

RESOLUTION NO. 08-2020-7

**RESOLUTION OF THE REDEVELOPMENT DISSOLUTION COUNTYWIDE
OVERSIGHT BOARD OF SANTA CLARA COUNTY TO APPROVE THE
ADMINISTRATIVE BUDGET FOR THE PERIOD OF JULY 1, 2020 THROUGH
JUNE 30, 2021 FOR THE SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF SUNNYVALE**

WHEREAS, all California redevelopment agencies were dissolved by the enactment of ABx1 26 in 2011, subsequently amended by AB 1484 (2012) and SB 107 (2015), which created successor agencies to wind down and dispose of all assets of the former redevelopment agencies;

WHEREAS, the Successor Agency to the Redevelopment Agency of the City of Sunnyvale (the "Successor Agency") is responsible for winding down all aspects of the former Redevelopment Agency of the City of Sunnyvale, including paying down all remaining enforceable obligations;

WHEREAS, pursuant to Health and Safety Code section 34171, the Successor Agency is required to submit the administrative cost allowance for the period of July 1, 2020 through June 30, 2021 ("Admin Budget") to be included on the Recognized Obligation Payment Schedule ("ROPS"), which is due to the California Department of Finance ("DOF") by February 1, 2020;

WHEREAS, the Successor Agency has prepared and submitted the Admin Budget with the ROPS in accordance with the instructions provided by DOF;

WHEREAS, the County Auditor-Controller is authorized to review the ROPS and provide objection to any item listed on ROPS 20-21;

WHEREAS, the County of Santa Clara Auditor-Controller has provided an objection letter to the ROPS 20-21 dated January 22, 2020, objecting to the amount of administrative costs; and,

WHEREAS, pursuant to Health and Safety Code section 34171(b)(2), this Oversight Board has the authority to approve less than the maximum amount of administrative cost allowance.

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NOW, THEREFORE, BE IT RESOLVED that the Redevelopment Dissolution Countywide Oversight Board of Santa Clara County approves the Administrative Budget for the Successor Agency to the Redevelopment Agency of the City of Sunnyvale in the amount of \$120,000 for the period of July 1, 2020 through June 30, 2021 as attached hereto.

PASSED AND ADOPTED by the Redevelopment Dissolution Countywide Oversight Board of Santa Clara County in the County of Santa Clara, State of California, on January 30, 2020, by the following vote:

AYES: Estremera, Lam, Klein, Snow, Williams

NOES: None

ABSENT: Pascoal

ABSTAIN: Chim



TONY ESTREMER

Chair, Redevelopment Dissolution
Countywide Oversight Board of Santa Clara
County

ATTEST:



MEGAN DOYLE

Clerk of the Countywide Oversight Board

APPROVED AS TO FORM AND LEGALITY:



CHRISTOPHER R. CHELEDEN

Lead Deputy County Counsel

Attachment: Sunnyvale Admin Budget 20-21

2156340

**REDEVELOPMENT SUCCESSOR AGENCY
CITY OF SUNNYVALE
ROPS 20-21 ADMINISTRATIVE BUDGET
July 1, 2020 – June 30, 2021**

This document constitutes the ROPS 20-21 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 Oversight Board for approval in accordance with the requirements of Health and Safety Code Section 34177(j). The Administrative Budget accompanies the 20-21 Recognized Obligation Payment Schedule (ROPS) prepared pursuant to Health and Safety Code Section 34177(l) for the period July 2020 through June 2021.

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
705030 – Successor Agency Administration			
- Prepare Administrative Budget	Director of Finance	95	\$ 23,500
- Prepare Recognized Obligation Payment Schedule (ROPS)	Senior Management Analyst	100	\$ 13,000
- Correspondence/Coordination with County re: Inquiries/Requests	Accounting	100	\$ 12,000
- Correspondence/coordination with State re: Inquiries/Requests	Financial Services		\$ 20,000
- Oversight of property liquidation	Allocations Charges (Space, IT, Supplies, Administrative Support)		\$ 6,200
- Successor Agency Staff Support			
- Attend board / committee meetings			
- Annual Reporting			
- Annual Audit			
- Contract Management and Bill Payment			
705030 – Legal Advice for RSA Issues – ROPS Administration			
- Legal Services Administration	City Attorney	175	\$ 41,160
	Allocations Charges (Space, IT, Supplies, Administrative Support)		\$ 3,710
705030 – RSA – ROPS Administration			
- Contract for Outside Counsel Services to Assist in Winding Down the Former RDA	Legal Services	100	\$ 30,975

Administrative Activities (Continued)	Job Classification Services & Expenditures	Hours	12-month Budget
City Wide Overhead – In Lieu			
- City Overhead Charges (Human Resources, Office of City Manager, Liability & Property Insurance)	City Overhead Charges		\$ 2,953
Total Administrative Budget			\$ 154,175
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 2020/21 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 2020 through June 2021 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 2020 through June 2021 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 \$154,175 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.