

**CITY OF MODESTO REDEVELOPMENT  
SUCCESSOR AGENCY BOARD  
RESOLUTION NO. 2022-001**

**RESOLUTION APPROVING A SETTLEMENT AND GENERAL RELEASE  
WITH CIVIC PARTNERS MODESTO, INC. IN THE AMOUNT OF \$300,000  
AND AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE, TO  
EXECUTE THE SETTLEMENT AGREEMENT**

WHEREAS, the City of Modesto Redevelopment Successor Agency (the “**Successor Agency**”) is the successor in interest to the Redevelopment Agency of the City of Modesto and is subject to, among other things, provisions in Assembly Bill x1 26 (together with AB 1484 and SB 107, the “**Dissolution Act**”); and

WHEREAS, on January 23, 2017 Civic Partners Modesto, Inc. (“**Civic Partners**”) filed Case No. 9000266 against the Successor Agency in Stanislaus Superior Court (the “**Litigation**”); and

WHEREAS, after years of negotiation and mediation, the Successor Agency and Civic Partners have agreed to settle the Litigation; and

WHEREAS, in order to settle the Litigation, the Successor Agency has agreed to provide a settlement amount to Civic Partners in the amount of Three Hundred Thousand Dollars (\$300,000) (the “**Settlement Amount**”); and

WHEREAS, pursuant to Section 34177.3 of the Dissolution Act, the Agency may not create a new enforceable obligation (defined in Section 34171(d) of the Dissolution Act) except in compliance with an enforceable obligation that existed prior to June 28, 2011; and

WHEREAS, the Successor Agency is entering into the Settlement Agreement, thereby creating a new enforceable obligation, with respect to agreements that were in

full force and effect between the Successor Agency and Civic Partners prior to June 28, 2011; and

WHEREAS, the City Attorney has negotiated a settlement agreement (the “**Settlement Agreement**”), substantially in the form on file with the Successor Agency Secretary and as presented to this Successor Agency Board.

NOW, THEREFORE, BE IT RESOLVED by the governing Board of the City of Modesto Redevelopment Successor Agency that it hereby approves the Settlement Agreement, substantially in the form on file with the Successor Agency Secretary, and as presented to this Board.

BE IT FURTHER RESOLVED, that the Executive Director, or his designee, is hereby authorized to execute the Settlement Agreement, in a form approved by the Agency Counsel, and to execute all documents and to take all actions necessary to carry out the intent of this Resolution.

The foregoing Resolution was introduced in a regular meeting of the governing board of the City of Modesto Redevelopment Successor Agency held on the 11th day of January, 2022, by Board Member Wright, who moved its adoption, which motion being duly seconded by Board Member Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Board Members: Escutia-Braaton, Madrigal, Ricci,  
Wright, Zoslocki, Mayor Zwahlen

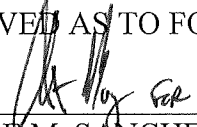
NOES: Board Members: None

ABSENT: Board Members: Kenoyer

ATTEST:   
DANA SANCHEZ, Interim Secretary

(SEAL)

APPROVED AS TO FORM:

BY:   
JOSE M. SANCHEZ, Successor Agency Counsel

**CITY OF MODESTO REDEVELOPMENT  
SUCCESSOR AGENCY BOARD  
RESOLUTION NO. 2022-002**

**RESOLUTION APPROVING A LOAN AGREEMENT FROM THE CITY OF  
MODESTO TO THE SUCCESSOR AGENCY IN THE AMOUNT OF \$300,000  
PURSUANT TO HEALTH AND SAFETY CODE SECTION 34173(h)(1) AND  
AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE, TO  
EXECUTE THE LOAN AGREEMENT**

WHEREAS, the City of Modesto Redevelopment Successor Agency (the “**Successor Agency**”) is the successor in interest to the Redevelopment Agency of the City of Modesto and is subject to, among other things, provisions in Assembly Bill x1 26 (together with AB 1484 and SB 107, the “**Dissolution Act**”); and

