

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

376



FROM: Successor Agency to the Redevelopment Agency

SUBMITTAL DATE:

July 30, 2013

SUBJECT: Financial and Legal Services Agreements Related to Redevelopment Dissolution
[\$345,000]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and authorize the Chairman to execute the First Amendment to Consulting Services Agreement for Fiscal and Continuing Disclosure Reporting Services between Urban Analytics LLC and the Successor Agency, adding \$77,000 to the original agreement, for a total amount of \$140,000;

Christopher M. Hans

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Chief Deputy County Executive Officer

FINANCIAL
DATA

Current F.Y. Total Cost: \$ 345,000
Current F.Y. Net County Cost: \$
Annual Net County Cost: \$

In Current Year Budget: YES
Budget Adjustment: NO
For Fiscal Year: 2013/14

SOURCE OF FUNDS: Redevelopment Property Tax Trust Fund (RPTTF)

Positions To Be Deleted Per A-30 ☐
Requires 4/5 Vote ☐

C.E.O. RECOMMENDATION:

APPROVE

BY: *Ed Corser*
Ed Corser

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY: *Anita C. Willis* DATE: 7-18-13

Policy ☒ Policy ☒
Consent ☐ Consent ☐

Dep't Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 2012 707 53 0411:18

District: ALL

Agenda Number:

4-1

2. Approve and authorize the Chairman to execute the First Amendment to Consulting Services Agreement for Financial Advisory Services between C.M. deCrisis & Company, Inc. and the Successor Agency, adding \$80,000 to the original agreement, for a total amount of \$155,000; and,
3. Approve and authorize the Chairman to execute the Legal Services Agreement with Jones Hall, a Professional Law Corporation in the amount of \$50,000 for the provision of on-call legal services related to bond indenture requirements of redevelopment dissolution.

BACKGROUND:

On February 1, 2011, the Redevelopment Agency for the County of Riverside (RDA) signed three-year contracts with Urban Analytics LLC (Urban Analytics) for \$63,000 for Continuing Disclosure Services and C.M. deCrisis & Company, Inc. (deCrisis) for \$75,000 for Financial Advisory Services. These agreements were approved by the Deputy Executive Director of the Redevelopment Agency, pursuant to Board of Directors approved RDA By-Laws which provided for delegated authority. Additionally, Jones Hall, A Professional Law Corporation (Jones Hall), served as Bond Counsel for the RDA bond issues from 2004 through 2011. The Successor Agency wishes to continue and expand the existing contracts with Urban Analytics and deCrisis, and formally retain Jones Hall for on-call bond counsel services related to redevelopment dissolution.

The costs for the aforementioned services is included and has been approved in the current Recognized Obligation Payment Schedule (ROPS) budget.

The Successor Agency wishes to amend the original agreement with Urban Analytics to include disclosure services for the Successor Agency through 2016. In addition, Urban Analytics will prepare revenue projections for each former redevelopment project area by incorporating the assumptions used by the County in preparing revenue projections for the County budget. These revenue projections will assist the Successor Agency in providing information regarding project area growth scenarios and debt service coverage projections to bond investors. The extension of the time frame of the agreement and the additional scope of work will add \$77,000 to the original contract amount, for a total contract amount of \$140,000.

The Successor Agency wishes to amend the deCrisis agreement with a time extension to 2016, in order to ensure service coverage during the critical time period of the wind-down activity. As the redevelopment wind-down process continues, successor agencies continue to encounter financial questions from investors and the financial community relating to bond ratings, taxing entity subordination and passthrough payment questions, and satisfactory implementation of the Dissolution Act. The scope of work for the

original deCrisis contract will be expanded to include the confirmation of available revenues, preparation of cash flow projections that detail the priority of payments, make recommendations regarding the use of funds to assure timely payment of bond debt service, provide assistance to the Successor Agency in making required disclosures to rating agencies, and other services required in connection with the Dissolution Act. The extension of time and the additional scope of work will add an additional \$80,000 to the original contract amount, for a total contract amount of \$155,000.

In addition, the Successor Agency wishes to retain Jones Hall to provide legal and technical assistance on an as-needed, on-call basis for analyzing the financial impacts and consequences of Department of Finance requirements related to bonds. Jones Hall served as bond counsel for many of the Agency's bond issues, and possesses hands-on knowledge of the specifics of each bond issue, indentures, and covenants. The proposed agreement amount for Jones Hall is \$50,000, and the proposed term of the agreement is through Fiscal Year 2015/16.

The cost breakdown for the contracts is as follows:

	<u>Approved FY</u> <u>11/12 and 12/13</u> <u>Cost</u>	<u>FY</u>	<u>Proposed</u> <u>New Annual</u> <u>Cost</u>	<u>Total Contract</u> <u>Amount</u>
Urban	\$77,000	2013/14	\$34,000	\$140,000
Analytics		2014/15	\$21,000	
		2015/16	\$22,000	
deCrisis	\$80,000	2013/14	\$35,000	\$155,000
		2014/15	\$35,000	
		2015/16	\$10,000	
Jones Hall	\$0	2013/14	\$25,000	\$50,000
		2014/15	\$20,000	
		2015/16	\$5,000	

There is no general fund cost associated with these agreements. All costs are included in the current, approved ROPS budget.