

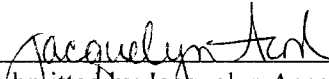


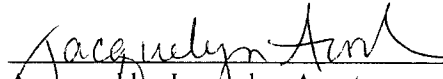
City of Carson

Report to Mayor and City Council

September 17, 2013
New Business Consent

SUBJECT: CONSIDER AWARDED A PROFESSIONAL SERVICES AGREEMENT WITH JOHN YOUNG ADVOCACY FOR FEDERAL LEGISLATIVE ADVOCACY SERVICES AND CONTINUED DEVELOPMENT AND SUPPORT OF A BROWNFIELD REMEDIATION AND ECONOMIC DEVELOPMENT GUARANTEED LOAN PROGRAM


Submitted by Jacquelyn Acosta
Acting City Manager


Approved by Jacquelyn Acosta
Acting City Manager

I. SUMMARY

John Young Advocacy (formally known as CJ Strategies, LLC) has provided advocacy services for the City of Carson since December 2008. The Carson 2013 federal agenda is driven by outreach with Congresswoman Hahn's office on economic development issues vital to Carson. Mr. Young's continued work with Senator Feinstein and Boxer's offices and with various federal agencies is ongoing and covers a broad range of legislative issues and initiatives. The City of Carson has a unique history in the region and therefore has unique federal opportunities that address brownfield redevelopment, environmental mitigation and land use issues.

II. RECOMMENDATION

AWARD a professional services agreement to John Young Advocacy for federal legislative advocacy services, in the amount of \$36,000.00, for the period October 1, 2013 through June 30, 2014.

III. ALTERNATIVES

1. DO NOT AWARD the contract.
2. TAKE another action the Council deems appropriate.

IV. BACKGROUND

Attached for the City Council's convenience is an email from John Young with attachments (Exhibit No. 1). The email outlines the 2013 federal advocacy program for the City of Carson and the attachment show the various letters drafted on behalf of the City in support of the Brownfield Redevelopment and Economic Development Guaranteed Loan Program including the draft legislation and executive summary. The attachments to his email are listed as Exhibits Nos. 2-7 of this staff report.

On September 7, 2010, the City Council approved and authorized a one-year extension of, and third amendment to, the consultant services agreement with CJ Strategies, LLC for federal lobbyist services (Exhibit Nos. 8-9). This extended the contract through October 31, 2011. The FY 2011/12 budget included funding for the contract through October 31, 2012 and was submitted on the Recognized Obligation Payment Schedule. There was a lapse of two months; then the former City Manager approved a two-month, \$4,000.00 per month, extension through February 28, 2013. During the mid-year budget review on February 19, 2013 (Exhibit No. 10), approval was granted by the City Council for a four month extension through June 30, 2013. The Acting City Manager then approved a three-month extension through September 30, 2013, pending approval of the FY 2013/14 budgets. All budgets have now been approved and funds included for federal legislative advocacy services, with one-half of the funding budgeted in the Housing Authority budget and the second half budgeted in the general fund budget.

V. FISCAL IMPACT

Funding for federal legislative advocacy services is included the adopted FY 2013/14 general fund and housing authority budgets, account numbers 01-50-010-001-6004 and 55-70-790-003-6004, respectively.

VI. EXHIBITS

1. Email from John Young to Linda Mann with attachments dated, September 10, 2013. (pgs. 4-5)
2. Letter to Congresswoman Hahn Regarding Brownfield Redevelopment and Economic Development Loan Program Letter dated, June 17, 2013. (pgs. 6-7)
3. Letter to Smart Growth America requesting support, dated August 6, 2013. (pgs. 8-9)
4. Letter to Congresswoman Hahn Requesting a hearing of the Panel of 21st Century Freight Transportation dated, July 22, 2013. (pgs. 10-11)
5. Draft Stakeholder Letter (with coalition supporting members). (pgs. 12-13)
6. Draft Legislation to establish the Brownfield Remediation and Economic Development Guaranteed Loan Program. (pgs. 14-21)
7. Brownfield Redevelopment and Economic Development Loan Guarantee Program White Paper in Support of Proposed Legislation. (pgs. 22-32)
8. Staff Report to the Redevelopment Agency dated, September 7, 2010, Item 9. (pgs. 33-55)
9. Redevelopment Agency Minutes, September 7, 2010, Item 9. (pg. 56)
10. Staff Report to the City Council, February 19, 2013, Item 8 (minus exhibits). (pgs. 57-62)

Prepared by: Lisa Berglund, Principal Administrative Analyst

TO: Rev09-05-2013

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Public Works
Community Development	Community Services

Action taken by City Council

Date _____ Action _____

Linda Mann

From: john Young <john@johnyoungadvocacy.com>
Sent: Tuesday, September 10, 2013 2:47 PM
To: Linda Mann
Cc: Cliff Graves
Subject: 2013 Federal Advocacy Program for the City of Carson, California
Attachments: Carson 2013 Federal Activities.docx

Linda,

Attached is the agenda we discussed. Also, I am going to send you 6 more e-mails each with one attachment of the following items:

Attachments:

Brownfield Redevelopment and Economic Development Loan Program Letter to Rep. Hahn
Brownfield Redevelopment and Economic Development Loan Program to Smart Growth America
Environmental Mitigation Hearing and Policy Recommendation Letter
Draft Stakeholder Letter (with Coalition supporting members)
Draft Legislation
White Paper

To: Jackie Acosta, Acting City Manager
City of Carson, California

From: John Young President
John Young Advocacy

Date: September 10, 2013

Re: 2013 Federal Advocacy Program for the City of Carson, California

The Carson 2013 Federal Agenda is driven by strong outreach with Congresswoman Hahn's office on economic development issues vital to the City. In addition, our continued work with Senator Feinstein and Boxer's offices and with the Federal Agencies is ongoing on a broad range of legislative issues and initiatives. The City of Carson has a unique history in the region and therefore has unique federal opportunities that address brownfield redevelopment, environmental mitigation and land use issues. We have several proposals that we have developed and advocated on that address these vital issues.

Brownfield Redevelopment and Economic Development Loan Program

This fall Congresswoman Hahn intends to introduce our legislation, the *Brownfield Redevelopment and Economic Development Loan Program*. We have developed this legislative proposal and built a national coalition around it to support it and give it national significance. Throughout this process we have positioned the City of Carson as a lead on Brownfield Redevelopment issues in Washington, D.C. The legislative proposal will create a tool for cities similar to Carson, which have large Brownfield sites and a strong real estate market to secure loans backed by the federal government, at a favorable interest rate. Repayment of these loans would not begin until after ten years once remediation and redevelopment process is well under way. Interest accrued on the loan during the first ten years would be paid back. This legislation/policy, once enacted, will be vital to future redevelopment projects (post Boulevards Project) in Carson given the land the city has to work with and lack of redevelopment funding.

Attached is the letter sent by the Mayor and the City Council to Rep. Hahn requesting our legislative proposal. Also, attached is a stakeholder letter with the coalition of businesses and stakeholder groups that we have worked with to support our legislative proposal.

On-going activities:

- Identify opportunities and work with Congressional staff for inclusion of the *Brownfield Redevelopment and Economic Development Loan Guarantee Program* in a larger package
- Identify and secure Senate sponsors *Brownfield Redevelopment and Economic Development Loan Guarantee Program*.
- Manage and build on the coalition we have created.
- Continue outreach and work with federal agencies such as HUD.
- Create the supporting advocacy material to support our proposal (Dear Colleague Letter, White Paper, letters of support)

Alameda Street Sound wall and other Redevelopment Projects

We will continue to position Carson's redevelopment project needs and the city's unique position in the region and nation's freight network. We have outlined an environmental mitigation agenda for Rep. Hahn that we would like to see addressed in the next transportation reauthorization bill. The recommendations were included in the attached July 22nd letter addressed to Rep. Hahn. We have requested that Rep. Hahn work with the Transportation and Infrastructure Committee leadership in scheduling a hearing on our proposed issues and including these recommendations in the next transportation reauthorization bill.

On-going activities:

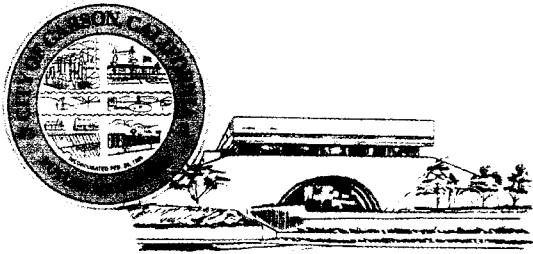
- Work with Rep. Hahn's staff and House Transportation & Infrastructure Committee staff in developing a hearing agenda to address policy and funding issues that are of importance and impact to Carson (Alameda Street Sound wall, large trucks performing essential port activity be measured against wear and tear on a community's infrastructure and the impact on the health the residents; etc.)
- Develop legislative policy initiatives to address recommendations
- Ensure that a Carson representative testifies at a proposed hearing
- Work with Senators Boxer and Feinstein on environmental mitigation proposals
- Work with Federal Agencies on these environmental mitigation proposals; USDOT, Department of Energy, Department of Commerce, Environmental Protection Agency

On-going federal issues and initiatives:

- Continue to work with HUD and City staff on securing funding from the Neighborhood Stabilization Program (NSP) grant funding.
- Work with City staff in developing a clean energy proposal
- Prepare a detailed agenda for City representative to travel to Washington to present proposal to Congressional offices, Administration officials and coalition members
- Outreach to the Carson Congressional delegation and Administration officials as needed
- Continued outreach to Congressional Committees of jurisdiction for HUD programs; Senate Banking and House Financial Services Committees as well as the appropriation committees for CDBG and HOME programs advocacy as well as for the *Brownfield Redevelopment and Economic Development Loan Guarantee Program*
- Continued outreach to the Department of Housing and Urban Development (HUD) on CDBG and HOME programs and relationship building with HUD career and political appointees.
- Provide overall services to the city on federal issues; such as housing, transportation, security, public health and other issues as they arise
- Keep city updated on important events and federal funding opportunities



OFFICE OF THE MAYOR
JIM DEAR



CITY OF CARSON

June 17, 2013

The Honorable Janice Hahn
404 Cannon House Office Building
Washington, DC 20515

Dear Congresswoman Hahn,

I want to thank you for your leadership and commitment on behalf of the City of Carson's *Brownfield Redevelopment and Economic Development Loan Guarantee Program*. Once enacted, this program will fill a major void among the federal government, local communities and the private sector as committed partners on large redevelopment projects.

Until the early 1970's, the federal government provided a line of credit to local communities to undertake major redevelopment projects. This authority was replaced with the current block grant programs administered by the U.S. Department of Housing and Urban Development (HUD). *The Brownfield Redevelopment and Economic Development Loan Guarantee Program* would reestablish a strong partnership between the federal government and local communities on large redevelopment projects that can have an immediate and long term economic impact on a community or region.

With the loss of redevelopment funding in California as a resource to advance large projects, the City of Carson needs, now more than ever, a powerful tool such as the *Brownfield Redevelopment and Economic Development Loan Guarantee Program* to meet the growing demands of our residents and our business community.

Carson has laid the groundwork with a real-life example on how this program can work using the Boulevards Project (formerly known as the Cal Compact Landfill) as a model to redevelop a large brownfield site within a ten-year time frame. Ten years ago, the City of Carson's Redevelopment Agency invested over \$90 million dollars into the remediation and development of the Boulevards. Immediately thereafter, Carson entered into a public private partnership with a developer who matched the Redevelopment Agency's financial investment. In 2014, the Boulevards project will go vertical, and when completed, residents can enjoy various-sized retail locations, entertainment venues, hotels, an apartment complex, and homes for sale. Over the next thirty years, this project will raise an estimated \$107 million in property tax revenues alone.

