

## **RESOLUTION NO. 2015-0049**

Adopted by the Sacramento City Council

February 24, 2015

### **AUTHORIZATION TO EXECUTE AMENDED AND RESTATED SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY JOINT EXERCISE OF POWERS AGREEMENT**

#### **BACKGROUND**

- A. In 1982, the City of Sacramento, the County of Sacramento, the Housing Authority of the City of Sacramento, the Housing Authority of the County of Sacramento, the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento entered into a Joint Exercise of Powers Agreement (JPA) establishing the Sacramento Housing and Redevelopment Agency (SHRA) for the primary purpose of providing staffing for the City and County Housing Authorities and Redevelopment Agencies.
- B. In 1990, the JPA was amended to include devising, proposing, conducting, evaluating and administrating public social service programs.
- C. In 2011, the California Legislature enacted AB 1X 26, coupled with a subsequent decision of the State Supreme Court, resulted in the dissolution of redevelopment agencies as of February 1, 2012.
- D. The City of Sacramento, by Resolution Number 2012-018 (adopted on January 31, 2012), elected to serve as the Successor Agency to the Redevelopment Agency of the City and designated the Housing Authority of the City of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency of the City of Sacramento.
- E. The County of Sacramento, by Resolution Number 2012-0051 (adopted on January 24, 2012), elected to serve as the Successor Agency to the Redevelopment Agency of the County and designated the Housing Authority of the County of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency of the County of Sacramento.
- F. The remaining parties to the Joint Exercise of Powers Agreement desire to make minor amendments to the Agreement to remove references to the redevelopment agencies, recognize that SHRA undertakes and funds capital improvements and revitalization programs, along with social services programs, and stating that the parties are not jointly and severally liable for the debts, liabilities and obligations of SHRA.

G. The proposed action to approve and execute the amended and restated Joint Exercise of Powers Agreement are considered administrative and management activities. As such, this action does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA), as provided in CEQA Guidelines Section 15378(b)(4). This action is also exempt from environmental review under the National Environmental Policy Act (NEPA) per 24 CFR Section 58.34(a)(3).

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

Section 1. The City Manager is authorized to execute the Amended and Restated Joint Exercise of Powers Agreement with the Housing Authority of the City of Sacramento, the County of Sacramento, and the Housing Authority of the County of Sacramento as attached hereto as Exhibit A.

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Exhibit A – Amended and Restated JPA

Adopted by the City of Sacramento City Council on February 24, 2015, by the following vote:

Ayes: Members Ashby, Carr, Hansen, Harris, Jennings, Schenirer, Warren and Mayor Johnson

Noes: None

Abstain: None

Absent: None

Vacant: District 6

Attest:

**Shirley Concolino**

Digitally signed by Shirley Concolino  
DN: cn=Shirley Concolino, o=City of Sacramento, ou=City  
Clerk, email=sconcolino@cityofsacramento.org, c=US  
Date: 2015.03.16 15:47:34 -07'00'

Shirley Concolino, City Clerk

JOINT EXERCISE OF POWERS AGREEMENT

Exhibit A

JOINT EXERCISE OF POWERS AGREEMENT

THIS AGREEMENT, dated as of April 20, 1982, and amended as of March 6, 1990, and amended again as of February \_\_, 2015 by and between the CITY OF SACRAMENTO, a municipal corporation (hereinafter "City"), COUNTY OF SACRAMENTO (hereinafter "County"), and ~~REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, the REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO,~~ the HOUSING AUTHORITY OF THE CITY OF SACRAMENTO and the HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO (both of which are hereinafter the "Constituent Entities").

RECITALS

WHEREAS, the Constituent Entities would benefit from access to a common staff; and

WHEREAS, City and County would benefit from the availability of an independent agency to devise, propose, conduct, evaluate, and administer public social service programs within the jurisdictions of both; and

WHEREAS, the parties to this Agreement desire to create an independent public agency pursuant to the Joint Powers Act (Section 6500, et seq., of the California Government Code), for the purposes of (1) providing staff services to the Constituent Entities and carrying out the housing ~~and redevelopment~~ functions within the respective jurisdictions of the City and County, and (2) devising, proposing, conducting, evaluating, and administering public social service programs, which may from time to time be approved by both City and County for joint administration and

WHEREAS, with the dissolution of redevelopment agencies, as of February 1, 2012, the Redevelopment Agency of the City of Sacramento and the Redevelopment Agency of the County of Sacramento were no longer Constituent Entities of this Joint Powers Agency.

