

NOTICE

SPECIAL COMPTON CITY COUNCIL AGENDA

**Monday, July 30, 2012
6:00 PM**

HEARING(S)

OPENING

ROLL CALL

PUBLIC COMMENTS ON AGENDA ITEMS ONLY

NEW BUSINESS

1. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2012-2013 FISCAL YEAR BUDGET TO INCLUDE CURRENTLY APPROVED PROJECTS FROM THE SERIES 2008 COMPTON PUBLIC FINANCE AUTHORITY LEASE REVENUE BONDS
2. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO HOME PROGRAM AGREEMENTS WITH THE WIN PROJECT AND CROSSROADS HOUSING DEVELOPMENT ORGANIZATIONS (CHDO) IN THE CITY OF COMPTON

COUNCIL COMMENTS

ADJOURNMENT

NEXT REGULAR MEETING: Tuesday, September 04, 2012 @ 5:45 PM.

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July 30, 2012

TO: MAYOR AND CITY COUNCIL MEMBERS

FROM: G. HAROLD DUFFEY
CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF COMPTON AMENDING THE 2012-2013
FISCAL YEAR BUDGET TO INCLUDE
CURRENTLY APPROVED PROJECTS FROM THE
SERIES 2008 COMPTON PUBLIC FINANCE
AUTHORITY LEASE REVENUE BONDS

SUMMARY

A resolution amending the 2012-13 Fiscal Year budget to include currently approved projects from the Series 2008 Compton Public Finance Authority Lease Revenue Bonds.

BACKGROUND

On March 11, 2008, the City Council and the Board of Directors of the Compton Public Finance Authority (the "Authority") adopted two companion resolutions, Resolution No. 22,536 of the City Council and Resolution No. 24 of the Board of Directors of the Authority, authorizing the issuance of the Compton Public Finance Authority Lease Revenue Bonds (Refunding and Various Capital Projects), Series 2008 (the "Bonds") for the purpose of (i) refinancing all of the outstanding 1997 certificates of participation and (ii) financing various additional projects.

On November 8, 2011, the City Council adopted Resolution 23,422 reallocating moneys in the 2008 Project Fund for the financing of improvements to the Martin Luther King Multimodal Transit Center in an amount not to exceed \$4,000,000.00 financing improvements to the dispatch center at 300 S. Willowbrook Avenue (Compton Sheriff Station) in an amount not to exceed \$700,000.00 and for payment of debt service of the Series 2008 Compton Finance Authority Lease Revenue Bonds in an amount not to exceed \$7,000,000.00.

The current balance for the Martin Luther King Multimodal Transit Center Project is \$2,527,667. The City is in litigation with the primary contractor, bond company and architectural firm of record for the construction project. A mediation hearing is scheduled for October 2012. Anticipated costs during this fiscal year may include agreed upon project costs, legal defense costs, stipulated settlements or court judgments.

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The Los Angeles County Dispatch Center Project is a project to significantly improve our surveillance system capabilities within the City of Compton. The proposed dispatch center will have six (6) viewing stations that will control, at minimum, twelve (12) wall mounted large screen LCD monitors. This project will greatly enhance the City's Citywide Camera program. All additional costs, if any, above the currently authorized \$700,000 is the responsibility of Los Angeles County.

The payment of debt service on the Series 2008 Compton Finance Authority Lease Revenue Bonds was approved last fiscal year to provide relief to the City's General Fund Budget and cashflow concerns. The current approval is for three years. The City has made one payment in the City's prior fiscal year.

The current balance for the Series 2008 Compton Finance Authority Lease Revenue Bonds is \$22,523,931.50. There is also a reserve amount of \$3,949,137.70. Once the above referenced projects are completed the new overall balance for the 2008 Compton Finance Authority Lease Revenue Bonds would be \$13,456,207.50 not including the reserve amount.

STATEMENT OF ISSUE

The currently approved projects referenced above were not included in the City's 2012-2013 Fiscal Year budget, consequently, the City Controller's Office is requesting that the projects be included into the budget in order to ensure internal budgeting and accounting consistency. Furthermore, the adoption of this resolution will reduce the 2012 2013 Fiscal Year Budget general fund expenditures by \$2,319,888.00.

