

MEETING DATE: April 2, 2012

AGENDA ITEM: (1) City Council Adoption of a Resolution Approving the Execution of a Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead, and Other Expenses by and Between the City and the Successor Agency, and (2) Successor Agency Board Adoption of a Resolution Approving Proposed Administrative Budgets and Approving the Execution of a Cooperative Agreement for Advance and Reimbursement of Administrative, Overhead, and Other Expenses by and Between the City and the Successor Agency and Taking Certain Other Actions.

ATTACHMENTS

	<u>Pages</u>
1. Proposed City Council Resolution with Exhibit 'A'	1 – 5
2. Proposed Successor Agency Resolution with Exhibits 'A', 'B' and 'C' .	6 – 15

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1 WHEREAS, the Supreme Court generally revised the effective dates and
2 deadlines for performance of obligations in Part 1.85 arising before May 1, 2012, to take
3 effect four months later, while leaving the effective dates or deadlines for performance of
4 obligations under Health and Safety Code Part 1.8 of AB 26 unchanged; and

5 WHEREAS, as a result of the Supreme Court's decision, and on February 1,
6 2012, all California redevelopment agencies were dissolved and successor agencies to the
7 former redevelopment agencies were established, pursuant to Health and Safety Code
8 Section 34173, and tasked with paying, performing and enforcing the enforceable obligations
9 and winding down the affairs of the former redevelopment agencies; and

11 WHEREAS, by its Resolution No. 2012-R001, adopted on January 9, 2012,
12 pursuant to Part 1.85, the City Council made an election to serve as the successor agency to
13 the CCRA upon the dissolution of the CCRA under AB 26 ("Successor Agency"); and

15 WHEREAS, pursuant to Part 1.85 of the Community Redevelopment Law
16 (commencing with Health and Safety Code Section 34170), the Successor Agency to the
17 Culver City Redevelopment Agency ("Successor Agency") is required to undertake a number
18 of actions, including winding down the affairs of the former CCRA pursuant to Health and
19 Safety Code Section 34177(h); and

20 WHEREAS, in connection with the administration and operations of the
21 Successor Agency, the Successor Agency is and will be utilizing the staff, facilities, and other
22 resources of the City. The City Manager of the City serves as Executive Director of the
23 Successor Agency, the Chief Financial Officer serves as Finance Officer of the Successor
24 Agency, the City Clerk serves as Secretary to the Successor Agency and the City Attorney
25 serves as Successor Agency Counsel. Community Development, Finance, Public Works,
26 and other City departments devote and are expected to devote substantial time with respect
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1 to the administration and operations of the Successor Agency, including gathering information
2 relating to the former CCRA's enforceable obligations, conferring with public officials
3 representing governmental agencies, and undertaking other activities in connection with
4 administration and operations of the Successor Agency; and

5 WHEREAS, by providing and making available to the Successor Agency the
6 staff, facilities, services, and other resources of the City, including, without limitation,
7 consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to
8 the administration and operations of the Successor Agency, the City has advanced and will
9 continue to advance the cost of the foregoing to the Successor Agency. The City and the
10 Successor Agency desire to enter into an agreement to provide for an appropriate method of
11 reimbursement of such advances by the Successor Agency to the City; and
12

13 WHEREAS, pursuant to Health and Safety Code Section 34171(d)(1)(F),
14 contracts or agreements necessary for the administration or operation of the Successor
15 Agency are enforceable obligations and pursuant to Health and Safety Code Sections
16 34178(a) and 34180(h), the Successor Agency may enter into agreements with the City with
17 the approval of the oversight board for the Successor Agency (the "Oversight Board");
18

19 NOW, THEREFORE, the City Council of the City of Culver City, California,
20 DOES HEREBY RESOLVE as follows:

21 SECTION 1. The foregoing recitals are true and correct and are a
22 substantive part of this Resolution.
23

24 SECTION 2. The adoption of this Resolution is not intended to and shall not
25 constitute a waiver by the Successor Agency of any rights the Successor Agency may have
26 to challenge the effectiveness and/or legality of all or any portion of AB 26 through
27 administrative or judicial proceedings.
28

1 SECTION 3. The Cooperative Agreement for Advance and Reimbursement
2 of Administrative, Overhead and other Expenses by and between the City and the
3 Successor Agency attached hereto as Exhibit A and incorporated herein by reference (the
4 "Agreement") is hereby approved and the City Manager is hereby authorized to execute the
5 Agreement.