NOW, THEREFORE, the parties hereto agree as follows:

AGREEMENTS

1. Joint Powers Agency

There is hereby created the SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY (hereinafter referred to as "Agency" or "Joint Powers Agency"). The Agency is created pursuant to the powers vested in the City and County and the Constituent Entities under Section 6500, et. seq., of the California Government Code.

2. Purpose of Joint Powers Agency

The Joint Powers Agency is formed for the purposes of (1) providing staff and employee services for the Constituent Entities and such other entities or bodies as may be from time to time approved by the Agency and the parties, for the purpose of providing to said entities staff services to enable those entities to carry out the housing ~~and redevelopment~~ functions invested by law in each of

## JOINT EXERCISE OF POWERS AGREEMENT

the Constituent Entities within the jurisdiction of the City and County, and (2) devising, proposing, conducting, evaluating, and administering such public social service, capital, and revitalization programs within the jurisdiction of City and County as are approved from time to time individually or by both City and County for joint administration by Agency. As used in this Agreement, "public social service programs" means those activities and functions of the City and County involved in providing aid or services or both to those persons within the jurisdiction of City and County who, because of their economic circumstances or social condition, are in need thereof and may benefit thereby.

### 3. Authority of Joint Powers Agency

Except as otherwise provided in this Joint Powers Agreement and the Delegation of Powers to Sacramento Housing and Redevelopment Commission Agreement adopted by the Housing Authority and Redevelopment Agency of the City of Sacramento (Resolution HA 81-098 and RA 81-083, respectively), and the Housing Authority and Redevelopment Agency of the County of Sacramento (Resolution HA 1497 and RA 83, respectively), the Agency is hereby authorized, in its own name, to do all acts necessary to the exercise of authority for accomplishing the purposes set forth in Paragraph 2 above, including, but not limited to, any and all of the following acts:

- (a) Enter into contracts for staff and employee services;
- (b) Receive and expend funds;
- (c) Employ personnel, subject to the limitations set forth elsewhere in this Agreement;
- (d) Organize and train personnel;
- (e) Acquire such materials and equipment as are necessary to carry out the contracts which are executed;
- (f) Sue or be sued in its own name, except that no authority is granted to sue the City or County;
- (g) Evaluate performance of personnel;
- (h) Establish an annual budget and amendments thereto pursuant to the delegation agreement noted above;
- (i) Establish suitable reserves for the appropriate operation of the Agency pursuant to the delegation agreement noted above;
- (j) Acquire, lease, rent, manage, maintain, hold or dispose of equipment, materials, supplies and property;
- (k) Perform any other act or acts that may be required to accomplish the purposes of this Agreement and the contracts executed pursuant thereto.

### 4. Governing Board

## JOINT EXERCISE OF POWERS AGREEMENT

The Agency shall be administered by a governing board consisting of the members of the Sacramento Housing and Redevelopment Commission as they are appointed by provision of Chapter 2.29 of the Code of the County of Sacramento, and by provision of Section 2.80 250, et. seq., of the Municipal Code of the City of Sacramento. The provisions of the respective City and County Codes relating to the appointment, qualification, term of service and termination of commissioners shall apply equally to their services as members of the governing board of the Agency.

### 5. Meetings of the Governing Board

(a) Regular Meetings ~~The governing board shall hold its Sacramento Housing and Redevelopment Commission's regular meetings concurrently with~~ shall be held in the regular meetings of Agency's Commission Room or such other places as may be determined by the Sacramento Housing and Redevelopment Commission. The date upon which, and the hour on dates and place of which, each such regular meeting times as directed by the Commission. ~~shall be held shall be fixed to accord with the meetings of the Sacramento Housing and Redevelopment Commission.~~

(b) Special Meeting Special meetings of the governing board may be called in accordance with the provisions of Section 54956 of the California Government Code.

(c) Legal Notice All meetings of the governing board shall be held subject to the provisions of Section 54950 et seq. of the laws of the State of California Government Code dictating notice of meetings of public bodies. to ~~be given as soon as possible.~~

(d) Minutes The minutes of all meetings of the governing board shall be kept by the Clerk of the Agency and shall as soon as possible after each meeting but in no case more than seven (7) days after such meeting, be forwarded to each member of the governing board and the Clerk of the Board of Supervisors and the City Clerk of the parties hereto.

