



Agency Meeting: January 31, 2012

SUBJECT: Declaration of the Redevelopment Agency of the City of Sunnyvale with Respect to Loan, Advance or Indebtedness Forgiveness

BACKGROUND

On January 1, 2012, redevelopment bill, AB 936, became effective that specifies procedures to be implemented in connection with past or future total or partial forgiveness of a loan, advance or indebtedness between a redevelopment agency and a public body (forgiveness by the Redevelopment Agency of a loan made to the City, or forgiveness by the City of a loan made to the Redevelopment Agency).

AB 936 requires that, by February 1, 2012, the Redevelopment Agency and the City Council each adopt a resolution declaring whether or not it forgave such a loan in whole or in part during calendar years 2010 and 2011. If such loan forgiveness did occur, the resolution must contain specified information about the loan parties and terms, and the nature and fiscal effect of the forgiveness. Within 10 days after adoption of the resolution, the adopting entity must transmit a copy of the resolution to the State Controller and the City Council.

EXISTING POLICY

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

DISCUSSION

There are no loans that the City owes the Redevelopment Agency. Accordingly, it is appropriate for the Agency Board to adopt a resolution declaring that no such loan forgiveness has occurred during the period of time from January 1, 2010, through December 31, and directing staff to submit a copy of such resolution to the State Controller and the City Council. Staff has prepared the attached resolution (Attachment A) for consideration by the Agency, as required by AB 936, to declare that no such forgiveness has occurred.

FISCAL IMPACT

There is no fiscal impact. No loan forgiveness occurred during 2010 or 2011.

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.

RECOMMENDATION

Staff recommends that the Redevelopment Agency Board approve a Resolution of the Redevelopment Agency of the City of Sunnyvale making a declaration that no loan, advance or indebtedness forgiveness as described in AB 936 occurred during 2010 or 2011. If Resolution is not adopted, the Agency will be in violation of AB 936.

Reviewed by:

Grace K. Leung, Treasurer, Redevelopment Agency
Prepared by: Brice McQueen, Redevelopment Manager

Approved by:

Gary M. Luebbbers
Executive Director, Redevelopment Agency

Attachments

- A. Resolution of the Redevelopment Agency of the City of Sunnyvale Making a Declaration with Respect to Loan, Advance or Indebtedness Forgiveness in Compliance with Health and Safety Code Section 33354.8

RESOLUTION NO. _____

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SUNNYVALE MAKING A DECLARATION WITH RESPECT TO LOAN, ADVANCE OR INDEBTEDNESS FORGIVENESS IN COMPLIANCE WITH HEALTH AND SAFETY CODE SECTION 33354.8

WHEREAS, the Redevelopment Agency of the City of Sunnyvale (the "Agency") is responsible for implementing redevelopment programs and activities within its jurisdiction pursuant to the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*; the "CRL"), and the City of Sunnyvale (the "City") is authorized to cooperate with the Agency to facilitate such redevelopment pursuant to the CRL; and

WHEREAS, Health and Safety Code Section 33354.8, added to the CRL by AB 936 effective January 1, 2012, requires the Agency to adopt a resolution that declares whether or not it has been involved in the forgiveness, during the period of time commencing January 1, 2010, through December 31, 2011, of the repayment, wholly or partially, of a loan, advance, or indebtedness that has been owed by a public body (including, without limitation, the City) to the Agency or by the Agency to a public body (including, without limitation, the City), and, if so, setting forth specified information about such forgiveness; and

WHEREAS, this Resolution is adopted to constitute the resolution required by Health and Safety Code Section 33354.8.

NOW, THEREFORE, BE IT RESOLVED, that the Agency Board declares that the Agency has not been involved in the forgiveness, during the period of time commencing January 1, 2010, through December 31, 2011, of the repayment, wholly or partially, of a loan, advance, or indebtedness that has been owed by a public body (including, without limitation, the City) to the Agency or by the Agency to a public body (including, without limitation, the City).

BE IT FURTHER RESOLVED, that the Agency Executive Director or the Executive Director's designee is authorized and directed to transmit a copy of this Resolution to the State Controller and the City Council in compliance with Health and Safety Code Section 33354.8(c).

BE IT FURTHER RESOLVED, that this Resolution shall take immediate effect upon adoption.

Adopted by the Redevelopment Agency of the City of Sunnyvale at a regular meeting held on _____, 2012, by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

ATTEST:

APPROVED:

Clerk, Redevelopment Agency
(SEAL)

Chair of the Redevelopment Agency

APPROVED AS TO FORM AND LEGALITY:

By _____
David E. Kahn
Redevelopment Agency Counsel