

OVERSIGHT BOARD RESOLUTION NO. 118-17-OB

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUNNYVALE SUCCESSOR AGENCY APPROVING THE ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 2017 THROUGH JUNE 2018, AND MAKING RELATED FINDINGS AND DECLARATIONS AND TAKING RELATED ACTIONS

WHEREAS, the California state legislature enacted Assembly Bill x1 26 (the “Dissolution Act”) to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health & Safety Code Sections 33000 *et seq.*); and

WHEREAS, on January 10, 2012, the City Council of the City of Sunnyvale (the “City Council”) declared that the City of Sunnyvale (the “City”), would act as successor agency (the “Successor Agency”) for the dissolved Redevelopment Agency of the City of Sunnyvale (the “Dissolved RDA”) effective February 1, 2012, pursuant to Health & Safety Code Section 34173; and

WHEREAS, on February 1, 2012, the RDA was dissolved pursuant to Health & Safety Code Section 34172; and

WHEREAS, the Dissolution Act provides for the appointment of an oversight board (the “Oversight Board”) with specific duties to approve certain Successor Agency actions, such as approve the establishment of recognized obligation payment schedules of the Successor Agency and to direct the Successor Agency in certain other actions (pursuant to Health & Safety Code Sections 34080 and 34181); and

WHEREAS, pursuant to AB 1484 (“AB 1484”), enacted June 27, 2012, to amend various provisions of the Dissolution Act, the Successor Agency is now declared to be a separate legal entity from the City; and

WHEREAS, under the Dissolution Act, the Proposed ROPS 17-18 Administrative Budget must be submitted to Oversight Board for the Oversight Board’s approval.

NOW, THEREFORE, BE IT RESOLVED THAT THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF SUNNYVALE HEREBY FINDS, RESOLVES, AND DETERMINES THAT:

1. The foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below:

a. The Oversight Board has examined the items on the ROPS 17-18 Administrative Budget and finds that each of them is necessary for the continued maintenance and preservation of property owned by the Successor Agency until

disposition in accordance with the Dissolution Act, the continued administration of the ongoing agreements herein approved by the Oversight Board, or the expeditious wind-down of the affairs of the Dissolved RDA by the Successor Agency.

b. The Oversight Board does hereby approve the Administrative Budget for the Successor Agency (Health & Safety Code Section 34177(j) in the form attached hereto as Exhibit A (the “Administrative Budget”), and further authorizes the Successor Agency to incur costs for the general administrative activities and functions described in the Administrative Budget, provided that the Administrative Cost Allowance to pay such costs shall not exceed the amounts allowed pursuant to Health& Safety Code Section 34171(b).

c. The Oversight Board finds that the Administrative Budget supports a FY 2017-18 Administrative Cost Allowance to the Successor Agency in an amount up to three percent of the property tax allocated, reduced by the administrative cost allowance and loan repayments in the preceding fiscal year, or the minimum authorized amount of \$250,000 for the period of July 2017 through June 2018 provided that the allowance does not exceed 50 percent of the total property tax distributed to pay enforceable obligations in the preceding fiscal year reduced by the administrative cost allowance and loan repayments during the preceding fiscal year.

d. The Successor Agency is authorized and directed to enter into any agreements and amendments to agreements necessary to memorialize and implement the agreements and obligations in the Administrative Budget herein approved by the Oversight Board.

e. The Oversight Board hereby authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to file, post, mail or otherwise deliver via electronic mail, internet posting, and/or hardcopy, all notices and transmittals necessary or convenient in connection with the approval of the approved Administrative Budget, and to take any other administrative actions necessary to ensure the validity of the ROPS 17-18 Administrative Budget and the validity of any enforceable obligation approved by the Oversight Board. In addition, the Oversight Board authorizes and directs the Successor Agency staff to make such non-substantive revisions to the Approved ROPS 17-18 Administrative Budget as may be necessary to submit the Approved ROPS 17-18 Administrative Budget in any modified form required by the Department of Finance, and the Approved ROPS 17-18 Administrative Budget as modified shall thereupon constitute the Approved ROPS 17-18 Administrative Budget as approved by the Oversight Board pursuant to this Resolution.

