SUBJECT: Ordinance Electing to Participate in the Voluntary Alternative Redevelopment Program Pursuant to Part 1.9 of the California Community Redevelopment Law

BACKGROUND
As part of the State of California FY 2011/2012 budget adoption, the Governor signed two trailer bills: ABX1 26 (Dissolution Act) and ABX1 27 (Voluntary Alternative Redevelopment Program), into law. The legislation became effective on June 29, 2011. A summary of the legislation prepared by RDA legal counsel Goldfarb Lipman is provided as Attachment A to this report.

The Dissolution Act immediately suspended all new redevelopment activities, eliminates redevelopment agencies (RDAs) as of October 1, 2011, requires all RDAs to adopt an Enforceable Obligations Payment Schedule (EOPS) for payments to be made through the end of the year and creates successor agencies (presumed to be the City that created the RDA) to wind down the operations of the RDAs under the review of an oversight board.

The Voluntary Alternative Redevelopment Program provides an opportunity for cities to opt-in to a new voluntary program that will allow RDAs to continue to operate upon the adoption of an ordinance on or before November 1, 2011.

The State Department of Finance (DOF) published the amount of the FY 2011/2012 remittance that must be paid by each RDA that “volunteers” to continue operations. The City of Sunnyvale’s amount is $3,650,428. The DOF has not published the subsequent year payments for Sunnyvale thus far; however, calculations by the California Redevelopment Association estimate payments of approximately $900,000 each year through the end of the RDA plan. The remittances are due in two equal installments each fiscal year by January 15th and May 15th.

The California Redevelopment Association (CRA) and the League of California Cities filed a lawsuit in the California Supreme Court challenging the constitutionality of ABX1 26 and ABX1 27.

On August 11, 2011, the California Supreme Court announced it would hear the lawsuit. The Court established an expedited schedule and issued a partial stay until the Court can rule on the constitutionality of the two bills. On
August 17, 2011, the Court issued a revised stay that clarified that Agencies should proceed in adopting the EOPS pursuant to the timelines outlined in ABX1 26.

On August 23, 2011, the Sunnyvale Redevelopment Agency Board adopted a resolution approving the EOPS allowing for the RDA to make payments on its obligations during the period of suspension. The EOPS was posted on the Sunnyvale Downtown Redevelopment website and was forwarded to the appropriate State and County agencies as required.

**EXISTING POLICY**
The Redevelopment Implementation Plan Goal 1 states: *Meet the Agency’s Existing Financial and Administrative Obligations*

**DISCUSSION**
After months of prolonged negotiations surrounding California’s fiscal crisis, the legislature adopted a budget that the Governor signed into law. Since January, the Governor has promoted the idea of eliminating RDAs in order to use the tax increment funds to close the State’s funding gap by $1.7 billion in the first year and $400 million thereafter. With the enactment of the State budget and the signing of the redevelopment legislation, the City is now entering a stage in which decisions need to be made in a very short time frame. Although a stay has been issued on the Voluntary Alternative Redevelopment Program, staff is moving forward with the analysis of opting in or opting out of the voluntary program to ensure that Sunnyvale is in the best position to react to any future circumstance. Accordingly, if Council chooses to adopt the opt-in Ordinance it is with the understanding that the Ordinance is conditioned upon the lifting of the stay and the Court’s determination that the Voluntary Program Act is constitutional. Staff received consultation from RDA legal counsel, Goldfarb Lipman on analyzing the most critical decision of whether to dissolve or to make payments to the State and continue to exist. These two options both have “pros” and “cons” to evaluate.

In evaluating the two options available to the City, a risk assessment also needs to be considered due to the confusing language in the legislation. Significant uncertainty still remains as to whether the Oversight Board (a seven member board consisting largely of appointed education and county interests) will honor the loan agreements the RDA has with the City if the RDA were dissolved. Although loans between an RDA and its City are specifically excluded from the list of enforceable obligations after the RDA is dissolved, Sunnyvale’s loan to its RDA was made in part for repayment of debt service, which is an obligation that will be paid. This issue is of key importance to Sunnyvale because the City, which has invested significant General Fund money in the RDA program, does not have fixed repayment pledges from the
RDA, but rather has agreements to receive loan repayments in the form of future RDA revenue as available. If the legislation were clear that the City's loan agreements were recognized for repayment, dissolution would have put the City in a better position financially. But without the certainty, it is very risky considering control is with the Oversight Board, all payments are made through the County Auditor-Controller and the intent of the legislation language is to not allow loans between the City and the RDA to be recognized.