6 SECTION 4. The City Manager of the City is hereby authorized and directed,
7 jointly and severally, to do any and all things which he deems necessary or advisable,
8 including the allocation of City staff and resources, to effectuate this Resolution, and any
9 such actions previously taken by such officers and staff are hereby ratified and confirmed.
10

11 SECTION 5. This Resolution shall take effect immediately upon its adoption.
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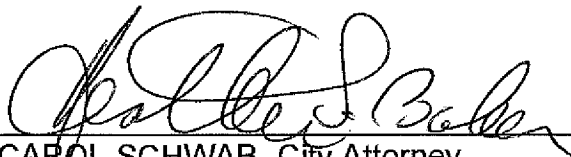
13 APPROVED AND ADOPTED, this ____ day of _____, 2012.
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16 _____
17 MICHEÁL O' LEARY, Mayor
18 City of Culver City

19 ATTEST:

20 APPROVED AS TO FORM:

21 _____
22 MARTIN R. COLE, City Clerk

23 
24 CAROL SCHWAB, City Attorney
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26
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A12-00332

Exhibit A'
Culver City Successor Agency Administrative Budget
January 1, 2012 through June 30, 2012

Direct Staff Costs	FE	FY12 (June)
Redevelopment Administrator	0.70	5,37
Economic Development Manager	0.84	5,68
City Analyst	0.50	2,8
Project Manager	0.75	1,25
Project Manager	0.75	1,25
Associate Analyst	1.00	2,8
Director	0.25	21,90
Sr. City Analyst	0.75	5,8
City Analyst	0.75	2,7
City Manager	0.15	1,54
Assistant City Manager - City Clerk	0.10	1,58
CD	0.15	1,3
Sr. City Analyst-Finance	0.15	9
	3	5,67
 <i>Direct O&M</i>		
Contractual Services (Legal, Consulting)		125,0
Successor Agency Oversight Board Meeting Costs		2,50
Office Supplies		5,0
		12,80
Total Direct Costs		1,07
Indirect Cost Allocation (25%)		16,27
Total Cost		1,8

1 X1 27 are unconstitutional. On December 29, 2011, the Supreme Court issued its opinion in
2 the *Matosantos* case, largely upholding AB X1 26, invalidating AB X1 27, and holding that AB
3 X1 26 (AB 26) may be severed from AB X1 27 and enforced independently; and

4 WHEREAS, the Supreme Court generally revised the effective dates and
5 deadlines for performance of obligations in Part 1.85 arising before May 1, 2012, to take
6 effect four months later, while leaving the effective dates or deadlines for performance of
7 obligations under Health and Safety Code Part 1.8 of AB 26 unchanged; and

8
9 WHEREAS, as a result of the Supreme Court's decision, and on February 1,
10 2012, all California redevelopment agencies were dissolved and successor agencies to the
11 former redevelopment agencies were established, pursuant to Health and Safety Code
12 Section 34173, and tasked with paying, performing and enforcing the enforceable obligations
13 and winding down the affairs of the former redevelopment agencies; and

14
15 WHEREAS, by its Resolution No. 2012-R001, adopted on January 9, 2012,
16 pursuant to Part 1.85, the City Council made an election to serve as the successor agency to
17 the CCRA upon the dissolution of the CCRA under AB 26 ("Successor Agency"); and

