

The Successor Agency to the Compton Community Redevelopment Agency, is a distinct and separate legal entity from the City of Compton, and was established by Resolution No. 1, adopted on February 7, 2012. The Successor Agency is limited to the assets and liabilities of the dissolved Community Redevelopment Agency (CRA) of the City of Compton and shall have the authority to perform the functions and duties described in Part 1.85 to Division 24 of the California Health and Safety Code.

**GOVERNING BODY OF THE SUCCESSOR AGENCY
AGENDA**

**06/27/2023
6:30 PM**

**CITY COUNCIL CHAMBERS
205 SOUTH WILLOWBROOK AVENUE
COMPTON, CALIFORNIA 90220**

OPENING

ROLL CALL

PUBLIC COMMENTS ON AGENDA AND NON-AGENDA ITEMS

NEW BUSINESS

1. A RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY OF THE CITY OF COMPTON TO AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO A MULTI-YEAR AGREEMENT WITH STRADLING YOCCA CARLSON & RAUTH, A PROFESSIONAL CORPORATION FOR ON GOING BOND DISCLOSURE COUNSEL SERVICES, TO AUTHORIZE A BUDGET AMENDMENT TO THE FY2022-2023 SUCCESSOR AGENCY BUDGET, AND AUTHORIZE A PURCHASE ORDER (\$8,143.52).

DIRECTORS COMMENTS

ADJOURNMENT

JUNE 27, 2023

TO: HONORABLE CHAIR-PERSON AND BOARD MEMBERS

FROM: CITY CONTROLLER

SUBJECT: A RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY OF THE CITY OF COMPTON TO AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO A MULTI-YEAR AGREEMENT WITH STRADLING YOCCA CARLSON & RAUTH, A PROFESSIONAL CORPORATION FOR ON GOING BOND DISCLOSURE COUNSEL SERVICES, TO AUTHORIZE A BUDGET AMENDMENT TO THE FY2022-2023 SUCCESSOR AGENCY BUDGET, AND AUTHORIZE A PURCHASE ORDER (\$8,143.52).

SUMMARY

Staff is requesting that the Successor Agency of the City of Compton (Successor Agency) Board authorize the Executive Director to enter into a three year agreement with Stradling Yocca Carlson & Rauth, a Professional Corporation for On-going Bond Disclosure Counsel Services in the amount not to exceed Twenty-four Thousand Four-Hundred Thirty Dollars and Fifty-Four Cents (\$24,430.54) and to authorize a budget amendment to the FY 2022-2023 Successor Agency Budget and a purchase order in the amount of Eight-Thousand One-Hundred Forty-Three Dollars and Fifty-Two Cents (\$8,143.52) for the first year.

BACKGROUND

The Federal Securities Act of 1933 requires that investors receive financial and other significant information concerning securities being offered for public sale; and it also prohibits deceit, misrepresentations, and other fraud in the sale of securities. The Federal Securities Exchange Act of 1934 empowers the Securities and Exchange Commission (SEC) with broad authority over all aspects of the securities industry. The Act also identifies and prohibits certain types of conduct in the markets and provides the Commission with disciplinary powers over regulated entities and persons associated with them. The Act also empowers the SEC to require periodic reporting of information by companies with publicly traded securities.

Since the Successor Agency is an issuer of bonds which are traded on securities exchanges, the Successor Agency is required to be in compliance with these laws. The Successor Agency has requirements to periodically report information and also has

Staff Report – Resolution Authorizing Contract Execution and P.O. to Stradling Yocca Carlson & Rauth, a Professional Corporation

Page 2 of 5

requirements prohibiting certain types of conduct and making misrepresentations in the market.

In addition to remaining in compliance with the 1933 and 1934 Securities Acts, the Successor Agency is also responsible for complying with contractual obligations for financial disclosures. The Successor Agency is obligated to comply with disclosure requirements for each of its bond issuance as shown in the attachments. Further, the Successor Agency is in need of legal representation and legal advice related to its bond disclosures on an on-going basis.

A description of the Successor Agency's Bond issuances follows:

Successor Agency to the Community Redevelopment Agency of the City of Compton Tax Allocation Refunding Bonds, Series 2022A and Series 2022B

The Issuance of this bond series included: \$75,820,000 in aggregate principal amount of its (i) S

The proceeds of the Series 2022A Bonds, together with certain additional funds made available by the Successor Agency, will be used for the purpose of: (a) refunding all of the Former Agency's outstanding (i) Compton Redevelopment Project Second Lien Tax Allocation Bonds (Housing), Series 2010A (the "Series 2010A Bonds") and (ii) Compton Redevelopment Project Second Lien Tax Allocation Bonds, Series 2010B (the "Series 2010B Bonds"); (b) paying a portion of the costs associated with a debt service reserve policy to be issued by Assured Guaranty Municipal Corp. (the "2022 Insurer" or "**AGM**") and deposited into the Reserve Account with respect to the Series 2022 Bonds (the "2022 Reserve Policy"), and (c) paying the costs of issuance related to the Series 2022A Bonds, including a portion of the costs associated with the insurance policy to be issued by the 2022 Insurer guaranteeing the scheduled payment of principal of and interest on the Series 2022 Bonds when due (the "2022 Insurance Policy").

The proceeds of the Series 2022B Bonds, together with certain additional funds made available by the Successor Agency, will be used for the purpose of: (a)(i) defeasing all of the Former Agency's outstanding Compton Redevelopment Project Tax Allocation Capital Appreciation Bonds, Series 1995C (Taxable) (the "Series 1995C Bonds") and (ii) refunding all of the Former Agency's outstanding Compton Redevelopment Second Lien Tax Allocation Bonds (Taxable), Series 2010C (the "Series 2010C Bonds"); (b) paying a portion of the costs of the 2022 Reserve Policy, and (c) paying the costs of issuance related to the Series 2022B Bonds, including a portion of the costs associated with the 2022 Insurance Policy.

Pledged Tax Revenues. The Series 2022 Bonds are secured by the Pledged Tax Revenues deposited in the RPTTF and payable from amounts on deposit therein after payments of certain County administrative costs and payments to certain taxing agencies.

The Series 2022 Bonds are special obligations of the Successor Agency and are payable, as to interest thereon, and principal thereof, exclusively from the Pledged Tax Revenues and certain other funds and the Successor Agency is not obligated to pay the Series 2022 Bonds except from the Pledged Tax Revenues and such other funds.

STATEMENT OF ISSUE

In order to remain in compliance with contractual requirements for bond disclosures (please see bond disclosure requirements attached) and to respond to investor inquiries, the Successor Agency needs legal representation and advice by a firm with the proper expertise in the municipal securities industry. The firms who provided this service for the City of Compton or for the Successor Agency in the past, only provided the service when bonds were issued and were not contracted to provide services on an on-going basis, even though remaining in compliance with disclosure requirements continued to be an obligation of the City or Successor Agency on an on-going basis. Therefore, Successor Agency staff solicited bids to recruit a firm to provide these necessary services.

It shall be of note that Section 4-11.7.d of the Municipal Code states the following in regards to competitive bidding requirements for attorneys:

“Except as otherwise provided in Section 1409 of the City Charter, state, or federal law, the competitive bidding requirements of this section shall not apply in the following circumstances:

d. Any contract for professional services; such as, but not limited to, attorneys, physicians, architects, engineers, consultants, accountant, specialized printers or other individuals or organizations possessing a high degree of professional, unique, specialized or technical skill or expertise. Selection of professional services providers shall be on the basis of demonstrated competence and professional qualifications necessary for the satisfactory performance of the services required at a fair and reasonable price.”

A request for proposal (RFP) for on-going bond disclosure counsel services was directly emailed to four separate potential candidates, whose names were taken from the Official Statements of past City and Successor Agency Bond issuances.

The RFP yielded only one response. The candidate was Stradling Yocca Carlson & Rauth, a Professional Corporation (Stradling). This candidate had performed excellent bond disclosure counsel services on a past bond issuance with the City for the 2021 MTA Bonds that were issued in March of 2021. This firm also participated in providing excellent legal counsel services for the Successor Agency bond refinancing which occurred in June of 2022.

Therefore, this firm is being recommended to be awarded a contract to provide on-going bond disclosure counsel services for the Successor Agency for a period of three (3) years.

Once this firm is engaged, the Successor Agency will have the proper legal representation needed to respond to investor inquiries and to review bond disclosures when they are due. This firm will assist the Successor Agency in remaining in compliance with contractually obligated bond disclosures and due date requirements. Without these services the Successor Agency will incur a risk of being out of compliance and could risk financial and also non-financial penalties. Additionally, this firm will report to the City Attorney, while also working with the City Controller.

