS, City staff recommends rejecting all bids received for the Phase 2 BNR/Tertiary Treatment Project Preliminary Site Plan and reincorporating the site preparation activities into the Phase 2 Project,
NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby rejects all bids received for the Phase 2 BNR/Tertiary Treatment Project Preliminary Site Plan opened in the office of the City Clerk on September 6, 2011.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Cogdill, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature]

STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: [Signature]

SUSANA ALCALA WOOD, City Attorney
RESOLUTION APPROVING A FINDING THAT THE PHASE 2 BNR/TERTIARY WASTEWATER TREATMENT PROJECT IS SUBSTANTIALLY COMPLEX AND THEREFORE REQUIRES A HIGHER RETENTION AMOUNT THAN FIVE PERCENT (5%)

WHEREAS, on October 9, 2011, California Governor Brown signed Senate Bill 293 (SB 293) into law, which includes the adoption of new Public Contract Code Section 7201 and caps retention of progress payments for all public works projects at 5%, and

WHEREAS, Section 7201 allows retention to exceed 5% on specific projects where the governing body has approved a finding during a scheduled public hearing and prior to bid that the project is substantially complex and therefore requires a higher retention amount than 5%, and

WHEREAS, both the finding and the actual approved retention must be included in the bid documents, and

WHEREAS, City staff began advertising for bids on November 8, 2011 for the Phase 2 BNR/Tertiary Wastewater Treatment Project and intends to open bids on January 18, 2012, and

WHEREAS, the current bid documents do not reflect the new SB 293 as it relates to retention, and

WHEREAS, City staff has determined that the Phase 2 BNR/Tertiary Wastewater Treatment Project is substantially complex based on factors including its size, the length of time to construct the project and the highly technological equipment involved, and
WHEREAS, City staff recommends approving a finding that the Phase 2 BNR/Tertiary Wastewater Treatment Project is substantially complex and therefore requires a retention higher than 5%, and

WHEREAS, notice of the public hearing has been duly given as required by Public Contract Code Section 7201, and the Council has heretofore held such public hearing at which all interested persons were given an opportunity to be heard on all matters related to the Phase 2 BNR/Tertiary Wastewater Treatment Project retention,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a finding that the Phase 2 BNR/Tertiary Wastewater Treatment Project is substantially complex and therefore requires a retention higher than five percent (5%).

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Muratore, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
MODESTO CITY COUNCIL
RESOLUTION NO. 2011-482

RESOLUTION APPROVING A RETENTION IN THE AMOUNT OF TEN PERCENT (10%) FOR THE PHASE 2 BNR/TERTIARY WASTEWATER TREATMENT PROJECT

WHEREAS, on October 9, 2011, California Governor Brown signed Senate Bill 293 (SB 293) into law which includes the adoption of new Public Contract Code Section 7201 and caps retention of progress payments for all public works projects at 5%, and

WHEREAS, Section 7201 allows retention to exceed 5% on specific projects where the governing body has approved a finding during a scheduled public hearing and prior to bid that the project is substantially complex and therefore requires a higher retention amount than 5%, and

WHEREAS, both the finding and the actual approved retention must be included in the bid documents, and

WHEREAS, City staff began advertising for bids on November 8, 2011 for the Phase 2 BNR/Tertiary Wastewater Treatment Project and intends to open bids on January 18, 2012, and

WHEREAS, the current bid documents do not reflect the new SB 293 as it relates to retention, and

WHEREAS, City staff has determined that the Phase 2 BNR/Tertiary Wastewater Treatment Project is substantially complex based on factors including its size, the length of time to construct the project and the highly technological equipment involved, and

WHEREAS, City staff recommends approving a retention in the amount of 10% as part security for fulfillment of the contract by the contractor, and
WHEREAS, notice of the public hearing has been duly given as required by Public Contract Code Section 7201, and the Council has heretofore held such public hearing at which all interested persons were given an opportunity to be heard on all matters related to the Phase 2 BNR/Tertiary Wastewater Treatment Project retention,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a retention in the amount of ten percent (10%) for the Phase 2 BNR/Tertiary Wastewater Treatment Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Muratore, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
A RESOLUTION ADOPTING THE ECONOMIC DEVELOPMENT INCENTIVE PROGRAM AS RECOMMENDED BY THE COMPREHENSIVE Fee Task Force AND REPEALING MUNICIPAL CODE 8-7.01 THROUGH 8-7.09.

WHEREAS, the City Council Finance Committee approved the formation of the Comprehensive Fee Task Force (CFTF) on November 23, 2009, and

WHEREAS, one of the primary objectives of the CFTF was to evaluate and coordinate development fees to ensure they were aligned with the development process, and

WHEREAS, the CFTF made recommendations for new development fees, policy process and procedural changes that were adopted by the City Council in Resolutions 2011-104, 2011-105 and 2011-106, and

WHEREAS, the CFTF was directed by the Finance Committee to continue their work and recommend an Economic Development Incentive Program to assist in the attraction of new business and retention of existing business and the creation of jobs in Modesto, and

WHEREAS, the CFTF considered the goals and strategies of the City of Modesto 2003 Economic Development Plan to identify categories that best measure economic value, and

WHEREAS, the Task Force agreed on the following measurement categories:

1. IMPLAN
2. Number of jobs created
3. Location
4. Infrastructure and services impact
5. Bonus points for higher paid jobs and mixed use projects
WHEREAS, the Finance Committee reviewed and recommended approval of the Task Force recommendations on September 26, 2011,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Economic Development Incentive Program using the five measurement categories as recommended by the Comprehensive Fee Task Force and described further in Attachment A, and repealing Municipal Code 8-7.01 through 8-7.06.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney
CITY OF MODESTO
ECONOMIC DEVELOPMENT PLAN

PREPARED FOR
CITY OF MODESTO

PREPARED BY
ESI CORPORATION
300 West Clarendon
Suite 470
Phoenix, AZ 85013
PH: 602.265.6120
EMAIL: info@esicorp.net
www.esicorp.net

JUNE 2003
ACKNOWLEDGEMENTS

This report was prepared in consultation with the City of Modesto, the Economic Development and Workforce Alliance (The Alliance) and the Modesto Economic Development Committee whose representatives are noted below.

Modesto Economic Development Committee

George Boodrookas, Modesto Junior College
David Boring, Downtown Improvement District
Linda Boston, City of Modesto
George Britton, City of Modesto
Bill Conrad, City Council
Jack Crist, City of Modesto
Melissa Hardy, City of Modesto
Denny Jackman, City of Modesto
Brad Kilger, City of Modesto
Chris Mayer, Modesto Irrigation District
Delyn Meyers, The Alliance
Will O'Bryant, City of Modesto
David Olson, Taco Bell/OCAT Inc.
Gary Plumer, Chamber of Commerce
Carmen Sabatino, City of Modesto
Laurie Smith, City of Modesto
Carletta Evans Steele, State of California EDD - Stanislaus Co. Branches
Jim Swaney, Valley Air District
Lorne Truscott, Panelized Structures
Brian Velthoen, Velthoen Associates
Debra Whitmore, Stanislaus Council of Governments
Dennis Wilson, Horizon Consulting
Bill Zoslocki, Bill Zoslocki Construction

This report was funded by the California Department of Housing and Community Development, Jobs to Housing Balance Improvement Grant Program.
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EXECUTIVE SUMMARY

Communities today can no longer rely on being the low cost alternative to achieve economic development success. Companies are no longer wooed solely by the notion of cheap land and electric rates, but are also looking for unique value. The business of economic development has become more complex with a whole new set of variables such as global competition, advanced technologies and a volatile labor market. The new paradigm that cities must embrace to be successful has changed from marketing a low cost location to seeding a high quality of life that encourages entrepreneurship and attracts or “grows” knowledge workers. The key to success is ensuring that all companies become New Economy industries by adopting the latest technology, training their workers and exporting to global markets.

Facing the challenges of competition in a global economy will be an important key to succeed in economic development in the city of Modesto and Stanislaus County. Having a highly productive workforce, convenient transportation networks, advanced telecommunications infrastructure, and a coveted quality of life are among the key factors that can make a community more desirable.

To help position Modesto in the global economy, city leaders participated in a city and countywide economic development planning process. This process resulted in the creation of a five-year economic development strategic plan to guide economic development decisions and policy in Modesto. Concurrent to the Modesto planning process was the development of a Countywide Economic Development and Marketing Plan whose sole purpose is to support and facilitate economic development in Modesto and other Stanislaus County partner communities.

In creating the Modesto and countywide plans, the ESI Strategic Planning Team conducted a variety of research and planning activities. This included a thorough review of previous studies and plans on the region, county, and cities; local and regional evaluations of site selection factors such as land, building, utilities, and workforce; analysis of industries that would be a good fit for the county; and a marketing assessment.

KEY FINDINGS

An aggressive public policy framework for economic development must be undertaken which addresses the key issues hampering economic growth in Modesto and Stanislaus County. Many of these issues must be resolved at the regional level, while some of them at the local level. The collective interests and participation of government, education, business and social service agencies will be necessary in order to achieve any measure of success.

LEADERSHIP

Stanislaus County, like many other regions, has conducted numerous studies over the years which identified a variety of issues to be addressed. Many of the issues identified are fundamental to economic growth and some speak to the area’s quality of life. In most cases, these studies and plans are still as applicable today as when they were first drafted. However, they lacked the
leadership, collaboration, human and financial resources, and political will necessary for implementation. Fragmentation of leadership, lack of consensus and a culture of blame and mistrust permeate the area which has hindered the advancement of countywide goals.

**EDUCATION**

Education and skills are the ticket to upward mobility and increased earnings. More than one-half the jobs created in the U.S. between 1984 and 2005 will require some education beyond high school. In 2000, nearly 30 percent of the county’s population 25 and older did not have a high school diploma, and only 14 percent had a four year college degree or higher, this compared to the state at 23 percent and 27 percent respectively. The next generation does not appear to be changing this trend of lower educational achievement. In Stanislaus County 3.7 percent of high school students dropped out in the 2000-2001 school year compared to 2.8 percent in the state, and only 25 percent of high school seniors took the SAT or ACT, the common tests needed to enter college, compared to 38 percent at the state level. The situation for Hispanic students is even more concerning as they represent one-third of the total high school students, but over half of the dropouts.