18
19 WHEREAS, pursuant to Part 1.85 of the Community Redevelopment Law
20 (commencing with Health and Safety Code Section 34170) ("Part 1.85"), the Successor
21 Agency to the Culver City Redevelopment Agency ("Successor Agency") is required to
22 undertake a number of actions related to winding down the affairs of the former CCRA
23 pursuant to Health and Safety Code Section 34177(h); and

24
25 WHEREAS, In connection with the administration and operations of the
26 Successor Agency, the Successor Agency is and will be utilizing the staff, facilities, and other
27 resources of the City. The City Manager serves as Executive Director of the Successor
28 Agency, the Chief Financial Officer serves as Finance Officer of the Successor Agency, the

1 City Clerk serves as Secretary to the Successor Agency and the City Attorney serves as
2 Successor Agency Counsel. Community Development, Finance, Public Works, and other
3 City departments devote and are expected to devote substantial time with respect to the
4 administration and operations of the Successor Agency, including gathering information
5 relating to the former CCRA's enforceable obligations, conferring with public officials
6 representing governmental agencies, and undertaking other activities in connection with
7 administration and operations of the Successor Agency; and
8

9 WHEREAS, by providing and making available to the Successor Agency the
10 staff, facilities, services, and other resources of the City, including, without limitation,
11 consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to
12 the administration and operations of the Successor Agency, the City has advanced and will
13 continue to advance the cost of the foregoing to the Successor Agency. The City and the
14 Successor Agency desire to enter into an agreement to provide for an appropriate method of
15 reimbursement of such advances by the Successor Agency to the City; and
16

17 WHEREAS, pursuant to Health and Safety Code Section 34171(d)(1)(F),
18 contracts or agreements necessary for the administration or operation of the Successor
19 Agency are enforceable obligations; and pursuant to Health and Safety Code Sections
20 34178(a) and 34180(h), the Successor Agency may enter into agreements with the City with
21 the approval of the oversight board for the Successor Agency (the "Oversight Board"); and
22

23 WHEREAS, pursuant to Health and Safety Code Section 34177(j), the
24 Successor Agency is required to prepare a proposed administrative budget for each six
25 month fiscal period and submit each proposed administrative budget to the Oversight Board
26 for its approval. Each proposed administrative budget shall include all of the following: (1)
27 Estimated amounts for Successor Agency administrative costs for the applicable six-month
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1 fiscal period; (2) Proposed sources of payment for the costs identified in (1); and (3)
2 Proposals for arrangements for administrative and operations services provided by the City or
3 another entity; and

4 WHEREAS, pursuant to Health and Safety Code Section 34177(k), the
5 Successor Agency is required to provide administrative cost estimates, from its approved
6 administrative budget that are to be paid from property tax revenues deposited in the
7 Redevelopment Property Tax Trust Fund of the County, to the County Auditor-Controller for
8 each applicable six-month fiscal period;
9

10 NOW, THEREFORE, the Board of Directors of the Successor Agency to the
11 Culver City Redevelopment Agency DOES HEREBY RESOLVE as follows:

12 SECTION 1. The foregoing recitals are true and correct and are a
13 substantive part of this Resolution.

14 SECTION 2. The adoption of this Resolution is not intended to and shall not
15 constitute a waiver by the Successor Agency of any rights the Successor Agency may have
16 to challenge the effectiveness and/or legality of all or any portion of AB 26 through
17 administrative or judicial proceedings.
18

19 SECTION 3. The administrative budget for the six-month fiscal period
20 commencing January 1, 2012 and ending June 30, 2012, attached hereto as Exhibit A and
21 incorporated herein by reference, and the proposed administrative budget for the six-month
22 fiscal period commencing July 1, 2012 and ending December 31, 2012, attached hereto as
23 Exhibit B and incorporated herein by reference, are hereby approved.
24

25 SECTION 4. The Cooperative Agreement for Advance and Reimbursement
26 of Administrative, Overhead and other Expenses by and between the Successor Agency
27 and the City attached hereto as Exhibit C and incorporated herein by reference (the
28

1 "Agreement") is hereby approved and the Executive Director is hereby authorized and
2 directed, acting singly, to execute the Agreement.