Further by having on-going bond disclosure counsel services, this will communicate to stakeholders of the Successor Agency that the Successor Agency is committed to the improvement and success of the Successor Agency's fiscal health.

FISCAL IMPACT

A budget amendment to the FY2022-2023 Successor Agency Budget is being requested for the first year of the contract as follows:

Decrease in Expenditure appropriations:

<u>Account Code</u>	<u>Account Name</u>	<u>Amount</u>
1201-420-000-4261	Legal Services	\$8,143.52

Increase in Expenditure appropriations:

<u>Account Code</u>	<u>Account Name</u>	<u>Amount</u>
1201-910-000-4261	Legal Services	\$8,143.52

Therefore, a purchase order in the amount of Eight-Thousand One-Hundred Forty-Three Dollars and Fifty-Two Cents (\$8,143.52) to Stradling Yocca Carlson & Rauth, a Professional Corporation is being requested and funding shall be available in the FY 2022-2023 Successor Agency Budget as follows:

<u>Account Code</u>	<u>Account Name</u>	<u>Amount</u>
1201-910-000-4261	Legal Services	\$8,143.52

Funding for the remaining two years of the contract, in the amounts of Eight Thousand One Hundred Forty-Three Dollars and Fifty-One cents (\$8,143.51) each year will be appropriated in future budgets.

ALTERNATIVE

The Successor Agency would risk remaining in a position without legal representation or review of its bond disclosures, and the Successor Agency or individual employees could incur financial or non-financial penalties or consequences.

RECOMMENDATION

The City Controller recommends that the Successor Agency Board adopt the attached Resolution.

SHARON RAHBAN NAVIZADEH

CITY CONTROLLER

APPROVED FOR FORWARDING:

THOMAS THOMAS

EXECUTIVE DIRECTOR

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY OF THE CITY OF COMPTON TO AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO A MULTI-YEAR AGREEMENT WITH STRADLING YOCCA CARLSON & RAUTH, A PROFESSIONAL CORPORATION FOR ON GOING BOND DISCLOSURE COUNSEL SERVICES, TO AUTHORIZE A BUDGET AMENDMENT TO THE FY2022-2023 SUCCESSOR AGENCY BUDGET, AND AUTHORIZE A PURCHASE ORDER (\$8,143.52).

WHEREAS, the Federal Securities Act of 1933 requires that investors receive financial and other significant information concerning securities being offered for public sale; and it also prohibits deceit, misrepresentations, and other fraud in the sale of securities.

WHEREAS, the Federal Securities Exchange Act of 1934 empowers the Securities and Exchange Commission (SEC) with broad authority over all aspects of the securities industry. The Act also identifies and prohibits certain types of conduct in the markets and provides the Commission with disciplinary powers over regulated entities and persons associated with them. The Act also empowers the SEC to require periodic reporting of information by companies with publicly traded securities.

WHEREAS, since the Successor Agency of the City of Compton (Successor Agency) is an issuer of bonds which are traded on securities exchanges, the Successor Agency is required to be in compliance with these laws. The Successor Agency has requirements to periodically report information and also has requirements prohibiting certain types of conduct and making misrepresentations in the market.

WHEREAS, in addition to remaining in compliance with the 1933 and 1934 Securities Acts, the Successor Agency is also responsible for complying with contractual obligations for financial disclosures. The Successor Agency also needs to respond to investor inquiries. Further, the Successor Agency is in need of legal representation and legal advice related to its bond disclosures on an on-going basis.

WHEREAS, Section 4-11.7.d of the Municipal Code states the following in regards to competitive bidding requirements for attorneys:

“Except as otherwise provided in Section 1409 of the Successor Agency Charter, state, or federal law, the competitive bidding requirements of this section shall not apply in the following circumstances:

d. Any contract for professional services; such as, but not limited to, attorneys, physicians, architects, engineers, consultants, accountant, specialized printers or other individuals or organizations possessing a high degree of professional, unique, specialized or technical skill or expertise. Selection of professional services providers shall be on the basis of demonstrated competence and professional qualifications necessary for the satisfactory performance of the services required at a fair and reasonable price.”

WHEREAS, a request for proposal (RFP) for on-going bond disclosure counsel services was directly emailed to four separate potential candidates, whose names were taken from the Official Statements of past City and Successor Agency Bond issuances. The solicitation yielded only one response. The candidate was Stradling Yocca Carlson & Rauth, a Professional Corporation (Stradling). This candidate had performed excellent bond disclosure counsel services on a past bond issuance with the City for the 2021 MTA Bonds

that were issued in March of 2021. This firm also participated in providing excellent legal counsel services for the Successor Agency bond refinancing which occurred in June of 2022. Therefore, this firm is being recommended to be awarded a contract to provide on-going bond disclosure counsel services for the Successor Agency for a period of three (3) years.

WHEREAS, the cost for these services is not to exceed Twenty-four Thousand Four-Hundred Thirty Dollars and Fifty-Four Cents (\$24,430.54) to the Successor Agency over a three year period, per the proposal from Stradling. A budget amendment to the FY2022-2023 Successor Agency Budget is being requested for the following:

Decrease in Expenditure appropriations:

<u>Account Code</u>	<u>Account Name</u>	<u>Amount</u>
1201-420-000-4261	Legal Services	\$8,143.51

Increase in Expenditure appropriations:

<u>Account Code</u>	<u>Account Name</u>	<u>Amount</u>
1201-910-000-4261	Legal Services	\$8,143.51

A purchase order for Eight-Thousand One-Hundred Forty-Three Dollars and Fifty-One Cents (\$8,143.51) is also being requested to be authorized to be issued out of the following account for the first year of services to be used by the Successor Agency. The firm will also be providing services to the Successor Agency of Compton (the "Successor Agency") and a separate resolution is being requested for approval from the Successor Agency Council:

<u>Account Code</u>	<u>Account Name</u>	<u>Amount</u>
1201-910-000-4261	Legal Services	\$8,143.51

WHEREAS, it is recommended that the Board of the Successor Agency adopt the attached Resolution to approve the agreement, to approve the budget amendment and to authorize the Executive Director to open a purchase order to Stradling Yocca Carlson & Rauth, a Professional Corporation for On-going Bond Disclosure Counsel Services.

NOW, THEREFORE, THE SUCCESSOR AGENCY COUNCIL OF THE SUCCESSOR AGENCY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the Executive Director is hereby authorized to enter into a professional services agreement with Stradling Yocca Carlson & Rauth, a Professional Corporation for On-going Bond Disclosure Counsel Services for three years in the amount not to exceed Twenty-four Thousand Four-Hundred Thirty Dollars and Fifty-Four Cents (\$24,430.54).

SECTION 2. That the Successor Agency's Fiscal Year 2022-2023 Budget is authorized to be amended as follows:

Decrease in Expenditure appropriations:

<u>Account Code</u>	<u>Account Name</u>	<u>Amount</u>
1201-420-000-4261	Legal Services	\$8,143.51

Increase in Expenditure appropriations:

<u>Account Code</u>	<u>Account Name</u>	<u>Amount</u>
1201-910-000-4261	Legal Services	\$8,143.51

SECTION 3. That the amount of Eight-Thousand One-Hundred Forty-Three Dollars and Fifty-One Cents (\$8,143.51) will be available in the Fiscal Year 2022-2023 Budget allocated from the following account number(s) :

<u>Account Code</u>	<u>Account Name</u>	<u>Amount</u>
1201-910-000-4261	Legal Services	\$8,143.51

SECTION 4. That a purchase order shall be issued to Stradling Yocca Carlson & Rauth, a Professional Corporation for On-going Bond Disclosure Counsel Services from the following Account Number(s) in the amount of Eight-Thousand One-Hundred Forty-Three Dollars and Fifty-One Cents (\$8,143.51).

<u>Account Code</u>	<u>Account Name</u>	<u>Amount</u>
1201-910-000-4261	Legal Services	\$8,143.51

SECTION 5. That funds will be allocated and a purchase order generated for the services provided under Stradling Yocca Carlson & Rauth, a Professional Corporation Agreement from future approved Successor Agency Department budgets.

SECTION 6. That a copy of this Resolution shall be filed in the offices of the Executive Director of the Successor Agency, General Counsel to the Successor Agency, and Secretary to the Successor Agency.

SECTION 7. That the Chair-person shall sign and the Secretary to the Successor Agency shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____, 2023.