**WORKFORCE**

The county experienced significant job growth from 1991 to 2000, growing by 22 percent compared to the neighboring counties of Merced and San Joaquin that grew by 6 and 20 percent respectively. However, the average wage in Stanislaus County grew by only 4 percent when adjusted for inflation showing that the jobs added were not of the type to change the overall trends in the local economy. In addition, unemployment rates remained twice as high as the state, with significant seasonal fluctuations. In 2000, over 20 percent of the employed residents of Stanislaus County worked outside the county.

In comparing regions that Stanislaus County competes with it was revealed that wage rates are a major strength for the county. However, limited basic skills, drug and alcohol issues, and limited English language skills were identified as challenges that employers face. The population and workforce is growing, with all key occupations expected to increase. Skilled job availability is below average, while unskilled, semiskilled, and management availability is above average. Clerical availability is very good. The county lacks engineering or Ph.D. level programs; however California State University, Stanislaus recently started the Agriculture Studies Department to address an important educational track for the local economy. Modesto’s education community has begun addressing some of the basic workforce challenges by linking business and education through programs that give students and teachers workplace experience through mentoring and internships.

---

TRANSPORTATION

Infrastructure has always played an important role in economic development. Investments in commonly shared economic resources, such as roads and bridges, allowed companies in an industrial economy to be more productive. In Stanislaus County the transportation infrastructure has not kept pace with growth. Much of the existing infrastructure is antiquated and the financial resources are not available to increase overall capacity of the existing transportation network. There is also a lack of consensus on the part of decision makers as to the construction priorities. StanCOG estimates that the minimum transportation needs in the county exceed currently available funding by $1.6 billion. While many communities across the country today are focusing on the development of New Economy infrastructure, Stanislaus County has to play catch up and significantly increase its investment in transportation improvements.

SITES, BUILDINGS, AND INFRASTRUCTURE

It goes without saying that communities who are successful at recruitment and retention have an adequate supply of fully improved land and vacant buildings. Having an inventory of suitable space will position the County well into the future to successfully compete for quality business opportunities. Today the county lacks large, fully improved sites that are ready for construction, and available buildings that meet current industry standards. There are however many large sites without infrastructure and small sites that are ready for construction. The soon to be available West Patterson Business Park is an excellent example of a business park that meets the needs of today’s business.

QUALITY OF LIFE

The key to recruiting and retaining companies in an economy in which skills are the scarcest resource is attracting or “growing” knowledge workers. As a result enhancing the quality of life by providing abundant amenities, a clean environment, and a superior quality of life is more important today to attract and retain a quality labor force.

The communities in Stanislaus County offer a variety of lifestyle choices from urban downtowns to rural ranches. The planned Gallo Arts Center and white river rafting are two examples of the diversity offered. Cost of living and housing prices are lower than large metropolitan areas where the county may attract businesses from, however housing prices are slightly higher than some regional competitors.

AIR QUALITY

Stanislaus County is within the San Joaquin Valley Air Pollution Control District, an eight county region which includes San Joaquin County to the north and Kern County to the south. The combination of internal and external factors results in a non-attainment designation for ozone and PM-10 by both Federal and State criteria for the entire district. While Stanislaus County itself has only minor pollution issues, the higher pollution levels in the southern counties impact the designation for the entire district. The effects of non-attainment status are the need to develop a plan to achieve attainment, and increased federal and state regulation of the amount of pollution that can be emitted by businesses.
ATTACHMENT A

RECOMMENDATIONS

Focusing resources and policy efforts towards improving or rectifying the key issues identified by the ESI Strategic Planning Team will position the county, the cities, and The Alliance in developing a vibrant economy and building stronger sustainable communities. Recommendations presented here will help advance the larger progressive goals, such as higher incomes, new job opportunities, more individual choice and stronger communities. Some of the recommendations are best implemented on a city level while others are best at the countywide level.

ECONOMIC DEVELOPMENT

- Develop The Alliance into a true public private partnership for the implementation of economic and workforce development activities. Increase participation and financial contributions from the private sector.
- Create an economic development team (EDT) that will serve as an advisory committee to The Alliance by providing input on marketing, industry targets, research needs, and economic development process and procedures. The Economic Development Team (EDT) should include the key person responsible for economic development from the county and each member city.
- Bring together CEOs and general managers of local companies quarterly to understand the key issues in the business community.
- Develop a countywide Agri-Sciences Industry Cluster. This group of the core agriculture businesses, their related support industries, academia, and workforce training providers will work to improve the competitiveness and profitability of the industry by connecting business with suppliers; academia for innovation; and workforce development for skills enhancement.

EDUCATION AND WORKFORCE

- Develop strong connections between universities, colleges, the public sector, and business community to ensure that research priorities and economic development strategies are linked. This should include the development of a four-year engineering degree focused on agriculture that can be obtained entirely within Stanislaus County.
- Develop a continuum of education from pre-school through elementary school, high school, post secondary technical schools, and colleges. The continuum should offer smooth transitions and articulation of programs between institutions. It should further build relationships between educators to identify challenges, exchange successful strategies, and develop inter-institution solutions.
- Strengthen the relationships between business and K-12 educators. Relationships are strained in many communities as businesspeople do not see quality workers emerging from the K-12 education system, and educators believe that the community at large does not understand the often conflicting mandates with which they must contend. Businesspeople need to understand their dual roles of both explaining their needs to educators and offering workplace experiences for students. Educators need to clearly articulate their constraints, work with the businesspeople to identify solutions to their issues, and be open to regular modification of programs to meet the changing needs of business.
- Implement strategies to lower the dropout rate in the county, especially among Hispanic teenagers.
- Develop post-secondary training programs that hold both businesses and educators accountable for outcomes. Too often educators attempt to build programs that meet the needs
of business but miss the mark due to reasons that include incomplete articulation of needs from the business community or misinterpretation by the educators. Both parties need to work together to continually assess and refine programs to meet the desired outcome.

**BUSINESS DEVELOPMENT**

- Foster entrepreneurship and small businesses through targeted training and the creation of a business incubator.
- Develop a collaborative approach to business retention and expansion that will utilize the resources of The Alliance, local chambers of commerce, and jurisdictional staff to meet with existing businesses and spread the word about new programs.

**INFRASTRUCTURE AND SITES**

- Prioritize and fund needed transportation improvements. Although various groups have come together in the recent past, a solution agreeable to all parties remains elusive. A solution with widespread political support from the business community as well as local and county governments must be developed.
- Increase the amount of land available for commercial and industrial development by extending infrastructure and developing business and industrial parks.

**AIR QUALITY**

- Confront the issues of air quality in advance of federal sanctions. The air quality issues facing the county are not likely to go away, and choosing a wait-and-see course of action may not be the best approach due to the long timeframes needed to implement a chosen course.

**MODESTO STRATEGIC DIRECTION**

The Modesto economic development plan is a blueprint of the city’s priorities in the area of economic development over the next five years. It identifies specific issues that the city will focus on, and the strategies to be undertaken to perpetuate short and long term economic development successes for Modesto. This plan was developed in conjunction with the Modesto Economic Development Committee and city staff. Their participation in meetings and input to draft reports helped mold a realistic plan that can be implemented over the course of the next five years.

As a foundation to build from, the Modesto Economic Development Committee used the City of Modesto’s vision, which follows here:

*Modesto: A healthy, safe, attractive, economically vibrant, socially diverse and culturally rich city with a strong sense of identity and pride, a community engaged in the practice of citizenship with governance based on the principle of stewardship.*
The Modesto Strategic Planning Team built on the City’s overall vision by agreeing upon the following economic development directive for the future of the community.

*Modesto will be an economically diverse and vibrant community, which works with its partners in the region to implement economic development practices that encourage businesses which raise our community’s median income and reduces unemployment.*

The findings from our research and analysis include a number of key strengths to leverage and key weaknesses to overcome in order for Modesto to optimize business development opportunities.¹

**STRENGTHS TO LEVERAGE**
- Low electric power costs
- Proximity to State Highway 99
- Center of government for Stanislaus County
- Mainline rail access
- Revitalized and flourishing downtown
- Home of the Gallo Arts Center and other cultural amenities
- Planned office projects in downtown
- Large outcommuting population - could be enticed to work locally
- Labor availability is above average (except skilled)
- Quality of life - ability to relocate management

**WEAKNESSES TO OVERCOME**
- Limited land available for immediate construction due to lack of infrastructure
- Lack of available buildings that meet current market needs and demand
- Lack of basic skills and employability

This plan includes many goals and strategies that will be beneficial to the economic development efforts of the city of Modesto. The Economic Development Committee wanted to ensure a plan that included all the key issues as well as many opportunities for diverse stakeholders to identify some of the ways in which they can have a positive impact on the future success of the community. Pursuing some of these may be beyond the resources available to the city in the next five years, however there are three major issues / opportunities that must be addressed for this to be dubbed a successful plan.

¹ Derived from various research. Major sources: Labor and Wage Analysis and Strengths and Weaknesses Assessment – City of Modesto prepared by the ESI Corp Strategic Planning Team in 2002.
1. Adding ready to build land to the City’s inventory is a key component to bringing in new jobs to the community. The Kansas-Woodland Business Park and the North Gateway/Kiernan Business Park are the two projects that are most active at this time. Addressing the federal and state regulatory and permitting requirements at the Kansas-Woodland site to ensure that it continues to move forward will be critical to bringing the project online in a timely fashion. Continuing to work with property owners, the County and others in the North Gateway/Kiernan area is important to laying the groundwork for quality development to occur in this area.

2. The development process is an important part of doing business in a community, and one that the local government can readily control. From streamlining the process to investing in state-of-the-art technology, improvements can be made to appeal to the needs of a business community that everyday must move faster.

3. Downtown Modesto is a true asset to the community. Business, entertainment, government, culture and other activities all occur in this vibrant part of the city. Residential development, business development, beautification and infrastructure investments will be the anchors for an even more vibrant and successful downtown Modesto.
**SUMMARY OF GOALS**

The Modesto Economic Development Plan includes the following seven goals, which are summarized below and organized by focus area. The implementation of these goals, in tandem with the countywide goals, will quickly position Modesto in a more competitive role relative to strengthening economic development and building a sustainable economy.