**ABX1 26 (The Dissolution Act)**

With ABX1 26, the RDA ends and only specific enforceable obligations will continue to be paid. For the City, this means the obligations of the current development agreement and the bond debt service totaling approximately $1.8 million in FY 2011/2012 will be paid. The General Fund repayment is uncertain and unlikely, except to the extent related to bond indebtedness. Therefore the City's General Fund would experience a shortfall of approximately $5 million in FY 2011/2012. This loss would grow in future years as property values increase. In total the General Fund would lose a minimum of approximately $120 million in RDA repayments as currently budgeted through the end of the Redevelopment plan in FY 2027/2028. At the same time, a portion of the lost RDA tax increment revenue (approximately 16%) would be returned to the City in the form of property tax revenue. It is estimated that the City would receive a minimum of around $800,000 in the first year, which grows with increases in assessed values. Over the remaining life of the RDA plan, this totals approximately $29 million with current property tax growth assumptions.

**Pros**

- The City would receive sufficient annual tax revenue to pay debt service and obligations on RDA Bonds and the Town Center development agreement.
- The City’s share of property tax revenue would increase by approximately $800,000 in FY 2011/2012, totaling approximately $29 million through FY 2027/2028 with current assumptions.
- The Successor Agency would be eligible to receive very limited funds for administrative costs, subject to approval by the Oversight Board, the DOF and the State Controller.

**Cons**

- The RDA will likely no longer receive annual tax increment revenue to pay debt obligations on the City/Agency loan agreements. The total outstanding General Fund debt owed by the RDA is $65 million currently. With interest, it is currently anticipated the RDA will repay a total of $120 million by the end of the RDA plan.
The RDA will no longer be able to make changes to the development agreement for the Town Center.

The RDA will no longer be able to invest in public infrastructure or assist private development to invest in the revitalization of downtown.

Real estate owned by the RDA will be sold by the Successor Agency, subject to approval by State officials and the Oversight Board.

The RDA will no longer pay for the total cost of administration of the program which is currently budgeted for $350,000 in FY 2011/2012 for staff time, legal and consulting fees.

The RDA will not receive future tax increment to allocate to the affordable housing program resulting in a loss of $61 million to the program.

The City Council will have only two appointments to the seven person Oversight Board that controls the funds.

**ABX1 27 (The Voluntary Program Act)**

By opting in to the Voluntary Program under ABX1 27, the City would be responsible for a payment of $3.7 million in FY 2011/2012 and subsequent payments of approximately $900,000 annually until the end of the Plan. However, there are no assurances that the payments will not increase in the future. The payments are the responsibility of the City but can be paid back with current or future RDA funds. By making the payment the RDA could continue to engage in the Town Center redevelopment activities, invest over $61 million in affordable housing and continue to pay on the debt of the City loans.

**Pros**

- The RDA will continue paying the debt of the City loans at approximately $5 million a year that grows in future years through the end of the Plan (approximately $120 million in total).
- The RDA can continue to engage in redevelopment activities.
- The RDA can enter into new agreements and modify existing agreements with private developers for the Town Center and future downtown development projects.
- The RDA can continue to receive tax increment funds for the affordable housing program (approximately $61 million in total).
- The RDA can continue to pay full share of administrative costs.
- Allows for future Redevelopment Plan Amendments.
- The agreement is non-binding, allowing the City to opt-out by not making a payment later as more information is known.

**Cons**

- The City will be required to make payments totaling $3.7 million in FY 2011/2012 and $900,000 each year thereafter and there is no assurance that the payments won’t go up in the future.
FISCAL IMPACT
Table 1, below, summarizes the impact over the remaining life of the RDA plan for opting in or opting out of the RDA program. It is important to emphasize that the General Fund loan repayment is already budgeted.