**CHAIR PERSON OF THE SUCCESSOR
AGENCY OF THE CITY OF COMPTON**

ATTEST:

SECRETARY OF THE SUCCESSOR AGENCY OF THE CITY OF COMPTON

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF COMPTON)

I, Vernell McDaniel, Secretary to the Successor Agency of the City of Compton, hereby certify that the foregoing Resolution was adopted by the Board of the Successor Agency of the City of Compton, signed by the Chair-person and attested by the Secretary to the Successor Agency at a regular meeting thereof held on this _____ day of _____, 2023.

That said Resolution was adopted by the following vote, to wit:

AYES: BOARDMEMBERS -
NOES: BOARDMEMBERS -
ABSTAIN: BOARDMEMBERS -
ABSENT: BOARDMEMBERS -

**SECRETARY TO THE SUCCESSOR AGENCY
OF THE CITY OF COMPTON**



Stradling Yocca Carlson & Rauth
A Professional Corporation
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Newport Beach, CA 92660
949-500-0855
stradlinglaw.com

Vanessa S. Legbandt
949 725 4073
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March 15, 2023

Sharon Rahban Navizadeh, Controller of the City of Compton
Successor Agency to the Community Redevelopment Agency of the City of Compton
205 S. Willowbrook Avenue
Compton, CA 90220

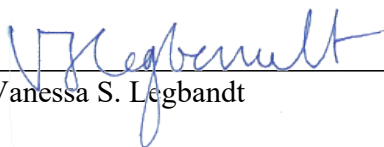
Dear Ms. Navizadeh:

Thank you for the opportunity to represent the Successor Agency to the Community Redevelopment Agency of the City of Compton (the "Successor Agency" or "Compton") as on-call disclosure counsel in connection with Compton's various bond financings. Unless otherwise confirmed in writing, the terms of this letter and the enclosed Terms of Retention (together, the "Agreement") will govern our representation of the Successor Agency.

I am attaching our normal Terms of Retention, which is an integral part of our retention Agreement. If this letter, including the attached Terms of Retention, accurately reflects your understanding of our relationship, please acknowledge your approval and acceptance of these terms by signing and returning this letter to me. I would be pleased to answer any questions you might have.

Very truly yours,

STRADLING YOCCHA CARLSON & RAUTH



Vanessa S. Legbandt

Enclosure

The undersigned hereby agrees that the terms and conditions in this letter and the accompanying Terms of Retention shall apply to services rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation.

SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF COMPTON

By: _____
Thomas Thomas,
Executive Director of the Successor Agency
of the City of Compton

**TERMS OF RETENTION
OF
STRADLING YOCCA CARLSON & RAUTH**

1. **Fees and Costs.** Stradling Yocca Carlson & Rauth (the “Firm”) is compensated for its services based primarily on the value of the services and the time spent performing them. Such compensation may include the time spent on client conferences, travel, research, drafting documents, and other activities. The amount of fees charged on a statement is determined by the hours expended by the different attorneys and other professional personnel involved and the applicable rates. A schedule of the hourly rates applicable to attorneys expected to work on Compton matters is attached as Exhibit A. The hourly rates provided in Exhibit A are the discounted rates the Firm charges for public agencies on financing matters. Such rates may change from time-to-time but no increases in excess of 3% per annum shall be implemented without the written consent of the City Manager (as Executive Director of the Successor Agency) or City Controller (as finance director of the Successor Agency). The scope of work for our special counsel services with respect to the Financings is provided in Exhibit B.

The Firm agrees that the fees for On-Call Disclosure Counsel legal services under this Agreement and the City Agreement (defined below) shall not exceed **\$21,000** per year (adjusted consistent with adjustments to our hourly rates, as described in the preceding paragraph), **\$8,143.51 of which is initially estimated to represent the Successor Agency’s share**; provided that the Firm shall have no obligation to continue providing legal services to the City once the maximum amount stated above is reached, without the prior written agreement of the City Manager or City Controller increasing the maximum fee permitted under this Agreement.

The Firm also charges for various costs such as copying, telephone charges, computerized legal research, word processing and/or other computer time, overtime costs, messenger services, travel, filing fees and other costs. Bills for some costs are passed on directly, such as bills for certified shorthand reporters, technical consultants, and other professional fees.

Concurrently with this Agreement, we are entering into a legal services agreement with the City of Compton for on-call disclosure counsel services (the “City Agreement”) which in many respects will overlap with the services provided pursuant to this Agreement. The City and Successor Agency may determine how to allocate our fees and expenses for such services between the City and Successor Agency; however, any fees earned and expenses incurred by the Firm under this Agreement that are not paid by the City shall be promptly paid by the Successor Agency.

Fees for Bond Counsel or Disclosure Counsel legal services in connection with a particular bond financing or other financing shall be set forth in a supplement to this Agreement or separate agreement between the parties.

2. **Termination by the Firm.** The Firm reserves the right to withdraw from representing you if, among other things, you fail to honor the terms of our agreement, you fail to cooperate fully or follow our advice on a material matter, or any fact or circumstance occurs that would, in our view, render our continuing representation unlawful or unethical. If we elect to withdraw, you will take all steps necessary to free us of any obligation to perform further services, including the execution of any documents necessary to complete our withdrawal, and we will be entitled to be paid at the time of withdrawal for all services rendered and costs and expenses paid or

incurred on your behalf. If necessary in connection with litigation, we would request leave of court to withdraw.

3. **Termination by Compton.** We understand that we serve at the pleasure of the Successor Agency and this Terms of Retention may be terminated by the Successor Agency at any time, upon 10 days written notification, with or without cause. In the event that our services are terminated prior to completion of the financing, we will be entitled to be paid at the time of such termination for all services rendered and costs and expenses paid or incurred on your behalf.

4. **Date of Termination.** Our representation of you will be considered terminated at the earlier of (i) your termination of our representation, (ii) our withdrawal from our representation of you, (iii) the substantial completion of our substantive work for you, or (iv) three (3) years from the date we are engaged by you under this Agreement, unless extended with the written approval of the City Manager or City Controller.

5. **Related Activities.** If any claim or action is brought against us or any personnel or agents of the Firm based on your negligence or misconduct, or if we are asked to testify as a result of our representation of you or must defend the confidentiality of your communications in any proceeding, you agree to pay us for any resulting fees, costs, or damages, including our time, even if our representation of you has ended.

6. **No Guarantee of Outcome.** The Firm will provide its services consistent with the level and quality of expertise expected of a nationally recognized firm specializing in securities law and the transactions contemplated by this Agreement. We do not and cannot guarantee any outcome in a matter.

7. **Insurance.** We hereby advise you that this Firm maintains professional errors and omissions insurance coverage applicable to the services to be rendered to you. Evidence of such insurance will be provided upon request.

8. **Client.** This Firm's client for the purpose of our representation is only the Successor Agency. Unless expressly agreed, the Firm is not undertaking the representation of any other related or affiliated person or entity, nor any parent, brother-sister, subsidiary, or affiliated corporation or entity, nor any of your or their officers, directors, agents, or employees.

9. **Client File and Retention.** For each matter the Firm maintains a file in which the Firm places certain documents and items, including original documents, that are reasonably necessary to the Firm's representation in the matter. The Firm currently keeps each file for seven years after a matter concludes. The file belongs to the client and, subject to any protective order or non-disclosure agreement, the client may request to take possession of it once the matter concludes. Should all or any portion of the file become the subject of a subpoena, discovery request or other disclosure obligation ("Legal Process") while in the Firm's possession, including after the matter concludes, you agree to pay the Firm's then-prevailing hourly rates and costs that the Firm incurs in connection with the Legal Process.

10. **Payment Notwithstanding Dispute.** In the event of any dispute that relates to our entitlement to any payment from you, all undisputed amounts shall be paid by you. Any amounts in

any client trust account held on your behalf, sufficient to pay the disputed amounts, shall continue to be held in such trust account until the final disposition of the dispute.

11. **Arbitration.** We appreciate the opportunity to serve as your attorneys and anticipate a productive and harmonious relationship. If you should feel for any reason that there is a problem with the services we have performed or with our charges, we encourage you to bring that to our attention immediately. If we perceive a problem with your representation, we likewise will endeavor to discuss it with you. Most problems should be rectified by communication and discussion. However, a dispute might arise between us which could not be resolved by negotiation. We believe that such attorney-client disputes are most satisfactorily resolved through final and binding arbitration rather than by litigation. Both the United States Supreme Court and the California Supreme Court have endorsed arbitration as an accepted and favored method of resolving disputes, because it is economical and expeditious.