<table>
<thead>
<tr>
<th>OVERALL GOAL</th>
<th>GOAL 1</th>
<th>Modesto will be designated a “Livable Community” in recognition of its efforts to improve the business climate and quality of life of its residents.</th>
</tr>
</thead>
<tbody>
<tr>
<td>SITES AND BUILDINGS</td>
<td>GOAL 2</td>
<td>Business and industrial parks and ready-to-go sites and buildings will be available to meet the needs of business.</td>
</tr>
<tr>
<td>SITES AND BUILDINGS</td>
<td>GOAL 3</td>
<td>The City’s development process will be efficient, customer friendly and informative.</td>
</tr>
<tr>
<td>INFRASTRUCTURE</td>
<td>GOAL 4</td>
<td>Infrastructure will meet the needs of existing and future businesses and residents.</td>
</tr>
<tr>
<td>DOWNTOWN AND CULTURAL VIBRANCY</td>
<td>GOAL 5</td>
<td>Our downtown will be a vibrant government, financial, corporate and regional entertainment center with high-density housing and services.</td>
</tr>
<tr>
<td>BUSINESS DEVELOPMENT</td>
<td>GOAL 6</td>
<td>The individual resources of the City of Modesto, The Alliance, the Modesto Chamber of Commerce and the Modesto Convention and Visitors Bureau (CVB) and other key economic development partners will be maximized to achieve common goals.</td>
</tr>
<tr>
<td>WORKFORCE DEVELOPMENT</td>
<td>GOAL 7</td>
<td>Workforce support programs will be available to Modesto residents so that anyone who is interested in working will have that opportunity.</td>
</tr>
</tbody>
</table>
I. INTRODUCTION

Economic development strategic planning has never been more important to the future success of communities, regions, states or even nations than it is today. The speed of socioeconomic change and technological advances are increasing around the world, and therefore having a plan in place that provides solid footing to address these changes is important. The challenge that economic development faces today is providing value and remaining relevant in this changing world.

In order to provide value and stay relevant, the focus of economic development must be twofold: 1) foster a business environment that will allow a company to be more profitable relative to its other global location options and competitors, and 2) foster a quality of life that will attract and retain skilled workers and corporate decision makers. Economic development today must focus not just on being a cost competitive location, but on offering value. Therefore, factors such as productivity, profitability, quality of life, and many others are evaluated by companies in determining where to startup or expand an operation.

Competition in the global marketplace cannot be underestimated as the world grows closer together through socioeconomic ties, technology advancements, and improved transportation systems. The ease of entering foreign markets, for both production and sales, means that most companies work on an international scale or compete with companies that do. Therefore Modesto and Stanislaus County must foster an environment that will allow its businesses to compete globally.

Communities today need a workforce that is motivated and trainable to fit into the higher productivity jobs that will remain in the U.S. They need the ability to quickly and efficiently bring in materials and ship out goods to a global marketplace. A smooth and simple development process is needed that will allow a company to startup or expand on their schedule, not the schedule of the local jurisdiction. The community must offer a quality of life that will attract and retain the skilled workers that will be demanded in any location they choose to locate. This is the environment that is needed to stay relevant.

Economic development is not just the field of business recruitment, retention, and expansion, it involves reforming the workforce development system, marshaling public investment in infrastructure, and molding tax and regulatory policy. To be successful the private and public sectors will need to work as a team, each contributing staff time and financial resources to the economic development efforts. The City of Modesto Community and Economic Development Department will be the primary entity guiding this local plan, and this role includes implementation, coordination and team building. Collaboration with key stakeholders will be the catalyst for community action, which will help build economic sustainability and vitality for the community.

COLLABORATION

The California Department of Housing and Community Development (HCD) during 2001 announced a grant opportunity under the Jobs-Housing Balance Improvement Program. This
program allowed communities who met HCDs criteria of: 1) having fewer than 1.5 jobs per housing unit and 2) a current housing plan, the opportunity to submit an application for funding to conduct economic development planning.

Leaders in the community determined that a collaborative approach to obtain grant money for the county and eligible communities would be beneficial and submitted application for funding. HCD announced their awards and Stanislaus County, Waterford, Modesto, Turlock, Ceres and Newman were approved for funding. For three cities that did not meet the criteria, Hughson, Oakdale, and Patterson, the Stanislaus County Workforce Investment Board decided to provide funding in order to ensure a comprehensive countywide planning process. The ESI Strategic Planning Team was hired to prepare a countywide economic development and marketing plan and a strategic economic development plan for each city and the unincorporated county.

**Planning Process**

The planning process employed for this project drew on the strengths and resources of the entire county to develop a plan for the city of Modesto. While the primary input for Modesto's plan came from the Modesto Economic Development Committee and the City of Modesto, the local plan benefited from the countywide efforts conducted on a parallel track. The following are summaries of the background components of the planning effort conducted by the ESI Strategic Planning Team:

- **Previous Studies and Plans** – The project team reviewed various county-specific studies on topics including: the economic base, industry clusters and targets, telecommunications and technology, regional transportation and freight, unemployment and workforce development, and the vision for the future.

- **Economic Summit** – An Economic Summit was held May 14, 2002 to give leaders throughout the county an opportunity to identify the key opportunities and issues they thought were most important for Stanislaus County to focus on in the future.

- **Labor and Wage Analysis** – This was an evaluation of the labor force of Stanislaus County from the point of view of a corporate site selector. A total of 27 interviews with large employers and key organizations active in Stanislaus County took place in April of 2002.

- **Strengths and Weaknesses Analysis** – This examined the communities of Stanislaus County in relation to 19 site selection factors from within the major categories of labor force, transportation / market access, sites and buildings, utility / municipal services, and cost of living / relocation. The city was rated on a scale from 1 to 10 in each factor.

- **Cost Comparison Reports** – These reports compared the costs of locating and operating a hypothetical business in Stanislaus County to other locations in the region and the country. The three types of industries studied were technical support service center, electronics facility, and a plastics molding facility.

- **Mock Site Visit** – This process evaluated how each jurisdiction worked with a corporate site selector during a mock site selection exercise. The process involved an information request for a hypothetical project, and was followed by a site visit interview with each community. A

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3 The City of Riverbank was also awarded the HCD grant. The City developed a local plan and participated in the countywide planning effort.
debriefing was held at the end of the process to provide constructive criticism in order to achieve greater success in future business attraction opportunities

- Industry Cluster Opportunities – An analysis was prepared detailing the key industry cluster opportunities for Stanislaus County based on industries growing locally and/or regionally and paying above average wages. Agri-Sciences was found to be a key opportunity throughout the county, along with medical services.

- Countywide Marketing Plan – The background sections of the plan evaluated the external audience’s perception of Stanislaus County through a survey of national corporate site selectors, assessed the marketability of existing and planned land and buildings based on the key site location factors defined by businesses, and evaluated existing marketing materials and websites produced by each of the jurisdictions. A summary of the goals and strategies contained in the plan is in the following section.

The Modesto Economic Development Committee and city staff were the key groups providing input to the final plan developed. Two meetings were held with the Committee: 1) at the first the group identified their vision and discussed some of the key successes, obstacles and opportunities in the city, and 2) at the second the group discussed the city’s goals and strategies in detail. Meetings were held throughout the process with city staff to understand city policy and to refine the plan into a document that will be implemented in the short and long term.

THREE PLANS

The parallel planning process resulted in the development of three distinct implementation plans. The challenges faced by any one community are multifaceted, and in some cases are specific to that community and in others are shared by the entire county. Each of the plans contains strategies that must be implemented to achieve economic development success at the local and countywide levels. The relationship of these documents is as follows:

1. Modesto Economic Development Plan – Certain economic development issues are inherently local in nature. Examples include readying individual sites for development within the city, redevelopment, downtown beautification, infrastructure development, and maintaining a development process that is straightforward and fair. While there are certainly supporting partners present throughout the county and in some cases beyond, the impetus for action must come from the City and local economic development partners to address these issues.

2. Countywide Economic Development Plan – The countywide economic development and implementation plan specifically addresses issues that transcend municipal boundaries and, while impacting the economic development successes of the cities, are not issues that cities can reasonably confront on their own. Examples include air quality, regional transportation, workforce development, education, and how the cities and The Alliance work together in handling leads and providing data to prospects.

3. Marketing Plan – This plan contains five marketing campaigns, Local Business Development, Downtown Retail Development, Branding (Awareness), Master Developers, and Target Industries. These campaigns are designed to afford each community the opportunity to participate as much or as little as their resources will allow. The campaigns can be implemented by a single community, or a partnership of all or some communities.
II. BACKGROUND

The focus of the plan is to improve the jobs to housing balance in the county and ultimately in Modesto. Many of the specific issues discussed here, such as unemployment and wages are best evaluated in a regional context, as opposed to on a city by city basis. Labor markets do not follow city boundaries, and many of the residents of Modesto are in fact employed in other parts of the county and the region. The way these issues are addressed in the city of Modesto, and how local government and organizations are able to work with regional partners and leverage regional assets are important aspects of the local plan.

Modesto added nearly four times as many jobs as housing units (16,111 new jobs and 4,059 new housing units) between 1991 and 2000. As Chart 1 shows, Stanislaus County, with overall jobs to housing balance of 1.39 in 2000 has an overabundance of housing relative to jobs in comparison to the state average of 1.61 as well as the HCD prescribed guideline of 1.5 jobs per house. Modesto’s ratio of jobs to housing was slightly higher than the county’s at 1.42 in 2000. Stanislaus County has also been plagued by a relatively high unemployment rate (often as much as twice the state average) for decades.

Chart 1 – Job to Housing Balance, Modesto, Stanislaus County, and California, 1991 to 2000

![Chart 1](image)

Source: CA Employment Development Dept., CA Dept. of Finance, US Census, BEA, ESI Corp

For these reasons, the primary focus of economic development planning in the county is directed toward job creation, both to provide more and better opportunities for the existing unemployed workers (in conjunction with coordinated training to ensure that workers have the skills to fill the jobs) and in order to mitigate the need for long and costly commutes by residents. As shown on Chart 2, 11.2 percent of employed Stanislaus County residents commute one hour or more one way to work each day and the average commute time has increased from 22.5 in 1990 to 26.8 in 2000.
Another key issue of importance in Stanislaus County today is the quality of the available jobs. As Chart 3 shows, while the county has generally been fairly successful in job creation efforts, average wages have increased more slowly. This exacerbates the "modern" phenomena whereby more than one full time job is needed to support the household, and the associated issues which include long commutes driven by multiple wage earners with jobs not in proximity to one another, air quality impacts, and a time shortage in the household that limits civic and community involvement.