In addition, the Boulevards will create thousands of permanent jobs, provide needed affordable housing and eliminate much of the blight that consumed the area. In short, this project will improve the overall health and financial sustainability of the community and region. It will be a model in mixed use development for years to come.

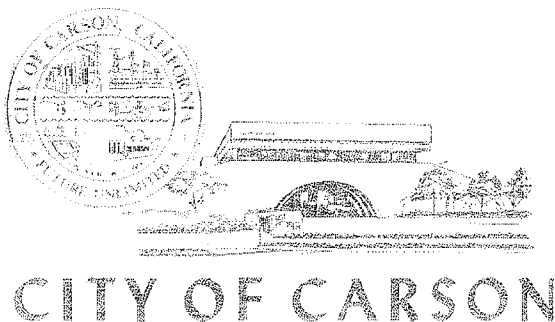


I know other communities across the country have similar issues and potential opportunities to redevelop brownfields and can benefit from this program too. Again, thank you for your outstanding leadership and attention on this important issue.

ly. *Dear*

CC:

Richard Powers, Executive Director, Gateway Cities



CITY OF CARSON

August 6, 2013

Mr. Geoff Anderson,
President and CEO
Smart Growth America
1707 L Street NW, Suite 250
Washington, DC 20036

Dear Mr. Anderson,

I had the opportunity to read Smart Growth America's (SGA) recently released report, Federal Involvement in Real Estate: A Call to Action. As Mayor of Carson, California, I agree that more must be done to leverage opportunities to advance redevelopment, housing and infrastructure projects in communities across the country.

I'm requesting SGA's support for a federal policy proposal that the City of Carson has been developing over the past few years. Much like your proposed "Innovative Financing for Infrastructure Rehabilitation Program" to help developers meet upfront infrastructure costs, the City of Carson proposes a Brownfield Redevelopment and Economic Development Loan Guarantee Program that also addresses upfront redevelopment costs that traditionally slow projects down. I believe there is significant opportunity for us to work together on the federal and local levels on these issues.

The premise for our Brownfield Redevelopment proposal is that the federal government was once a partner in major redevelopment projects. As you know, up until the early 1970's, the federal government provided a direct line of credit to local communities to undertake major redevelopment projects. This authority was replaced with the block grant programs. The Brownfield Redevelopment and Economic Development Loan Guarantee Program is an attempt to reestablish a strong partnership between the federal government and local community for major smart growth projects.

Mr. Geoff Anderson

August 6, 2013

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Thanks for your interest. For further information, please contact Cliff W. Graves, FAICP, Carson's Community Development Director, 1-310-952-1707 or John Young in Washington D.C. at 202-352-8364.

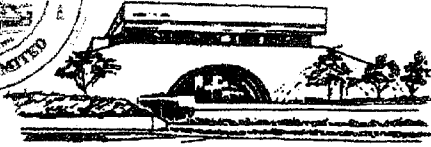
Sincerely,

A handwritten signature in cursive script that reads "Jim Dear". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

Jim Dear
MAYOR

CWG/css

cc: The Honorable Janice Hahn



CITY OF CARSON

OFFICE OF THE MAYOR
JIM DEAR

July 22, 2013

The Honorable Janice Hahn
House of Representatives
44th Congressional District
404 Cannon House Office Building
Washington, DC 20515

Dear Congresswoman Hahn,

On behalf of the City of Carson, I want to congratulate you on your appointment to the *Panel on 21st Century Freight Transportation*. We have been following your work on the Transportation and Infrastructure Committee and your leadership in creating the Port Caucus with great interest. These are issues of vital importance to the City of Carson and to the health of our region. I also believe there is an opportunity for the Freight panel to address some of the environmental and health issues that are ever present in communities that support major freight activities. We would request the *Panel on 21st Century Freight Transportation* convene a hearing to further examine environmental impacts and mitigation policies surrounding our nation's freight networks and policies while doing no harm to economic development and job creation.

Carson, like many impacted communities along the nation's freight network, has struggled to find the right balance between addressing our community's environmental and health needs with the growing demands of a robust freight and logistics industry. Carson has long been at the center of our region's freight industry while proactively planning and building major redevelopment projects within the community for a growing population of nearly 100,000 and close to 7,500 businesses. Our residents and the 50,000 people, who commute daily to jobs in Carson, are navigating and sharing our city borders with major national freight arterials such as the Alameda Corridor, the I-710 and ever growing logistics activity generated by the Ports of Long Beach and Los Angeles all within a 19 mile radius.

In Carson, we have identified mitigation strategies to protect the residents in the Dominquez Village neighborhood, for example, where residents are within 100 yards of the Alameda Corridor and a major truck route. A sound wall to protect these citizens is desperately needed. There should be a clear policy on noise mitigation and air quality standards for impacted communities. Affordable technology is now available to address some of the more common air quality and sound mitigation challenges. How to integrate this technology into comprehensive planning and mitigation strategies would be an example of how these policies would benefit from an updated review by the Freight panel.



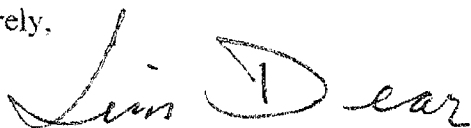
The Honorable Janice Hahn
July 22, 2013
Page 2 of 2

In addition, we would recommend consideration of a low emission or zero emission freight policy for areas that are heavily impacted by train and truck use. An example where this policy could be implemented is the I-710 where truck lanes will be added to address the increasing volume of freight coming into and exiting the southern California region. This zero emission policy could be extended into communities as well. We would also recommend that a formula approach based on the number of large trucks performing essential port activity be measured against wear and tear on a community's infrastructure and the impact on the health the residents. Additionally, we would recommend consideration of a broad rail mitigation and safety policy that would protect residents in communities along a major rail freight route such as the Alameda Corridor.

Finally, I want to thank you again for your time and effort on behalf of the City of Carson on these major infrastructure and redevelopment issues. Carson has a long history in this subject matter and would like to serve as a resource to you and your colleagues as you develop a comprehensive freight policy. I am confident that other communities, regions, logistics companies and technology companies across the country share similar issues and concerns and would be willing to offer informative and instructional policy recommendations at a freight environmental mitigation hearing.

The City of Carson looks forward to working with you on these issues. Please do not hesitate to contact me or Cliff Graves, the Community Development Department Director for the City of Carson at (310) 952-1707 to discuss these issues further.

Sincerely,



Jim Dear
MAYOR

cc: Carson City Council
John Wogan, President, Carson Chamber of Commerce
Gary L. Toebben, President & CEO Los Angeles Chamber of Commerce
Jacki Bacharach, Executive Director, South Bay Cities Council of Governments
Hasan Ikhrata, Executive Director, Southern California Association of Governments
Richard Powers, Executive Director, Gateway Cities
Geraldine Knatz, Ph.D., Executive Director, Port of Los Angeles
Al Moro Acting Executive Director, Port of Long Beach
Eric Garcetti, Mayor of Los Angeles
Bob Foster, Mayor of Long Beach
Joe Buscaino, Councilman City of Los Angeles



DRAFT

August 14, 2013

Dear Congresswoman Hahn and _____:

As Businesses, Cities, and Industry and Community Stakeholders, we want to thank you for your leadership and commitment on the introduction of the *Brownfield Redevelopment and Economic Development Loan Program*.

As you know, large sites in communities across the country are an untapped resource that once redeveloped will address tax base shortfalls, build affordable housing, create jobs, attract new businesses as well as unify communities with planned sustainable development that meets the needs of a changing economy and growing populations.

Additionally, our engineering industry now has the technology to quickly and cost effectively cleanup sites. We now have the ability to move large projects forward in communities that that once would have taken decades.

Your legislation re-establishes a guaranteed loan financing mechanism that allows the HUD Secretary to guarantee the repayment of principal and interest on loans made by lenders to local governments for large brownfield redevelopment projects. This approach does not require any direct outlays by the federal government. The minimum principal loan amount would be \$25 million and repayment would not begin until after ten years. Interest accrued on the loan during the first ten years would be paid back. If the loan defaults, the responsibility falls on the local government, not the federal government.

Until the early 1970's, the federal government provided a line of credit to local communities to undertake major redevelopment projects. This authority was replaced with the current block grant programs administered by the U.S. Department of Housing and Urban Development (HUD). *The Brownfield Redevelopment and Economic Development Loan Program* would reestablish a strong partnership between the federal government and local communities on large redevelopment projects for an immediate and long term economic impact.

This proposed guaranteed loan program might be one of few remaining options available to address the redevelopment of large landfills, manufacturing sites or old BRAC sites.

We know other communities across the country have similar issues and we ask for your support in introducing this important legislation.

Sincerely

City of Carson, California
CH2MHill

Weston Solutions
Parson Brinkerhoff
American Council of Engineering Companies (ACEC)
Smart Growth America (SGA)
Conference of Mayors
National League of Cities (NLC)
Association of Defense Communities
Brownfield Coalition
National Brownfield Association
CA League of Cities and Counties
Michigan Brownfield Association

113TH CONGRESS
1ST SESSION

H. R. _____

To establish the Brownfield Remediation and Economic Development
Guaranteed Loan Program to promote urban renewal, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. HAHN introduced the following bill; which was referred to the Committee
on _____

A BILL

To establish the Brownfield Remediation and Economic Development
Guaranteed Loan Program to promote urban
renewal, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Brownfield Remedi-
5 ation and Economic Development Guarantee Loan Act of
6 2013”.

7 **SEC. 2. BROWNFIELD REMEDIATION AND ECONOMIC DE-**
8 **VELOPMENT GUARANTEE LOAN PROGRAM.**

9 (a) ESTABLISHMENT AND PURPOSE.—The Secretary
10 of Housing and Urban Development shall establish a pro-

1 gram, to be known as the Brownfield Remediation and
2 Economic Development Guaranteed Loan Program, under
3 which the Secretary may guarantee, and make commit-
4 ments to guarantee, the repayment of principal and inter-
5 est on loans made by lenders to local governments or local
6 redevelopment agencies for the purposes of carrying out
7 projects for redeveloping brownfields and promoting urban
8 renewal.

9 (b) ELIGIBILITY REQUIREMENTS.—

10 (1) APPLICATION.—A local government or local
11 redevelopment agency shall be eligible to receive a
12 loan guarantee under the Program only if such gov-
13 ernment or agency submits to the Secretary (at such
14 time and in such form as the Secretary may re-
15 quire)—

16 (A) a master plan that meets the require-
17 ments under subsection (c);

18 (B) a certification from the Environmental
19 Protection Agency, or an entity designated by
20 the Environmental Protection Agency, that the
21 brownfield to be redeveloped under the master
22 plan requires environmental remediation; and

23 (C) any other information as the Secretary
24 may require.

1 (2) LOAN ELIGIBILITY.—A loan may be guar-
2 anteed under the Program only if the loan meets the
3 following requirements:

4 (A) USE.—Such loan shall be used for
5 costs of carrying out a project to redevelop
6 brownfields and promote urban renewal, which
7 may include—

8 (i) acquisition [of a brownfield site?],

9 (ii) remediation [of a brownfield
10 site?],

11 (iii) relocation [of ???], or

12 (iv) site preparation, including the in-
13 stallation of utilities, sewers, storm drains,
14 and transportation facilities.

15 (B) CONTAMINATION.—A local government
16 or local redevelopment agency may not receive
17 a [guaranteed loan/ loan guarantee?] under the
18 Program if such [government or] agency was
19 responsible for contaminating a brownfield to be
20 redeveloped using such loan.

21 (C) NUMBER OF LOANS.—A local govern-
22 ment or local redevelopment agency may not at
23 any time have more than one outstanding loan
24 that is guaranteed under the Program.