In arbitration, there is no right to a trial by jury and the arbitrator's legal and factual determinations are generally not subject to appellate review. Arbitration rules of evidence and procedure are often less formal and less rigid than the rules which apply in Court. Arbitration usually results in a decision much more quickly than proceedings in Court, and the attorneys' fees and other costs incurred by both sides may be substantially less. You are free to discuss the advisability of arbitration with us, or with your own independent counsel or any of your other advisors, and to ask any questions which you may have.

By signing this Terms of Retention, we agree that, in the event of any dispute or claim arising out of or relating to our engagement, our relationship, our charges, or our services (including but not limited to disputes or claims regarding our charges, professional malpractice, errors or omissions, breach of contract, breach of fiduciary duty, fraud, or violation of any statute), SUCH DISPUTE OR CLAIM SHALL BE RESOLVED BY SUBMISSION TO FINAL AND BINDING ARBITRATION IN SAN BERNARDINO COUNTY, CALIFORNIA, BEFORE A RETIRED JUDGE OR JUSTICE. BY AGREEING TO ARBITRATE, YOU WAIVE ANY RIGHT YOU HAVE TO A COURT OR JURY TRIAL. Venue with regard to any ancillary proceedings arising out of such dispute or claim shall also be in San Bernardino County. If we are unable to mutually agree on a retired judge or justice, then each side will name one retired judge or justice and the two named persons will select a neutral judge or justice who will act as the sole arbitrator. The fees of the arbitrator will be paid initially equally by both the Firm and you. However, the arbitrator shall have the right to order either party to pay all fees and costs as part of his award.

In arbitration, we shall both be entitled to conduct discovery in accordance with the provisions of the California Code of Civil Procedure, but either of us may request that the arbitrator limit the amount or scope of such discovery and, in determining whether to do so, the arbitrator shall balance the need for the discovery against the parties' mutual desire to resolve disputes expeditiously and inexpensively.

Under California law, you have the right, if you desire, to request arbitration of any fee dispute before an arbitrator or panel of arbitrators selected by a local bar association or the State Bar ("Bar Arbitration") and a trial de novo in court if dissatisfied with the result. If you do request a Bar Arbitration, the law provides that evidence of any claim of malpractice or professional misconduct is admissible only concerning the fees or costs in dispute and that the Bar Arbitrators shall not award any affirmative relief in the form of damages, offset or otherwise on account of such claim. By

signing this Terms of Retention, you agree that if a Bar Arbitration is conducted, that Bar Arbitration or any trial de novo in Court thereafter shall determine only the issue of the amount of fees properly chargeable to you, if any, and that such Bar Arbitration or trial de novo in Court thereafter shall have no effect on the provisions set forth above which require arbitration before a retired judge or justice of any claims for affirmative relief based on alleged professional malpractice, errors or omissions, breach of conduct, breach of fiduciary duty, fraud or violation of any statute. Any such claims shall be solely determined in an arbitration proceeding by a retired judge or justice without regard to the result of any Bar Arbitration or trial de novo thereafter.

12. **Primary Attorney.** The primary attorney with responsibility for our representation of Compton will be **Vanessa S. Legbandt**. The parties agree that the Firm is being retained based on the unique skill, experience, and expertise of Ms. Legbandt and no change will be made in the primary attorney without the prior, written consent of the Successor Agency.

13. **Other Clients.** As a law firm with many diverse clients and practice areas, we seek to retain the ability to accept unrelated matters for all of our clients. We may thus request your informed written consent in the event we seek to represent any other client in any future matter that is not substantially related to this matter and does not involve material confidential information we obtained while representing you in this matter. Such matters could arise during our representation of you in this matter. You may determine to consent or not consent to such request and should feel free to consult general counsel before deciding whether to grant any consent should it be requested.

The Firm represents various investment banks and underwriters from time-to-time on transactions for public agencies other than Compton. The Firm will not represent any investment bank or underwriter (or any other party to the transaction) in connection with any financing or other matter with respect to which we represent Compton.

The Firm represents various public agencies, including the County of Los Angeles and various public agencies in Los Angeles County, as bond and/or disclosure counsel and on other matters from time to time.

14. **Electronic Communication and Storage Technology.** The Firm uses cell phones, email, wireless networks, cloud-based platforms, and other technology to communicate with others and to transmit or store documents and information. Such technology helps the Firm provide efficient and convenient legal services, but may pose confidentiality and security risks. By signing this Agreement, you consent to the Firm's use of all such technology in connection with this engagement.

15. **Processing Client Personal Information.** In connection with our engagement, you may be required to disclose to the Firm, or the Firm may obtain on your behalf, personal information relating to individuals that the Firm does not otherwise collect for the Firm's own commercial or business purposes ("Client Personal Information"). For example, materials that you provide to the Firm for purposes of due diligence may contain Client Personal Information relating to third parties. You hereby acknowledge, agree and require that the Firm only collect, retain, use, disclose, or otherwise process Client Personal Information as your "service provider" or "data processor," as defined in the California Consumer Privacy Act of 2018 or other data privacy laws, as applicable (collectively, "Data Privacy Laws"), or pursuant to any exception that may apply under Data Privacy Laws regarding the attorney-client relationship. The Firm will not sell Client Personal Information.

The Firm will not collect, retain, use, disclose or otherwise process Client Personal Information for any purpose other than for the purpose of performing services to you pursuant to this engagement letter, unless applicable law requires us to do otherwise. The Firm will not collect, retain, use, disclose, or otherwise process Client Personal Information outside of the Firm's direct relationship with you, unless applicable law requires the Firm to do otherwise. The Firm certifies that the Firm understands these restrictions and will comply with them. These restrictions are not intended to reduce or replace our obligations under applicable rules of professional conduct, including but not limited to the Firm's obligation of confidentiality.

16. **Publicity.** You consent to the Firm's use of your name and logo (if applicable) on our web site and in our marketing materials.

17. **Client Communication.** You hereby designate **Sharon Rahban Navizadeh, City Controller**, to act on your behalf for this matter, and you authorize us to communicate with, and receive directions from, that person and any other person that you may designate in the future.

18. **Authority to Sign.** The person signing this letter on behalf of the Successor Agency represents that he or she has the full right and authority to do so, and to fully commit and bind the Successor Agency to this engagement letter.

19. **Miscellaneous.** This Agreement sets forth the entire agreement between you and the Firm, and there is no other or additional understanding between you and the Firm on these subjects. This Agreement supersedes any prior agreements or representations, written or oral, between you and the Firm on these subjects. Any modification or amendment to this Agreement must be in a writing signed by you and the Firm. This agreement shall be governed by California law without reference to its conflict of law principles. If any provision of this Agreement is found to be invalid or unenforceable, that provision shall be deemed modified or removed so that it is valid and enforceable to the fullest extent of the law, and the other provisions of this Agreement shall be unimpaired.

EXHIBIT A

2023 “B” GROUP DISCOUNTED RATES

DEPARTMENT	“B” SHAREHOLDERS	2023 “B” RATE
PUBLIC	VANESSA S. LEGBANDT AND OTHER SHAREHOLDERS	\$600.00
DEPARTMENT	“B” ASSOCIATES	2023 “B” RATE
PUBLIC	SENIOR ASSOCIATES	\$375.00

ALL “B” GROUP PARALEGALS ARE AT \$175.00/HOUR
AND
ALL “B” GROUP LAW CLERKS ARE AT \$150/HOUR

EXHIBIT B

SCOPE OF SERVICES On-Call Disclosure Counsel

The Firm's engagement as On-Call Disclosure Counsel to the Successor Agency is expected to include the following legal services:

1. Review of Continuing Disclosure Annual Reports prepared by the Successor Agency or a third party consultant (not the Firm) to confirm compliance with the applicable continuing disclosure certificate or agreement (each, a "Continuing Disclosure Agreement") entered into by the Successor Agency or a related entity (such as the City) and applicable federal securities laws;
2. File such continuing disclosure annual reports as required by such Continuing Disclosure Agreements or confirm such filing has occurred on or before the applicable deadline, if filed by the Successor Agency or a third party,
3. Assist the Successor Agency in preparing and filing notices of the occurrence of the events listed in the Continuing Disclosure Agreements (provided that the Firm is not in a position to determine whether such events have occurred; this is the obligation of the Successor Agency with the assistance of the Successor Agency's municipal advisor);
4. Provide periodic trainings to Successor Agency staff and officials regarding the Successor Agency's obligations under its Continuing Disclosure Agreements and federal securities laws (likely one training per year for staff and one for the Successor Agency Board; additional trainings should be provided for new or returning officials and staff as appropriate as well), and
5. Provide advice to the Successor Agency as requested from time to time relating to the Successor Agency's obligations under its Continuing Disclosure Agreements and federal securities laws, including advice with respect to investor inquiries.

