

RESOLUTION 2019-033

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH THE SAN PABLO ECONOMIC DEVELOPMENT CORPORATION FOR FY 2018/19 IN THE AMOUNT OF \$562,500 AND APPROPRIATING \$562,500 FROM GENERAL FUND DESIGNATED RESERVES/SPEDC OPERATING SUBSIDY TO FUND THE AGREEMENT

WHEREAS, *Job Creation and Business Opportunities (City Manager, Economic Development, Development Services)*, and *Fiscal Sustainability/General Fund Reserves Protection (City Council, City Manager)* are policy items under the adopted FY 2018-21 City Council Adopted Workplan, effective November 1, 2017;

WHEREAS, this is not a project as defined by CEQA, because it is a financing mechanism;

WHEREAS, in compliance with the Fiscal Resiliency Reserve Policy adopted on October 21, 2013, the City Council of the City of San Pablo finds that use of the General Fund Designated Reserves with earmarks of \$562,500 for the SPEDC FY 2018/19 Operating Subsidy from the Designated Reserves approved by City Council on February 4, 2019 as stated below is an appropriate and prudent use of these funds;

WHEREAS, in February 2011, the San Pablo Economic Development Corporation Board of Directors held its first meeting, elected officers, approved Articles of Incorporation, and adopted By-Laws, and since that time, the San Pablo City Council and the SPEDC have enjoyed a relationship of mutual support and trust based on our common goals and objectives of enhancing job creation and training and facilitating business growth and opportunity;

WHEREAS, in recognition of these mutual goals and objectives in the economic development arena, the City Council has seen fit to provide financial subsidies and support to ensure the success of the SPEDC, and hence, the stability of the local economy;

WHEREAS, staff proposes entering into a professional services agreement with the SPEDC for services outlined in the attached scope of work for FY 2018/19 (effective July 1, 2018 - June 30, 2019) in the amount of \$562,500;

WHEREAS, on February 4, 2019, City Council approved the FY 2018/19 General Fund Designated Reserves with an earmark of \$562,500 for an SPEDC FY 2018/19 Operating Subsidy (Resolution 2018-003), but the funding still sits in the General Fund Designated Reserves and needs to be appropriated into the City Council's professional services budget for FY 2018/19 (100-1110-43600); and

WHEREAS, the City of San Pablo is legally obligated for seven years from completion of certain projects to ensure the continuation of the SPEDC due to financial requirements of the New Market Tax Credit financing.

NOW, THEREFORE, BE IT RESOLVED that the foregoing recitations are true and correct, and are included herein by reference as findings.

BE IT FURTHER RESOLVED that the City Council of the City of San Pablo approves an agreement with the San Pablo Economic Development Corporation in the amount of \$562,500 for services outlined in the Scope of Work for FY 2018/19, which is attached and incorporated as Exhibit A and authorizes the Assistant City Manager to execute it; and

BE IT FURTHER RESOLVED that the City Council of the City of San Pablo appropriates funding in the amount of \$562,500 from fund balance in the FY 2018/19 General Fund Designated Reserve/SPEDC to the FY 2018/19 City Council professional services budget (100-1110-43600) to support SPEDC activities.

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ADOPTED this 4th day of March, 2019, by the following votes:

AYES:	COUNCILMEMBERS:	Pineda, Xavier, Pabon Alvarado and Cruz
NOES:	COUNCILMEMBERS:	None
ABSENT:	COUNCILMEMBERS:	None
ABSTAIN:	COUNCILMEMBERS:	None
RECUSED:	COUNCILMEMBERS:	Kinney

ATTEST: APPROVED:

/s/ Patricia Ponce
Patricia Ponce, City Clerk

/s/ Rich Kinney
Rich Kinney, Mayor