1 (D) AMOUNT OF PRINCIPAL.—The [origi-
2 nal?] principal amount of such loan shall not—

3 (i) be less than \$25,000,000; and

4 (ii) exceed the lesser of—

5 (I) the total cost of the redevel-
6 opment project for which the loan is
7 to be used; or

8 (II) \$150,000,000.

9 (E) INTEREST RATE.—Such loan shall
10 bear interest at a rate negotiated between the
11 lender and the borrower, subject to any limita-
12 tions that the Secretary may establish.

13 (F) DURATION.—The term to maturity of
14 such loan shall not be shorter than 30 years nor
15 longer than 40 years.

16 (G) REPAYMENT.—Such loan—

17 (i) shall not require any repayment of
18 principal or interest within 10 years after
19 the date that the lender makes the loan to
20 the borrower; and

21 (ii) shall require that repayment shall
22 begin not later than 15 years after the
23 date that such loan is made.

24 (c) MASTER PLAN.—A master plan under this sub-
25 section shall describe the proposed brownfield redevelop-

1 ment project for which the loan guarantee is to be made,
2 and shall include—

3 (1) a description of the project to be funded by
4 the loan, including activities to be undertaken and a
5 budget for such project;

6 (2) a demonstration that the brownfield redevelop-
7 opment project will result in major redevelopment,
8 based on economic development and environmental
9 quality and restoration, in the community in which
10 such project is located, which shall include informa-
11 tion regarding—

12 (A) the extent of non-Federal funds com-
13 mitted to the project;

14 (B) the number of sustainable jobs created
15 by the project;

16 (C) the environmental remediation of
17 brownfield sites due to the project;

18 (D) a description of the environmental and
19 economic impact of the project on the commu-
20 nity;

21 (E) the amount of affordable housing cre-
22 ated by the project;

23 (F) the reduction of vehicle congestion and
24 emissions [due to/ expected to result from?]
25 the project;



1 (G) the extent of integration of green tech-
2 nology into developments and buildings created
3 by the project;

4 (H) the extent of improvement in air qual-
5 ity expected to result from the project; and

6 (I) the extent to which the **【Complete**
7 **Streets Planning and Transit Oriented Develop-**
8 **ment?】** is incorporated into the project;

9 (3) evidence of the commitments of investment
10 from non-Federal entities, established through zon-
11 ing or other documentation; and

12 (4) a remediation action plan that has been ap-
13 proved by the Environmental Protection Agency, or
14 its designee.

15 (d) SELECTION CRITERIA.—The Secretary shall es-
16 tablish criteria for selecting local governments and local
17 redevelopment agency to receive loan guarantees under the
18 Program. Such criteria shall take into consideration the
19 information required under subsection (c)(2).

20 (e) REGULATIONS.—Not later than 6 months after
21 the date of enactment of this section, the Secretary shall
22 issue regulations as may be necessary to carry out the
23 Program.

24 (f) FULL FAITH AND CREDIT.—The full faith and
25 credit of the United States is pledged to the payment of

1 all guarantees made under this section. Any such guar-
2 antee made by the Secretary shall be conclusive evidence
3 of the eligibility of the obligations for such guarantee with
4 respect to principal and interest, and the validity of any
5 such guarantee so made shall be incontestable in the
6 hands of a holder of the guaranteed obligations.

7 (g) PROTECTION AGAINST LIABILITY FOR ENVIRON-
8 MENTAL REMEDIATION.—The Federal Government shall
9 not be liable under the Comprehensive Environmental Re-
10 sponse, Compensation, and Liability Act of 1980 (42
11 U.S.C. 9601 et seq.) or any other Federal, State, or local
12 law as a result of loan guarantee made under this section.

13 (h) DEFINITIONS.—For purposes of this section the
14 following definitions shall apply:

15 (1) BROWNFIELD.—The term “brownfield” has
16 the meaning given such term in section 101(39) of
17 the Comprehensive Environmental Response, Com-
18 pensation, and Liability Act of 1980 (42 U.S.C.
19 9601(39)).

20 (2) ELIGIBLE LANDFILLS HAZARDOUS.—The
21 term “eligible landfills hazardous” has the meaning
22 given such term in [EPA Definition: to be sup-
23 plied].

24 (3) LOCAL REDEVELOPMENT AGENCY.—The
25 term “local redevelopment agency” means any agen-

1 cy, office, or division of a State government whose
2 purpose includes improving blighted, deteriorated, or
3 otherwise economically depressed areas.

4 (4) REMEDIATION ACTION PLAN.—The term
5 “remediation action plan” means, with respect to a
6 brownfield redevelopment project, a document that
7 describes how the project site will be remediated,
8 what technology will be used to accomplish such re-
9 mediation, and when the remediation actions will
10 take place.

11 (5) PROGRAM.—The term “Program” means
12 the Brownfield Remediation and Economic Develop-
13 ment Guaranteed Loan Program established under
14 this section.

15 (6) SECRETARY.—The term “Secretary” means
16 the Secretary of Housing and Urban Development.

17 (i) AUTHORIZATION OF APPROPRIATIONS.—There is
18 authorized to be appropriated to the Secretary such sums
19 as may be necessary for costs (as such term is defined
20 in section 502 of the Federal Credit Reform Act of 1990
21 (2 U.S.C. 661a)) of loans guaranteed under this section.

BROWNFIELD REDEVELOPMENT AND ECONOMIC REDEVELOPMENT LOAN GUARANTEE PROGRAM

White Paper in Support of Proposed Legislation

Executive Summary

The comprehensive development of large Brownfield areas bring multiple benefits to a community. These include creation of short and long term jobs, increased revenues, and opportunities to build affordable housing and other smart growth projects as well as spur sparking additional economic development. This paper contains a case study of a large remediation project in Carson, California, looks at other potential large-scale Brownfield development projects across the country, and a legislative proposal providing loan guarantees in the amount of \$50 million or more. The proposal includes a delayed payback period of up to ten years, to allow for the remediation process to occur and the redevelopment of Brownfield sites to generate revenue.

The current economic environment, the advances in remediation technology and the current affordability of land and construction costs make now the ideal time in which to provide attractive financing options to communities that will allow for the comprehensive redevelopment of large Brownfields. Furthermore, low interest rates will continue to drive the market.

I. Introduction

In 1930, the Rockefeller Center in New York City was built at the onset of the Great Depression. Despite the financial climate, a private investor went on to complete the development which provided thousands of jobs, spurred new economic development, revitalized a deteriorating and underused area of New York and over time produced millions in net profits to its developers. This development is proof of the economic benefit of investments that can be made even in the time of recession. The bottom line is that an investment in land was made and vision for a community was born and has lived on through the years.

The days of Rockefeller-type private investors are gone. Today communities must partner with investors and with the federal government to move large redevelopment projects forward.

A Brownfield is an abandoned, idled, or underused property where expansion or redevelopment is complicated by the presence or potential presence of contamination.

The biggest challenge facing communities wishing to undertake comprehensive and sustainable Brownfield redevelopment is identifying sources of funding or financing to clean up and remediate impacted land, so that the private sector can invest in redevelopment of the land. Traditional private and governmental financing mechanisms do not address the magnitude and complexity of redevelopment of large Brownfields sites. However, in many cases the prime geographic location of many of these sites, the potential for generating jobs and revenue for communities will eventually outweigh the initial investment once the projects are completed. The federal government can be a key partner and facilitator by providing loan guarantees to local governments.

The concept of the federal government providing or backing loans to local governments is not new. From as early as the 1940's up until the early 1970's a standard practice in federal housing policy provided the federal government the authority to issue guaranteed loans to local governments for redevelopment purposes. Typically these loans were paid back once construction went vertical and the development process moved forward. However, there were unintended consequences; cities were not required to pay the loans back until construction commenced, thus providing a disincentive to build up neighborhoods once they had been torn down. In the 1970's, loans to local governments were replaced by block grants, which provided blocks of funding to states and local communities with broad authorization and great flexibility for local communities. As an example the Community Development Block Grant program (CDBG), administered by HUD is an outgrowth of this policy shift. One drawback of this shift is that CDBG allocations are insufficient for large-scale project financing.

Interestingly, in 2013 as the 113th Congress begins, we are seeing a return to the federal government as financing partner rather than funding partner. Last year we saw that the major policy provision in the most recent transportation bill (MAP-21) was an increase in lending authority in the form the Transportation Infrastructure Finance and Innovation Act (TIFIA) program, which provides large transportation projects with Federal credit assistance in the form

of direct loans, loan guarantees, and standby lines of credit to finance these projects. TIFIA was reauthorized in MAP-21 and now provides \$1.75 billion in budget authority. There are now ongoing discussions of taking a similar approach to our water infrastructure for our next Water Resources and Development Act (WRDA). In addition, there several bond programs authorized in the ARRA (stimulus bill) and there are currently several loan programs in the energy department that are heavily subscribed.

II. Defining the Issue - A Case Study: Carson, California

According to the Government Accountability Office (GAO) there are as many as 425,000 Brownfields comprising some 5 million acres of land throughout the US. A 2010 US Conference of Mayor's survey of cities cites a lack of available funds as the number one reason for not developing Brownfields.

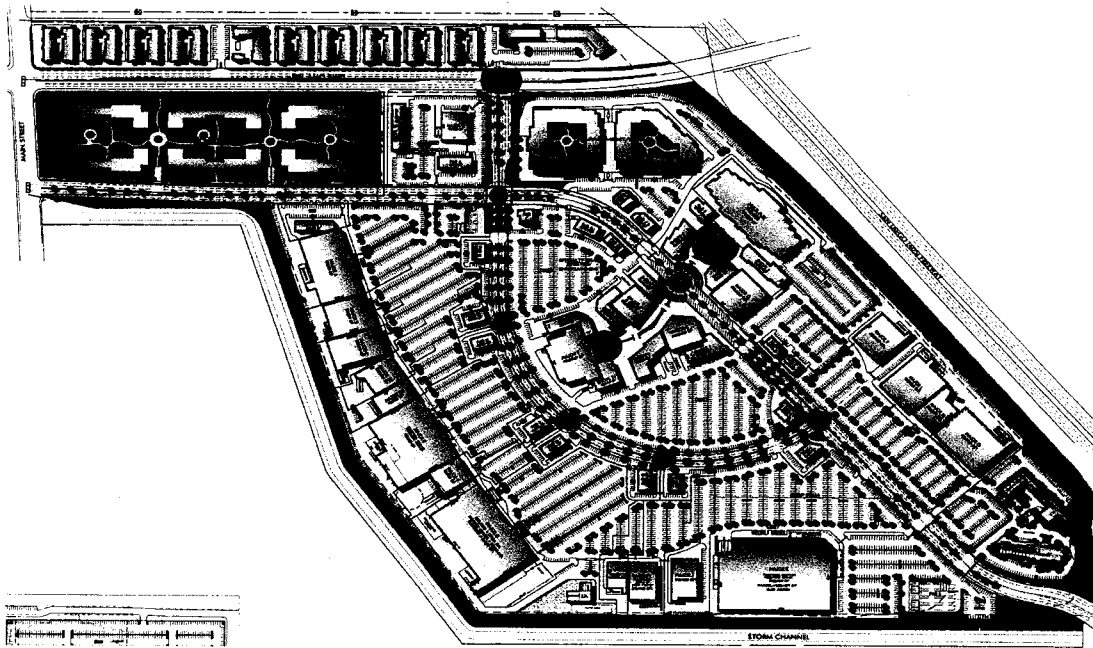
The City of Carson, California, with over 217 Brownfield sites, is a prime example of a City attempting to reach its full potential amid the challenges of abandoned and unused property. Carson, like many American cities, contains large amounts of land that were once used as landfills and industrial sites that left the land contaminated.

