

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: March 19, 2012
Reviewed by: BP

SUBJECT: Appointment of Members to the Successor Agency Oversight Board

REPORT BY: Beth Pollard, City Manager

STAFF RECOMMENDATION

- 1) That the Vice-Mayor appoint a Council Member to the Oversight Board of the Successor Agency to represent the City of Albany; and
- 2) That the Vice-Mayor appoint Beth Pollard to the Oversight Board of the Successor Agency to represent employees of the former Albany Community Reinvestment Agency
- 3) That council adopt Resolution No. 2012-17 ratifying the Vice-Mayor's appointment of the aforementioned two members to the Oversight Board of the Successor Agency to the former Albany Community Reinvestment Agency.

BACKGROUND

The legislation authorized as ABx1 26 (Dissolution Act) requires that there shall be an oversight board (Oversight Board) established for each former California redevelopment agency's successor agency (Successor Agency). The Oversight Board supervises the activities of the Successor Agency and the wind down of the dissolved redevelopment agency's affairs. It has a fiduciary responsibility to holders of enforceable obligations and taxing entities that benefit from the distributions of property tax and other revenues of the Successor Agency. The Dissolution Act requires the Oversight Board to direct the Successor Agency to determine whether contracts, agreements or other arrangements between the former redevelopment agency and other parties should be terminated or renegotiated to reduce the Successor Agency's liabilities and to increase net revenues to the taxing entities. The Oversight Board also approves the Successor Agency administrative budget.

The Oversight Board consists of seven members appointed by:

- County Board of Supervisors (two members); the County of Alameda has informed the City that Supervisor Keith Carson, whose district includes Albany, will be one of the two appointees, and that County Counsel has opined that a Council Member cannot be the second appointee

- County Board of Education (one member); County Superintendent Sheila Jordan has asked each school board to nominate up to two candidates; the Board of Trustees of the Albany Unified School District nominated its Superintendent, Marla Stephenson.
- Chancellor of California Community Colleges (one member); No information on this appointee is currently available.
- Largest special district taxing entity (one member); in Albany it is AC Transit. The District has notified the City that it will appoint either the Director whose ward includes Albany – Joe Wallace, or one of the two at-large Directors – Joel Young or Chris Peeples.
- Mayor of the city that established the dissolved RDA (one member); and
- A former redevelopment agency employee appointed by the Mayor (one member). As in most redevelopment agencies, the employees who performed work for the Albany Community Reinvestment Agency were city employees. In Albany the choices are City Manager Beth Pollard, Finance & Administrative Services Director Charlie Adams, or former Assistant City Manager now Projects Director Judy Lieberman.

DISCUSSION

Under the California Supreme Court's decision related to the Dissolution Act, the Oversight Board membership must be completed by May 1, 2012. The State Department of Finance has recently notified cities that the Oversight Boards must approve the Recognized Obligation Payment Schedule by April 15. A meeting can be called as soon as there is a quorum of members appointed. Staff believes it is important to proceed with appointments and schedule the first meeting.

It is anticipated that the City's appointees to the Oversight Board will serve until June 30, 2016 unless a member resigns and/or the City makes a new appointment. Any vacancies on the Oversight Board must be filled within 60 days. If any Oversight Board member position remains vacant for more than 60 days, the Governor may appoint to fill that vacancy. Commencing on July 1, 2016, all of the Oversight Boards for the various former redevelopment agencies in a particular county will be consolidated into a single county-wide Oversight Board of a composition specified by the Dissolution Act.

The Oversight Board is deemed to be a local entity for purposes of the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974. The Successor Agency will be responsible for posting the agendas and minutes of Oversight Board meetings and maintaining a Successor Agency website. Oversight Board members shall have personal immunity from suit for their actions taken within the scope of their responsibilities as Oversight Board members.

ANALYSIS

Mayor Javandel and Council Member Thomsen live within 500 feet of one of the properties contained within the former redevelopment district – the Pierce Street parcel. Since repayment of City funds used to purchase the Pierce Street property is listed on the Recognized Obligation Payment Schedule, Mayor Javandel or Council Member Thomsen could encounter conflicts of interest on decisions affecting this property if they were to serve on the Oversight Board. To avoid any public perception of a conflict of interest, they may also choose to voluntarily recuse themselves from participation in making appointments to the Oversight Board.

To further protect the appointments from any potential conflict of interest concerns, staff recommends that Vice Mayor Atkinson make the appointments, and that Council ratify the appointments with adoption of the resolution.

FINANCIAL IMPACT

The appointees are expected to perform Oversight Board member roles as part of their existing duties as public officials and/or city employees. The Dissolution Act states that the Oversight Board members shall serve without compensation or reimbursement for expenses from the Successor Agency. However, the Successor Agency shall pay for all of the costs of meetings of the Oversight Board and may include such costs in its administrative budget.

The frequency and schedule for Oversight Board meetings has yet to be determined. However, it is anticipated that the majority of the Oversight Board's work will occur in the initial year of existence as the members review existing obligations and contracts. At a minimum the Oversight Board is expected to meet twice a year to review and approve the Successor Agency Recognized Obligation Payment Schedule.

Attachments:

1. Draft Resolution Ratifying the Vice Mayor's Appointments to the Oversight Board of the Successor Agency for the former Albany Community Reinvestment Agency