3 SECTION 5. This Resolution shall take effect immediately upon its adoption.

4
5 APPROVED AND ADOPTED, this ____ day of _____, 2012.
6
7

8 _____
9 MICHEÁL O' LEARY, CHAIR
10 Successor Agency to the Culver City
11 Redevelopment Agency

12 ATTEST:

13 APPROVED AS TO FORM:

14 _____
15 MARTIN R. COLE, Secretary

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17 _____
18 CAROL SCHWAB, Successor Agency
19 Counsel
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A12-00331

Exhibit A'
Culver City Successor Agency Administrative Budget
January 1, 2012 through June 30, 2012

	FE	FY12 (June)
Direct Staff Costs		
Redevelopment Administrator	0.70	5,37
Economic Development Manager	0.84	5,68
Analyst	0.50	2,8
Project Manager	0.75	1,25
Project Manager	0.75	1,25
Associate Analyst	1.00	2,8
Director	0.25	21,90
Sr. Analyst	0.75	5,8
Analyst	0.75	2,7
City Manager	0.15	1,54
Assistant City Manager - City Clerk	0.10	1,58
CD	0.15	1,3
Sr. Analyst - Finance	0.15	9
	3	5,67
<u>Direct O&M</u>		
Contractual Services (Legal, Consulting)		125,0
Successor Agency Oversight Board Meeting Costs		2,50
Office Supplies		5,0
		12,80
Total Direct Costs		1,07
Indirect Cost Allocation (25%)		16,27
Total Cost		1,8

Exhibit B'
Culver City Successor Agency Administrative Budget
July 1 through December 31, 2012

	FE	M213 (July-Dec)
Direct Staff Costs		
Economic Development Administrator	00	00
Economic Development Manager	00	5,68
Project Manager	00	5,30
CD Director	00	3,60
Sr. City Analyst	060	410
City Analyst	00	5,367
City Manager	015	22,7
Assistant City Manager - City Clerk	010	12,0
CD	015	16,09
Sr. City Analyst Finance	015	11,250
	025	2,021
<u>Direct O&M</u>		
Contractual Services (Legal, Consulting)		3,0
Successor Agency Oversight Board Meeting Costs		750
Office Supplies		40
		000
Total Direct Costs		021
Indirect Cost Allocation (25%)		11,60
Total Cost		015

COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF
ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES

This COOPERATIVE AGREEMENT FOR ADVANCE AND REIMBURSEMENT OF ADMINISTRATIVE, OVERHEAD AND OTHER EXPENSES (this "Agreement") is entered into as of February 1, 2012, by and between the City of Culver City the "City") and the Successor Agency to the Culver City Redevelopment Agency (the "Successor Agency").

R E C I T A L S:

- A. The Successor Agency is required to undertake a number of actions pursuant to Part 1.85 of the Community Redevelopment Law (commencing with Health and Safety Code Section 34170) ("Part 1.85"), including winding down the affairs of the former Culver City Redevelopment Agency ("Agency") pursuant to Health and Safety Code Section 34177(h).
- B. Pursuant to Health and Safety Code Section 34171(d)(1)(F), contracts or agreements necessary for the administration or operation of the Successor Agency are enforceable obligations.
- C. Pursuant to Health and Safety Code Sections 34178(a) and 34180(h), with the approval of the oversight board, the Successor Agency may enter into agreements with the City.
- D. In connection with the administration and operations of the Successor Agency, the Successor Agency is and will be utilizing the staff, facilities, and other resources of the City.
- E. The City Manager of the City serves as Executive Director of the Successor Agency, the Chief Financial Officer serves as Finance Officer of the Successor Agency, and the City Clerk serves as Secretary to the Successor Agency. Community Development, Finance, Public Works, and other City departments devote and are expected to devote substantial time with respect to the administration and operations of the Successor Agency, including gathering information relating to the Agency's enforceable obligations, conferring with public officials representing governmental agencies, and undertaking other activities in connection with winding down the affairs of the Agency.
- F. By providing and making available to the Successor Agency the staff, facilities, services, and other resources of the City, including, without limitation, consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency, the City has advanced and will continue to advance the cost of the foregoing to the Successor Agency.
- G. The City and the Successor Agency desire to enter into this Agreement to acknowledge the foregoing recitals and to provide for an appropriate method of reimbursement of such advances by the Successor Agency to the City.