WHEREAS, on January 23, 2017 Civic Partners Modesto, Inc. (“**Civic Partners**”) filed Case No. 9000266 against the Successor Agency in Stanislaus Superior Court (the “**Litigation**”); and

WHEREAS, after years of negotiation and mediation, the Successor Agency and Civic Partners have agreed to settle the Litigation (the “**Settlement Agreement**”); and

WHEREAS, in order to settle the Litigation, the Successor Agency has agreed to provide a settlement amount to Civic Partners in the amount of Three Hundred Thousand Dollars (\$300,000) (the “**Settlement Amount**”); and

WHEREAS, pursuant to Section 34177.3 of the Dissolution Act, the Agency may not create a new enforceable obligation (defined in Section 34171(d) of the Dissolution Act) except in compliance with an existing enforceable obligation that existed prior to June 28, 2011; and

WHEREAS, the Successor Agency is entering into the Settlement Agreement, thereby creating a new enforceable obligation, with respect to agreements that were in

full force and effect between the Successor Agency and Civic Partners prior to June 28, 2011; and

WHEREAS, in order to pay the Settlement Amount within the time period negotiated in the Settlement Agreement, the Successor Agency will need to borrow funds from the City and reimburse the City from Redevelopment Property Tax Trust Funds (“**RPTTF**”), as defined in the Dissolution Act; and

WHEREAS, pursuant to Section 34173(h)(1) of the Dissolution Act, the City is authorized to loan funds to the Successor Agency to pay for enforceable obligations (the “**City Loan**”), and an enforceable obligation shall be deemed to be created for the repayment of the City Loan; and

WHEREAS, the Successor Agency is entering into this Agreement to borrow the Settlement Amount to be paid under the Settlement Agreement; and

WHEREAS, the Successor Agency Board approved the Settlement Agreement on January 11, 2022; and

WHEREAS, concurrently at this meeting, the City Council is approving the City Loan from the City to the Successor Agency; and

WHEREAS, City and Successor Agency staff have prepared a loan agreement (the “**Loan Agreement**”), substantially in the form on file with the Successor Agency Secretary and as presented to this Successor Agency Board; and

WHEREAS, the Settlement Agreement and the Loan Agreement were both approved by the Oversight Board to the Successor Agency on January 10, 2022, contingent on the approval by the Successor Agency of the Settlement Agreement and the

approval of the City Council and the Successor Agency Board of the Loan Agreement;  
and

WHEREAS, the loan from the City to the Successor Agency was included on the 2022-2023 Recognized Obligation Payment Schedule (“**ROPS**”), which was approved by the Oversight Board on January 10, 2022.

NOW, THEREFORE, BE IT RESOLVED by the governing Board of the City of Modesto Redevelopment Successor Agency that it hereby approves the Loan Agreement, substantially in the form on file with the Successor Agency Secretary, and as presented to this Board.

BE IT FURTHER RESOLVED, that the Executive Director, or his designee, is hereby authorized to execute the Loan Agreement, in a form approved by the Agency Counsel, and to execute all documents and to take all actions necessary to carry out the intent of this Resolution.

The foregoing Resolution was introduced in a regular meeting of the governing board of the City of Modesto Redevelopment Successor Agency held on the 11th day of January, 2022, by Board Member Wright, who moved its adoption, which motion being duly seconded by Board Member Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Board Members: Escutia-Braaton, Madrigal, Ricci,  
Wright, Zoslocki, Mayor Zwahlen

NOES: Board Members: None

ABSENT: Board Members: Kenoyer

ATTEST: *Dana Sanchez*  
DANA SANCHEZ, Interim Secretary

(SEAL)

APPROVED AS TO FORM:

BY: *Jose M. Sanchez*  
JOSE M. SANCHEZ, Successor Agency Counsel