Chart 3 – Growth in Employment and Average Wages in Stanislaus County, 1991 to 2000

Though Stanislaus County has been relatively successful in job creation efforts in recent years, the potential for housing growth is in many instances greater than the potential for job growth because of transportation infrastructure, lack of suitable sites and available buildings, and market conditions. Overcoming barriers to job creation and creating better (higher skill and higher wage) jobs will be a constant struggle, but one that can and will be undertaken.
MODESTO TODAY

Understanding the socioeconomic make up of the city of Modesto is an important factor in identifying and taking advantage of appropriate opportunities for regional partnerships and targeting local resources optimally for success.

POPULATION

The population of Modesto grew from 164,730 persons in 1990, to 188,856 persons in 2000. With an overall population increase of 15 percent over this ten year period, Modesto grew slightly faster than the state of California (14 percent), yet somewhat slower than Stanislaus County (21 percent).

HOUSING

According to the 2000 census, there are 67,278 total housing units within the city of Modesto, 65,103 of which are occupied. The renter occupation rate is 41 percent. The median home price is $126,000, and the median year that a Modesto home was built is 1975, same as that for Stanislaus County, and newer than California as a whole (1970).

RACE, ETHNICITY AND LANGUAGE

The majority of the population of Modesto is white (70 percent). This is somewhat higher than the share of the population at the state level (60 percent), while at the same time equaling the percentage of Stanislaus County as a whole (70 percent). With 26 percent of Modesto claiming Hispanic or Latino ethnicity, the city possesses a moderately lower proportion of Hispanics and Latinos than the county at 32 percent. Modesto and Stanislaus County contain a similar percentage of African Americans at 5 percent and 3 percent respectively. These both contrast to California’s figure of 7 percent of the state population being African American. American Indians make up 2 percent of the Modesto population, Asians make up 7 percent, and Pacific Islanders constitute a small 1 percent. According to the census, 15 percent of the population of Modesto classify themselves as some race other than those referenced above.

Of the population 5 years and over, 72 percent speak English exclusively at home. The remaining population speaks Spanish (17 percent), Indo-European languages (4 percent), and Asian and Pacific Island languages (5 percent). The city’s percentage of Spanish speakers at home is lower than that of the county at 24 percent, and that of the state of California at 26 percent.

AGE

Age distribution figures for the city indicate that the population of Modesto is relatively young. According to US Census 2000 estimates, 30 percent of Modesto residents are under the age of 18, which is somewhat higher than the same statistic for California (27 percent) and close to

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4 All data referenced in this section is from the US Census.
5 Census respondents are allowed to indicate multiple races and Hispanics can be of any race.
Stanislaus County (31 percent). Conversely, 59 percent of the Modesto population is of the workforce age (age 18 to 64), which mirrors 59 percent for the county, yet falls below 62 percent for California. Persons age 65 and over constitute 11 percent of the population of Modesto, close to the roughly 11 percent of both Stanislaus County and California that fit in the same age category.

**INCOME**

The median household income in Modesto is $40,394, which is nearly identical to the median household income for the county at $40,101. Both of these are somewhat lower than the median household income of California, with a figure of $47,493. It is estimated that 30 percent of Modesto households make below $25,000, while only 10 percent make more than $100,000 annually. A majority of the households (61 percent) make between $25,000 and $100,000. Modesto and the county both have a somewhat higher poverty rate (16 percent) than the state.

**EDUCATIONAL ATTAINMENT**

Modesto is effectively on par with the county and the state in several educational statistics. The percentage of the Modesto population (age 25 and older) with a high school diploma or more currently stands at 75 percent. While this is higher than Stanislaus County at 70 percent, it is fairly close to a figure of 77 percent for California as a whole. About 17 percent of the Modesto population holds a bachelor’s degree or higher, a figure that exceeds the county a whole at 14 percent, but trails the percentage of all Californians (age 25 and older) with a bachelor’s degree or higher at 27 percent.

**EMPLOYMENT**

It is estimated that 28 percent of the employed labor force in Modesto works in management, professional, and related occupations, followed by 28 percent in sales and office occupations, followed by 16 percent in production, transportation, and material moving occupations. This contrasts to Stanislaus County as a whole, where 18 percent of the employed labor force works in production, transportation, and material moving occupations, and a similar 27 percent of the county labor force works in management, professional, and related occupations. At 36 percent, a higher percentage of California’s entire labor force works in management, professional, and related occupations.
Table 1 – Employment by Occupation, Modesto, Stanislaus County, and California, 2000

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Modesto</th>
<th>Stanislaus</th>
<th>California</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed civilian population 16 years</td>
<td>76,567</td>
<td>174,328</td>
<td>14,718,928</td>
</tr>
<tr>
<td>and over</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Management, professional, and related</td>
<td>21,760</td>
<td>46,182</td>
<td>5,295,069</td>
</tr>
<tr>
<td>occupations</td>
<td>28.4%</td>
<td>26.5%</td>
<td>36.0%</td>
</tr>
<tr>
<td>Service occupations</td>
<td>12,206</td>
<td>26,856</td>
<td>2,173,874</td>
</tr>
<tr>
<td></td>
<td>15.9%</td>
<td>15.4%</td>
<td>14.8%</td>
</tr>
<tr>
<td>Sales and office occupations</td>
<td>21,200</td>
<td>44,706</td>
<td>3,939,383</td>
</tr>
<tr>
<td></td>
<td>27.7%</td>
<td>25.6%</td>
<td>26.8%</td>
</tr>
<tr>
<td>Farming, fishing, and forestry occupations</td>
<td>973</td>
<td>6,226</td>
<td>196,695</td>
</tr>
<tr>
<td></td>
<td>1.3%</td>
<td>3.6%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Construction, extraction, and maintenance</td>
<td>8,079</td>
<td>19,877</td>
<td>1,239,160</td>
</tr>
<tr>
<td>occupations</td>
<td>10.6%</td>
<td>11.4%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Production, transportation, and</td>
<td>12,349</td>
<td>30,481</td>
<td>1,874,747</td>
</tr>
<tr>
<td>material moving occupations</td>
<td>16.1%</td>
<td>17.5%</td>
<td>12.7%</td>
</tr>
</tbody>
</table>

Source: US Census

ECONOMY

Stanislaus County has a wide and varied distribution of the industries that employ its growing population. Of these industries, the one that employs the largest percentage of the county’s population is the educational, health and social services sector, accounting for 20 percent of the employed civilian population 16 years and over. This is slightly higher than the corresponding figure for the state of California’s as a whole, of which only 19 percent work in the same industry. The manufacturing industry comes in second for the county; employing 15 percent of Stanislaus County’s employed residents, compared to a slightly smaller percentage of California as a state (13 percent). The retail trade sector follows as the third largest employment industry for Stanislaus, employing 12 percent of the county, which is also somewhat higher than 11 percent for the state. Combined, these three aforementioned industries employ approximately 47 percent of Stanislaus County, with the remaining 53 percent of the county employed across a range of ten other industry categories. Some other industries that employ sizeable portions of the county’s working population are construction at 8 percent, and arts, entertainment, recreation, accommodation and food services at 7 percent. Agriculture, forestry, fishing and hunting, and mining also employ a significant 6 percent of the county’s civilian population 16 years and over. One industry area where Stanislaus County lags the rest of California is in professional, scientific, management, administrative, and waste management services, which claim only 7 percent of the county’s working population, yet employs almost 12 percent of California’s working population.
Table 2 – Employment by Industry, Stanislaus County and California, 2000

<table>
<thead>
<tr>
<th>Industry Category</th>
<th>Stanislaus County</th>
<th>California</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed civilian population 16 years and over</td>
<td>174,328</td>
<td>14,718,928</td>
</tr>
<tr>
<td>Agriculture, forestry, fishing and hunting, and mining</td>
<td>9,715</td>
<td>282,717</td>
</tr>
<tr>
<td>Construction</td>
<td>13,943</td>
<td>915,023</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>25,469</td>
<td>1,930,141</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>7,447</td>
<td>596,309</td>
</tr>
<tr>
<td>Retail trade</td>
<td>21,687</td>
<td>1,641,243</td>
</tr>
<tr>
<td>Transportation and warehousing, and utilities</td>
<td>9,153</td>
<td>689,387</td>
</tr>
<tr>
<td>Information</td>
<td>3,379</td>
<td>577,463</td>
</tr>
<tr>
<td>Finance, insurance, real estate, and rental and leasing</td>
<td>7,881</td>
<td>1,016,916</td>
</tr>
<tr>
<td>Professional, scientific, management, administrative, and waste management services</td>
<td>12,874</td>
<td>1,711,625</td>
</tr>
<tr>
<td>Educational, health and social services</td>
<td>34,825</td>
<td>2,723,928</td>
</tr>
<tr>
<td>Arts, entertainment, recreation, accommodation and food services</td>
<td>11,876</td>
<td>1,204,211</td>
</tr>
<tr>
<td>Other services (except public administration)</td>
<td>9,273</td>
<td>761,154</td>
</tr>
<tr>
<td>Public administration</td>
<td>6,806</td>
<td>668,811</td>
</tr>
</tbody>
</table>

Source: US Census

**INDUSTRY CLUSTERS**

As was eloquently pointed out in earlier Stanislaus County research, "A Job is Not a Job."

Industries which make purchases of raw materials locally provide greater support to the local economy, and industries paying higher wages provide more money for consumers to recirculate through the local economy and also have a greater vested interest in further investment in their workforce.

Given limited resources, strategic application of economic development efforts is necessary to achieve the best possible success. The new paradigm of economic development, which Stanislaus County is well positioned to take advantage of, involves a holistic, comprehensive focus on a limited number of key industries as a way to grow the regional economy. Key industries can mean a number of things, including industries that employ a large share of the local workforce, industries that pay high wages, industries that have rapid expansion potential due to market conditions, industries that support the supply chain of others active in the market and so on. Industry clusters embody these factors in their very definition, as shown on Chart 4.