(e) Quorum A majority of the members of the governing board shall constitute a quorum for the transaction of business. Action shall be taken by the governing board in accordance with the rules and By-Laws of the Sacramento Housing and Redevelopment Commission as they now exist or from time to time may be amended.

### 6. Officers

The officers of the governing board shall be a chairman and vice chairman elected from among the members of the board for one (1) year terms in accordance with the provisions of the By-Laws of the Sacramento Housing and Redevelopment Commission.

### 7. Term

This Agreement shall remain in effect until terminated by action of any one of the parties hereto but in no case shall action to terminate this Agreement be effective until the next succeeding January 1, preceded by not less than one hundred eighty (180) days notice of termination served upon the Agency and the other parties to this Agreement.



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### 8. Contract Monitoring

The Agency shall have the duty and responsibility to monitor, evaluate and take corrective action relating to the performance of any and all contracts executed pursuant to this Agreement.

### 9. Staff

The County of Sacramento and the City of Sacramento shall jointly appoint an Executive Director of the Agency, after receipt of a confidential recommendation of the County Executive and the City Manager. The Executive Director shall serve at the pleasure of the appointing authorities and may be removed from office by either the County or the City after receipt of a confidential recommendation concerning the matter from the County Executive and the City Manager. The Executive Director shall be an employee of the Agency and be responsible for carrying out all staff functions for the Agency and shall hire, supervise and may dismiss all authorized staff of the Agency, subject to applicable personnel rules and procedures. The

Agency shall be the exclusive employer of staff. All current employees of the Housing Authority of the City of Sacramento and the Redevelopment Agency of the City of Sacramento shall automatically be transitioned as employees of the Agency. The employees shall retain all rights, privileges, benefits, seniority, etc., in effect at the time of the transition in accordance with applicable personnel rules and procedures. No staff or employee of the Agency shall have any employment rights within the parties hereto by virtue of its services on the staff of the Agency.

### 10. Separate Entity

The Agency shall be a public entity separate and apart from the parties. Unless, and to the extent otherwise agreed herein or by separate agreement, the debts, liabilities, and obligations of the Agency are not the debts, liabilities, and obligations of the parties.

(a) Notwithstanding the foregoing, the Constituent Entities remain obligated to maintain and continue the retirement contributions (CalPERS) and post-retirement benefit obligations (OPEB) for the Agency employees. The CalPERS and OPEB contributions shall be updated each year by an actuarial study prepared by a qualified, independent firm retained and paid for by Agency. These updated studies will be provided to the Constituent Entities and to the successor agencies to the redevelopment agencies of the City and the County in support of their respective Recognized Obligation Payment Schedules (ROPS) submissions to the California Department of Finance. The obligations in this subsection survive the termination of this Agreement.

(b) The parties recognize that the Agency, the Housing Authority of the City, and the Housing Authority of the County, along with the successor agencies to the redevelopment agencies of the City and the County, remain liable to and therefore obligated to continue to make debt service payments to the 2008 Banc of America Public Capital Corp. tax exempt financing for the 801 12<sup>th</sup> Street Building. The obligation in this subsection survives the termination of this Agreement and shall continue until the later of May 31, 2043, or when such tax-exempt financing is defeased or repaid.

## JOINT EXERCISE OF POWERS AGREEMENT

(c) This amendment does not modify the parties' obligations for debt, liabilities, and obligations of the Agency which accrued prior to the approval of this amendment to this Agreement on February 24, 2015, nor does this amendment to the Agreement modify or amend any existing contractual agreements between the Agency and one or more of the parties assigning liability or providing indemnification to the Agency.

### 10.11. Legal Counsel

The Agency shall have a Legal Counsel who shall remain independent of the County Counsel of the County of Sacramento or the City Attorney of the City of Sacramento.

### 11.12. Reports

Commencing January 1, 1983 and not less than annually thereafter during the term of this Agreement, the Agency shall make reports to the parties hereto and any and all other individuals or agencies that may be appropriate. Additional reports may be made from time to time as circumstances may require. Said reports shall contain but not be limited to proposed plans and status of existing plans, programs, contracts and such other subjects as the parties may determine.

### 12.13. Funds: Accountability

(a) The Executive Director of the Agency shall designate the Agency's Director of Finance as treasurer of the Joint Powers Agency. The treasurer is designated as the depository of the Agency to have custody of all money from whatever source, and as such to have the powers, duties and responsibilities specified in Section 6505.56 of the Government Code of the State of California.