2. This Resolution shall take effect at the time and in the manner prescribed in Health & Safety Code Section 34179(h).

Adopted by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Sunnyvale at a regular meeting held on January 30, 2017, by the following vote:

AYES: LEZOTTE, MCELROY, LAM, KIRBY, BRADLEY
NOES: CAUBLE
ABSTAIN: SNOW
ABSENT: NONE
RECUSAL: NONE

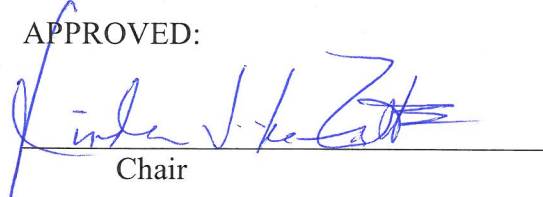
ATTEST:



Successor Agency Clerk

(SEAL)

APPROVED:



Chair

EXHIBIT A

**REDEVELOPMENT SUCCESSOR AGENCY
CITY OF SUNNYVALE
ROPS 17-18 ADMINISTRATIVE BUDGET
July 1, 2017 – June 30, 2018**

This document constitutes the ROPS 17-18 Administrative Budget of the Redevelopment Successor Agency of the City of Sunnyvale. This Administrative Budget has been prepared by the Redevelopment Successor Agency (RSA) of the City of Sunnyvale and submitted to the Sunnyvale Oversight Board for approval in accordance with the requirements of Health and Safety Code Section 34177(j). The Administrative Budget accompanies the 17-18 Recognized Obligation Payment Schedule (ROPS) prepared pursuant to Health and Safety Code Section 34177(l) for the period July 2017 through June 2018.

This Administrative Budget is prepared in three parts to correspond to the three elements described for the Administrative Budget in Health and Safety Code Section 34177(j) (1), (2), and (3).

1. Estimated Amounts For Successor Agency Administrative Cost (Health and Safety Code Section 34177(j)(1)).

Administrative Activities	Job Classification Services & Expenditures	Hours	12-month Budget
705320/706280/702301 – Successor Agency Administration			
- Prepare Administrative Budget	Director of Finance	25	\$5,044
- Prepare Recognized Obligation Payment Schedule (ROPS)	Senior Management Analyst	800	\$96,248
- Correspondence/Coordination with County re: Inquiries/Requests	Accounting	200	\$20,488
- Correspondence/coordination with State re: Inquiries/Requests	City Clerk	20	\$2,490
- Oversight of property liquidation	Financial Services		\$20,000
Oversight Board Staff Support	Allocations Charges (Space, IT, Supplies, Administrative Support)		\$12,984
- Annual Reporting			
- Annual Audit			
- Contract Management and Bill Payment			
750510 – Legal Advice for RSA Issues – ROPS Administration			
- Legal Services Administration	City Attorney	150	\$32,502
	Allocations Charges (Space, IT, Supplies, Administrative Support)		\$2,925
750510 – RSA – ROPS Administration			
- Contract Legal Services to Assist in Winding Down the Former RDA	Legal Services	200	\$59,000
Administrative Activities (Continued)	Job Classification	Hours	12-month

	Services & Expenditures		Budget
City Wide Overhead – In Lieu			
- City Overhead Charges (Human Resources, Office of City Manager, Liability & Property Insurance)	City Overhead Charges		\$5,338
Total Administrative Budget			\$257,019
Minimum Administrative Cost Allowance			\$250,000

This Administrative Budget documents that the RSA's "administrative cost allowance", as defined and authorized pursuant to Health and Safety Code Section 24171(b), for Fiscal Year 2017/18 is an amount up to three percent of the property tax allocated, reduced by the administrative cost allowance and loan repayments in the preceding fiscal year, or the minimum authorized amount of \$250,000 for the period of July 2017 through June 2018 provided that the allowance does not exceed 50 percent of the total property tax distributed to pay enforceable obligations in the preceding fiscal year reduced by the administrative cost allowance and loan repayments during the preceding fiscal year.

As called for in Health and Safety Code Section 34177(k), and as documented in this Administrative Budget and the July 2017 through June 2018 ROPS, the Successor Agency will report to the County Auditor-Controller that its administrative cost allowance to be paid from property taxes deposited in the Redevelopment Property Tax Trust Fund (as further described in Part 2 below) pursuant to Health and Safety Code Section 34183(a)(3) is the amount of \$250,000 for this period.

Activities may be added, revised, or deleted from this listing as necessary and appropriate during the course of the Redevelopment Agency wind-down process. Costs shown for each activity are estimates only. Actual costs required for each activity may be higher or lower than the amount shown, not to exceed the aggregate total amount.

2. Proposed Source of Payment For Above-Identified Administrative Costs (Health and Safety Code Section 34177(j)(2).

As authorized pursuant to Health and Safety Code Section 34183(a)(3), the proposed source of payment for the administrative costs identified in Part 1 above is the Redevelopment Property Tax Trust Fund established and maintained by the County Auditor-Controller pursuant to Health and Safety Code Section 34170.5(b).

3. Proposals For Arrangements For Administration and Operations Services (Health and Safety Code Section 34177(j)(3).

The RSA has arranged with the City of Sunnyvale to provide the staff services and office materials and equipment to administer the responsibilities of the RSA, and will draw upon services of outside legal and financial consultants (Goldfarb & Lipman LLP and Keyser Marston Associates), to provide special services for the wind-down of the former RDA to the extent City staff lacks the necessary expertise or capacity.