---

Industry clusters include not only firms active in the same industry and their buyers and suppliers (Trading Sectors), but also other industries that share similar technologies, labor pool, and / or strategies (Related Sectors). When the industry cluster concept is further developed it also considers the Supporting Institutions, such as education and training providers and regulatory agencies, which can support or hinder industries throughout the cluster. The way in which these various entities come together can be enhanced by the recent merger of workforce development and economic development into The Alliance, one of the first mergers of its kind in the nation.

**AGRI-SCIENCES CLUSTER**

Stanislaus County is at an important crossroads today in terms of economic development. The total value of agricultural products produced in Stanislaus County in 2000 was $1.2 billion. Agriculture is, and will continue to be a key economic sector in Stanislaus County. The long term trend in this industry is, however, toward increased use of capital (relative to labor) in production. This means that even while maintaining, and possibly increasing, its position as a large scale supplier of agricultural goods, overall agricultural employment in Stanislaus County is likely to remain flat or decrease and the jobs that remain will require (on average) higher skill levels and new skill sets.

The county is well represented in agricultural production and in associated manufacturing industries such as food processing and canning. The brightest future of the county, however, lies in further developing the Agri-Sciences Industry Cluster (of which the aforementioned are an important part) by taking advantage of existing competencies, integrating new and existing
institutions and partnerships, and investing in and providing tools for success to the local workforce.

**MEDICAL SERVICES CLUSTER**

Medical services has been identified as an emerging cluster in Stanislaus County to be targeted at the local level. Health care jobs are among the fastest growing in the country. Nationwide shortages of nurses and skilled care professionals make the need to develop local programs to train these individuals and support their career development evident. Health care can be an economic engine for Modesto and Stanislaus County through the siting of hospital campuses and other medical office space, which can employ thousands of health care workers at above average wages.

There are nearly 700 health-care related firms in the county that employ over 13,500 people. Except for intermediate care facilities (SIC 8052) and psychiatric hospitals (SIC 8063) all sectors are represented in Stanislaus County. The industry has shown excellent growth in Stanislaus County over the past ten years and continued growth is projected nationally. Through a coordinated effort the hope is that the county will become the regional medical services hub of the entire Central Valley. Working to develop a formalized industry cluster in this area will facilitate opportunities for supporting activities and research and enhance efforts to retain and recruit associated businesses.

**BUSINESS SERVICES CLUSTER**

As the center of business and government in Stanislaus County, Modesto will focus on developing the business services cluster. Banking, real estate, advertising, engineering, and architecture are examples of the types of firms that make up higher end business services. While distinct in their fields of specialization, they share many of the same clients and have similar needs for qualified support staff. Strengthening the relationships between these firms will help build the business services industry through referrals and other linkages to keep these activities from leaking outside the county.
III. MODESTO ECONOMIC DEVELOPMENT PLAN

The city of Modesto's economic development plan is a blueprint of the city's priorities in the area of economic development over the next five years. It identifies specific issues that the city will focus on, and the strategies to be undertaken to perpetuate short and long term economic development successes for Modesto. The specific allocation of staff and financial resources for the implementation of the plan will be determined at the time the steps are taken.

This plan has been developed in support of the City of Modesto's vision:

*Modesto: A healthy, safe, attractive, economically vibrant, socially diverse and culturally rich city with a strong sense of identity and pride, a community engaged in the practice of citizenship with governance based on the principle of stewardship.*

The Modesto Strategic Planning Team built on the City's overall vision by developing the following economic development directive:

*Modesto will be an economically diverse and vibrant community, which works with its partners in the region to implement economic development practices that encourage businesses which raise our community's median income and reduces unemployment.*

This plan includes many goals and strategies that will be beneficial to the economic development efforts of the city of Modesto. The Economic Development Committee wanted to ensure a plan that included all the key issues as well as many opportunities for diverse stakeholders to identify some of the ways in which they can have a positive impact on the future success of the community. Pursuing some of these may be beyond the resources available to the city in the next five years, however there are three major issues / opportunities that must be addressed for this to be dubbed a successful plan.

1. Adding ready to build land to the City’s inventory is a key component to bringing in new jobs to the community. The Kansas-Woodland Business Park and the North Gateway/Kieman Business Park are the two projects that are most active at this time. Addressing the federal and state regulatory and permitting requirements at the Kansas-Woodland site to ensure that it continues to move forward will be critical to bringing the project online in a timely fashion. Continuing to work with property owners, the County and others in the North
Gateway/Kiernan area is important to laying the groundwork for quality development to occur in this area.

2. The development process is an important part of doing business in a community, and one that the local government can readily control. From streamlining the process to investing in state-of-the-art technology, improvements can be made to appeal to the needs of a business community that everyday must move faster.

3. Downtown Modesto is a true asset to the community. Business, entertainment, government, culture and other activities all occur in this vibrant part of the city. Residential development, business development, beautification and infrastructure investments will be the anchors for an even more vibrant and successful downtown Modesto.

FOCUS AREAS

The economic development plan is divided into six sections: one overall goal and five focus areas. The overall goal relates to coalescing an effort to achieve the "Livable City" designation from the Partners of Livable Cities organization. This goal impacts all of the subsequent goals because for Modesto to receive this designation it will need to be a leader in economic development and community development. The other goals in this plan are listed under the following five key focus areas:

- Sites and Buildings
- Infrastructure
- Downtown and Cultural Vibrancy
- Business Development
- Workforce Development

PLAN ELEMENTS

- Goal – Goals represent our conception of the preferred state of being.
- Current Situation – The current situation describes how things are in the city and / or county today.
- Strategies – A strategy is an approach or step to be taken to achieve a goal. Strategies that are lettered (for example 1A, 1B and 1C) represent sequential steps and / or activities dependant on one another. Numbered strategies (for example 1, 2 and 3) are separate activities that could be complementary activities to achieving the goal but performing one activity does not necessarily depend on the others happening.
- Key Partners – The key partners listed are the groups, organizations or persons that are primarily responsible for taking ownership of, monitoring and implementing the strategy.
- Timeframe – The timeframes delineated in this plan are underway (has already been started), short term (up to two years to implement), long term (more than two years to implement, but at least begun within five years) and ongoing (activities that need to be revisited periodically).
- Support Partners – Support partners are other groups, organizations, or people that will be invited to participate in the implementation of one or more strategies discussed under a given goal.
Performance Measures – Performance measures represent criteria that can be reexamined in the future to help to evaluate the success of the plan. They are not necessarily (but may be) direct measures of the goals, but rather factors in the city and county that can be expected to exhibit a relationship to the achievement of the goal.

Brackets are used throughout the plan to designate goals and strategies which are also included in the City’s 2001 – 2004 Strategic Plan. A tilde (~) is used if the goal or strategy is linked to the 2001 – 2004 Strategic Plan, but does not use it directly.
OVERALL GOAL

The quality of life in a community is an asset to economic development efforts. Communities that are desirable places to live and that are both experiencing growth and mitigating any associated negative impacts make good locations for new and existing businesses to develop.

Historically, people moved based on where businesses was located. Today, it is theorized that the location choices of “creative people” drive, rather than follow company location decisions. Thus, locations that are viewed as desirable to live in by skilled workers will tend to be more successful in attracting companies that require a highly educated workforce.

GOAL 1 MODESTO WILL BE DESIGNATED A “LIVABLE COMMUNITY” IN RECOGNITION OF ITS EFFORTS TO IMPROVE THE BUSINESS CLIMATE AND QUALITY OF LIFE OF ITS RESIDENTS.

CURRENT SITUATION

The Partners for Livable Communities, based in Washington, D.C., has identified 33 of the most livable communities in the US over the past 25 years. The designation as a Livable Community is a recognition of the hard work that is put into making a city a great place to live and do business. The selection process is based on the following factors:

- Amenities: environmental quality; parks and open space; arts and culture; design and planning; special places (downtowns and neighborhoods)
- Ability to Put Amenities to Work: economic development (image and marketing); cultural, heritage, and discovery tourism; outdoor performances, street fairs, festivals, etc.; human development (using culture to help youth and minorities, and to train workers)
- Leadership: recruitment, training, and development; public/private partnerships; community visioning and civic engagement; regionalism; evaluation (indices, report cards, and stewardship organizations)

Modesto is a city that struggles with the image outsiders have of it, however it has made strides in a number of the criteria used to define a Livable Community. A designation of this type would require significant effort by the City of Modesto and the leadership of the community, but would result in an important tool for the recruitment and retention of high quality businesses and workers.

"Community livability is about more than green spaces and parks. It's about a community's ability to retain and attract business, stimulate convention and visitor trade, increase downtown retail activity, and improve the community's image to residents and nonresidents alike." -- Robert McNulty, President of Partners for Livable Communities.
## Strategies

<table>
<thead>
<tr>
<th>Strategies</th>
<th>Key Partners</th>
<th>Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Identify the criteria necessary for being selected a Livable Community, and chart a course of action and timeline to achieve the designation.</td>
<td>City</td>
<td>Short Term</td>
</tr>
<tr>
<td>2. Adopt resolutions to marshal local efforts to achieving the designation.</td>
<td>City, Chamber, Downtown Merchants Association, CVB</td>
<td>Short Term</td>
</tr>
</tbody>
</table>

**Performance Measures:** Designation as a “Livable City”
Focus Area
Sites and Buildings

Having an inventory of appropriate sites and buildings to accommodate new and expanding businesses in the community is a key component to achieving success in economic development. Growth can come in many forms: small entrepreneurs, midsize companies and large industries, and all should be able to be accommodated. This means a variety of parcel sizes and locations, and existing and speculative buildings should be accessible in the area. Without this all other economic development efforts become more challenging.

Working with land owners and developers to build this inventory through public-private partnerships is generally started at the local government level. All parties must work within the framework of a land owner interested in maximizing their land value, and a city interested in promoting a land use pattern which benefits the entire city. Creativity and open-mindedness are required by all parties to achieve a mutually agreeable outcome.