Table 1
Impact of Legislation on Sunnyvale Revenues
Total Revenues FY 2011/2012 – FY 2027/2028

<table>
<thead>
<tr>
<th></th>
<th>Opt-in</th>
<th>Opt-out</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Loan Repayment</td>
<td>$120,000,000</td>
<td></td>
</tr>
<tr>
<td>Increased Property Tax</td>
<td></td>
<td>$29,000,000</td>
</tr>
<tr>
<td>RDA Affordable Housing Program</td>
<td>$61,000,000</td>
<td></td>
</tr>
<tr>
<td>State Payment</td>
<td>-$18,000,000</td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$163,000,000</td>
<td>$29,000,000</td>
</tr>
</tbody>
</table>

Under ABX1 27, the City and the RDA can enter into an agreement whereby the RDA agrees to transfer a portion of its tax increment to the City in an amount not to exceed the remittance payment. Staff intends to recommend that the City and the RDA enter into such an agreement if the City chooses to opt-in to the Voluntary Alternative Redevelopment Program. At the Council meeting of second reading of the opt-in Ordinance, and only after the second reading is approved, the City and the RDA can consider a conditional Agency Transfer Payment Agreement for the repayment of the remittance payments made by the City. Correspondingly, the Payment Agreement will be conditioned upon the lifting of the stay and the Court’s determination that the Voluntary Program Act is constitutional.

The timing of the approved repayment agreement is important in order to be able to place the debt on the Recognized Obligation Payment Schedule and on the annual Statement of Indebtedness which is due by September 30, 2011. Future indebtedness that is not listed on this Statement of Indebtedness will trigger greater payments to the State in FY 2012/2013 and later years.

PUBLIC CONTACT
Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City’s Web site.
ALTERNATIVES

1. Adopt an Ordinance, conditioned on the Court’s determination that the Voluntary Program Act is constitutional, of the City Council of the City of Sunnyvale Enacted Pursuant to Health and Safety Code Section 34193 to Elect and Implement Participation by the City of Sunnyvale and the Redevelopment Agency of the City of Sunnyvale In the Voluntary Alternative Redevelopment Program Pursuant to Part 1.9 of the California Community Redevelopment Law.

2. Do not adopt an Ordinance. If Ordinance is not adopted, the RDA will be dissolved on October 1, 2011 subject to the Court’s determination that the Dissolution Act is constitutional.

RECOMMENDATION

Staff recommends that the City Council approve Alternative 1, to adopt an Ordinance, conditioned on the Court’s determination that the Voluntary Program Act is constitutional, of the City Council of the City of Sunnyvale Enacted Pursuant to Health and Safety Code Section 34193 to Elect and Implement Participation by the City of Sunnyvale and the Redevelopment Agency of the City of Sunnyvale In the Voluntary Alternative Redevelopment Program Pursuant to Part 1.9 of the California Community Redevelopment Law.

Although the Voluntary Program is described by some as “extortion”, faced with the choice between continuing redevelopment activities or defaulting on outstanding contractual obligations to the City, losing $61 million in affordable housing funds and surrendering control of the Town Center development agreement at a critical juncture of development, staff recommends Council agree to make the payments to keep the RDA of the City of Sunnyvale generating assets to be used for the benefit of Sunnyvale. Although a stay has been issued on the Voluntary Alternative Redevelopment Program, consultation from RDA legal counsel, Goldfarb Lipman, recommends that the City opt-in now to ensure that Sunnyvale is in the best position in the future. The Ordinance is conditioned upon the lifting of the stay and the Court’s determination that the Voluntary Program Act is constitutional.
Reviewed by:

Grace K. Leung, Director, Finance  
Prepared by: Brice McQueen, Redevelopment Manager

Reviewed by:

David Kahn, City Attorney

Approved by:

Gary M. Luebbers  
City Manager

**Attachments**

A. Summary of Redevelopment Legislation prepared by Lynn Hutchins, Goldfarb Lipman Attorney  
B. Ordinance of the City Council of the City of Sunnyvale Enacted Pursuant to Health and Safety Code Section 34193 to Elect and Implement Participation by the City of Sunnyvale and the Redevelopment Agency of the City of Sunnyvale In the Voluntary Alternative Redevelopment Program Pursuant to Part 1.9 of the California Community Redevelopment Law
July 22, 2011

memorandum

To
Honorable Mayor and City Council Members
City of Sunnyvale

From
Lynn Hutchins

RE
Redevelopment Legislation

The Governor signed two bills that result in dramatic changes to redevelopment in California. This memo is intended to provide information on the impact of this legislation on the Redevelopment Agency of the City of Sunnyvale ("Agency"). We have prepared a more detailed summary of the legislation that provides additional background and analysis of the legislation that City staff can provide to you upon request.