(b) The treasurer shall establish such records and accounting procedures as are required by the Agency and be generally accepted accounting principles. In particular, the funds received under each contract executed pursuant hereto shall be managed in such a manner that accounting may be had of receipts and expenditures of funds of each of the parties hereto.

(c) The treasurer shall make such reports as the Agency may direct.

(d) The fiscal year of the Agency shall be from January 1 through December 31.

### 13.14. Reimbursement

The Agency shall undertake any staffing assignments and responsibilities requested by the parties or anyone of them and the parties agree to reimburse Agency for such costs as it may incur in fulfilling these responsibilities in accordance with the provisions of this Paragraph 14.

In as much as the budget revenues and expenditures of the Agency and the parties are interrelated, it is agreed that the Agency's budget may be submitted, reviewed, and adopted as part of a combined budget for the Constituent Entities. Subsequent modification or amendment of the budgets of the parties as to an Agency administered activity shall deemed to effect a corresponding amendment of Agency's budget.

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### 14.15. Cost Allocation

Administrative costs, costs for retention of staff and any other administrative or equipment costs relating to implementation and carrying out the purposes of the Constituent Entities and such public social service programs as shall be jointly approved by City and County shall be placed under the control of Agency. Such costs shall be allocated pursuant to an approved Cost Allocation Plan by the Agency's appropriate cognizant agency in accordance with the Circular 74-4 A-87, or the current OMB Circular applicable to the Agency's Cost Allocation Plan.

### 15.16. Review by Parties

Notwithstanding the powers granted to the Agency and its governing board by Sections 3 and 4 hereof, except as provided below, the parties hereto shall review and must approve the following before such actions are considered final and authorized:

(a) The annual budget and any modification thereof, provided that any modification of the budget by a party for a program or activity for which Agency provides staff support exclusively to such party shall be deemed to have effected a corresponding modification of the Agency's budget subject to approval by only the ~~County Board governing board of Supervisor's and the City Council~~ that party.

(b) The annual Capital Improvements Program and any modification thereof, provided that the budgeted amount for any item therein may be amended by ~~majority vote of the governing body of the entity or entities actually undertaking the improvement. Such an amendment so enacted shall be deemed to have been effected by all of the entities originally establishing the budget without further action by those entities not directly involved in the expenditure of the funds in question.~~

### 16.17. Audit

The Agency shall contract with a certified public accountant to make an annual audit of the accounts and records of the Agency. The minimum requirements of the audit shall be those prescribed by the Controller of the State of California for special districts under Section 26909 of the California Government Code and shall conform to generally accepted auditing standards. When such an audit of the accounts and records is made by a certified public accountant, a report thereof shall be filed as a public record with the City of Sacramento and the County of Sacramento. Such report shall be filed within six (6) months of the end of the accounting period.

### 17.18. Breach

If a default shall be made by any party hereto as to any covenant contained in this Agreement, such default shall not excuse said party from fulfilling its obligations under this Agreement.

### 18.19. Disposition of Assets; Surplus Money

Upon termination of this Agreement, all costs, expenses and charges legally incurred by the Agency shall be paid and discharged. The Agency shall distribute to the United States Government, the State or appropriate local agencies such property and funds as are lawfully required. The balance of such property and any surplus money on hand shall be distributed or



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returned to the parties hereto equally except to the extent otherwise agreed upon by the parties.

**19.20. Severability**

Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

**20.21. Successors; Assignment**

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties. Except to the extent expressly provided herein, **neither no** party may assign any right or obligation hereunder without the consent of the other parties hereto.

**21.22. Procedures**

The procedures of the County of Sacramento shall be followed in compliance with the requirements of Section 6509 of the California Government Code, except that the Agency may determine by the adoption of a personnel policy the status of its own employees.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Approved as to Form:

**CITY OF SACRAMENTO,**  
A municipal corporation

\_\_\_\_\_  
Senior Deputy City Attorney

Attest:

\_\_\_\_\_  
John F. Shirey, City Manager

\_\_\_\_\_  
Assistant City Clerk

**COUNTY OF SACRAMENTO**  
A political subdivision of  
the State of California

\_\_\_\_\_  
Clerk of the Board of Supervisors

\_\_\_\_\_  
Chairperson, Board of Supervisors

JOINT EXERCISE OF POWERS AGREEMENT

HOUSING AUTHORITY OF  
THE CITY OF SACRAMENTO,  
A public body, corporate and politic

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Chairperson

HOUSING AUTHORITY OF  
THE COUNTY OF SACRAMENTO,  
A public body, corporate and politic

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Chairperson