The Firm's services under this Agreement shall not include Bond Counsel or Disclosure Counsel services with respect to a particular new bond offering or other financing unless provided for in a supplement to this Agreement or by separate agreement between the parties.

BID OPENING CHECKLIST:

DATE OF THE RFP OPENING:

SUBMISSION DUE DATE: February 7, 2023

PROJECT: Ongoing Bond Disclosures and Filing Services – City Controller – Jocelyn Logan

PROJECT MANAGER/CONTACT PERSON: Public Works Department

[illegible]



**CITY OF COMPTON
REQUEST FOR PROPOSALS (RFP)
ONGOING BOND DISCLOSURES AND FILING SERVICES**

I. INTRODUCTION

The City needs technical expertise in several disciplines to advance the goals and policies of the Mayor and Council, and Successor Agency of the Community Redevelopment Agency ("Successor Agency") Board of Directors in order to actively respond and implement bond disclosure requirements applicable to the City of Compton and Compton Successor Agency. The City of Compton and Compton Successor Agency request Statements of Proposals Qualifications from interested parties to provide expertise on on-call professional Bond disclosure, filing, dissemination, related training, assist with developing policies and procedures for secondary municipal market securities requirements, and SEC Post-Issuance Compliance and Repository services.

A formal Request for Proposal (RFP) is accessible from the City's website at <https://www.comptoncity.org/departments/city-clerk/rfps-and-bids>

II. PROPOSAL DUE DATE AND LOCATION

All proposals are due on or before **4:00 p.m., Tuesday, February 7, 2023**. Written proposal responses must include three (3) copies and one (1) unbound, original copy containing an original signature. There is absolutely no consideration for responses received after the specified date and time.

Please address proposals in a sealed envelope to the following address:

**Office of the City Clerk
City of Compton
205 South Willowbrook Avenue
Compton, CA 90220
RE: RFP – ONGOING BOND DISCLOSURES AND FILING SERVICES**

III. POINT OF CONTACT

All inquiries relating to this RFP process shall be submitted to Jocelyn Logan, Office of the City Controller, City of Compton, 205 South Willowbrook Avenue, Compton, CA 90220 via email to JLogan@comptoncity.org.

CONTINUING DISCLOSURE AGREEMENT

by and between

**SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF COMPTON**

and

DIGITAL ASSURANCE CERTIFICATION, L.L.C.

relating to:

\$59,200,000

**SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF COMPTON
TAX ALLOCATION REFUNDING BONDS,
SERIES 2022A**

and

\$16,620,000

**SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF COMPTON
TAX ALLOCATION REFUNDING BONDS (TAXABLE),
SERIES 2022B**

Dated June 21, 2022

This **CONTINUING DISCLOSURE AGREEMENT** (this "Disclosure Agreement") dated June 21, 2022, is executed and delivered by the **SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON**, a public entity duly existing under the laws of the State of California (the "Successor Agency") and **DIGITAL ASSURANCE CERTIFICATION, L.L.C.**, a limited liability company duly organized and existing under the laws of the State of Florida, and any successor dissemination agent serving hereunder pursuant to Section 11 hereof (the "Dissemination Agent" or "DAC").

RECITALS:

A. Contemporaneously with the execution and delivery of this Disclosure Agreement, the Successor Agency issued and delivered those certain: (a) \$59,200,000 Tax Allocation Refunding Bonds, Series 2022A (the "Series 2022A Bonds") and (b) \$16,620,000 Tax Allocation Refunding Bonds (Taxable), Series 2022B (the "Series 2022B Bonds" and together with the Series 2022A Bonds, the "Series 2022 Bonds"), pursuant to, among other things, the Indenture of Trust dated as of June 1, 2022, by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the "Indenture").

B. The Series 2022 Bonds are special obligations of the Successor Agency and are payable, as to interest thereon, and principal thereof, exclusively from the Pledged Tax Revenues and certain other funds and the Successor Agency is not obligated to pay the Series 2022 Bonds except from the Pledged Tax Revenues and such other funds as provided in the Indenture.

C. The proceeds of the Series 2022A Bonds, together with certain additional funds made available by the Successor Agency, will be used for the purpose of: (a) refunding all of the Former Agency's outstanding (i) Compton Redevelopment Project Second Lien Tax Allocation Bonds (Housing), Series 2010A and (ii) Compton Redevelopment Project Second Lien Tax Allocation Bonds, Series 2010B; (b) paying a portion of the costs associated with a debt service reserve policy to be issued by Assured Guaranty Municipal Corp. (the "2022 Insurer") and deposited into the Reserve Account with respect to the Series 2022 Bonds (the "2022 Reserve Policy"), and (c) paying the costs of issuance related to the Series 2022A Bonds, including a portion of the costs associated with the insurance policy to be issued by the 2022 Insurer guaranteeing the scheduled payment of principal of and interest on all the Series 2022 Bonds when due (the "2022 Insurance Policy"). The proceeds of the Series 2022B Bonds, together with certain additional funds made available by the Successor Agency, will be used for the purpose of: (a) (i) defeasing all of the Former Agency's outstanding Compton Redevelopment Project Tax Allocation Capital Appreciation Bonds, Series 1995C (Taxable) and (ii) refunding all of the Former Agency's outstanding Compton Redevelopment Second Lien Tax Allocation Bonds (Taxable), Series 2010C; (b) paying a portion of the costs of the 2022 Reserve Policy, and (c) paying the costs of issuance related to the Series 2022B Bonds, including a portion of the costs associated with the 2022 Insurance Policy.

D. The Successor Agency has authorized the preparation and distribution of the Preliminary Official Statement dated May 13, 2022, with respect to the Series 2022 Bonds (the "Preliminary Official Statement") and, on or before the date of the Preliminary Official Statement, the Successor Agency deemed that the Preliminary Official Statement was final within the meaning of the Rule (as defined herein).

E. Upon the initial sale of the Series 2022 Bonds to the Participating Underwriter (as defined herein), the Successor Agency authorized the preparation and distribution of the Official Statement dated June 9, 2022, with respect to the Series 2022 Bonds (the "Official Statement").

F. As a condition precedent to the initial purchase of the Series 2022 Bonds by the Participating Underwriter in accordance with the terms of the Bond Purchase Agreement dated June 9, 2022, by and between the Participating Underwriter and the Successor Agency, and in compliance with the Participating Underwriter's obligations under the Rule, the Successor Agency has agreed to undertake for the benefit of the holders of the Series 2022 Bonds, to provide certain annual financial information and notice of the occurrence of certain events as set forth herein and in the continuing disclosure undertakings of the Successor Agency.

NOW THEREFORE, in consideration of the purchase of the Series 2022 Bonds by the Participating Underwriter and the mutual promises and agreements made herein, the receipt and sufficiency of which consideration is hereby mutually acknowledged, the Successor Agency and the Dissemination Agent do hereby certify and agree as follows:

Section 1. Incorporation of Recitals. The above recitals are true and correct and are incorporated into and made a part hereof.

Section 2. Definitions.

(a) For the purposes of this Disclosure Agreement, all capitalized terms used, but not otherwise defined herein shall have the meanings ascribed thereto in the Indenture and the Official Statement, as applicable.

(b) In addition to the terms defined elsewhere herein, the following terms shall have the following meanings for the purposes of this Disclosure Agreement:

"Actual Knowledge" as used herein, and for the purposes hereof, a party shall be deemed to have "actual knowledge" of the occurrence of any event only if and to the extent the individual or individuals employed by such party and directly responsible for the administration of this Disclosure Agreement on behalf of such party have actual knowledge of or receive written notice of the occurrence of such event.

"Annual Filing" means any annual report provided by the Successor Agency, pursuant to and as described in Sections 4 and 6 hereof.

"Annual Filing Date" means the date by which the Annual Filing is to be filed with the MSRB, which is not later than the following June 30th of each year commencing with June 30, 2022. If June 30th falls on a day that is not a Business Day, the Annual Filing will be due on the first Business Day thereafter.

"Annual Financial Information" means annual financial information as such term is used in paragraph (f)(9) of the Rule and specified in Section 6(a) hereof.