Carson has several large tracts of vacant land in prime locations that are ripe for development. The Boulevards at South Bay (the Boulevards) is a 168 acre site located in Carson just 17 miles south of downtown Los Angeles and approximately 6.5 miles east of the Pacific Ocean. It is located in close proximity to the I-405, I-110, SR-91, and I-710 freeways. A half million cars pass the Boulevard site each day on the I-405 freeway. In addition, the site is crossed on three sides by main local streets and is highly visible and accessible from other main attractions in Carson. Once completed, the Boulevards will be a unifying location for the Carson community and South Bay region.

The Boulevards site was originally used as a landfill that took in solid waste as well as oil, sludge and heavy metals. The site was classified as a hazardous materials site and had a significant amount of blight from dilapidated buildings and abnormal previous uses. Due to the prime location and accessibility to large population pockets, the Boulevard site attracted the

attention of various developers as well as NFL teams looking for a new home in Los Angeles County. Nonetheless, the cost associated with remediation of contaminated land coupled with the high cost of development has been a deterrent for private investment.

THE BOULEVARDS AT SOUTHBAY



This site includes:

- Two Hotels
- Retail Space
- Rental Housing
- For Sale Housing
- Movie Theater
- Office Buildings
- Restaurants

To move the Boulevards project forward, the City of Carson's Redevelopment Agency invested over \$90 million dollars into the remediation and development of the site. The City then entered into a public private partnership with a developer who immediately matched the Redevelopment Agency's financial investment. The Boulevards site, when completed in 2014, will include various sized retail locations, entertainment venues, hotels, an apartment complex, and homes for sale. This project will raise an estimated \$107 million in property tax revenues alone over the next 30 years. In addition, the Boulevards will create thousands of permanent jobs, provide much needed affordable housing and eliminate much of the blight that was taking over the

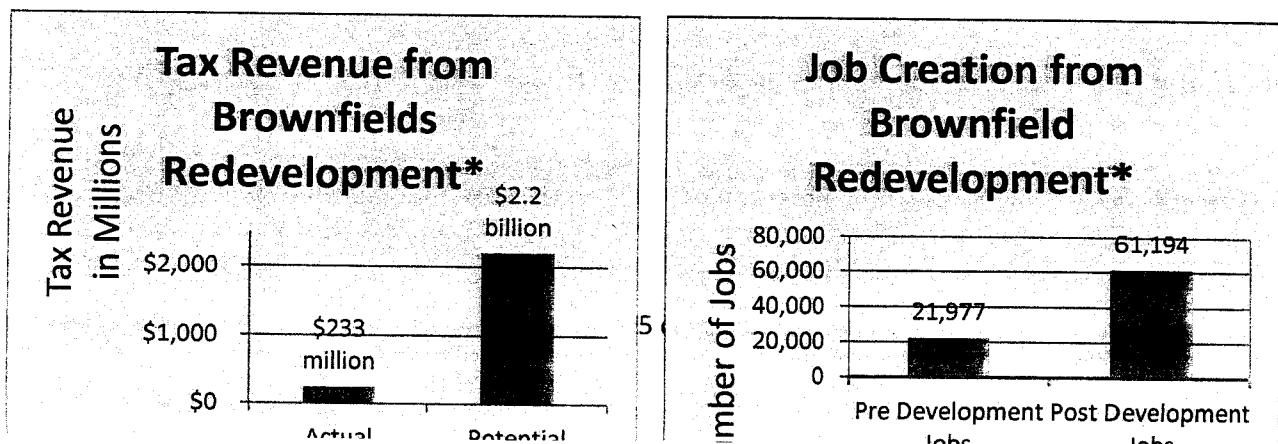
broader area. In short, this project will improve the overall health and financial sustainability of the community and it will be a model in mixed use development for years to come.

Carson, like many municipalities across the country, struggles with a decline in tax revenue. The Boulevards project exhausted City's financing capacity. Carson still has at least two other large Brownfield areas that are ripe for a similar type of development. These two other large tracts of Brownfields measuring approximately 78 acres and 93 acres cannot be addressed due to local financing constraints.

Carson is not alone. Cities with large Brownfields that have high regional visibility and attractive development opportunities are caught in a similar conundrum. They have massive community assets that cannot be fully realized through opportune development of these areas which prevents the creation of new streams of much needed revenue. What if a City or Redevelopment Agency does not have \$90 million dollars to invest in a remediation project? The private sector has shown a willingness to make investments in communities and on Brownfield sites once the land has been remediated. A federal loan guarantee would provide the financial mechanism that would bridge the time gap between remediation and actual redevelopment of the land.

III. Other Regional Opportunities-A National Scope:

Cities across our country are challenged with identifying and securing sources of funding for Brownfield re-development. As 45 of our 51 states have had budget shortfalls, many current sources of funding for Brownfields are taking cuts over the past several years. This deterioration in funding sources compounds the challenge of developing comprehensive strategies to remediate Brownfields, especially large tracts. Overly fragmented approaches to Brownfield re-



development was one major problem cited in the *Connecticut Economy* as an obstacle to reviving Brownfields. As the funding to re-develop Brownfields continues to be insufficient, cash strapped states and municipalities will continue to miss opportunities to increase revenue and the multitude of other benefits that redeveloped Brownfields can provide.

As vacant or underused land, Brownfield development would increase the tax base of the areas where they are located. In addition to tax revenues, the development will also provide temporary and permanent jobs which will likely increase the income tax base as well. The benefits of increased revenue are bolstered even further by the environmental benefits. The obvious benefit is the cleaning of contaminated land. However, Brownfields also afford municipalities the opportunity to “green” their communities.

States in the West, Northeast, and South are searching for ways to address growing regional challenges in air pollution, congestion, and over burdening of utilities. Located in urban centers and along waterways, contaminated Brownfields may be the only areas large enough to implement new green technologies and mass transportation systems. As solar and wind electricity become more popular, there is greater opportunity for the integration of these technologies into comprehensive Brownfield development plans. These types of plans will help to promote “smart growth” which seeks the better use of land to enhance economic and community vitality and to control urban sprawl. This is of particular importance in areas in the Midwest which are completely revamping and challenging traditional notions of city growth and development.

Approximately 30 percent of the Brownfield acreage in our country is concentrated in the Midwestern states. The current decline in the auto industry and other previously thriving industrial sectors has left a sizeable number of large scale inner city Brownfields. As these areas deal with the challenge of shrinking cities, maintenance of infrastructure, and the need for more environmentally friendly development; the proposed approach will be vital to the recovery of this region.

Like the Midwest, many regions in our country have been forced to re-examine how we use our land, develop our communities and manage our population.

Examples of Brownfields turned to Green Building Projects*

City/Project Name	Development	Green Elements
Baltimore, MD – <i>Montgomery Park</i>	1.3 million sq. ft. office space; 3,500 jobs	Green roof; energy-efficient recycled building materials; bio retention; recycled grey water
Cambridge, MA – <i>Genzyme</i>	350,000 sq. ft. Corporate Headquarters	LEED platinum; 42% energy efficiency savings; 34% water usage savings; 75% recycled building materials
Denver, CO – <i>Cherokee Denver</i> (Gates Rubber)	Mixed Use – 3000 dwelling units & 1.75 million sq. ft. commercial space	Transit-oriented development; LEED certification
Atlanta, GA – <i>Atlantic Station</i>	Mixed Use – 5,000 dwelling units & 30,000 jobs	LEED Certification; <i>Going Carless Program</i>
Redding, CN – <i>Georgetown Land Development</i>	Mixed Use – 416 DU, 300,000 sq. ft. commercial space, theater, B&B	Photovoltaics, hydro-electric dam, fuel cell system, transit oriented development
New York, NY – <i>Via Verde</i>	202 DU affordable housing	LEED Gold – green roofs, geothermal, photovoltaics

* Data from Northeast-Midwest Institute's 2008 *Energy Benefits of Urban Infill, Brownfields, and Sustainable Urban Development*.

As cities and states re-envision how they operate and grow, a funding mechanism such as a guaranteed loan for large Brownfield re-development can create opportunities for green growth, environmental responsibility, and the generation of new forms of revenue. As our nation continues for push for smart growth, large, comprehensive Brownfield re-development can be the catalyst to move us to our next phase of prosperity.

IV. Available Programs

Although the current state, federal, and local budget crisis has left the continuation of some programs uncertain, there are programs that address Brownfields. However none of these

programs provide a financing tool that will address the magnitude of comprehensive large scale Brownfield development. Through the current Community Development Block Grant (CDBG), the Environmental Protection Agency (EPA) and state funding, there are various programs through which Brownfields are addressed.

1. **Section 108 Loan Guarantees** - Section 108 provides communities with a source of financing through loan guarantees for economic development, housing rehabilitation, public facilities, and large-scale physical development projects. The program is restricted however to an amount equal to five times a city's CDBG grant amount. Also, the city must forego its CDBG grant amount in order to cover the loan amount that HUD is guaranteeing. Cities who receive less than \$2 million would at a maximum be able to get a loan guarantee of only \$5 to \$10 million. This is not nearly enough to support the large scale project that the proposed loan guarantees contemplate. Those cities would also lose the use of CDBG funds to make neighborhood investments for the five years. For these reasons many municipalities are hesitant to use Section 108 loan guarantees for Brownfield redevelopment as CDBG is vital to efforts to stabilize communities in the wake of the foreclosure crisis and economic downturn.
2. **Brownfield Economic Development Initiative (BEDI) Grants** - BEDI is designed to assist cities with the redevelopment of abandoned, idled and underused industrial and commercial facilities where expansion and redevelopment is burdened by *real or potential* environmental contamination. The BEDI grants are small awards of usually \$2 million or under. These smaller awards generally combine with Section 108 awards. However even with grants of both awards, there would not be enough financing for large Brownfield remediation and development.
3. **EPA Programs** – The EPA has a few programs in place to address Brownfields, however, they are limited to assessment, job training, and cleanup. In addition to the limit in scope they are also limited to much smaller amounts than would be needed for large scale projects.

4. **State Programs** – Individual states have various programs that offer a range of benefits from tax incentives to loan guarantees. These programs however do not address the breadth or magnitude of financing needed for large Brownfield remediation and development.

Although there are programs that currently exist to address Brownfields, none of the programs even in combination are able to provide the amount of financial assistance needed by Cities with large Brownfield areas. The proposed loan guarantee financing mechanism will fill the gap that has been left by existing programs.

V. Proposed Legislation

The proposed *Brownfield Remediation and Economic Development Loan Guarantee Program* (Pilot Program) will establish a guaranteed loan financing mechanism that allows the Secretary of HUD to guarantee the repayment of principal and interest on loans made by lenders to local governments for project areas that include remediation of large Brownfields. The minimum principal loan amount shall not be less than \$50 million and repayment shall be through project proceeds beginning no later than 15 years after the date that such loan has been made. This bill would encourage lenders to grant loans in these large amounts.

VI. The Guarantee – How it might work

Under the proposed *Brownfield Remediation and Economic Development Loan Guarantee Program* an Agency would apply to HUD for a minimum \$50 million guarantee. Total remediation costs would likely be higher and the proposed redeveloper and/or local agency would also be contributing to the cost. A fixed price remediation contract would be negotiated and the remediation funds held by a third party trustee to assure the work is completed. In addition to the required Master Plan the local agency would submit a repayment guarantee proposal as part of the package to HUD. The repayment guarantee proposal would outline how the local agency planned to repay the \$50 Million loan or bond issue. The proposed 30 year repayment structure would allow the local agency to begin making the payments within ten years or to pay off the debt. For example, a \$50 million loan could, depending on interest rates, have payments of \$6.6 Million per year from year 10 to year 30.