Related to the identification and facilitation of appropriate sites and buildings is the ease of navigating a city’s permitting process. From the initial master plan to the construction of a building, the process must flow smoothly. A clear understanding of what is acceptable to a city and the process that should be followed will help developers and builders bring projects forward which will achieve quick approval.


Current Situation
The city lacks sites which are ready for occupancy for targeted businesses. While there are small parcels available throughout the city, fully improved large tracts of land and business/industrial parks are not generally available. A lack of infrastructure to many of the larger sites is an ongoing constraint to development (see Goal 4 for infrastructure related activities). There are a number of planned industrial projects which are ongoing in or near the city:

- Kansas-Woodland Business Park (FMC) – This is a 45 acre site located in downtown. It is a top priority of the Redevelopment Agency, and will likely soon be purchased by the City. It will likely not be available for occupancy until late 2004 or early 2005 due to regulatory and permitting requirements. This park will likely accommodate small users.
- Beard Industrial Area – This site is located east of the airport along Highway 132, and is outside the city limits. There are approximately 500 acres available there, but growth is constrained by traffic congestion between the site an Highway 99.
- North Gateway / Kiernan Business Park – This is a 614 acre site located east of Highway 99 and south of Kiernan Avenue. It is planned for a mix of uses including business park, office buildings and limited commercial. Part of the site is in the city limits and part is outside, and will require annexation prior to development. This is likely the best prospect for long term accommodation of large users.
• Northwest Business Park – This is a 240 acre site located west of Highway 99 and north of Shoemake Avenue. The project outside of the city, and is a long term project.
• Village One Business Park – This is a 220 acre site located on the far eastern side of the city east of Claus Road and north of Parker Road. Lack of access to a highway creates unique challenges for commercial development.
• Westland Office Project – This is 75,000 square foot project located in downtown. It is a City/County cooperative project which will be available by mid-2003.
• Hinchey-Bray Office Project – This 70,000 square foot project is located in downtown. The land is owned by the City. The project is currently stalled.

<table>
<thead>
<tr>
<th>Strategies</th>
<th>Key Partners</th>
<th>Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Protect viable future business park areas in the general plan from down-zoning to other uses.</td>
<td>City</td>
<td>Underway Ongoing</td>
</tr>
<tr>
<td>2. Protect future business park areas in the general plan from encroachment by non-industrial land uses. [V.C.1.a]</td>
<td>City</td>
<td>Underway Ongoing</td>
</tr>
<tr>
<td>3. Encourage business park and industrial land development by revising the fee structure for development which meets the City's goals (likely through the existing Enterprise Designation Areas program).</td>
<td>City</td>
<td>Short Term</td>
</tr>
<tr>
<td>4. Work with the local stakeholders to develop a unified vision of the area along Kiernan Road including land uses, circulation, school locations, jurisdictions, etc.</td>
<td>City, County, StanCOG, CalTrans, school district, property owners</td>
<td>Short Term</td>
</tr>
</tbody>
</table>
## Strategies

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<tr>
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</thead>
<tbody>
<tr>
<td>5. A. Work with the County to install storm drainage infrastructure to the Kiernan site.</td>
<td>City, County</td>
<td>Short Term</td>
</tr>
<tr>
<td></td>
<td>B. Annex those parts of the Kiernan Site not in the city limits.</td>
<td>City, County, property owners</td>
</tr>
<tr>
<td></td>
<td>C. Work with the land owners to bring in a developer to improve the site. Recommend a variety of land ownership-developer relationships to make the deal work.</td>
<td>City, property owners, real estate community</td>
</tr>
<tr>
<td></td>
<td>D. Share the cost or fund entirely engineering and planning studies needed to bring the project online.</td>
<td>City, County, property owners</td>
</tr>
<tr>
<td></td>
<td>E. Developed a master plan with distinct phasing. This will:</td>
<td>City, property owners, real estate community</td>
</tr>
<tr>
<td></td>
<td>• Reduce total upfront costs for infrastructure improvements</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Allow the land owner to sell the later phases at a higher price.</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Complete planning and entitlement process for the Kansas-Woodland park.</td>
<td>City</td>
</tr>
<tr>
<td>7.</td>
<td>Assist the owners of small adjacent parcels to be able to offer their land as a single unit to a large user through assistance with marketing and parcel aggregation.</td>
<td>City, property owners, real estate community</td>
</tr>
<tr>
<td>8. A.</td>
<td>Identify future potential business park sites which can be available in a short time frame. [%V.C.1.i]</td>
<td>City, real estate community</td>
</tr>
<tr>
<td></td>
<td>B. Through zoning and the general plan designate land for business parks and industrial uses near existing infrastructure (transportation corridors, water, wastewater, telecom, rail, etc.) to foster efficient land use and to bring projects online faster. [%V.C.1.b]</td>
<td>City</td>
</tr>
<tr>
<td>Strategies</td>
<td>Key Partners</td>
<td>Timeframe</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>9. Include an economic development element in the future general plan update.</td>
<td>City</td>
<td>Short Term</td>
</tr>
<tr>
<td>10. Work within the framework developed in consultation with The Alliance to develop a list of business parks and available sites and buildings to support business recruitment.</td>
<td>City, The Alliance</td>
<td>Short Term</td>
</tr>
</tbody>
</table>

Performance Measures: The city will have 450 acres of vacant industrial/business park zoned land with infrastructure to the site in proximity to Highway 99 within five years.

GOAL 3  THE CITY'S DEVELOPMENT PROCESS WILL BE EFFICIENT, CUSTOMER FRIENDLY AND INFORMATIVE. [~V.A.10]

CURRENT SITUATION
Due to the significant growth pressures experienced by Modesto in the past decade, the City's current development process has been identified as challenging to navigate. Within this broad area the challenges seem more weighted toward large scale developments on activities such as subdivisions as opposed to the pulling of an individual permit on a building. Some of the challenges include:

- Multiple departments and divisions involved in any particular development activity
- Conflicting policy toward growth
- Limited staffing especially to facilitate a complicated permit through the process
- Outdated general plan and building code

<table>
<thead>
<tr>
<th>Strategies</th>
<th>Key Partners</th>
<th>Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Improve customer service at the permits counter. [V.A.10.a]</td>
<td>City, builders, developers</td>
<td>Underway Ongoing</td>
</tr>
</tbody>
</table>

ESI Corp Strategic Planning Team  City of Modesto
June 24, 2003  Economic Development Plan
## Strategies

<table>
<thead>
<tr>
<th>Strategies</th>
<th>Key Partners</th>
<th>Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. A. Develop a flow chart for each type of development so that developers know up front the various departments which will be involved and the recommended steps to follow and timeframe required.</td>
<td>City, builders, developers</td>
<td>Short Term</td>
</tr>
<tr>
<td>B. Conduct a retreat to help property owners understand the City process.</td>
<td>City, property owners</td>
<td>Short Term Ongoing</td>
</tr>
<tr>
<td>3. Review the development process and identify steps which can be approved by staff without planning commission or city council approval.</td>
<td>City</td>
<td>Short Term</td>
</tr>
<tr>
<td>4. A. Put all the required development forms on the City’s website.</td>
<td>City</td>
<td>Short Term</td>
</tr>
<tr>
<td>B. Research “off the shelf” online permitting software and methods for “hosting” the services on the internet.</td>
<td>City</td>
<td>Short Term</td>
</tr>
<tr>
<td>C. Implement online permitting.</td>
<td>City</td>
<td>Short Term</td>
</tr>
<tr>
<td>5. Develop a short evaluation form which can be filled out by developers once they have completed the development process to obtain their feedback on their experience with the City.</td>
<td>City, builders, developers</td>
<td>Short Term</td>
</tr>
<tr>
<td>6. Create a permit coordination position to facilitate the development process.</td>
<td>City</td>
<td>Short Term</td>
</tr>
</tbody>
</table>

### Performance Measures:
Perceptions about the development process from a survey of those who use the system will improve each year.
An Illustration

**Overland Park, Kansas Electronic Permitting**

Overland Park, Kansas initiated a series of focus groups and surveys to define problems and identify solutions, resulting in a plan promoted by its city managers to:

- Consolidate the city’s building services by merging departments
- Streamline business processes, including improving the quality and speed of plan reviews by adding a prescreening process to assure that plans entering the review process were complete
- Centralize coordination of workflow and establish accountability among all the departments and divisions involved
- Establish high professional standards, multidisciplinary expertise, and substantial training for technical staff
- Implement an efficient enterprise system that would unify information, integrate it with GIS, and provide effective computerized tools for the City’s building safety services and other departments.

A task force was created to develop an RFP. It reviewed available vendor systems and learned what programs similar communities were using, identifying Scottsdale and Phoenix, Arizona, as models. After a vendor was selected, an implementation team was formed to work with the vendor for a year to adapt its system to the city’s requirements, merge and standardize records, integrate GIS information, and train team leaders. The leaders trained the rest of the staff.

Overland Park’s electronic permitting system began operations in 1999 after two years of preparation. It includes a website that provides a broad range of information, forms, and requirements. Upgrade plans include remote inspection capabilities and expanded online services.
Focus Area
INFRASTRUCTURE

Available infrastructure, and reliable and inexpensive utilities are key site location factors for all industries. A community's strengths and weaknesses in water, wastewater, transportation, electricity, and telecommunications infrastructure determine, to a large extent, the type of business and industry that will locate in the community. In addition, high quality of fire, police, storm drainage and other city services are also hallmarks of a city in which business would like to locate. The City of Modesto is directly responsible for some of these infrastructure items, and is able to directly or indirectly influence the others. If any one of these site location factors do not meet the needs of the prospective company it does not matter how good the others are. It is therefore important that a city maintain and expand the infrastructure it controls and effectively marshal the maintenance and expansion of those it does not.

GOAL 4  INFRASTRUCTURE WILL MEET THE NEEDS OF EXISTING AND FUTURE BUSINESSES AND RESIDENTS.

CURRENT SITUATION
The City has an immediate wastewater transmission and discharge issue today, leaving it with little excess capacity during years with low precipitation. The City will soon have excess water capacity once the new treatment plant is completed. Overall, the City faces funding challenges for all forms of municipal infrastructure, which will need to be addressed creatively. While overall telecommunications infrastructure is good, there are some business areas of the city that are not adequately served.