"Beneficial Owner" means any beneficial owner of the Series 2022 Bonds. Beneficial ownership is to be determined consistent with the definition thereof contained in Rule 13d-3 of the SEC, or, in the event such provisions do not adequately address the situation at hand (in the opinion

of nationally recognized bond counsel), beneficial ownership is to be determined based upon ownership for federal income tax purposes.

"Business Day" means a day other than: (a) Saturday or a Sunday, (b) a day on which banks are authorized or required by law to close, or (c) a day on which the Successor Agency is authorized or required to be closed.

"City" means the City of Compton, California.

"City Audited Financial Statements" means the financial statements (if any) of the City for the prior Fiscal Year, which will include the financial statements (if any) of the Successor Agency, certified by an independent auditor and prepared in accordance with generally accepted auditing standards and Government Auditing Principles issued by the Comptroller General of the United States.

"Disclosure Representative" means the Executive Director of the Successor Agency or his or her designee, or such other person as the Successor Agency shall designate in writing to the Dissemination Agent from time to time as the person responsible for providing Information to the Dissemination Agent.

"EMMA" means the Electronic Municipal Market Access system, a service of the MSRB, or any successor thereto.

"Filing" means, as applicable, any Annual Filing, Notice Event Filing, Voluntary Filing or any other notice or report made public under this Disclosure Agreement.

"Fiscal Year" means the fiscal year of the Successor Agency, which currently is the twelve-month period beginning July 1 and ending on June 30 of the following year or any such other twelve-month period designated by the Successor Agency, from time to time, to be its fiscal year.

"Information" means the Annual Financial Information, City Audited Financial Statements (if any), the Notice Event Filings, and the Voluntary Filings.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

"Notice Event" means an event listed in Sections 5(a) and 5(b) hereof.

"Notice Event Filing" shall have the meaning specified in Section 5(c) hereof.

"Obligated Person" means the Successor Agency and any person who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Series 2022 Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities). The Successor Agency confirms that as of the date hereof it is an Obligated Person with respect to the Series 2022 Bonds.

"Participating Underwriter" means, the original purchaser of the Series 2022 Bonds required to comply with the Rule in connection with the offering of the Series 2022 Bonds.

"Repository" means each entity authorized and approved by the SEC from time to time to act as a repository for purposes of complying with the Rule. The repositories currently approved by the SEC as of the date hereof may be found by visiting the SEC's website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the only Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure filings through the EMMA website at <http://emma.msrb.org>.

"Rule" means Rule 15c2-12 of the SEC promulgated pursuant to the Securities Exchange Act of 1934 in effect as of the date hereof.

"SEC" means the United States Securities and Exchange Commission.

"Third-Party Beneficiary" shall have the meaning specified in Section 3(b) hereof.

"Unaudited Financial Statements" means the financial statements (if any) of the City, which will include the financial statements (if any) of the Successor Agency, for the prior Fiscal Year which have not been certified by an independent auditor.

"Voluntary Filing" means the information provided to the Dissemination Agent by the Successor Agency pursuant to Section 8 hereof.

Section 3. Scope of this Disclosure Agreement.

(a) The Successor Agency has agreed to enter into this Disclosure Agreement and undertake the disclosure obligations hereunder, at the request of the Participating Underwriter and as a condition precedent to the Participating Underwriter's original purchase of the Series 2022 Bonds, in order to assist the Participating Underwriter with compliance with the Rule. The disclosure obligations of the Successor Agency under this Disclosure Agreement relate solely to the Series 2022 Bonds. Such disclosure obligations are not applicable to any other securities issued or to be issued by the Successor Agency, nor to any other securities issued by or on behalf of the Successor Agency.

(b) Neither this Disclosure Agreement, nor the performance by the Successor Agency or the Dissemination Agent of their respective obligations hereunder, shall create any third-party beneficiary rights, shall be directly enforceable by any third-party, or shall constitute a basis for a claim by any person except as expressly provided herein and except as required by law, including, without limitation, the Rule; provided, however, the Participating Underwriter and each Beneficial Owner are hereby made third-party beneficiaries hereof (collectively, and each respectively, a "Third-Party Beneficiary") and shall have the right to enforce the obligations of the parties hereunder pursuant to Section 9 hereof.

(c) This Disclosure Agreement shall terminate upon: (i) the defeasance, redemption or payment in full of all Series 2022 Bonds, in accordance with the Indenture, as amended, or (ii) the delivery of an opinion of counsel expert in federal securities laws retained by the Successor

Agency to the effect that continuing disclosure is no longer required under the Rule as to the Series 2022 Bonds.

Section 4. Annual Filings.

(a) The Successor Agency shall provide, annually, an electronic copy of the Annual Filing to the Dissemination Agent on or before the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Filing, the Dissemination Agent shall provide the Annual Filing to the Repository, in an electronic format as prescribed by the MSRB. The Annual Filing may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 6 hereof.

(b) If on the second (2nd) Business Day prior to the Annual Filing Date, the Dissemination Agent has not received a copy of the Annual Filing, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by email) to remind the Successor Agency of its undertaking to provide the Annual Filing pursuant to Section 4(a) hereof. Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Filing no later than 6:00 p.m. on the Annual Filing Date (or if such Annual Filing Date is not a Business Day, then the first Business Day thereafter), or (ii) instruct the Dissemination Agent in writing as to the status of the Annual Filing within the time required under this Disclosure Agreement, and state the date by which the Annual Filing for such year is expected to be provided. If the Dissemination Agent has not received either (i) the Annual Filing by 6:00 p.m. on the Annual Filing Date, or (ii) notice from the Successor Agency that it intends to deliver the Annual Filing to the Dissemination Agent by 11:59 p.m. on the Annual Filing Date, the Successor Agency hereby irrevocably directs the Dissemination Agent, and the Dissemination Agent agrees, to immediately send an Notice Event Filing to the Repository the following Business Day in substantially the form attached hereto as "Exhibit A" without reference to the anticipated filing date for the Annual Filing.

(c) If the City Audited Financial Statements are not available prior to the Annual Filing Date, the Successor Agency shall provide the Unaudited Financial Statements and when the City Audited Financial Statements are available, provide in a timely manner an electronic copy to the Dissemination Agent for filing with the Repository.

(d) The Dissemination Agent shall:

(i) upon receipt and no later than the Annual Filing Date, promptly file each Annual Filing received under Section 4(a) hereof with the Repository in an electronic format as prescribed by the MSRB;

(ii) upon receipt and no later than the Annual Filing Date, promptly file each City Audited Financial Statement or Unaudited Financial Statement received under Sections 4(a) and 4(c) hereof with the Repository in an electronic format as prescribed by the MSRB;

(iii) provide the Successor Agency evidence of the filings of each of the above when made, which shall be made by means of the DAC system, for so long as DAC is the Dissemination Agent under this Disclosure Agreement.

(e) The Successor Agency may adjust the Annual Filing Date upon change of the Fiscal Year by providing written notice of such change and the new Annual Filing Date to the Dissemination Agent and the Repository, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(f) Each Annual Filing shall contain the information set forth in Section 6 hereof.

Section 5. Reporting of Notice Events.

(a) The Successor Agency or the Dissemination Agent shall file a Notice Event Filing with the Repository, in the appropriate format required by the MSRB and in a timely manner not in excess of ten (10) Business Days after it has actual knowledge of the occurrence of any of the following Notice Events with respect to the Series 2022 Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2022 Bonds, or other material events affecting the tax status of the Series 2022 Bonds;

- (vii) Modifications to rights of holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;

(x) Release, substitution or sale of property securing repayment of the Series 2022 Bonds, if material;

- (xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the Obligated Person. Such an event is considered to occur when there is an appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental

authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person;

(xiii) The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of an Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; or

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) In accordance with the Rule, the Successor Agency or the Dissemination Agent shall file a Notice Event Filing with the Repository, in the appropriate format required by the MSRB and in a timely manner, after the occurrence of a failure of the Successor Agency to provide the Annual Filing on or before the Annual Filing Date.

(c) The Successor Agency shall promptly notify the Dissemination Agent in writing upon having Actual Knowledge of the occurrence of a Notice Event; provided, however, to the extent any such Notice Event has been previously and properly disclosed by or on behalf of the Successor Agency, the Successor Agency shall not be required to provide additional notice of such Notice Event in accordance with this subsection. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to Section 5(e) hereof. Such notice shall be accompanied with the text of the disclosure that the Successor Agency desires to make (each a "Notice Event Filing"), the written authorization of the Successor Agency for the Dissemination Agent to disseminate such information, and the date on which the Successor Agency desires the Dissemination Agent to disseminate the information.

