

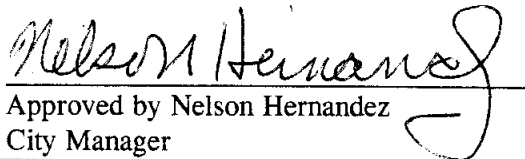


City of Carson Report to Mayor and City Council

August 5, 2014
New Business Consent

SUBJECT: CONSIDER CONCURRENCE WITH AN AGREEMENT BY AND BETWEEN THE CARSON SUCCESSOR AGENCY AND DHA CONSULTING FOR CONTINUING DISCLOSURE COMPLIANCE OF SUCCESSOR AGENCY BONDS


Submitted by Jeff Westbrook
Acting Director of Community Development


Approved by Nelson Hernandez
City Manager

THIS IS A COMPANION AGENDA ITEM

I. SUMMARY

The City Council is being asked to concur with an agreement (Agreement) by and between the Agency and DHA Consulting (Consultant) for continuing disclosure compliance for Successor Agency Tax Allocation Bonds (Exhibit No. 1). The companion item outlines the request for the Successor Agency's approval of the Agreement.

Funds expended pursuant to the attached contract will be fully reimbursed to the Agency through the Recognized Obligation Payment Schedule (ROPS) dispersed through the Los Angeles County Auditor-Controller's Office. Staff did not award this contract through a competitive proposal process because this scope of work is a discrete task to be performed by the Consultant already retained by the Agency to ensure compliance by the Agency under the Tax Allocation Refunding Bonds, Series 2014A.

II. RECOMMENDATION

CONCUR with the Successor Agency's approval of a two-year Agreement by and between the Carson Successor Agency and DHA Consulting for bond continuing disclosure compliance in an amount not-to-exceed \$30,000.00 per year.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

On April 2, 2014, the Successor Agency (Agency) refunded a number of outstanding eligible Tax Allocation Bonds in accordance with Assembly Bill No. 1484, which allows for the refinancing of certain Agency obligations to achieve debt service savings. The bonds refunded included:

- a. \$11,800,000.00 original principal amount of Carson Redevelopment Agency Tax Allocation Bonds, 2003 Series C (Carson Merged and Amended Project Area);
- b. \$4,195,000.00 original principal amount of Carson Redevelopment Agency Tax Allocation Subordinate Bonds, Series 2003 B (Carson Merged and Amended Project Area);
- c. \$18,500,000.00 original principal amount of Carson Redevelopment Agency Tax Allocation Refunding Bonds, Series 2003 A (Carson Merged and Amended Project Area);
- d. \$3,155,000.00 original principal amount of Carson Redevelopment Agency Tax Allocation Bonds, Series 2003 A (Redevelopment Project Area No. 1) and
- e. \$32,495,863.00 original principal amount of Carson Redevelopment Agency Tax Allocation Bonds, Series 2003 B (Redevelopment Project Area No. 1).

During preparation of the bonds' official statements, bond counsel required remedial disclosure filings and a provision that all future filings comply with Rule 15c2-12 of the Securities and Exchange Commission (Rule) that governs continuing disclosure for refunded bonds. The City Council is being asked to concur with Agency's approval of the Agreement as the bonds' official statements require City approval although funding is through Successor Agency.

The Consultant was a partner on the team for the bond refunding process and drafted and submitted the remedial filings in accordance with regulations. The Consultant's expertise utilized during the refunding process provides a solid background that will provide seamless continuing disclosure for the refunded bonds. The City Council is being asked to concur with the Agency's approval of the proposed Agreement to ensure continued compliance with the Rule. Staff recommends that the City Council concur with the Agency's approval of the Agreement.

V. FISCAL IMPACT

Funds for this Agreement are included in the adopted FY 2014/15 Carson Successor Agency budget and will be included on each Recognized Obligation Payment Schedule.

VI. EXHIBITS

None. The Draft Agreement by and between the Carson Successor Agency and DHA Consulting for continuing disclosure services is included with the Agency companion item.

Prepared by: Linda F. Mann, Principal Administrative Analyst

Document2

TO: Rev07-13-2014

Reviewed by:

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

Action taken by City Council

Date_____ Action_____