

Legislation Text

File #: #19-314, Version: 1

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DATE OF MEETING: 08/05/19

SUBJECT:

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO HOUSING SUCCESSOR AUTHORIZING THE CITY MANAGER TO EXECUTE A LEGAL SERVICES AGREEMENT BETWEEN THE CITY AND MURPHY & ASSOCIATES REGARDING HOUSING SUCCESSOR ACTIVITIES FOR UP TO \$50,000 AND APPROPRIATE \$50,000 FROM THE HOUSING SUCCESSOR AGENCY FUND BALANCE TO FUND THE CONTRACT

CITY MANAGER RECOMMENDATION

Adopt Resolution

COMPLIANCE STATEMENTS

Economic Development and Diversification Priorities, including the implementation of the Long-Range Property Management Program and various housing and other development projects, are consistent with the City of San Pablo City Council Priority Workplan for FY 2019-21 effective March 1, 2019.

CEQA Compliance Statement

This is not a project subject to CEQA.

BACKGROUND

Nicole Murphy has been providing legal services to the City and former Redevelopment Agency since 1998 and is very familiar and knowledgeable about the operations and projects of the former Redevelopment Agency; the redevelopment dissolution process mandated by the State, including the Long-Range Property Management Plan and financial reporting on the ROPS forms submitted to the California Department of Finance; housing projects; and previous bond financings. Particularly, with retirements and new personnel, her institutional memory is critical.

With the redevelopment dissolution process, there are now three entities involved in economic development and redevelopment: the City, the City as Housing Successor, and the Local Successor Agency to the former Redevelopment Agency of the City of San Pablo.

FISCAL IMPACT

Housing Successor - A prior contract with Murphy & Associates in the amount of \$50,000 was approved by the City Council in 2017 for legal services related to the City's Housing Successor activities. This contract currently has only approximately \$2,260 left available after two years of ongoing work by Ms. Murphy, and the City has continuing need of Ms. Murphy's services and expertise with regard to Housing Successor activities.

At this time, the City Council is being asked to approve a new contract of up to \$50,000, which would

be paid from fund balance in the Housing Assets (Fund 250) and appropriated to the professional services account (250-1741-43600). The expected projects needing legal assistance are: (1) repayments on existing loans made by the LMIHAF (Low Moderate Income Housing Assistance Fund); (2) development of additional programs/plans for spending housing funds and addressing housing loan repayments; and (3) the potential for a major housing project given available funds.

The City also has two other open contracts with Murphy & Associates for specific activities of the City and Local Successor Agency; these would not be affected by the above contract:

City - Ms. Murphy has a contract in place that was approved by the City Council in 2016 for legal services related to the City's economic development activities for which approximately \$32,000 is still available and no new contract needed.

Local Successor Agency - No action is needed on behalf of the Local Successor Agency at this time as there is currently a \$50,000 agreement in place approved by the City Council in 2016 for which approximately \$11,722 is still available (payment is made through the former tax increment revenue allocated through the ROPS process with the California Department of Finance) [350-6110-43600]).