The Dissemination Agent is under no obligation to notify the Successor Agency or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will instruct the Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made, or (ii) a Notice Event has occurred and provide the Dissemination Agent with the Notice Event Filing and the date the Dissemination Agent should file the Notice Event Filing.

(d) The Dissemination Agent shall upon receipt, and no later than the required filing date, promptly file each Notice Event Filing received under Sections 5(a) and 5(b) hereof, with the Repository in an electronic format as prescribed by the MSRB.

Section 6. Content of Annual Filings.

(a) Each Annual Filing shall contain the following annual financial information, consisting of, to the extent not included in the City Audited Financial Statements and to the extent all such information continues to be available and/or prepared by the Successor Agency and/or its consultants, updates of the following information set forth in the Official Statement:

- (i) the chart entitled "PROJECT AREA Historic Assessed Valuation Fiscal Years 2017-18 through 2021-22" under the heading "PROJECT AREA – Assessed Value;"
- (ii) the chart entitled "Project Area Land Use Categories by Assessed Value Project Area" under the heading "PROJECT AREA – Land Use;"
- (iii) the chart entitled "Project Area Top Ten Taxpayers for Fiscal Year 2021-22" under the heading "Project Area – Top Ten Property Owners (by Assessed Value);"
- (iv) the chart entitled "Project Area Collection Percentages Fiscal Years 2016-17 to 2020-21" under the heading "TAX REVENUES AND DEBT SERVICE COVERAGE – Allocation of Taxes;" and
- (v) the chart entitled "Project Area RPTTF Allocation For ROPS Periods Starting January 2016 through June 2021" under the heading "TAX REVENUES AND DEBT SERVICE COVERAGE – Historical RPTTF Allocations."

To the extent the Successor Agency determines that any of the foregoing charts include information that is no longer available and/or prepared by the Successor Agency and/or its consultants, a statement to that effect shall be included in its first Annual Filing after it has made such a determination; which statement will satisfy the requirements of this undertaking, all in compliance with the Rule. In addition, the Successor Agency reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Successor Agency, all in compliance with the Rule.

(b) If available at the time of such filing, the City Audited Financial Statements for the prior Fiscal Year. If the City Audited Financial Statements are not available by the time the Annual Filing is required to be filed pursuant to Section 4(a) hereof, the Annual Filing shall contain Unaudited Financial Statements prepared in accordance with generally accepted accounting principles, as in effect from time to time, and the City Audited Financial Statements shall be filed in the same manner as the Annual Filing when they become available. The City Audited Financial Statements (if any) will be provided pursuant to Section 4(c) hereof.

Any or all of the items listed above may be included by specific reference to documents previously filed with the Repository or the SEC, including, but not limited to, official statements of debt issues with respect to which the Successor Agency is an Obligated Person. If the document

incorporated by reference is a final official statement, it must be available from the Repository. The Successor Agency will clearly identify each such document so incorporated by reference.

Section 7. Responsibility for Content of Reports and Notices.

(a) The Successor Agency shall be solely responsible for the content of each Filing (or any portion thereof) provided to the Dissemination Agent pursuant to this Disclosure Agreement.

(b) Each Filing distributed by the Dissemination Agent pursuant to Section 4 or 5 hereof shall be in a form suitable for distributing publicly and shall contain the CUSIP numbers of the Series 2022 Bonds and such other identifying information prescribed by the MSRB from time to time. Each Notice Event Filing shall be in substantially the form set forth in Exhibit "A" attached hereto. If an item of information contained in any Filing pursuant to this Disclosure Agreement would be misleading without additional information, the Successor Agency shall include such additional information as a part of such Filing as may be necessary in order that the Filing will not be misleading in light of the circumstances under which it is made.

(c) Any report, notice or other filing to be made public pursuant to this Disclosure Agreement may consist of a single document or separate documents composing a package and may incorporate by reference other clearly identified documents or specified portions thereof previously filed with the Repository or the SEC; provided that any final official statement incorporated by reference must be available from the Repository.

(d) Notwithstanding any provision herein to the contrary, nothing in this Disclosure Agreement shall be construed to require the Successor Agency or the Dissemination Agent to interpret or provide an opinion concerning information made public pursuant to this Disclosure Agreement.

(e) Notwithstanding any provision herein to the contrary, the Successor Agency shall not make public, or direct the Dissemination Agent to make public, information which is not permitted to be publicly disclosed under any applicable data confidentiality or privacy law or other legal requirement.

Section 8. Voluntary Filings.

(a) The Successor Agency may instruct the Dissemination Agent to file information with the Repository, from time to time (a "Voluntary Filing").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the Successor Agency from disseminating any other information through the Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Filing, in addition to that required by this Disclosure Agreement. If the Successor Agency chooses to include any information in any Filing in addition to that which is specifically required by this Disclosure Agreement, the Successor Agency shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Filing, Annual Financial Statement, Voluntary Filing or Notice Event Filing.

(c) Notwithstanding the foregoing provisions of this Section 8, the Successor Agency is under no obligation to provide any Voluntary Filing.

(d) The Dissemination Agent shall upon receipt promptly file each Voluntary Filing received with the Repository in an electronic format as prescribed by the MSRB.

Section 9. Defaults; Remedies.

(a) A party shall be in default of its obligations hereunder if it fails or refuses to carry out or perform its obligations hereunder for a period of five Business Days following notice of default given in writing to such party by any other party hereto or by any Third Party Beneficiary hereof, unless such default is cured within such five Business Day notice period. An extension of such five Business Day cure period may be granted for good cause (in the reasonable judgment of the party granting the extension) by written notice from the party who gave the default notice.

(b) If a default occurs and continues beyond the cure period specified above, any nondefaulting party or any Third-Party Beneficiary may seek specific performance of the defaulting party's obligations hereunder as the sole and exclusive remedy available upon any such default, excepting, however, that the party seeking such specific performance may recover from the defaulting party any reasonable attorneys' fees and expenses incurred in the course of enforcing this Disclosure Agreement as a consequence of such default. Each of the parties hereby acknowledges that monetary damages will not be an adequate remedy at law for any default hereunder, and therefore agrees that the exclusive remedy of specific performance shall be available in proceedings to enforce this Disclosure Agreement.

(c) Notwithstanding any provision of this Disclosure Agreement or the Indenture to the contrary, no default under this Disclosure Agreement shall constitute a default or event of default under the Indenture.

Section 10. Amendment or Modification.

(a) This Disclosure Agreement shall not be amended or modified except as provided in this Section. No modification, amendment, alteration or termination of all or any part of this Disclosure Agreement shall be construed to be, or operate as, altering or amending in any way the provisions of the Indenture.

(b) Notwithstanding any other provision of this Disclosure Agreement, the Successor Agency may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if: (i) such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligor on the Series 2022 Bonds, or type of business conducted by such obligor; (ii) such amendment or waiver does not materially impair the interests of the Beneficial Owners of the Series 2022 Bonds, as determined either by an unqualified opinion of counsel expert in federal securities laws retained by the Successor Agency or by the approving vote a majority of the Beneficial Owners of the Series 2022 Bonds outstanding at the time of such amendment or waiver; and (iii) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws retained by the Successor Agency, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule

if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule, as well as any change in circumstances.

(c) If any provision of Section 6 hereof is amended or waived, the first Annual Filing containing any amended, or omitting any waived, operating data or financial information shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided.

(d) If the provisions of this Disclosure Agreement specifying the accounting principles to be followed in preparing the Successor Agency's financial statements are amended or waived, the Annual Filing for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to the Beneficial Owners of the Series 2022 Bonds to enable them to evaluate the ability of the Successor Agency to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. The Successor Agency will file a notice of the change in the accounting principles with the Repository on or before the effective date of any such amendment or waiver.

(e) Notwithstanding the foregoing, the Dissemination Agent shall not be obligated to agree to any amendment expanding its duties or obligations hereunder without its consent thereto.

(f) The Successor Agency shall prepare or cause to be prepared a notice of any such amendment or modification and shall direct the Dissemination Agent to make such notice public in accordance with Section 8 hereof.

Section 11. Agency Relationship.