The taxes expected to be generated from the development of the site would include sales tax, possibly hotel tax, special taxes and assessments and property taxes. The local agency would put together the package of taxes pledged to the repayment of the loan or bonds. These sources of funds, together with a possible shortfall guarantee, would pay the debt service once the real estate project was built. The local agency might also plan to repay all or a portion of the loan prior to year 10 to lower debt service to sustainable levels.

In case the real estate project is not built, the guarantee proposal could require the local agency to reserve existing cash, a pledge of existing property taxes, or other sources of repayment and private guarantees. The local agency could also negotiate a security interest in the re mediated site. Together these security interests could have been sufficient to guarantee that the Federal Loan Guarantee would never be drawn on or promptly reimbursed. HUD staff would confirm the proposed security pledged and included other conditions as well.

VI. Recommended Action Plan

This Pilot Program is an ideal financial mechanism as cities and other political subsidiaries search for new streams of revenue and a means to revitalize their communities. Many municipalities have land that is ripe for development but for the financial impediment that keeps both the municipalities and developers from making the best use of the land.

The program should be launched as a pilot with five or six municipalities chosen to participate. We are currently seeking support for this program to help clean-up our environment and protect the public from the potential environmental hazards posed by Brownfields. In addition to the environmental impacts, these developments have the potential to create hundreds of temporary jobs and thousands of future permanent jobs. The economic viability of these large developments will invigorate city and state revenue streams for years to come. Large scale Brownfield remediation and development can serve as catalyst for definite stabilization of our communities.

VII. Conclusion

Our current climate of reform and renewal has created a window of opportunity in which the federal government can help municipalities turn large Brownfields from draining value to creating value in our communities. The proposed loan guarantee program would encourage financial institutions to lend large amounts of funds necessary for the clean-up and development of large Brownfield areas. The benefits of this type of development are economic, environmental and social. The desperately needed revenue, jobs, and positive growth that can be generated from Brownfield development make this a timely investment for urban areas now and in the future.

For more information please contact:

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John N. Young

John Young Advocacy

Phone: 202-352-8364

E-mail: john@johnyoungadvocacy.com

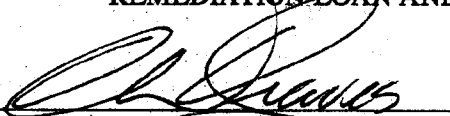


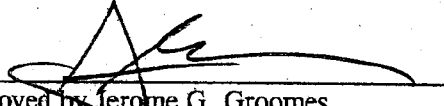


City of Carson Report to Redevelopment Agency

September 7, 2010
New Business Consent

SUBJECT: CONSIDER EXTENDING THE CONSULTANT SERVICES AGREEMENT WITH CJ STRATEGIES, LLC FOR FEDERAL LEGISLATIVE ADVOCACY SERVICES AND CONTINUED DEVELOPMENT OF A REDEVELOPMENT AND BROWNFIELDS REMEDIATION LOAN AND FINANCING ACT


Submitted by Clifford W. Graves
Economic Development General Manager


Approved by Jerome G. Groomes
Executive Director

I. SUMMARY

The Agency Board is asked to consider approving a third amendment and one-year extension to the agreement (Exhibit No. 1) for federal legislative advocacy services. Approval of the third amendment will ensure that the Agency continues to respond to and apply for potential opportunities and/or legislative vehicles that may provide funding or financing for the Agency's current capital improvement projects and development of a proposed Redevelopment and Brownfields Remediation Loan and Financing Program.

II. RECOMMENDATION

TAKE the following actions:

1. APPROVE a one-year extension of, and Third Amendment to, the Consultant Services Agreement with CJ Strategies, LLC.
2. AUTHORIZE the Chairman to execute the Third Amendment to the Consultant Services Agreement following approval as to form by Agency Counsel.

III. ALTERNATIVES

1. MODIFY the agreement and APPROVE as the Agency Board deems appropriate.
2. DECLINE to extend the agreement.
3. TAKE another action the Agency Board deems appropriate.

IV. BACKGROUND

Responding to the severe economic challenges faced by the United States in November 2008, President-Elect Obama announced his plan to revitalize our nation. Knowing the potential impact of this economic stimulus plan on our city, the Executive Director entered into an agreement (Exhibit No. 2) with CJ Strategies, LLC, to keep Carson's projects on our federal legislators' priority

September 7, 2010

lists and to ensure that timely project submissions would be presented for any and all potential funding consideration. The firm was selected based on the fact that the Senior Associate for CJ Strategies, LLC, Mr. John Young, served as Legislative Director for the late Congresswoman Juanita Millender-McDonald from 2002 through 2005. During that time, Mr. Young became familiar with Carson and the need for federal assistance for our regional projects. Through the combined efforts of staff and Mr. Young, Congresswoman Juanita Millender-McDonald secured federal funding for critical projects in the amount of \$10,480,000 for federal highways and transportation program projects. Two of these projects, the interchange modifications for the I/405 at Avalon Boulevard and the I/405 at Wilmington Avenue, continue to be top Carson priorities for funding through the economic stimulus program and pending transportation reauthorization bills.

Once engaged, Mr. Young immediately began researching and tracking the proposed stimulus act, met with senior staff members from the offices of Congressman Richardson, and Senators Feinstein and Boxer, as well as provided updates to staff regarding progress and deadlines.

On February 17, 2009, President Barack Obama signed into law the American Recovery and Reinvestment Act (ARRA) of 2009. The ARRA funded investments in many programs including health care, energy, infrastructure, education, and public safety. The total cost of the package was \$828 billion. It included \$396 billion for upgrades to transportation, infrastructure, and other systems including health care, education, housing assistance, and energy efficiency projects. It also provided \$144 billion in state and local fiscal relief, and \$288 billion in personal and business tax credits.

The city received ARRA funds that were used to off-set costs for the following projects:

\$800,000.00	Wilmington Avenue: Del Amo Boulevard to Victoria Street Pavement Reconstruction
\$929,900.00	Solar panels/Congresswoman Juanita Millender-McDonald Community Center
\$2,000,000.00	Broadway Improvements: Main Street to Alondra Boulevard

On April 7, 2009, the Agency Board approved a six-month extension to the Consultant Services Agreement with CJ Strategies, LLC for federal legislative advocacy and targeted Brownfields clean-up funding and financing opportunity services (Exhibit No. 3). The Agency Board approved a one-year extension to the agreement on September 1, 2009 that will expire on October 31, 2010

September 7, 2010

(Exhibit No. 4). Should the Agency Board approve a one-year extension of, and third amendment to the agreement, the following information provides an update on current activities and outlines a proposed timeline for anticipated activities and initiatives for the next year on behalf of the Redevelopment Agency:

Implementation of the 2010 Carson Redevelopment Agency Federal Work Plan:

In 2010, Mr. Young coordinated and implemented an aggressive federal work plan on behalf of the Carson Redevelopment Agency. He assisted the Agency, working with Congressman Richardson, in securing \$1,000,000.00 for the interchange modifications for the I/405 at Avalon Boulevard project in the FY 10 Transportation Appropriations bill. The bill passed the House on July 29, 2010. It is anticipated that all appropriation bills and conference reports will be passed and signed into law after the mid-term elections in November.

In addition to securing funding for the interchange modifications for the I/405 at Avalon Boulevard, the Agency made great strides in framing and advocating for the Alameda Street Soundwall Project. Mr. Young and staff developed a funding approach for a portion of the project from an account in the Department of Energy. The project funding would go toward insulating 63 homes, that would impact 250 residents in the Dominquez Village area of the city. The home insulation project could save residents approximately \$419.00 annually, produce 2,212 kilowatts in energy savings and reduce 2,872 pounds of carbon dioxide in regional emissions. Insulating the homes may also serve another important purpose in that it is part of a larger project that will help protect this heavily impacted community from noise and potentially improve the poor air quality that is caused by the heavy trucks and trains that travel along the Alameda Corridor.

The project did not receive federal funding in FY 11, but it serves as a template for a project approach for federal FY 12. The concept of breaking the Alameda Soundwall Project into smaller targeted projects could lead to more funding opportunities.

Brownfields Remediation and Economic Development Guaranteed Loan Program (Pilot Program):

Mr. Young and staff made substantial progress on the drafting and outreach of the Brownfields Remediation and Economic Development Guaranteed Loan Program (Pilot Program). During the week of January 19th, the Economic Development General Manager participated in 15 meetings in Washington DC.

September 7, 2010

Urban Development Appropriation Committees, U.S. Department of Transportation, representatives of the Housing and Urban Development Department, Environmental Protection Agency, senior staff for Senators Boxer and Feinstein, and Congressmembers Richardson and Waters. The Agency's bill is ready to be introduced. Further advocacy efforts will be needed to advance this legislation.

Over the next year CJ Strategies will:

- Continue to build support for the Brownfields Remediation and Economic Development Guaranteed Loan Program (Pilot Program).
- Continue to position Carson's transportation projects as a priority for Congressman Richardson.
- Continue to coordinate and assist in the development of the Redevelopment Agency's Appropriations requests with Congressman Richardson and Senators Boxer and Feinstein.
- Schedule calls with Senators Boxer and Feinstein to discuss the city's federal FY 12 requests.
- Identify other funding opportunities.

Transportation Projects:

It is unlikely that Congress will advance a Transportation Reauthorization bill during the 111th Congress. During the 112th Congress, Mr. Young will continue to coordinate the Redevelopment Agency's Transportation requests. Because it will be a new Congress, the Agency will resubmit its transportation projects and revised priorities. Mr. Young will work with staff to refine the Agency's projects and the overall transportation reauthorization agenda.

Proposed Transportation Projects:

- \$8,888,000.00 for the Wilmington Avenue Interchange Modification at the I/405.
- \$4,000,000.00 for the 223rd Street Improvements: Lucerne Street to Alameda Street.
- \$5,500,000.00 for the Sepulveda Boulevard Widening Project: Alameda Street to east of the city limit.

CJ Strategies will:

- Develop new projects that meet the Agency's existing needs and challenges.

September 7, 2010

- Coordinate the submission of the reauthorization project requests to Congressman Richardson and Senators Boxer and Feinstein.
- Ensure the projects are on the regional and state transportation lists for funding.

Alameda Street Soundwall and Community Improvement Project:

This project is a work in progress. Staff submitted a Transportation Reauthorization request to Congressman Richardson for \$18.5 million. Additionally, we submitted a \$2 million dollar FY 11 Energy and Water request. The sensitivity of the issue with Carson residents and the ongoing discussions with the Alameda Corridor Transportation Authority (ACTA) require careful management of this issue.

CJ Strategies will:

- Coordinate the partnerships and cost-share allocation for the Alameda Street Soundwall Project. This means securing cost-share agreements with ACTA, Carson Redevelopment Agency, Los Angeles Metropolitan Transit Authority (LAMTA) and possibly the California Department of Transportation.
- Work with Congressman Richardson and the Transportation & Infrastructure Committee to develop a goods movement mitigation program for communities that are heavily impacted by freight movement (i.e. Alameda Street). This will continue after the projects have been submitted. Advocacy is needed until the next reauthorization bill is enacted.
- Assist the Redevelopment Agency to maintain communication with the congressional delegation to provide updates on projects as needed and to advocate for Carson's unique transportation needs.

Brownfields Remediation and Economic Development Guaranteed Loan Program (Pilot Program):**CJ Strategies will:**

- Continue to coordinate the launch of our Brownfields Remediation and Economic Development Guaranteed Loan Program (Pilot Program). CJ Strategies will actively solicit a sponsor(s) in both the House and Senate.