Redevelopment Suspension and Dissolution.

Under the provisions of SBx1 15/ABx1 26 (the "Dissolution Act") redevelopment agency activities are suspended from the effectiveness date of the legislation. Although there is some confusion about when the legislation is effective, it is reasonable to assume that the agency is suspended commencing on June 30, 2011. The purpose of the suspension period is for agencies to preserve their assets prior to dissolution. The effect of suspension means that the Agency can only undertake limited activities. These activities include paying existing debt obligations, including loan payments, bonds payments and any other legally binding obligations of the Agency. Obligations of the Agency includes contracts for administration and operation of the Agency and would appear to include staff costs and other administrative expenses. The Agency can also set aside reserves for bonds. All other activities are suspended. Activities that the Agency are prohibited from taking during the suspension period include transferring land or other assets, acquiring real property, entering into new contracts or leases or making loans.

Under the Dissolution Act, if the Agency does not participate in the voluntary opt-in program, described below, the Agency will be dissolved on October 1, 2011. After dissolution, all assets of the Agency will be transferred to a Successor Agency. The City can elect to be the Successor Agency and most likely would want to do so.
However, the City will not control the Successor Agency. The Successor Agency's actions with regard to the redevelopment assets are controlled by a seven-person oversight board. The City will have one appointee to the oversight board. Other members of the oversight board will be appointed by the Board of Supervisors (2 members), the County Superintendent of Education (1 member), the Chancellor of California Community Colleges (1 member), the largest special district taxing entity (1 member) and a former redevelopment agency employee appointed by the Mayor (1 member). The Oversight Board will direct the Successor Agency to determine whether contracts, agreements or other arrangements between the Agency and private parties should be terminated or renegotiated to reduce the liabilities of the Successor Agency and to increase revenues to the taxing entities. The Department of Finance may review any decisions of the Oversight Board.

If the Redevelopment Agency is dissolved, the tax increment is deposited into a trust fund with the County and used to pay pass-through obligations to taxing agencies and the existing obligations of the Agency. Funds remaining after payment of the pass through obligations, the existing obligations, and limited administrative expenses of the Successor Agency are distributed by the County to school entities and other local taxing entities as property taxes.

If the Agency elects to dissolve, any agreements between the Agency and the City would be considered null and void. The Dissolution Act specifically provides that enforceable obligations to be paid by the Successor Agency do not include agreements, contracts or arrangements between the Agency and the City except in limited circumstances.

Under the dissolution scenario, the Successor Agency would be limited to the greater of 5% of the tax increment or $250,000 to pay for administrative expenses in 2011-12. In 2013-14 this amount would decrease to the greater of 3% of the tax increment or $250,000.

**Voluntary Opt-In**

The Legislature also passed SBx1 15/ABx1 27 ("Voluntary Program") that provides agencies an option to avoid dissolution. Under the provisions of the Voluntary Program, to avoid dissolution, the City must adopt an ordinance no later than November 1, 2011 agreeing to make certain annual payments. The first year's payment, due in two equal installments on January 15, 2012 and May 15, 2012, is the Agency's proportionate share of $1.7 billion dollars as determined in accordance with a formula based on the 2008-09 tax increment collections. The Agency's estimated payment in 2011-12 would be $3,680,796 based on CRA estimates. The actual State Department of Finance calculation are due to be released on August 1, 2011. In subsequent years the Agency would be required to pay its proportionate share of $400 million. The Agency payments in 2012-13 and following years will vary depending upon the amount of debt the
Agency incurs after October 1, 2011 and the amount of the pass through payments to the school entities in each year. The estimated payment in 2012-13 is approximately $866,070. Subsequent year's payments would be based on the $866,070 for 2012-13 but would increase or decrease based on the growth in tax increment and would also increase based on the amount of debt issued after October 1, 2011. If the City elects to opt into the voluntary program, upon enactment of the required ordinance, the Agency can conduct business as usual.