NOW, THEREFORE, THE PARTIES DO HEREBY AGREE AS FOLLOWS:

Section 1. The City shall make available to the Successor Agency its staff, facilities, services, and other resources, including, without limitation, consultants, legal counsel, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency. The Successor Agency shall have access to the foregoing staff, facilities, services, and other resources of the City.

Section 2. The value of the City staff, including all employee retirement and other benefits, facilities, services, and other resources of the City, including, without limitation, office space, equipment, supplies, and insurance, necessary to the administration and operations of the Successor Agency made, and to be made, available to the Successor Agency for each six-month fiscal period beginning with the fiscal period commencing on January 1, 2012 and ending on June 30, 2012, determined in accordance with Section 3 hereof, shall constitute an advance to the Successor Agency by the City for each six-month fiscal period, to be repaid in accordance with Section 4 of this Agreement.

Section 3. The City Manager has caused to be prepared a cost accounting plan attached hereto as Exhibit A and incorporated herein by reference, based upon reasonable allocations and generally accepted cost accounting principles, documenting the value of the City staff, including all employee retirement and other benefits, and the facilities, services, and other resources of the City made, or to be made available, to the Successor Agency pursuant to Section 1 hereof for each six-month fiscal period beginning with the fiscal period commencing on January 1, 2012 and ending on June 30, 2012. For each six month fiscal period, or such other times as the City Manager deems appropriate, the City Manager shall review or cause to be reviewed the cost accounting plan for its accuracy in reflecting the value of City staff and resources advanced to the Successor Agency. The City Manager shall revise the cost accounting plan as he or she determines is necessary based on such periodic review.

Section 4. Within 60 days following the end of each six month fiscal period, beginning with the fiscal period commencing on January 1, 2012 and ending on June 30, 2012, the Successor Agency shall pay the City the amount of the reimbursement set forth in Exhibit A from available funds of the Successor Agency.

Section 5. The parties hereto agree to take all appropriate steps and execute any documents which may reasonably be necessary or convenient to implement the intent of this Agreement. The Successor Agency shall ensure the value of staff and resources advanced by the City is listed on each Recognized Obligation Payment Schedule.

Section 6. Each party shall maintain books and records regarding its duties pursuant to this Agreement. Such books and records shall be available for inspection by the officers and agents of the other party at all reasonable times.

Section 7. This Agreement is made in the State of California under the Constitution and laws of the State of California, and is to be so construed.

Section 8. This Agreement will become effective upon approval of the Oversight Board to the Successor Agency.

Section 9. This Agreement may be amended at any time, and from time to time, if such amendment is in writing, duly executed by both parties to this Agreement and approved by the Oversight Board to the Successor Agency.

SUCCESSOR AGENCY TO THE CULVER CITY
REDEVELOPMENT AGENCY

By _____
Executive Director

ATTEST:

Secretary

CITY OF CULVER CITY

By _____
City Manager

ATTEST:

City Clerk

I hereby certify that pursuant to an action taken by the Oversight Board to the Successor Agency to the Culver City Redevelopment Agency in a duly noticed and public meeting that this Agreement was approved by said Oversight Board by the following vote on _____, 2012:

Ayes:

Noes:

Abstain:

Absent:

CERTIFICATION OF APPROVAL BY OVERSIGHT BOARD:

Secretary to the Oversight Board
to the Successor Agency to the
Culver City Redevelopment Agency

Dated