September 7, 2010

- Continue to work with outside organizations to gain membership support for the program. Examples of organizations that could potentially be supportive are:
 - National League of Cities
 - U.S. Conference of Mayors
 - American Planning Association
 - National Brownfields Association
 - Urban Land Institute
 - National Association of Counties
 - Northeast-Midwest Institute
- Work with the Administration and educate them on the bill.
 - The White House, Office of Urban Affairs.
 - Environmental Protection Agency
 - Department of Housing and Urban Development
 - Department of Transportation
- Look for opportunities to attach the bill to legislation moving through Congress.

V. FISCAL IMPACT

Should the Agency Board approve this request, funds in the amount of \$75,000.00 for the one-year extension to the consultant services agreement will be included in the proposed FY 2010/11 Redevelopment Agency budget and will be charged as follows:

\$30,000.00 Account no. 30-70-710-003-6005

\$45,000.00 Account no. 31-70-710-003-6005.

VI. EXHIBITS

1. Draft one-year extension of, and third amendment to, the Consultant Services Agreement with CJ Strategies, LLC. (pgs. 8-10)
2. December 8, 2008 Agreement for Federal Representation Services. (pgs. 11-21)
3. Minutes, April 7, 2009, Item No. 4. (pg. 22)
4. Minutes, September 1, 2009, Item No. 4. (pg. 23)

City of Carson

Report to Redevelopment Agency

September 7, 2010

Prepared by: Linda F. Mann, Principal Administrative Analyst

sf:Rev061902

Reviewed by:

City Clerk	<u>City Treasurer</u>
<u>Administrative Services</u>	<u>Development Services</u>
<u>Economic Development Services</u>	<u>Public Services</u>

Action taken by City Council

Date_____ Action_____

**THIRD AMENDMENT TO CARSON REDEVELOPMENT AGENCY
CONSULTANT SERVICES AGREEMENT
[Federal Representation Services]**

This Third Amendment to that certain Consultant Services Agreement, dated as of December 8, 2008 ("Third Amendment"), is made and entered into this 7th day of September, 2010, by and between the Carson Redevelopment Agency, a public body corporate & politic and a political subdivision of the State of California, ("Agency"), and CJ Strategies, LLC, a Federal Affairs Consultant ("Consultant").

WHEREAS, the Agency and Consultant previously entered into that certain "**Consultant Services Agreement for Federal Representation Services**" dated as of December 8, 2008; extended the same on April 7, 2009, by that certain First Amendment to the "**Consultant Services Agreement for Federal Representation Services**," and, extended the same on September 1, 2009 by that certain Second Amendment to "**Consultant Services Agreement for Federal Representation Services**" ("Agreement").

WHEREAS, the Agency desires to continue the services of Consultant beyond the term of such Agreement, as amended, in order to perform additional services within the scope of services defined in such Agreement, as amended.

NOW, THEREFORE, the parties hereto agree as follows:

Section 1. Section 2.1 of the Agreement, and Exhibit "C" thereto, are hereby amended to read, in their entirety, as follows and as attached as Exhibit "C":

"2.1 Contract Sum. For the services rendered pursuant to this Agreement, as amended, Consultant shall be compensated in accordance with the "Schedule of Compensation" attached hereto as *Exhibit "C"* and incorporated herein by this reference, but not exceeding the maximum contract amount of Two hundred twelve thousand and five hundred dollars (\$212,500) ("Contract Sum")."

Section 2. Section 5.1 of the Agreement is amended to read, in its entirety, as follows:

"5.1 Term. Unless earlier terminated in accordance with Section 5.2 below, this Agreement shall continue in full force and effect until October 31, 2011."

Section 3. Section 5.1.1 is hereby added to read:

5.1.1 Extended Term. The Agency, in its sole and unfettered discretion, shall have the right, but not the obligation, to extend the term of this Agreement, as amended, for one (1) additional year by giving written notice of its intent to do so not later than thirty (30) calendar days prior to the expiration the term of the Agreement, as amended.

Section 4. Except as expressly amended by this Third Amendment, all other terms, conditions, and obligations of the Agreement, as amended, shall remain in full force and effect.

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

[SIGNATURES ON NEXT PAGE]

AGENCY:

CARSON REDEVELOPMENT AGENCY, a public body corporate & politic and a political subdivision of the State of California

Chairman Jim Dear

ATTEST:

Agency Secretary Helen S. Kawagoe

APPROVED AS TO FORM:

Agency Counsel

CONSULTANT:

CJ Strategies, LLC, a Federal Affairs Consultant

By: _____

Name: John N. Young

Title: Senior Associate

By: _____

Name: Lynn Jacquez

Title: Principal

Address: 525 9th Street, NW Suite 500
Washington, DC 20004

[END OF SIGNATURES]

EXHIBIT "C"

SCHEDULE OF COMPENSATION

December 8, 2008 through January 8, 2009:	January 15, 2009	\$6,250.00
January 9, 2009 through February 9, 2009:	February 19, 2009	\$6,250.00
February 10, 2009 through March 10, 2009:	March 19, 2009	\$6,250.00
March 11, 2009 through April 11, 2008:	April 23, 2009	\$6,250.00
FIRST AMENDMENT		
April 12, 2009 through May 12, 2009:	May 21, 2009	\$6,250.00
May 13, 2009 through June 13, 2009:	June 25, 2009	\$6,250.00
June 14, 2009 through July 15, 2009:	July 25, 2009	\$6,250.00
July 16, 2009 through August 15, 2009:	August 20, 2009	\$6,250.00
August 16, 2009 through September 15, 2009:	September 24, 2009	\$6,250.00
September 16, 2009 through October 15, 2009:	October 22, 2009	\$6,250.00
SECOND ADMENDMENT		
November 1, 2009 through November 30, 2009	December 1 2009	\$6,250.00
December 1, 2009 through December 31, 2009	January 1, 2010	\$6,250.00
January 1, 2010 through January 31, 2010	February 1, 2010	\$6,250.00
February 1, 2010 through February 28, 2010	March 1, 2010	\$6,250.00
March 1, 2010 through March 31, 2010	April 1, 2010	\$6,250.00
April 1, 2010 through April 30, 2010	May 1, 2010	\$6,250.00
May 1, 2010 through May 31, 2010	June 1, 2010	\$6,250.00
June 1, 2010 through June 30, 2010	July 1, 2010	\$6,250.00
July 1, 2010 through July 31, 2010	August 1, 2010	\$6,250.00
August 1, 2010 through August 31, 2010	September 1, 2010	\$6,250.00
September 1, 2010 through September 30, 2010	October 1, 2010	\$6,250.00
October 1, 2010 through October 30, 2010	November 1, 2010	\$6,250.00
THIRD ADMENDMENT		
November 1, 2010 through November 30, 2010	December 1, 2010	\$6,250.00
December 1, 2010 through December 31, 2010	January 1, 2011	\$6,250.00
January 1, 2011 through January 31, 2011	February 1, 2011	\$6,250.00
February 1, 2011 through February 28, 2011	March 1, 2011	\$6,250.00
March 1, 2011 through March 31, 2011	April 1, 2011	\$6,250.00
April 1, 2011 through April 30, 2011	May 1, 2011	\$6,250.00
May 1, 2011 through May 31, 2011	June 1, 2011	\$6,250.00
June 1, 2011 through June 30, 2011	July 1, 2011	\$6,250.00
July 1, 2011 through July 31, 2011	August 1, 2011	\$6,250.00
August 1, 2011 through August 31, 2011	September 1, 2011	\$6,250.00
September 1, 2011 through September 30, 2011	October 1, 2011	\$6,250.00
October 1, 2011 through October 31, 2011	November 1, 2011	\$6,250.00

**CARSON REDEVELOPMENT AGENCY
CONSULTANT SERVICES AGREEMENT FOR
[Federal Representation Services]**

This Consultant Services Agreement ("Agreement") is made and entered into this 8th day of December, 2008, by and between the Carson Redevelopment Agency, a public body corporate & politic and a political subdivision of the State of California, ("Agency"), and CJ Strategies, LLC, a Federal Affairs Consultant.

NOW, THEREFORE, the parties hereto agree as follows:

1.0 SERVICES OF CONSULTANT

1.1 Scope of Services. In compliance with all of the terms and conditions of this Agreement, Consultant shall perform the work or services set forth in the "Scope of Services" attached hereto as *Exhibit "A"* and incorporated herein by reference. Consultant warrants that all work or services set forth in the Scope of Services will be performed in a competent, professional, and satisfactory manner. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as *Exhibit "B"* and incorporated herein by this reference. In the event of a conflict between the provisions of *Exhibit "B"* and any other provisions of this Agreement, the provisions of *Exhibit "B"* shall govern.

1.2 Compliance With Law. All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules and regulations of the City of Carson ("City") and any federal, state, or local governmental City of competent jurisdiction.

1.3 Licenses, Permits, Fees and Assessments. Consultant shall obtain, at its sole cost and expense, such licenses, permits, and approvals as may be required by law for the performance of the services required by this Agreement.

2.0 COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the "Schedule of Compensation" attached hereto as *Exhibit "C"* and incorporated herein by this reference, but not exceeding the maximum contract amount of Twenty Five Thousand dollars (\$25,000) ("Contract Sum").

2.2 Method of Payment. Provided that Consultant is not in default under the terms of this Agreement, Consultant shall be paid \$6,250 per month upon receipt of a monthly invoice.

**CITY OF CARSON REDEVELOPMENT AGENCY
CONTRACT SERVICES AGREEMENT FOR**

[Federal Representation Services]

This Contract Services Agreement ("Agreement") is made and entered into this 30th day of November 2008, by and between the City of Carson Redevelopment Agency, a public body corporate and politic and a political subdivision of the State of California, ("City"), and CJ Strategies, a Federal Affairs Consultant.

NOW, THEREFORE, the parties hereto agree as follows:

1.0 SERVICES OF CONSULTANT

1.1 Scope of Services. In compliance with all of the terms and conditions of this Agreement, Consultant shall perform the work or services set forth in the "Scope of Services" attached hereto as *Exhibit "A"* and incorporated herein by reference. Consultant warrants that all work or services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in the "Special Requirements" attached hereto as *Exhibit "B"* and incorporated herein by this reference. In the event of a conflict between the provisions of *Exhibit "B"* and any other provisions of this Agreement, the provisions of *Exhibit "B"* shall govern.

1.2 Compliance With Law. All work and services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules and regulations of the City of Carson ("City") and any federal, state or local governmental City of competent jurisdiction.

1.3 Licenses, Permits, Fees and Assessments. Consultant shall obtain, at its sole cost and expense, such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement.

2.0 COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with the "Schedule of Compensation" attached hereto as *Exhibit "C"* and incorporated herein by this reference, but not exceeding the maximum contract amount of Twenty Five Thousand dollars (\$25,000) ("Contract Sum").

2.2 Method of Payment. Provided that Consultant is not in default under the terms of this Agreement, Consultant shall be paid \$6,250 per month upon receipt of a monthly invoice.

3.0 COORDINATION OF WORK

3.1 Representative of Consultant. John N. Young is hereby designated as being the representative of Consultant authorized to act on its behalf with respect to the work or services specified herein and make all decisions in connection therewith.

3.2 Contract Officer. Agency's Executive Director is hereby designated as being the representative of the Agency authorized to act in its behalf with respect to the work and services specified herein and make all decisions in connection therewith ("Contract Officer"). The Agency may designate another Contract Officer by providing written notice to Consultant.

3.3 Prohibition Against Subcontracting or Assignment. Consultant shall not contract with any entity to perform in whole or in part the work or services required hereunder without the express written approval of the Agency. Neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of Agency. Any such prohibited assignment or transfer shall be void.

