

Recommended Changes to SEDC Operating Agreement

IBA Recommendations		Mayor's Response	SEDC Board Response
A	The IBA suggests the Redevelopment Agency's Executive Director be considered as a representative of both the Council and the Mayor to sit as a voting member on the Board of Directors of SEDC in lieu of the proposal to add two new members, one representing the Mayor's Office and the other representing the City Council. This suggestion is contingent upon the transition of the Redevelopment Division to the Agency-Employee model, the status of which is currently unclear.		
B	The IBA suggests a similar expertise requirement as found in the Articles of Incorporation for CCDC (" <i>four members of the Board of Directors must have background or experience inf inance; general business; real estate development; law or architecture</i> ") be included in the Bylaws for SEDC, with a grandfather clause.		
C	The IBA recommends that the SEDC bylaws be amended to authorize the Board of Directors to select the President/Chief Operating Officer subject to confirmation by the Agency and the Agency elect a member to participate in the selection process.		
D	The IBA recommends that the Operating Agreement be amended to include a covenant that requires the development and adherence of policies and procedures, subject to approval by the Board of Directors. For those policies impacting the Agency's authority shall be approved by the Agency upon recommendation by the Board.		
E	The IBA suggests that the City's CFO review and provide input on fiscal policies and procedures prior to SEDC Board approval, but not require approval by the City's CFO.		
F	The IBA recommends that SEDC adhere to the City's budget process, including guidelines and timelines. Prior to Agency approval, Financial Management will perform a technical review to ensure compliance to the City's process.		
G	The IBA recommends that the Corporation's Chief Financial Officer submit requests for reimbursement of eligible expenses for Board approval prior to the request being made to the City Comptroller's Office.		
H	The IBA recommends that, on a frequent and routine basis, the Board will receive training that shall, at a minimum, cover the Board's fiduciary responsibilities, general redevelopment and redevelopment-related finance.		

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Attachment 2

IBA Recommendations		Mayor's Response	SEDC Board Response
I	The IBA recommends that the City shall be responsible for promptly filling vacant and/or expired Board positions.		
J	The IBA recommends that the City be responsible for providing direction on the format of the budget submitted by the corporation and ensure guidelines are provided that communicates the City's intent.		
K	The IBA recommends that the Budget and Finance Committee convene as a subcommittee of the Redevelopment Agency to review the proposed budget in advance of the Agency's review and adoption.		
L	The IBA recommends that the (City) Chief Financial Officer's quarterly financial status report to the City Council include the Corporation's status and pertinent project area information. Format to be developed by the City in consultation with the Corporation's Chief Financial Officer.		