<table>
<thead>
<tr>
<th>Strategies</th>
<th>Key Partners</th>
<th>Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. A. Compile data collected through the City’s “Trench Cut Ordinance” to build a database of the location of telecommunications infrastructure in the city.</td>
<td>City</td>
<td>Short Term Ongoing</td>
</tr>
<tr>
<td>B. Identify the location of telecommunications “points of presence” (POP) using building permit data, assessor data or data from private sources such as <a href="http://www.telcoexchange.com">www.telcoexchange.com</a> or <a href="http://www.dslreports.com">www.dslreports.com</a>.</td>
<td>City</td>
<td>Short Term Ongoing</td>
</tr>
<tr>
<td>C. Ensure that future franchise agreements with telecommunications companies result in the City receiving maps of the installed infrastructure.</td>
<td>City, telecom companies</td>
<td>Short Term Ongoing</td>
</tr>
<tr>
<td>D. Create a GIS data layer of telecommunication infrastructure and update it regularly.</td>
<td>City, County</td>
<td>Short Term Ongoing</td>
</tr>
</tbody>
</table>
### Strategies

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<tbody>
<tr>
<td>2.</td>
<td>Develop a policy that makes city rights of way available to telecommunications companies for installation of their lines for free when the City is rebuilding or otherwise cutting into a roadway.</td>
<td>City, telecom companies</td>
</tr>
</tbody>
</table>
| 3. | A. Conduct annual rate reviews/cost-of-service analyses for water, sewer, and storm drainage. [I.A.1.a.(1)]  
B. Conduct annual development fee reviews/cost-of-service analyses for all fees. [-VII.B.2]  
C. Update development fees annual to account for changes in level of service and the cost of infrastructure.  
D. Benchmark rates and development fees against other communities in the state to ensure that the City remains competitive. [-I.A.1.a.(2)] | City | Short Term  
City | Ongoing  
City | Ongoing  
City | Ongoing  
City | Ongoing |
| 4. | Evaluate the City’s ability to refinance its debt to take advantage current low interest rates. | City | Short Term |
| 5. | Work with regional partners to develop a mutually agreeable long term plan for the Kiernan corridor. | City, County, CalTrans, StanCOG | Short Term |
| 6. | Work with CalTrans and StanCOG on the beautification of freeway off ramps that form entryways into the city. This first impression of the city is an important component for presenting a positive image of the city. | City, CalTrans, StanCOG | Short Term |
| 7. | Tap into funding sources such as the Economic Development Bank, EDA, RDA, and EPA to get infrastructure in place for land which is the most economically feasible. | City, The Alliance | Underway  
Underway |
| 8. | A. Consider bonded growth financing to provide funding upfront when infrastructure is needed for growth [VII.C.1]  
B. Utilize CFDs for infrastructure financing. [VII.C.2] | City | Underway  
City, property owners | Underway |

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ESI Corp Strategic Planning Team  
June 24, 2003  
City of Modesto  
Economic Development Plan
Performance Measures:
- Infrastructure plan in place for reaching all targeted industrial areas.
- GIS map of telecommunications infrastructure in the city.

An Illustration

Finding Points of Presence (POP) in Your Community

The following two sources, when used in tandem, provide a significant amount of information about the telecommunications providers in a community.

www.telcoexchange.com: The “Carrier Information” section of TelcoExchange, Inc.’s website provides detailed information about the POP related to any telephone number in the country.

www.dslreports.com (also known as www.broadbandreports.com): The “Broadband/CO Finder” section of DSLreports.com (now also broadbandreports.com) provides the address of POPs in the entire county.
FOCUS AREA
DOWNTOWN AND CULTURAL VIBRANCY

The deterioration of downtowns is a national phenomenon that has resulted from changes in land use patterns, transportation, and commercial growth in the periphery of communities. Many cities are recognizing the value of having a vibrant downtown and seeking to build community pride in the area. Success in this effort is almost always through partnerships of the public and private sectors. Municipal and business investment together are what make a downtown a 24-hour 7-day a week destination.

Urban infill housing is a necessary ingredient to downtown redevelopment efforts. It is usually higher density than suburban housing, thus making better use of increasingly limited urban land, and reuses existing properties which oftentimes are neighborhood eyesores. Infill housing takes advantage of infrastructure that is already in place and is often less destructive to the natural environment and supports mass transit and alternative modes of transportation including walking and biking.

A vibrant downtown is an asset as a central gathering place for residents, a focal point for community pride and cohesion, and a signal to visitors of the community’s well being.

GOAL 5 OUR DOWNTOWN WILL BE A VIBRANT GOVERNMENT, FINANCIAL, CORPORATE AND REGIONAL ENTERTAINMENT CENTER WITH HIGH-DENSITY HOUSING AND SERVICES. [-IX]

CURRENT SITUATION

Modesto’s downtown is a substantial asset for the city and the county. The nucleus has already formed around an eclectic mix of businesses and well maintained buildings. Projects such as the Doubletree conference hotel, 10th Street Place, the Gallo Arts Center, and the many small entrepreneurial ventures show the commitment of private business, local government and non-profit organizations to this area. However, much of this activity has progressed without a plan marshalling the efforts of the various stakeholders in the downtown.

There are two groups which have as their focus to improve downtown. The Downtown Merchants Association (DMA) is a membership organization of people interested in downtown, and the Downtown Improvement District (DID) is a taxing entity which covers a limited area of downtown and spends its funds on targeted cleanup, special events and improvements.

The success which has been seen does not come without hard work, and if future successes are expected, efforts will need to be maintained, if not increased. Funding and planning for major improvements will need to come from a partnership of the public and private sectors. Residential development, business development, beautification and infrastructure investments will be the anchors for an even more vibrant and successful downtown Modesto.
<table>
<thead>
<tr>
<th>Strategies</th>
<th>Key Partners</th>
<th>Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. A. Develop a partnership between downtown business and land owners and the City to fund a Downtown Master Plan.</td>
<td>City, downtown land owners</td>
<td>Short Term</td>
</tr>
<tr>
<td>B. Retool the Downtown Master Plan RFP to both meet the needs of the City and existing land owners, and also remain within budgetary constraints. It should include the identification of residential land uses, among other components.</td>
<td>City, DMA, downtown land owners Redevelop Agency</td>
<td>Short Term</td>
</tr>
<tr>
<td>C. Reissue the RFP.</td>
<td>City</td>
<td>Short Term</td>
</tr>
<tr>
<td>D. Hire consultant to produce the downtown master plan. [-IX.A.1]</td>
<td>City</td>
<td>Short Term</td>
</tr>
<tr>
<td>2. Strengthen the relationship between the City and DID to leverage DID’s private sector funds with City funds for target improvement activities.</td>
<td>DID, City</td>
<td>Short Term</td>
</tr>
<tr>
<td>3. Investigate increasing the boundaries of the DID to encompass all of the downtown and potentially surrounding areas.</td>
<td>DID, downtown land owners</td>
<td>Short Term</td>
</tr>
<tr>
<td>4. Encourage infill and revitalization by revising fee structure for development within the downtown core. [IX.B.2]</td>
<td>City, builders, developers</td>
<td>Short Term</td>
</tr>
<tr>
<td>5. Develop a parking and circulation plan for downtown. This plan should:</td>
<td>City, DMA</td>
<td>Short Term</td>
</tr>
<tr>
<td>▪ Explore alternative transportation options to reduce vehicle impacts on downtown and to move people around more efficiently (e.g. automated people movers, free bus/trolley, etc.) [-IX.B.5]</td>
<td></td>
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<tr>
<td>▪ Develop parking strategies to support current and future commercial development. [-IX.A.1]</td>
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<tr>
<td>6. Assess the current infrastructure in downtown and make necessary improvements, including storm drainage and fire flow.</td>
<td>City, DID</td>
<td>Short Term</td>
</tr>
<tr>
<td>7. Improve deteriorating or unkempt vacancies in downtown and adjacent gateway areas [-IX.B.1]</td>
<td>City, Redevelop Agency</td>
<td>Underway Ongoing</td>
</tr>
</tbody>
</table>

ESI Corp Strategic Planning Team
June 24, 2003
City of Modesto
Economic Development Plan
## Strategies

<table>
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</thead>
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<tr>
<td>8. A. Forge public-private partnerships to facilitate the development of key parcels.</td>
<td>Redevelopment agency, local developers</td>
<td>Underway Ongoing</td>
</tr>
<tr>
<td>B. Provide developers assistance with the acquisition and assembly of land.</td>
<td>Redevelopment agency</td>
<td>Underway Ongoing</td>
</tr>
<tr>
<td>9. Encourage the development of small scale residential projects in downtown in conjunction with non-profit housing providers such as the Housing Authority.</td>
<td>Redevelopment Agency, Housing Authority</td>
<td>Short Term</td>
</tr>
<tr>
<td>10. Encourage the construction of a flagship housing development in downtown. [IX.C.1]</td>
<td>City</td>
<td>Long Term</td>
</tr>
<tr>
<td>A. Purchase targeted parcels for future downtown residential project.</td>
<td>Redevelopment Agency</td>
<td>Short Term</td>
</tr>
<tr>
<td>B. Issue a RFP for the construction of a market rate residential project on the land.</td>
<td>Redevelopment Agency</td>
<td>Short Term</td>
</tr>
<tr>
<td>C. Adopt developer incentives for high-density housing (Redevelopment Agency, CDBG, HOME, etc.). [IX.C.1]</td>
<td>Redevelopment Agency</td>
<td>Short Term</td>
</tr>
</tbody>
</table>

### Performance Measures:

- Completion of the Downtown Master Plan
- At least 100 new residential units available downtown
- At least 1,500 new parking spaces available downtown
FOCUS AREA
BUSINESS DEVELOPMENT

Collaboration and leadership go hand in hand when conducting business development activities. No matter the size of the city or the region, partnerships need to be found and leadership needs to be fostered.

"Going it alone" has long proven to be a fruitless approach to business development as there are rarely enough resources in any one community to conduct successful implementation. Independent implementation tends to lead to duplicated efforts, inconsistent messages, and "turf battles." The Alliance, the City, the chamber of commerce, and the convention and visitors bureau each have their role, and it is important that each work in concert in the areas where their missions overlap.