3.4 Independent Contractor. Neither the Agency, the City, or any of their employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth on *Exhibit "A"*. Consultant shall perform all services required herein as an independent contractor of Agency and City, and Agency and City shall remain under only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of Agency or City.

4.0 INSURANCE AND INDEMNIFICATION

4.1 Insurance. Consultant shall procure and maintain, at its sole cost and expense, in a form and content satisfactory to Agency, during the entire term of this Agreement including any extension thereof, the following policies of insurance:

(a) Commercial General Liability Insurance. A policy of commercial general liability insurance using Insurance Services Office "Commercial General Liability" policy form CG 00 01, with an edition date prior to 2004, or the exact equivalent. Coverage for an additional insured shall not be limited to its vicarious liability. Defense costs must be paid in addition to limits. Limits shall be no less than \$1,000,000.00 per occurrence for all covered losses and no less than \$2,000,000.00 general aggregate.

(b) Workers' Compensation Insurance. A policy of workers' compensation insurance on a state-approved policy form providing statutory benefits as required by law with employer's liability limits no less than \$1,000,000 per accident for all covered losses.

(c) Professional Liability or Error and Omissions Insurance. A policy of all listed insurance in an amount not less than \$1,000,000.00 per claim with respect to loss arising from the actions of Consultant performing professional services hereunder on behalf of the Agency and City.

All of the above policies of insurance shall be primary insurance. The general liability policy shall name the Agency and City and Agency's and City's officers, employees and agents ("City Parties") as additional insureds and shall waive all rights of subrogation and contribution it may have against the Agency and the City's Parties and their respective insurers. All of said policies of insurance shall provide that said insurance may be not cancelled without providing ten (10) days prior written notice by registered mail to the Agency. In the event any of said policies of insurance are cancelled or amended, Consultant shall, prior to the cancellation or amendment date, submit new evidence of insurance in conformance with this Section 4.1 to the Contract Officer. No work or services under this Agreement shall commence until Consultant has provided Agency with Certificates of Insurance or appropriate insurance binders evidencing the above insurance coverages and said Certificates of Insurance or binders are approved by Agency.

Consultant agrees that the provisions of this Section 4.1 shall not be construed as limiting in any way the extent to which Consultant may be held responsible for the payment of damages to any persons or property resulting from Consultant's activities or the activities of any person or persons for which Consultant is otherwise responsible.

The insurance required by this Agreement shall be satisfactory only if issued by companies qualified to do business in California, rated "A" or better in the most recent edition of Best Rating Guide, The Key Rating Guide or in the Federal Register, and only if they are of a financial category Class VII or better, unless such requirements are waived by the Risk Manager of the City due to unique circumstances.

In the event that the Consultant is authorized to subcontract any portion of the work or services provided pursuant to this Agreement, the contract between the Consultant and such subcontractor shall require the subcontractor to maintain the same policies of insurance that the Consultant is required to maintain pursuant to this Section 4.1.

4.2 Indemnification.

(a) Indemnity for Professional Liability. When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, defend and hold harmless Agency and the City's Parties from and against any and all losses, liabilities, damages, costs and expenses, including attorneys' fees and costs to the extent same are caused in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees or subcontractors (or any entity or individual for which Consultant shall bear legal liability) in the performance of professional services under this Agreement.

(b) Indemnity for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless Agency and City's Parties from and against any liability (including liability for claims, suits, actions, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorneys' fees and costs, court costs, defense costs and expert witness fees), where the same arise out of, are a consequence of, or are in any way

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attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

5.0 TERM

5.1 Term. Unless earlier terminated in accordance with Section 5.2 below, this Agreement shall continue in full force and effect until April 30, 2009.

5.2 Termination Prior to Expiration of Term. Either party may terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to the other party. Upon receipt of the notice of termination, the Consultant shall immediately cease all work or services hereunder except as may be specifically approved by the Contract Officer. In the event of termination by the Agency, Consultant shall be entitled to compensation for all services rendered prior to the effectiveness of the notice of termination and for such additional services specifically authorized by the Contract Officer and Agency shall be entitled to reimbursement for any compensation paid in excess of the services rendered.

6.0 MISCELLANEOUS

6.1 Covenant Against Discrimination. Consultant covenants that, by and for itself, its heirs, executors, assigns and all persons claiming under or through it, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the performance of this Agreement. Consultant shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin or ancestry.

6.2 Non-liability of Agency and City and Agency and City Officers and Employees. No officer or employee of the Agency or City shall be personally liable to the Consultant, or any successor in interest, in the event of any default or breach by the Agency or City or for any amount which may become due to the Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

6.3 Conflict of Interest. No officer or employee of the Agency or the City shall have any financial interest in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his financial interest or the financial interest of any corporation, partnership or association in which he is, directly or indirectly, interested, in violation of any state statute or regulation. The Consultant warrants that it has not paid or given and will not pay or give any third party any money or other consideration for obtaining this Agreement. When requested by the Contract Officer, prior to the Agency's execution of this Agreement, Consultant shall provide the Agency with an executed statement of economic interest.

6.4 Notice. Any notice or other communication either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail, in the case of the Agency, to the Executive

Director and to the attention of the Contract Officer, City of Carson, 701 East Carson Street, Carson, California 90745, and in the case of the Consultant, to the person at the address designated on the execution page of this Agreement.

6.5 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

6.6 Integration; Amendment. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and that this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. This Agreement may be amended at any time by a writing signed by both parties.

6.7 Severability. In the event that part of this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining portions of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.

6.8 Waiver. No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default shall impair such right or remedy or be construed as a waiver. A party's consent to or approval of any act by the other party requiring the party's consent or approval shall not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

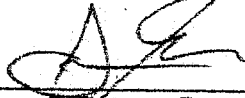
6.9 Attorneys' Fees. If either party to this Agreement is required to initiate, defend or make a party to any action or proceeding in any way connected with this Agreement, the prevailing party in such action or proceeding, in addition to any other relief which may be granted, shall be entitled to reasonable attorneys' fees, whether or not the matter proceeds to judgment.

6.10 Corporate Authority. The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which said party is bound.

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

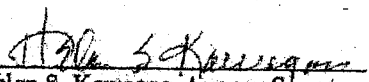
AGENCY:

CARSON REDEVELOPMENT AGENCY, a public body corporate & politic and a political subdivision of the State of California



Jerome G. Grooms, Executive Director

ATTEST:


Helen S. Kawagoe, Agency Secretary

11-25-08

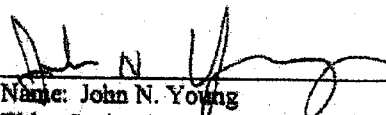
APPROVED AS TO FORM:


Agency Counsel

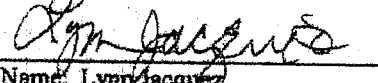
CONSULTANT:

CJ Strategies, LLC, a Federal Affairs Consultant

By:


Name: John N. Young
Title: Senior Associate

By:


Name: Lynn Jacques
Title: Principal

Address: 525 9th Street, NW Suite 500
Washington, DC 20004

[END OF SIGNATURES]

EXHIBIT "A"

SCOPE OF SERVICES

A-1. Consultant shall coordinate the Agency's federal priorities with the incoming 111th Congress and the new Administration. The initial federal priorities are as follows:

- **Targeted Brownfield Clean Up Funding and/or Financing Opportunities**

Consultant shall develop a federal legislative proposal that would provide funding for Brownfield clean up and restoration. An initial approach for this program would be to craft a proposal similar to the 1949 Urban Renewal Act which allowed no-interest loans to local governments. In 1974, the ability to use these loans went away. With a new Congress and Administration and a national priority on affordable housing and community development, Consultant believes that new idea, innovative tools and partnerships will be a part of this federal agenda. Consultant shall target federal innovative financing options to clean up brownfields in coordination with the Agency. A more comprehensive proposal and outreach plan on this particular proposal will be forthcoming.

- **Coordinate the transportation reauthorization project and policy requests**

The House Transportation and Infrastructure Committee has indicated that there could be a call for transportation reauthorization member projects as early as February. Readiness will serve the city well. Consultant shall promptly and carefully coordinate transportation projects and policy requests with Congresswoman Richardson's office and both Senators' offices. From a policy perspective, we will seek to develop a mechanism for a goods movement mitigation program for communities that are heavily impacted by freight movement (i.e. Alameda Street).

- **Coordinate Fiscal Year 2010 Appropriations Requests**

Consultant shall coordinate all Fiscal Year 2010 appropriation requests. Traditionally, Congressional Appropriation deadlines fall in mid-March. Consultant shall initiate meetings to educate Congressional staff on the merits of these projects.

- **Track Fiscal Year 2009 Appropriation Requests**

The current Continuing Resolution (CR), which funds the federal government, expires on March 6, 2009. While it is unclear if an omnibus spending bill will include Fiscal Year 2009 projects, following the progress in Congress of the city's federal priorities will build for future success in 2010 and beyond.

A-2. On behalf of the Agency, Consultant shall also track issues including but not limited to:

- The Climate Change Bill
- Green Building Implementation/Technology
- Stimulus II Legislation
- Transition of the new Administration and advance notice of key Administration appointments.
- Other issues as directed by Agency's Contract Officer

EXHIBIT "B"

SPECIAL REQUIREMENTS

B-1. Travel: Agency shall reimburse Consultant for reasonable travel expenses incurred on behalf of Agency and approved by Agency's Contract Officer in writing.

EXHIBIT "C"

SCHEDULE OF COMPENSATION

December 8, 2008 through January 8, 2009:	January 15, 2009	\$6,250.00
January 9, 2009 through February 9, 2009:	February 19, 2009	\$6,250.00
February 10, 2009 through March 10, 2009:	March 19, 2009	\$6,250.00
March 11, 2009 through April 11, 2008:	April 23, 2009	\$6,250.00



**MINUTES
CARSON REDEVELOPMENT AGENCY
REGULAR MEETING
APRIL 7, 2009**

**ITEM NO. (4) CONSIDER EXTENDING THE CONSULTANT SERVICES AGREEMENT FOR
FEDERAL LEGISLATIVE ADVOCACY SERVICES WITH CJ STRATEGIES,
LLC (CITY MANAGER)**

RECOMMENDATION for the Redevelopment Agency:

TAKE the following actions:

1. APPROVE a six-month extension to the Consultant Services Agreement with CJ Strategies, LLC.
2. AUTHORIZE the Chairman to execute the extension to the Consultant Services Agreement prepared by the Agency Counsel.

ACTION: It was moved to Approve New Business Consent Item Nos. 4, 5, and 6 on motion of Dear, seconded by Santarina and unanimously carried by the following voice vote:

Ayes: Chairman Dear, Chairman Pro Tem Davis-Holmes, Agency Member Santarina,
Agency Member Gipson, and Agency Member Ruiz-Raber
Noes: None
Abstain: None
Absent: None



**MINUTES
CARSON REDEVELOPMENT AGENCY
REGULAR MEETING
SEPTEMBER 1, 2009**

**ITEM NO. (4) CONSIDER EXTENDING THE CONSULTANT SERVICES AGREEMENT FOR
FEDERAL LEGISLATIVE ADVOCACY SERVICES AND DEVELOPMENT OF
A REDEVELOPMENT & BROWNFIELDS REMEDIATION LOAN AND
FINANCING ACT WITH CJ STRATEGIES, LLC (ECONOMIC
DEVELOPMENT)**

RECOMMENDATION for the Redevelopment Agency:

TAKE the following actions:

1. APPROVE a one-year extension of, and Second Amendment to, the Consultant Services Agreement with CJ Strategies, LLC.
2. AUTHORIZE the Chairman to execute the Second Amendment to the Redevelopment Agency Consultant Services Agreement prepared by the Agency Counsel.

