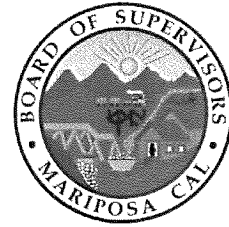


MARIPOSA COUNTY

Treasurer-Tax Collector-County Clerk ·



RESOLUTION - ACTION REQUESTED 2019-211

MEETING: April 16, 2019
TO: The Board of Supervisors
FROM: Keith Williams, Treasurer/Tax Collector
RE: Amend USDA Loan Agreement Lake Don Pedro Sewer

RECOMMENDATION AND JUSTIFICATION:

Approve a Workout Agreement with the United States Department of Agriculture (USDA) to Prevent a Default on Loan Nos. 92-08 and 92-09 in Connection with the Lake Don Pedro Waste Water Treatment Plant; and Authorize the Board of Supervisors Chair to Sign the Agreement.

In 2006 and 2007 the Board of Supervisors entered into loan agreements (exhibit A) with the USDA in the amounts of \$4.5 and \$1.7 million. Prior to the loan agreements a Proposition 218 vote was taken in the district in order to secure funding for the loans through the issuance of bonds. In 2008, the housing crash occurred and property values dropped significantly along with the developer's ability to maintain the payment's on the assessment.

The delinquency problem is compounded by the concentration of properties with a single owner. These properties consist of undeveloped condominium lots too small for individual development. A developer would need to purchase the entire block of lots. A foreclosure process was started in 2013 but was suspended due to the inability to recover the costs.

The Workout Agreement will allow the county additional time to resolve the issues facing the area. The County Administrative Officer and Public Works Director have reviewed the documents and concur.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

The Board approved the original loan agreement with the USDA.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

The County could chose to pay the loan shortfall from legally permissible funds to avoid being placed on the Treasury offset list.

ATTACHMENTS:

Exhibit A (PDF)

Resolution - Action Requested 2019-211

USDA Workout Agreement (PDF)

RESULT: ADOPTED [UNANIMOUS]

MOVER: Merlin Jones, District II Supervisor

SECONDER: Rosemarie Smallcombe, District I Supervisor

AYES: Rosemarie Smallcombe, Merlin Jones, Marshall Long, Kevin Cann

EXCUSED: Miles Menetrey