

LETTER OF RESIGNATION

TO: Members of the East Palo Alto
Redevelopment Agency
2415 University Avenue
East Palo Alto, California
94303

FROM: Virgus O. Streets
Redevelopment Administrator

RE: Notice of Resignation and Statement of Reasons

I hereby tender my resignation from my position as Redevelopment Administrator, East Palo Alto Redevelopment Agency, effective immediately Monday, December 19, 1988.

I propose, however to provide two weeks' interim administrative services, in order to ensure continuity of Agency Administration, especially administration of the University Circle Redevelopment Plan and of several other important projects in which I am currently involved.

I resign because the City Manager/Executive Director has exercised a number of gross abuses of discretion and office which place the Agency, the University Circle Redevelopment Project, and me in serious jeopardy. The most recent of such abuses is the improper, irresponsible, and punitive "non-renewal" of the contract of Mr. Walter Miller, the University Circle Redevelopment Project Manager.

Under the terms of his contract with the Agency, Mr. Miller reports to the Redevelopment Administrator, the position to which I was appointed by the Agency on March 2, 1987. As Redevelopment Administrator, I am responsible for, among other duties, administering the Administrative Fund, particularly the budget of the University Circle Redevelopment Project. The two immediately pressing issues mandating prompt action are 1) Threatened litigation by the City of Palo Alto against the Agency, and 2) the need for negotiating the Disposition and Development Agreement (DDA) and Statutory Development Agreement (SDA), pursuant to the terms of the "Agreement to Negotiate Exclusively" with DeMonet Industries, Inc.


Mr. Miller has played a vital role in this project and his continued involvement is critical to its success as we move into the implementation phase. The unilateral "non-renewal" of his contract by the City Manager is ironic punishment for Mr. Miller's excellent performance and places the project in serious jeopardy.

I resign from the position of Redevelopment Administrator with great remorse and painful resolve. I guided the Agency's birth and take a great deal of pride in administering its first Redevelopment Plan. This Plan has great potential for generating economic benefits for the City, particularly for its residents, and I want to help to make this great potential real. However, I cannot continue to endure the kind of abusive, punitive, and irresponsible actions that have culminated in the City Manager's actions against Mr. Miller. It is but one of a series of similar past actions which I believe threaten the stability of the Agency, embarrass the Agency, and cast doubt on the viability of future redevelopment programs in East Palo Alto.

I have enclosed a proposed contractual means to continue my and Mr. Miller's work with the East Palo Alto Redevelopment Agency, for your consideration at the Agency's meeting on Monday, December 19, 1988. I hope and recommend that the Agency will give favorable consideration to the proposal.

I have enjoyed working with you to get to where we are today and look forward to a continued productive, and more workable relationship in the future.

Respectfully submitted,


Dr. Viggus O. Streets,
Redevelopment Administrator

VOS/dsl

PROPOSAL FOR ADMINISTRATIVE SERVICES
FOR THE IMPLEMENTATIONS PHASE

THE UNIVERSITY CIRCLE REDEVELOPMENT PLAN

VIRGUS STREETS AND WALTER MILLER

Proposed Brief

To provide administrative services for implementation of the University Circle Redevelopment Plan for a period through the end of 1989. The implementation phase of the adopted plan involves litigation associated with the plan adoption, negotiating the Disposition and Development Agreement (DDA) and Statutory Development Agreement (SDA), and related work such as preparation of city ordinances and resolutions, a discretionary land use approval (i.e., use permit), and site acquisition (i.e., condemnation).

The precise budget terms of this consultant service proposal can be negotiated further but in concept include \$5,000 per month for Virgus Streets and \$4,500 per month for Walter Miller, to be provided by the Agency's currently viable sources of redevelopment administrative funds.

At your request we will provide evidence that this proposal will have no negative fiscal impact on the City or Agency, and in part will free up General Fund revenues currently being used to fund my position.

I look forward to discussing this proposal at the Agency meeting on December 19, 1988.