ACTION: New Business Consent Calendar Item No. 4 was previously approved on motion of Dear, seconded by Santarina and unanimously carried by the following vote:

Ayes: Chairman Dear, Chairman Pro Tem Davis-Holmes, Agency Member Santarina,
Agency Member Gipson, and Agency Member Ruiz-Raber
Noes: None
Abstain: None
Absent: None

**ITEM NO. (9) CONSIDER EXTENDING THE CONSULTANT SERVICES AGREEMENT
WITH CJ STRATEGIES, LLC FOR FEDERAL LEGISLATIVE ADVOCACY
SERVICES AND CONTINUED DEVELOPMENT OF A REDEVELOPMENT
AND BROWNFIELDS REMEDIATION LOAN AND FINANCING ACT
(ECONOMIC DEVELOPMENT)**

RECOMMENDATION for the Redevelopment Agency:

TAKE the following actions:

1. APPROVE a one-year extension of, and Third Amendment to, the Consultant Services Agreement with CJ Strategies, LLC.
2. AUTHORIZE the Chairman to execute the Third Amendment to the Consultant Services Agreement following approval as to form by Agency Counsel.

ACTION: Item No. 9 was approved on the New Business Consent Calendar on motion of Dear, seconded by Davis-Holmes and unanimously carried by the following vote:

Ayes: Chairman Dear, Vice Chairman Santarina, Agency Member Davis-Holmes, Agency
Member Gipson, and Agency Member Ruiz-Raber
Noes: None
Abstain: None
Absent: None

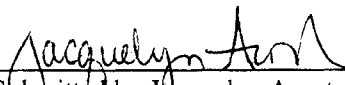


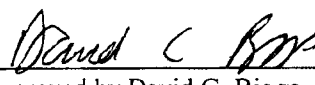
City of Carson

Report to Mayor and City Council

February 19, 2013
New Business Discussion

SUBJECT: CONSIDERATION OF FY 2012/13 MID-YEAR BUDGET REVIEW


Submitted by Jacquelyn Acosta
Director of Administrative Services


Approved by David C. Biggs
City Manager

I. SUMMARY

This report is being presented to the City Council to provide a financial status update on the City's general fund reserves, revenues and expenditures as of December 31, 2012. Additionally, staff is recommending a number of needed mid-year adjustments which are described in more detail in this report.

II. RECOMMENDATION

TAKE the following actions:

- 1) REVIEW and DISCUSS.
- 2) APPROVE the mid-year adjustments recommended by the City Manager.

III. ALTERNATIVES

TAKE another action the Council deems appropriate.

IV. BACKGROUND

Emerging from the great recession and the dissolution of redevelopment provides for continued uncertainty. The City of Carson is still navigating through all the ramifications of the termination of redevelopment agencies and the uncertainty of how long our increasing revenues will continue.

With the good fortune of a higher than expected June 30, 2012, ending fund balance of \$29.6 million, a \$6.1 million increase over the \$23.5 million fund balance at June 30, 2011, the City is able to set some funds aside for critical issues like improvements at the Community Center, making another contribution to the OPEB Trust Fund and creating a reserve fund for capital projects. (Exhibit No. 1). In accordance with the City Council's recently-adopted policy, the City will make a contribution of \$2.4 million (25% of the year end reserves above the \$20 million reserve goal) to the OPEB Trust Fund.

Another bright spot in the City's financial picture is that some major revenues are regaining former levels, especially sales tax, TOT, business licenses and building permits. (Exhibit No. 2). However, property taxes are still declining slightly. The greatest contributors to the gains the City has experienced over the last two fiscal

years are the result of one-time revenues and reduced expenditures from a higher number of vacant positions. (Exhibit No. 3). However, several vacant positions are now being filled so this level of savings is not anticipated to continue.

City staff is currently working to identify various trends that have occurred over the past five years and make projections out for the next five years so that we can anticipate and plan for areas of concern. A schedule showing the adopted budgets, amended budgets, and actuals for both revenues and expenditures for the last five fiscal years is attached as Exhibit No. 4. As you can see, actual expenditures consistently come in under the amended budget; however, actual revenues do not always exceed the amended revenue projections. In FYs 2007/08, 2008/09, and 2009/10, during the depths of the great recession, actual revenues did not perform nearly as well as anticipated. However, as the city, state, and nation have been recovering from the great recession over the past two fiscal years, actual revenues have greatly exceeded anticipated revenues.

In the immediate future, staff is already aware of the following increased costs on the horizon for FY 2013/14:

- CalPERS employer rate increase of approximately 2%, or \$500,000 annual increase in cost
- Increased employee healthcare costs
- Step and merit increases
- Sheriff's contract increase of an estimated 3%, or \$465,150 annual increase in cost
- OPEB/retiree medical annual contribution of 1%, or \$259,000
- Street repair maintenance of effort required contribution of \$500,000
- Obligation to meet and confer with employee groups due to Memorandums of Understanding expiring on June 30, 2013

It is also projected that there will be a continuing strain on the operating budget with on-going expenses exceeding on-going revenues, which will require careful management of on-going expenditure increases. However, reserve levels do allow for some continued transition room.

At this time, the mid-year budget items being recommended focus on one-time allocations from reserves or emergency or unavoidable expenditures. All department requests were reviewed and departments were directed to accommodate smaller line item adjustments within their existing budgets to the greatest extent possible using line item savings, including salary savings as appropriate, and addressing some minor repairs and deferred maintenance items.

Mid-year is also an opportunity to revisit some of the items recommended by the City Manager at the time of adoption of the FY 2012/13 budget but which the Council deferred or declined to approve at that time.

Five mid-year adjustments are being recommended because they are either capital projects which are urgently needed for the healthy and safety of the community or because they are one-time allocations needed to implement a project or program. These five recommendations are as follows:

- Housing Element Update - \$50,000 one-time allocation

The State mandates that all cities regularly update the Housing Element of the General Plan. A city which has an out-of-date Housing Element runs the risk of being ineligible for certain State funds and grants, among other consequences. The City of Carson must submit a proposed updated Housing Element to the State in the third quarter of 2013 and in order to do so the effort needs to get started in the current fiscal year.

- Community Center Upgrades - \$125,000 one-time allocation

The City Council has reviewed proposed improvements to the Community Center by the facility's caterer and it is desirable to have the City undertake some improvements to complement those being done by the caterer. The proposed appropriation will allow for the replacement of the carpet in Halls ABC and the Carson Dominguez room and for renovating the women's restroom. While there are additional desirable improvements, any additional funds should be considered in the context of implementing the operational improvements and a future business plan to ensure that the investment can be sustained through center operations.

- Alarm System CIP - \$348,841 one-time allocation

The City Hall Fire Alarm system is not monitored and this represents a significant level of risk for the City. Upgrading the system will minimize the risk and should also have a favorable impact on our pending insurance renewals.

- Anderson Park Electrical Panel Replacement - \$45,000 one-time allocation

The electrical panel at Anderson Park has been identified as being at risk for immediate failure. The assessment of the panel was completed late last year and replacement of the panel on a pro-active basis will result in lower cost and less impact on programming in the park.

- Establish a Capital Projects Fund (prior recommendation) - \$1,000,000

The City Council did not elect to implement Fund Balance Decision Package #2 at the time that the FY 2012/13 general fund budget was adopted. Given the improved general fund balance position, it is recommended that the City Council take this action as part of the mid-year budget review. In October 2012, the City Council approved an updated Five-Year Capital Improvement Program (CIP) which catalogued significant under-funded or unfunded capital projects needs in the community which strongly reinforced the need to begin to set aside funds to address infrastructure in the community. This capital projects fund would be augmented annually through budget allocations or when improved fund balance reserves allow.

Four adjustments to the operating budget are recommended, all of which would result in on-going operating expense in succeeding fiscal years:

- Legislative Advocacy Services - \$24,000 for balance of the fiscal year. * ←

The City previously had contracts for both Federal and State legislative advocacy services which were primarily funded through the former Redevelopment Agency. The annual cost of these services which include assistance with securing grants on a reduced basis from the prior contracts is \$120,000 per year. There are currently contracts in place through February to assist us in getting through the first two months of the legislative year, but an additional \$24,000 would be required to extend these contracts through June 30, 2013.

- Reinstate Senior Human Resources Analyst (prior recommendation) - \$2,840 for 3 months

Decision Package #19 as recommended as part of the FY 2012/13 budget would have eliminated a Human Resources Analyst position and seen the Senior Human Resources Analyst position filled through a promotional recruitment process. Instead the Council opted to retain the Human Resources Analyst position and eliminate the Senior Human Resources Analyst. This Decision Package would have resulted in net savings but would have ensured we had a staff member in the appropriate classification to work with the Human Resources Information System which is not within the job descriptions of the lower level classifications in Human Resources and which may give rise to a working-out-of-class grievance. It is still necessary to implement this recommendation in order to have Human Resources appropriately staffed.

- Reinstate Purchasing Manager (prior recommendation) - \$1,400 for 3 months

Decision Package #18 as recommended as part of the FY 2013/13 Budget would have eliminated a Senior Buyer position and seen the Purchasing Manager position filled through a promotional recruitment process. Instead the Council opted to retain the Senior Buyer position and eliminate the Purchasing Manager. This Decision Package would have resulted in net savings but would have ensured we had the appropriate staffing in place to move forward with recommended strategies to streamline and greatly improve the purchasing operation. It is still desirable to implement this planned approach to improving our operations in a key area which impacts all departments and divisions.

- Proceed with the recruitment of an Assistant City Manager position (prior recommendation) - \$21,100 for 1 month

The reinstatement of an Assistant City Manager position funded through the elimination of two other vacant positions in the City Manager's Office, the Public Information Manager and the Management Assistant, was part of Decision Package #2 which was a reorganization proposal for the City which the Council approved but delayed the Assistant City Manager component to the mid-year budget review. A senior level executive position in the City Manager's Office dedicated to continuous improvement and the implementation of best practices would allow for a number of pending and desirable initiatives to move ahead such as a review of the Community Center operations, streamlining the purchasing and business license processes, restructuring transportation operations, reviewing and improving code enforcement operations, among other key City operational areas.

The next two mid-year adjustments are being recommended due to their unanticipated, urgent nature or as necessary for the efficient operations of the City. These two recommendations are as follows:

- PT Special Interest Staff - \$0 net cost for the remainder of the fiscal year

The Community Services Department is reintroducing special interest classes on a self-supporting basis. An appropriation of \$10,000 for PT Special Interest Staff is necessary for the balance of the fiscal year though this increased expenditure will be offset by increased revenues from the special interest classes.

- Tree Maintenance contract increase - \$30,000 for the remainder of the fiscal year

Tree trimming is a service that was reduced in response to the Great Recession over a number of years. While we have reintroduced the three-year tree trimming

cycle, there is a back-log of tree removal needs and requests which has had to be added to the tree trimming contract. The cost of tree removals at this level was an unanticipated expense and therefore, additional monies need to be appropriated in order to complete tree trimming cycle at City facilities for this fiscal year.

V. **FISCAL IMPACT**

If all of these mid-year budget adjustments are approved, an appropriation of \$658,181 would be required. Additionally, \$1,000,000 in fund balance reserves would be reclassified from the unallocated fund balance to the new capital projects fund.

VI. **EXHIBITS**

1. Schedule of General Fund Balance. (pg. 7)
2. Summary of Revenues & Transfers. (pgs. 8-10)
3. Operating Expenditures Summary & Comparison. (pg. 11)
4. Comparison of Adopted Budgets to Amended Budgets and Actual Expenditures. (pg. 12)

Document4

Prepared by: Jackie Acosta, Director of Administrative Services

TO: Rev09-04-2012

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Public Works
Community Development	Community Services

Action taken by City Council

Date _____ Action _____