



REPORT TO SUCCESSOR AGENCY

To: Honorable Chair and Members of the Successor Agency

From: Jason Simpson, Executive Director

Prepared by: Barbara Leibold, Agency Counsel

Date: October 22, 2024

Subject: Professional Services Agreement with Urban Futures, Inc. for Continuing Disclosures, CDIAC, and Arbitrage Services

Recommendation

Approve and authorize the Executive Director to execute the Professional Services Agreement with Urban Futures, Inc. in an amount not to exceed \$36,500 per fiscal year for ongoing continuing disclosure services, arbitrage reporting, and related financial services in connection with Successor Agency bonds in such final form as approved by the Agency Counsel.

Background

On July 1, 2018, the Successor Agency entered into a Professional Services Agreement with Urban Futures, Inc., for continuing disclosure services and related financial services in connection with Agency bonds. The Agreement was renewed on January 14, 2020. The purpose of the proposed Agreement is to continue the relationship with Urban Futures, Inc. for the provision of such services.

Discussion

Urban Futures, Inc., has provided excellent services to the Agency, and continuity is important in the provision of these mandated services. The Consultant will be expected to provide full annual continuing disclosure reporting for all of the Agency's outstanding bond transactions as required by the Securities Exchange Commission's Rule 15c2-12 and in accordance with the specific disclosure reporting requirements detailed in each respective bond transcript. Specifically, the Consultant will:

1. Collect the necessary financial and statistical information from Agency staff, auditors, and any other source as required.

2. Transmit the annual report for each bond transaction listed below to the Municipal Securities Rulemaking Board's (MSRB) nationally recognized data repository known as EMMA.
3. Monitor each bond transaction listed below on an ongoing basis for any occurrence of material events.

The Consultant will provide Services as described in the Agreement for the following bond transaction(s):

- Tax Allocation Bonds (TAB);
- Certificates of Participation (including Transportation Sales Tax) (COP);
- Lease Revenue Bonds (LRB);
- Pension Obligation Bonds (PPOB);
- Community Facilities/ Assessment Districts (CFO/AD);
- Utility Revenue Bonds;
- Tax and Revenue Anticipation Notes (TRAN);
- Bond Anticipation Notes (BAN);
- General Obligation Bonds (GO);
- Industrial Development Bonds (IDB); and
- Private Placements Loans and Notes.

At the request of the Agency, the Consultant may be engaged to provide annual debt transparency reporting to the California Debt and Investment Advisory Commission (CDIAC) for the Agency's outstanding bond transactions as required by Government Code section 8855(k). Specifically, the Consultant will:

1. Collect the necessary information relating to Bond Proceeds for each bond transaction listed below from Agency staff or the assigned Trustee.
2. File the annual debt transparency report with CDIAC through their online reporting system.

The Consultant will provide Services as described in this Agreement for all bonds issued after January 2019.

ANNUAL ARBITRAGE REBATE REPORTING

At the request of the Agency, the Consultant may be engaged to provide to provide annual arbitrage rebate reporting for the Agency's outstanding bond transactions as required by the Internal Revenue Service (IRS). Specifically, the Consultant will:

1. Review of all outstanding bond issues to determine the existing level of arbitrage compliance and future compliance needs;
2. Data collecting;

3. Data review and analysis; and
4. Performing calculations, including
 - computing/verifying the allowable yield limit for each issue
 - computing the estimated rebate liability, if any, as of the bond year-end
 - computing the amount of excess earnings, if any, rebatable to the U.S. Treasury, as of the 5th year (or final) installment date

Fiscal Impact

Funds for these services to the Successor Agency are paid with RPTTF allocated for enforceable obligations through the ROPS process.

Attachments

Attachment 1 - Agreement

City's Office