



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 19-0290, Version: 1

REPORT TO SUCCESSOR AGENCY

SUBJECT

Approve the Third Amendment to Outside Counsel Agreement with Goldfarb Lipman for Town Center Development Matters

REPORT IN BRIEF

Approval is requested for a Third Amendment to the Outside Counsel Agreement with the law firm of Goldfarb Lipman to assist the Agency Counsel with legal matters pertaining to the former Redevelopment Agency of the City of Sunnyvale (former Redevelopment Agency), the development of the Town Center Project and related real estate matters and other advisory services that may be needed by the Agency Counsel. This Third Amendment is needed to cover the costs associated with the above work and will increase the not-to-exceed amount of the Agreement by \$75,000 for a new not-to-exceed amount of \$275,000, and extended the term to June 2019.

BACKGROUND

Karen Tiedemann, a partner in the law firm Goldfarb Lipman in Oakland, is a lawyer specializing in the areas of redevelopment law, redevelopment dissolution law, real estate transactions, affordable housing, nonprofit organization and environmental law. Ms. Tiedemann and her firm were retained by the Agency Counsel to represent the Successor Agency and provide legal services, consultation and advice concerning matters related to the former Redevelopment Agency, including the Town Center Project. The Agreement was originally entered on June 20, 2013, with an original not-to-exceed amount of \$50,000. In March 2016 and July 2016, a first amendment and second amendment were executed, which increased the not-to-exceed amount by \$50,000, and then by another \$100,000, for a total compensation amount of \$200,000. The term of the Agreement expires June 30, 2019.

DISCUSSION

The Goldfarb Lipman law firm has represented the City and the former Redevelopment Agency since 2001, and with dissolution of the former Redevelopment Agency has represented the Successor Agency pertaining to the redevelopment of the downtown area and related real estate matters and other advisory services that may be needed by the Agency Counsel. This assistance has been particularly valuable in conjunction with the Town Center Project.

The Goldfarb Lipman law firm will continue to provide specialized legal services in the areas of law discussed above and any issues arising from the 2016 Modified and Restated Amended Disposition and Development and Owner Participation Agreement (2016 MRADDOPA).

It is anticipated that the Successor Agency may incur an additional \$75,000 in legal fees for provision of the work discussed above. Therefore, it is necessary to amend the Agreement to increase the not to exceed amount by \$75,000, for a new not-to-exceed amount of \$275,000.

In addition, the term of the Agreement is set to expire on June 30, 2019. As the 1998 Parking Facility Certificates of Participation, which refunded existing debt on the Town Center parking facility, will be paid off on October 1, 2022, it is necessary to extend the term of the Agreement and staff recommends that the term be extended until December 31, 2022.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” with the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378 (b) (4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

FISCAL IMPACT

Funding for the Outside Counsel Agreement for Town Center development matters has been appropriated in the FY 2018/19 Redevelopment and Successor Agency Fund and was previously approved by the Local Oversight Board of the Successor Agency. Funding for FY 2019/20 has been approved by the Countywide Oversight Board of the Successor Agency and will be included in the FY 2019/20 Redevelopment and Successor Agency Fund. Funding for future years will follow the normal Successor Agency funding process upon approval of the Successor Agency’s Administrative Budget by the Countywide Oversight Board of the Successor Agency.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Redevelopment Successor Agency:

Authorize the Agency Counsel to execute a Third Amendment, in substantially the same form as Attachment 1 to the report, to the Outside Counsel Agreement with the law firm of Goldfarb Lipman to increase the not-to-exceed amount by \$75,000, for a new not-to-exceed contract amount of \$275,000 and extend the term to December 31, 2022.

Prepared by: Nichole Anglin, Paralegal

Reviewed and Approved by: John A. Nagel, Agency Counsel

ATTACHMENT

1. Draft Third Amendment to Outside Counsel Agreement