

REPORT TO CITY COUNCIL

DATE: MARCH 11, 2009

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

BY: RAMIRO ADEVA, CITY ENGINEER

SUBJECT: APPROVE AGREEMENT TO EXCHANGE ALLOCATED ECONOMIC STIMULUS FUNDS WITH THE CITY OF HIDDEN HILLS FOR TRAFFIC IMPROVEMENT FEE (TIF) FUNDS

On February 26, 2009, the Metro Board approved the priorities and policies for economic stimulus funds made available for transportation related capital projects in the Los Angeles County region. Staff received a subsequent letter from Metro staff outlining, among other things, an option for agencies to enter into agreements to transfer funds allocated to an agency that would not have a specific project "shovel ready" to an agency that does. The exchange requires a letter, signed by both city managers, that has been sent to Metro. Metro will remain a neutral party and independent of the agreement but is the responsible agency for oversight and the distribution of these transportation funds. (See attached letter dated March 2, 2009 to the Metro CEO).

The City of Hidden Hills has generously agreed to relinquish their total stimulus allocation of \$500,000 at an exchange rate of 62%, for \$310,000 of traffic improvement fee (TIF) funds. Since TIF funds are bounded by an ordinance specific to Agoura Hills, the City of Hidden Hills is free to use such funds for any purpose given the fact the TIF ordinance does not pertain to their jurisdiction. In addition, the funds received by the City of Agoura Hills will be applied to a project specifically allowed in the existing TIF ordinance.

Council's approval of this agreement would result in a savings of \$190,000 of general fund reserve that was earmarked for expenditure on the Reyes Adobe interchange.

The agreement has been reviewed and approved as to form by the City Attorney and the City of Hidden Hills.

RECOMMENDATION

Staff recommends the City Council approve the agreement to exchange \$500,000 of economic stimulus funds with the City of Hidden Hills for \$310,000 of traffic improvement fee (TIF) funds.

Attachments: A) Letter to Metro CEO
B) Agreement with the City of Hidden Hills



"Gateway to the Santa Monica Mountains National Recreation Area"

March 2, 2009

Mr. Roger Snoble
Chief Executive Officer,
Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012-2952

ATTN: Frank Flores, Executive Officer, Programming and Policy Analysis

RE: Transfer of Economic Stimulus Funds from the City of Hidden Hills to the City of Agoura Hills

Dear Mr. Snoble:


Pursuant to conversations your staff has had with Agoura Hills staff on Friday, February 27, 2009, this letter is to inform you that an agreement has been reached between the Cities of Agoura Hills and Hidden Hills, whereby the City of Hidden Hills is agreeing to allow their allocation of economic stimulus funds in the amount of up to \$500,000 to be added to the City of Agoura Hills' allocation, for a total of up to \$1 million. Our signatures below confirm this agreement. Also, as previously discussed, both cities acknowledge that this agreement releases the City of Hidden Hills from any federal obligation and reporting requirements.

Upon confirmation of your receipt of this letter, the City of Agoura Hills will revise the 2008 Federal Transportation Improvement Program to reflect the added funds under the "ES" designation for the Reyes Adobe interchange project (LA0D344).

Thank you very much for your time. Please let us know if you should have any questions. We look forward to hearing from you soon so we can finalize the TIP revision prior to your deadline to SCAG of March 6, 2009.

Sincerely,


Greg Ramirez
City Manager of Agoura Hills


Cherie L. Paglia
City Manager of Hidden Hills

AGREEMENT BETWEEN THE CITY OF HIDDEN
HILLS AND THE CITY OF AGOURA HILLS TO
EXCHANGE ECONOMIC STIMULUS FUNDS

This Agreement is made by and between the City of Hidden Hills, a municipal corporation (“Hidden Hills”) and the City of Agoura Hills, a municipal corporation (“Agoura Hills”), (collectively the “Cities”).

R E C I T A L S

A. On February 17, 2009, the President signed economic stimulus legislation known as the American Recovery and Reinvestment Act of 2009, which, among other things, provides economic stimulus funds to local governments for local transportation related improvements.

B. Hidden Hills has unexpended economic stimulus funds (“Economic Stimulus Funds”) which could be made available to Agoura Hills for transportation related improvements in exchange for the assignment of the amount of Agoura Hills’s funds indicated in Section 1 below, and Hidden Hills is willing to assign its unexpended Economic Stimulus Funds to Agoura Hills.

C. The Cities now desire to enter into an agreement under which Agoura Hills would exchange Three Hundred and Ten Thousand Dollars (\$310,000) of its funds for Five Hundred Thousand Dollars (\$500,000) of Hidden Hills’s unexpended Economic Stimulus Funds.

NOW, THEREFORE, the Cities agree as follows:

Section 1. EXCHANGE. Hidden Hills agrees to assign \$500,000 of its unexpended Economic Stimulus Funds for Fiscal Year 2008-2009 to Agoura Hills. In return Agoura Hills agrees to assign \$310,000 of its funds to Hidden Hills, which may be used by Hidden Hills for any purpose without any reporting requirements or obligations of any kind. The exchange rate is \$0.62/\$1.00.

Section 2. CONSIDERATION. Hidden Hills shall assign the agreed upon Economic Stimulus Funds to Agoura Hills in one lump sum payment. Agoura Hills shall assign the agreed upon funds to Hidden Hills in one lump sum payment. Agoura Hills’s lump sum payment shall be due and payable to Hidden Hills within thirty (30) business days after Agoura Hills receives the agreed upon funds.

Section 3. BEST EFFORTS. Hidden Hills shall use its best efforts to obtain any consent required of any other governmental or administrative agency to effectuate the assignment of \$500,000 of its Economic Stimulus Funds to Agoura Hills. Hidden Hills agrees to execute any and all additional documents which such agencies may request in connection with the assignment and receipt of the Economic Stimulus Funds, as long as the execution of such documents do not frustrate the intent and purpose of this agreement.

Section 4. REPORTING. The Cities acknowledge and agree that Hidden Hills is released from any federal reporting requirements, and that Agoura Hills shall assume such federal reporting requirements, if any.

Section 5. TERM. The Agreement is effective on the date below written and for such time as it is necessary for both parties to complete their mutual obligations under this Agreement.

Section 6. TERMINATION. Termination of this Agreement may be made by either party, so long as written notice of intent to terminate is given to the other party at least five (5) days prior to termination.

Section 7. NOTICE. Notices shall be given pursuant to this Agreement by personal service on the party notified, or by written notice upon such party deposited in the custody of the United States Postal Service addressed as follows:

City of Hidden Hills
6165 Spring Valley Road
Hidden Hills, CA 91302

City of Agoura Hills
30001 Ladyface Court
Agoura Hills, CA 91301

Section 8. GOVERNING LAW. This Agreement shall be governed by the laws of the State of California

IN WITNESS WHERE, the parties have executed this Agreement the _____ day of March, 2009.

CITY OF HIDDEN HILLS

CITY OF AGOURA HILLS

CHERIE L. PAGLIA
City Manager

GREG RAMIREZ
City Manager

ATTEST:

ATTEST:

CHERIE L. PAGLIA
City Clerk

KIMBERLY M. RODRIGUES, MMC
City Clerk