(a) The Dissemination Agent agrees to perform such duties, but only such duties, as are specifically set forth in this Disclosure Agreement, and no implied duties or obligations of any kind shall be read into this Disclosure Agreement with respect to the Dissemination Agent. The Dissemination Agent may conclusively rely, as to the truth, accuracy and completeness of the statements set forth therein, upon all notices, reports, certificates or other materials furnished to the Dissemination Agent pursuant to this Disclosure Agreement, and in the case of notices and reports required to be furnished to the Dissemination Agent pursuant to this Disclosure Agreement, the Dissemination Agent shall have no duty whatsoever to examine the same to determine whether they conform to the requirements of this Disclosure Agreement.

(b) The Dissemination Agent shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Dissemination Agent unless it shall be proven that the Dissemination Agent engaged in negligent conduct or willful misconduct in ascertaining the pertinent facts related thereto.

(c) The Dissemination Agent shall perform its rights and duties under this Disclosure Agreement using the same standard of care as a prudent person would exercise under the circumstances, and the Dissemination Agent shall not be liable for any action taken or failure to

act in good faith under this Disclosure Agreement unless it shall be proven that the Dissemination Agent was negligent or engaged in willful misconduct.

(d) The Dissemination Agent may perform any of its duties hereunder by or through attorneys or agents selected by it with reasonable care, and shall be entitled to the advice of counsel concerning all matters arising hereunder, and may in all cases pay such reasonable compensation as it may deem proper to all such attorneys and agents. The Dissemination Agent shall be responsible for the acts or negligence of any such attorneys, agents or counsel.

(e) The Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the Successor Agency, the holders of the Series 2022 Bonds or any other party.

(f) None of the provisions of this Disclosure Agreement or any notice or other document delivered in connection herewith shall require the Dissemination Agent to advance, expend or risk its own funds or otherwise incur financial liability in the performance of any of the Dissemination Agent's duties or rights under this Disclosure Agreement.

(g) Except as expressly provided herein, the Dissemination Agent shall not be required to monitor the compliance of the Successor Agency with the provisions of this Disclosure Agreement or to exercise any remedy, institute a suit or take any action of any kind without indemnification satisfactory to the Dissemination Agent.

(h) The Dissemination Agent may resign at any time by giving at least ninety (90) days prior written notice thereof to the Successor Agency. The Dissemination Agent may be removed for good cause at any time by written notice to the Dissemination Agent from the Successor Agency, provided that such removal shall not become effective until a successor dissemination agent has been appointed by the Successor Agency under this Disclosure Agreement.

(i) In the event the Dissemination Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Dissemination Agent for any reason, the Successor Agency shall promptly appoint a successor. Notwithstanding any provision to the contrary in this Disclosure Agreement or elsewhere, the Successor Agency may appoint itself to serve as Dissemination Agent hereunder.

(j) Any company or other legal entity into which the Dissemination Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which the Dissemination Agent may be a party or any company to whom the Dissemination Agent may sell or transfer all or substantially all of its agency business shall be the successor dissemination agent hereunder without the execution or filing of any paper or the performance of any further act and shall be authorized to perform all rights and duties imposed upon the Dissemination Agent by this Disclosure Agreement, anything herein to the contrary notwithstanding.

Section 12. Miscellaneous.

(a) Each of the parties hereto represents and warrants to each other party that it has (i) duly authorized the execution and delivery of this Disclosure Agreement by the officers of such party whose signatures appear on the execution pages hereto, (ii) that it has all requisite power and

authority to execute, deliver and perform this Disclosure Agreement under applicable law and any resolutions, ordinances, or other actions of such party now in effect, (iii) that the execution and delivery of this Disclosure Agreement, and performance of the terms hereof, does not and will not violate any law, regulation, ruling, decision, order, indenture, decree, agreement or instrument by which such party or its property or assets is bound, and (iv) such party is not aware of any litigation or proceeding pending, or, to the best of such party's knowledge, threatened, contesting or questioning its existence, or its power and authority to enter into this Disclosure Agreement, or its due authorization, execution and delivery of this Disclosure Agreement, or otherwise contesting or questioning the issuance of the Series 2022 Bonds.

(b) This Disclosure Agreement shall be governed by and interpreted in accordance with the laws of the State of California and applicable federal law.

(c) This Disclosure Agreement may be executed in one or more counterparts, each and all of which shall constitute one and the same instrument.

Section 13. Identifying Information. All documents provided to the Repository pursuant to this Disclosure Agreement shall be accompanied by identifying information as prescribed by the MSRB.

Section 14. Severability. In case any part of this Disclosure Agreement is held to be illegal or invalid, such illegality or invalidity shall not affect the remainder or any other section of this Disclosure Agreement. This Disclosure Agreement shall be construed or enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application of this Disclosure Agreement affect any legal and valid application.

[SIGNATURE PAGES TO FOLLOW]

**SIGNATURE PAGE TO
CONTINUING DISCLOSURE AGREEMENT
SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON TAX
ALLOCATION REFUNDING BONDS, SERIES 2022A
SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON TAX
ALLOCATION REFUNDING BONDS (TAXABLE), SERIES 2022B**

IN WITNESS WHEREOF, the Successor Agency and the Dissemination Agent have each caused this Disclosure Agreement to be executed, on the date first written above, by their respective duly authorized officers.

**SUCCESSOR AGENCY TO THE COMMUNITY
REDEVELOPMENT AGENCY OF THE CITY OF
COMPTON**, a public entity duly existing under the
laws of the State of California

By: _____
Name: Thomas Thomas
Title: Executive Director

APPROVED AS TO FORM:

**COUNSEL TO THE SUCCESSOR
AGENCY TO THE COMMUNITY
REDEVELOPMENT AGENCY OF THE
CITY OF COMPTON**

By: _____
Name: Eric Perrodin
Title: City Attorney

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

**SIGNATURE PAGE TO
CONTINUING DISCLOSURE AGREEMENT
SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON TAX
ALLOCATION REFUNDING BONDS, SERIES 2022A
SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON TAX
ALLOCATION REFUNDING BONDS (TAXABLE), SERIES 2022B**

IN WITNESS WHEREOF, the Successor Agency and the Dissemination Agent have each caused this Disclosure Agreement to be executed, on the date first written above, by their respective duly authorized officers.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Dissemination Agent

By: _____
Name: _____
Title: _____

EXHIBIT A

**NOTICE TO REPOSITORY OF THE OCCURRENCE OF
[INSERT THE NOTICE EVENT]**

Relating to

**\$59,200,000
SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF COMPTON
TAX ALLOCATION REFUNDING BONDS, SERIES 2022A**

and

**\$16,620,000
SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF COMPTON
TAX ALLOCATION REFUNDING BONDS (TAXABLE), SERIES 2022B**

Originally Issued on June 21, 2022

[CUSIP NUMBERS**)]**

Notice is hereby given by the **Successor Agency to the Community Redevelopment Agency of the City of Compton** (the "Successor Agency"), as obligated person with respect to the above-referenced bonds issued by the Successor Agency, under the Securities and Exchange Commission's Rule 15c2-12, that **[**INSERT THE NOTICE EVENT**]** has occurred. **[**DESCRIBE NOTICE EVENT AND MATERIAL CIRCUMSTANCES RELATED THERETO**]**.

This Notice is based on the best information available to the Successor Agency at the time of dissemination hereof and is not guaranteed by the Successor Agency as to the accuracy or completeness of such information. The Successor Agency will disseminate additional information concerning **[**NOTICE EVENT**]**, as and when such information becomes available to the Successor Agency, to the extent that the dissemination of such information would be consistent with the requirements of Rule 15c2-12 and the Successor Agency's obligation under that certain Continuing Disclosure Agreement dated June 21, 2022. **[**Any questions regarding this notice should be directed in writing only to the Successor Agency. However, the Successor Agency will not provide additional information or answer questions concerning [**NOTICE EVENT**] except in future written notices, if any, disseminated by the Successor Agency in the same manner and to the same recipients as this Notice**]**.

DISCLAIMER: All information contained in this Notice has been obtained by the Successor Agency from sources believed to be reliable as of the date hereof. Due to the possibility of human or mechanical error as well as other factors, however, such information is not guaranteed as to the accuracy, timeliness or completeness. Under no circumstances shall the Successor Agency have any liability to any person or entity for (a) any loss, damage, cost, liability or expense in whole or in part caused by, resulting from or relating to this Notice, including, without limitation, any error (negligent or otherwise) or other circumstances involved in procuring, collecting, compiling, interpreting, analyzing, editing, transcribing, transmitting, communicating or delivering any information contained in this Notice, or (b) any direct, indirect, special, consequential or incidental damages whatsoever related thereto.

Dated: _____

**SUCCESSOR AGENCY TO THE
COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF COMPTON**

By: _____
Name: _____
Title: _____