The Voluntary Program payments can be paid from the Agency's available tax increment. Additionally, the Agency can suspend its deposit into the Housing Fund for 2011-12 to make the payment if there are no other sources of funds available. The legislation is not clear whether existing deposits in to the housing fund can be used for the payments, however, the Agency should assume they are not available for this purpose. As the legislation is currently drafted, the 2011-12 deposit to the Housing Fund, if suspended, does not have to be repaid, but there are rumors about clean up legislation that may require a repayment of these funds over a period of five years.

Timing

If the City and the Agency elect to opt-in to the Voluntary Program there are a reasons to consider doing so quickly to remove the cloud of suspension from the Agency. Opting-in requires the adoption of an Ordinance by the City Council which requires two readings. Upon enactment of the ordinance, the Agency will no longer be considered suspended.

Additionally, if the City and the Agency elect to opt-in to the Voluntary Program, the Agency may want to consider what if any programs and obligations it wants to consider incurring before October 1, 2011. Debts incurred after October 1, 2011 have the potential to increase the payments that the Agency will have to make in 2012-13 and subsequent years.
ORDINANCE NO. _________

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE ENACTED PURSUANT TO HEALTH AND SAFETY CODE SECTION 34193 TO ELECT AND IMPLEMENT PARTICIPATION BY THE CITY OF SUNNYVALE AND THE REDEVELOPMENT AGENCY OF THE CITY OF SUNNYVALE IN THE VOLUNTARY ALTERNATIVE REDEVELOPMENT PROGRAM PURSUANT TO PART 1.9 OF THE CALIFORNIA COMMUNITY REDEVELOPMENT LAW

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUNNYVALE DOES ORDAIN AS FOLLOWS:

SECTION 1. RECITALS AND BACKGROUND INFORMATION.

a. Pursuant to the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.; the "Redevelopment Law"), the City Council (the "City Council") of the City of Sunnyvale (the "City") adopted Resolution No. 2600 on November 19, 1957 declaring the need for the Redevelopment Agency of the City of Sunnyvale (the "Agency") to function in the City.

b. Also in accordance with the Redevelopment Law, the City Council adopted Ordinance No. 1796-75 on November 26, 1975 adopting the Redevelopment Plan (the "Redevelopment Plan") for the Central Core Redevelopment Project Area (the "Project Area"), as amended from time to time. The Redevelopment Plan set forth the plan for redevelopment of the Project Area; and

c. ABx1 26 (the "Dissolution Act") and ABx1 27 (the "Voluntary Program Act"; and together with the Dissolution Act, the "Redevelopment Restructuring Acts") have been enacted to significantly modify the Redevelopment Law generally as follows:

1. The Dissolution Act first immediately suspends all new redevelopment activities and incurrence of indebtedness, and dissolves redevelopment agencies effective October 1, 2011; and

2. The Voluntary Program Act, through the addition of Part 1.9 to the Redevelopment Law (the "Voluntary Alternative Redevelopment Program"), then allows a redevelopment agency to avoid dissolution under the Dissolution Act by opting into a voluntary alternative redevelopment program requiring specified annual contributions to local school and special districts.

d. Specifically, Section 34193(a) of the Redevelopment Law (as added to the Redevelopment Law by the Voluntary Program Act) authorizes the City Council to enact an ordinance to comply with Part 1.9 of the Redevelopment Law, thereby exempting the Agency from the provisions of the Dissolution Act, and enabling the Agency to continue to exist and function under the Redevelopment Law, so long as the City and the Agency comply with the Voluntary Alternative Redevelopment Program set forth in Part 1.9 of the Redevelopment Law.
e. Through the adoption and enactment of this Ordinance, it is the intent of the City Council to enact the ordinance described in Section 34193(a) of the Redevelopment Law and to participate for itself and on behalf of the Agency in the Voluntary Alternative Redevelopment Program set forth in Part 1.9 of the Redevelopment Law.

f. Pursuant to Section 34193.2(b) of the Redevelopment Law, the City Council understands that participation in the Voluntary Alternative Redevelopment Program requires remittance of certain payments as set forth in the Voluntary Program Act (as further described below), and also constitutes an agreement on the part of the City, in the event the City fails to make such remittance payments, to assign its rights to any payments owed by the Agency, including, but not limited to, payments from loan agreements, to the State of California.

g. The City Council does not intend, by enactment of this Ordinance, to waive any rights of appeal regarding the amount of any remittance payments established by the California Department of Finance, as provided in the Voluntary Program Act.

h. On August 11, 2011, the California Supreme Court agreed to review the California Redevelopment Association and League of California Cities’ petition challenging the constitutionality of the Redevelopment Restructuring Acts and issued an order granting a partial stay on specified portions of the Redevelopment Restructuring Acts, as modified on August 17, 2011 (the “Stay”), including a stay of the provisions of the Voluntary Program Act.

i. Accordingly, the City Council intends to adopt this Ordinance understanding that it will be effective only upon the lifting of the Stay and the Court's determination that the Voluntary Program Act is constitutional.

