

## Legislation Text

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File #: #19-086, Version: 1

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**PREPARED BY:** REINA SCHWARTZ

**DATE OF MEETING:** 03/04/19

**SUBJECT:**

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 \$22,500 FOR SERVICES TO BE FUNDED BY REVENUE FROM THE CITY'S DIGITAL BILLBOARD PURSUANT TO RESOLUTION 2018-047

**CITY MANAGER RECOMMENDATION**

Adopt Resolution

**COMPLIANCE STATEMENTS**

**FY 2018-21 City Council Priority Workplan Compliance Statement**

*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.

**CEQA Compliance Statement**

This is not a project as defined by CEQA.

**BACKGROUND**

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

In recognition of these mutual goals and objectives in the economic development arena, the City Council has provided financial support to the SPEDC in the past to help ensure its success, and hence the stability of the local economy. This report recommends entering into a professional services agreement with the SPEDC for services outlined in the attached scope of work for FY2018/19 in the amount of \$22,500.

On April 2, 2018, City Council approved Resolution 2018-047 to provide 10% or a maximum of \$50,000 per fiscal year of revenues generated by the Billboard Lease to fund workforce development programs via contract with the San Pablo Economic Development Corporation. For FY 2018/19, the amount of funding for the EDC will be \$22,500 based on 10% of the minimum annual guarantee for the Billboard Lease. In order to provide spending authority for this funding, the \$22,500 must be appropriated into a spendable account, in this case the professional services account of the FY2018/19 City Council budget (100-1110-43600).

For full disclosure, Mayor Rich Kinney is an uncompensated member of the Board of Directors for the SPEDC. Given the SPEDC's role in supporting job creating and business opportunities policy priorities of the City Council, one can argue that the Mayor is not legally required to disqualify himself from this action and vote as long as his interest in the SPEDC is publicly disclosed (see Cal. Gov't Code section 1091.5(a)(8)). This staff report functions as that disclosure. In an abundance of caution, the Mayor may choose to recuse himself from voting on this item, which has been the practice of former Council Members who also served on the SPEDC.

In addition, by way of background, the City Manager used to serve also as an uncompensated Executive Director to the SPEDC until July 1, 2018 when Leslay Choy was elevated from General Manager to Executive Director. Again, in an abundance of caution, the City Manager is disclosing this interest and has not participated in bringing this item to the City Council.

### **FISCAL IMPACT**

The proposed resolution would appropriate funding in the amount of \$22,500 to the FY 2018/19 City Council budget (100-1110-43600) to support FY 2018/19 SPEDC activities as defined in the Scope of Work. This work will be funded through the allocation of 10% of the Billboard Lease revenues for FY2018/19.

### **Attachments:**

Professional Services Agreement with San Pablo Economic Development Corporation  
Scope of Work - FY2018/19 (Billboard Lease revenues)