Without strong and unified leadership business development will be slow to implement. This leadership must come from the business community, the economic development professionals, and elected officials. Leaders must be able to identify the challenges faced by the community, be able to effectively articulate them, and be able to rally support around the solution. However, it is important that all leaders are open to listening and are willing to recognize the role.


CURRENT SITUATION

There are number of participants in economic development in the city of Modesto including the City, The Alliance, the chamber and the CVB. Each of these entities has their particular strengths which should be maximized. Two significant changes are happening in the area which will impact how these partners relate to each other:

- The Alliance is transitioning from SCEDCO.
- The CVB is transitioning from being housed at the chamber to being an independent entity. During the transition it will be housed at the City.

With these changes provide an ideal time to define the roles of each entity in terms of economic development activities. Better communication and better information exchange, reducing overlaps in the areas of marketing and lead generation and other factors should be addressed during this transition time.
1. A. Enter into a memorandum of understanding with The Alliance that will define the role of each entity, and the processes which will be followed.
   B. Define the roles and responsibilities of each entity (City, chamber, CVB, The Alliance and others) in order to find ways to better leverage resources.

2. Continue to support The Alliance’s efforts through funding and active participation on committees and the organization’s governance.

3. Coordinate retention efforts by the City, the chamber and The Alliance to ensure that an effective business call plan is in place. Efforts will be coordinated through a framework developed in cooperation with The Alliance.

4. Develop a council appointed citizens advisory group focused on economic development and the economic health of the City of Modesto to advise the city council and the Community and Economic Development Department.

5. Coordinate the marketing activities of the City, The Alliance, the chamber and the CVB to ensure that there is no duplication and that mutual goals can be achieved more efficiently.

6. Review incentive programs on an annual basis to ensure that they continue to meet their stated goals.

7. Investigate new targeted incentive programs which meet the City’s economic development goals.

8. Continue to exchange information with the Alliance about potential leads, and encourage those which cannot be accommodated in Modesto to locate in other communities within the county.
Strategies | Key Partners | Timeframe
--- | --- | ---
9. Participate in efforts by The Alliance to create a common core of economic development data, including documentation of the permitting process, identification of zoned and served land and other information as needed. | City, The Alliance | Short Term

Performance Measures:
Number of businesses contacted in the business call program.
Estimation of combined marketing dollars spent by all economic development partners that benefit Modesto.

An Illustration

**Phoenix Commission on the Economy**
The Phoenix Commission on the Economy is appointed by the Mayor of Phoenix to advise the Community and Economic Development Department and the Phoenix City Council on matters pertaining to the competitiveness of Phoenix and the health of its business community. The Commission is made up of 15 leaders from the Phoenix business community.

An Illustration

**City of Yuma Economic Development Policy**
In January 2001 the Yuma, Arizona city council adopted an economic develop policy as a guide for staff regarding the reasoning for and magnitude of economic development incentives. The policy divides the type of businesses that can receive incentives into four categories: 1) industrial or non-retail commercial businesses, 2) large retail businesses, 3) large private commercial recreational or tourism businesses, and 4) redevelopment areas. Within each category is defined how a business can qualify, and the type and level of incentive available to them. (Resolution R2000-88, City of Yuma Economic Development Division (928) 373-5189)
An Illustration

Site Selection Data Standards

For communities to attract new facilities in today’s highly competitive environment, they need reliable, comprehensive data that can be quickly provided to corporate location professionals. Responding to this need, the International Economic Development Council (IEDC) formed the Site Selection Data Task Force, who have worked collaboratively with corporate relocation professionals to devise a comprehensive site selection data template to guide communities with data collection, analysis and delivery. The Task Force unveiled the first version of the standards at an International Development Research Council meeting in New York in May 2000. The data set contained over 1,200 data elements organized into 25 spreadsheets. The end goal is to adopt the template as the industry standard for the site selection process. So for economic development professionals looking to control their data message to craft an attractive community profile, the implementation of standards returns control back to communities; this way everyone involved in the location process is clear on the data being examined and can bank on its reliability. Communities can then build a marketing campaign that complements the data and compensates for the problems they reveal.

www.iedconline.org/hotlinks/site_selection.html
FOCUS AREA
WORKFORCE DEVELOPMENT

Labor is the single largest expense for most businesses. Therefore, the strength of a community’s workforce is a significant driver in corporate location decisions. The role of workforce development in economic prosperity today is embodied in assuring a minimum level of basic skills throughout the workforce, working closely with new and emerging industries to develop appropriate training programs, and encouraging participation by workers and companies.

The entities involved in workforce development range from those at the community level to those that are countywide. In general, the countywide entities such as the Workforce Investment Board (WIB), the community college and others take the lead, but there is still a significant role which the local communities can play. This role can be in addressing social issues which impact their residents’ potential success in the workplace, offering training programs which are targeted to the needs in their community, supplementing the financial resources of the countywide entities and participating in countywide bodies that are charged with improving the workforce.

GOAL 7 WORKFORCE SUPPORT PROGRAMS WILL BE AVAILABLE TO MODESTO RESIDENTS SO THAT ANYONE WHO IS INTERESTED IN WORKING WILL HAVE THAT OPPORTUNITY.

CURRENT SITUATION

In a study entitled Getting Back to Work, welfare recipients and social service providers in Stanislaus County both ranked child care as the top barrier to employment. Other top barriers included transportation and inadequate clothing. A study by the California Child Care Resource and Referral Network showed that in 2000 downtown (defined by zip code 95354) was significantly underserved by licensed child care providers, and that the west side (95351) and far east side (95357) of the city were underserved, but to a lesser extent. The city is served by most of the regional buses as well as the Modesto Area Express (MAX).
## Strategies

<table>
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<tr>
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<tbody>
<tr>
<td>1. Increase the childcare opportunities in Modesto.</td>
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</tr>
<tr>
<td>A. Facilitate the process for individuals interested in starting-up licensed childcare services out of their homes or from a business location.</td>
<td>City, Chamber</td>
<td>Short Term Ongoing</td>
</tr>
<tr>
<td>B. Assist individuals with paperwork and navigating the local and state regulatory processes.</td>
<td>City, Chamber</td>
<td>Short Term Ongoing</td>
</tr>
<tr>
<td>C. Direct individuals to small business loan programs.</td>
<td>City, Chamber</td>
<td>Short Term Ongoing</td>
</tr>
<tr>
<td>D. Identify non-profit and religious entities which may be interested in providing child care services.</td>
<td>City</td>
<td>Short Term Ongoing</td>
</tr>
<tr>
<td>E. Develop grant and loan applications to secure funding for child care. Key agencies offering funds include: California Department of Education (Child Care Facilities Revolving Fund Program), California Economic Development Lending Initiative (Child Care Facility Financing Program, note business must be at least three years old), Enterprise Foundation (offering loans available to all non-profits and to child care centers that serve low income families), Federal Housing Administration (Title 1 Home Improvement Loans, note family child care businesses only), and the Rural Community Assistance Corporation.</td>
<td>City</td>
<td>Short Term Ongoing</td>
</tr>
<tr>
<td>2. Conduct a ridership survey to determine demand for expanded bus routes and times.</td>
<td>City, StanCOG</td>
<td>Short Term</td>
</tr>
<tr>
<td>3. Build upon the success of the Modesto Workforce Development Program, and use this as a model for workforce development programs in other industries.</td>
<td>City, The Alliance</td>
<td>Short Term Ongoing</td>
</tr>
<tr>
<td>4. Develop, in partnership with local volunteer and business organizations, a clothing bank. Encourage professionals to donate clothing which they no longer use for individuals in need of clothes for an interview or work.</td>
<td>Chamber, Non-profit organizations</td>
<td>Short Term</td>
</tr>
</tbody>
</table>

### Performance Measures:
- **200 new day care spaces are available.**
- **Seat-miles of bus service in the Modesto city limits increases by 25 percent**
A RESOLUTION COMMENDING THE COMPREHENSIVE FEE TASK FORCE FOR THEIR SERVICE: BILL ZOSLOCKI, RICHARD TATOYAN, DUKE LEFFLER, JAN MARIE ENNENGA, RICK DAHLSEID, SANDRA LUCAS, MARSHALL RIDDLE, DEBORAH RIGGS AND DAVID WRIGHT

WHEREAS, the City Council Finance Committee approved the formation of the Comprehensive Fee Task Force (CFTF) on November 23, 2009, and

WHEREAS, the Task Force was comprised of:

1 Representative from the Building Industry Association
1 Representative from the Construction Industry Liaison Committee
1 Commercial Broker
1 Representative from the Manufacturer’s Council
4 Citizen At Large Appointments and 1 Alternate
City Manager or designee (non-voting)
Director of Community and Economic Development (non-voting)
Infrastructure Finance Program Administrator (non-voting)
Director of Utility Planning and Projects (non-voting)
Director of Finance (non-voting)

WHEREAS, one of the primary objectives of the CFTF was to evaluate and coordinate development fees to ensure they were aligned with the development process, and

WHEREAS, the CFTF made recommendations for new development fees, policy process and procedural changes that were adopted by the City Council, and

WHEREAS, the CFTF was directed by the Finance Committee to continue their work and recommend an Economic Development Incentive Program to assist in the attraction of new business and retention of existing business and the creation of jobs in Modesto, and
WHEREAS, the CFTF considered the goals and strategies of the City of Modesto 2003 Economic Development Plan to identify categories that best measure economic value, creating the Economic Development Incentive Program, and

WHEREAS, the City Council approved the Economic Development Incentive Program on December 6, 2011, and

WHEREAS, the members of the Comprehensive Fee Task Force have spent considerable time, energy and effort in their service to the City of Modesto,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby thanks and commends the members of the Comprehensive Fee Task Force for their contribution and service to the City of Modesto.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2011, by Councilmember Lopez, who moved its adoption, which motion being duly seconded by Councilmember Burnside, was upon roll call carried and the resolution adopted by the following vote:

AYER: Councilmembers: Burnside, Cogdill, Geer, Gunderson, Lopez, Muratore, Mayor Ridenour

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:  

SEAL

APPROVED AS TO FORM:

By: SUSANA ALCALA WOOD, City Attorney