SECTION 2. ENACTMENT OF ORDINANCE PURSUANT TO REDEVELOPMENT LAW SECTION 34193(a). To the extent required by law to maintain the existence and powers of the Agency under the Redevelopment Law (including the Redevelopment Restructuring Acts), the City Council hereby enacts the ordinance authorized by Section 34193(a) of the Redevelopment Law, whereby the City, on behalf of itself and the Agency, elects to and will comply with the provisions of Part 1.9 of the Redevelopment Law, including the making of the community remittance payments called for in Section 34194 of the Redevelopment Law (the "Remittance Payments"), and whereby the Agency will no longer be subject to dissolution or the other prohibitions and limitations of Parts 1.8 and 1.85 of the Redevelopment Law as added by the Dissolution Act.

SECTION 3. ADDITIONAL UNDERSTANDINGS AND INTENT. It is the understanding and intent of the City Council that the City will enter into an agreement with the Agency as authorized pursuant to Section 34194.2 of the Redevelopment Law, whereby the Agency will transfer annual portions of its tax increment to the City in amounts not to exceed the annual Remittance Payments (the "Agency Transfer Payments") to enable the City, directly or indirectly, to make the annual Remittance Payments. Unless otherwise specified by resolution of the City Council, it is the City Council's intent that the City's annual Remittance Payments shall be made exclusively from the Agency Transfer Payments or from other funds that become available as a result of the City's receipt of the Agency Transfer Payments. The City Council does not intend, by enactment of this Ordinance, to pledge any of its general fund revenues or other assets to make the Remittance Payments, it being understood by the City Council that any
Remittance Payments will be funded solely from the Agency Transfer Payments and/or other assets transferred to the City in accordance with the Voluntary Program Act.

SECTION 4. AUTHORIZATION OF IMPLEMENTING ACTIONS. The City Manager or the City Manager's designee is hereby authorized, on behalf of the City, to take any actions necessary to implement this Ordinance and comply with the Voluntary Program Act, including, without limitation, providing required notices to the County Auditor-Controller, the State Controller, and the Department of Finance, entering into any agreements with the Agency to obtain the Agency Transfer Payments, and making the Remittance Payments.

SECTION 5. EXEMPTION FROM CEQA. The City Council finds, pursuant to Title 14 of the California Code of Regulations, Sections 15061(b)(3) and 15307, that this ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a project which has the potential for causing a significant effect on the environment and is a regulatory action as authorized by state law.

SECTION 6. CONSTITUTIONALITY; SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council declares that it would have adopted this ordinance and each section, subsection, sentence, clause and phrase thereof irrespective of the fact that any one or more section, subsection, sentence, clause or phrase be declared invalid.

SECTION 7. EFFECTIVE DATE. This ordinance shall be in full force and effect thirty (30) days from and after the date of its adoption, conditioned upon the lifting of the Stay and the Court's determination that the Voluntary Program Act is constitutional.

SECTION 8. POSTING AND PUBLICATION. The City Clerk is directed to cause copies of this ordinance to be posted in three (3) prominent places in the City of Sunnyvale and to cause publication once in The Sun, the official newspaper for publication of legal notices of the City of Sunnyvale, of a notice setting forth the date of adoption, the title of this ordinance, and a list of places where copies of this ordinance are posted, within fifteen (15) days after adoption of this ordinance.
Introduced at a regular meeting of the City Council held on ____________, 2011, and adopted as an ordinance of the City of Sunnyvale at a regular meeting of the City Council held on ____________, 2011, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:                       APPROVED:

_____________________________  ______________________________
City Clerk                                 Mayor
Date of Attestation: __________________
(SEAL)

APPROVED AS TO FORM AND LEGALITY:

_____________________________
David E. Kahn, City Attorney