FISCAL IMPACT

The amendment to include the debt service payment from bond proceeds instead of from the General Fund will result in a \$2,319,888.00 General Fund savings. The other two currently approved projects, Dispatch Center and MLK Multimodal Transit Center will not have a fiscal impact on the General Fund except the expenditure of 2008 Lease Revenue Bond Funds.

RECOMMENDATION

Staff recommends approval of the attached resolution.

G. HAROLD DUFFEY
CITY MANAGER

RESOLUTION NO. 23,422

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON
AMENDING THE CAPITAL IMPROVEMENT PLAN AND
REALLOCATING CAPITAL FUNDING FOR PROJECTS FINANCED
THROUGH THE REFINANCING OF LEASE REVENUE BONDS

WHEREAS, on September 11, 2007, the City Council approved a resolution directing City Staff to move forward with a plan to provide for the issuance of lease revenue bonds to refinance outstanding certificates of participation issued in 1997, and to finance various additional projects; and

WHEREAS, on March 11, 2008, the City Council and the Compton Public Finance Authority (the "Authority") adopted two companion resolutions, Resolutions No. 22,536 of the City Council and Resolution No. 24 of the Authority, authorizing the issuance of the Compton Public Finance Authority Lease Revenue Bonds (Refunding and Various Capital Projects), Series 2008 (the "Bonds") for the purpose of (i) refinancing all of the outstanding 1997 certificates of participation and (ii) financing various additional projects; and

WHEREAS, the Facility Lease related to the Bonds (the "Facility Lease") and the Trust Agreement relating to the Bonds (the "Trust Agreement") provide the definition of the "2008 Project" to be financed by the Bonds as follows:

"2008 Project" means the financing of various capital projects of the City, and payment of any costs associated with the financing of said projects, including, but not limited to, improvements to Compton City Hall, design, construction and equipping a senior citizen support center, various improvements to the City's parks, construction of a transit center parking structure, purchase and installation of police surveillance cameras throughout the City and various other capital improvements and equipment within the City, as the same may be changed from time to time by the City by filing a Certificate of the City with the Trustee, together with an approving resolution of the City Council."

WHEREAS, under such definition of the "2008 Project", the City Council has the flexibility to change the projects as described therein; and

WHEREAS, pursuant to its Resolution No. 22,901, in 2009, the City Council made certain changes to the definition of "2008 Project" and reallocated moneys in the 2008 Project Fund established under the Trust Agreement for the purpose of financing those changes; and

WHEREAS, the City Council desires to make further changes to the definition of "2008 Project" and reallocate certain funds remaining on deposit in the 2008 Project Fund established under the Trust Agreement to accomplish those further changes; and

WHEREAS, Section 6586.5 of the Government Code provides for public input through a public hearing to solicit comments regarding changes to the definition of the "2008 Project"; and

WHEREAS, after notice duly published in accordance with law, the City Council and the Board of Directors of the Public Finance Authority of the City of Compton held a joint public hearing on this date with respect to the proposed changes to the definition of "2008 Project" described herein and received evidence concerning the public benefits therefrom.

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

SECTION 1. That the above recitals, and each of them, are true and correct. The City Council hereby finds that the changes to the definition described in the Recitals hereof from monies on deposit in the 2008 Project Fund established under the Trust Agreement will result in significant public benefits to the constituents of the City, including employment benefits from undertaking the projects in a timely fashion and more efficient delivery of City services funded by the City's General Fund to residential and commercial development within the City.

SECTION 2. That the City Council of the City of Compton hereby changes the definition of "2008 Project" in the Facility Lease and in the Trust Agreement to include the following:

1. The financing of improvements to the Martin Luther King Multimodal Transit Center.
2. The financing of improvements to the dispatch center at the Los Angeles County Sheriff's Department, Compton Station.
3. The payment of debt service on the Bonds.

SECTION 3. That monies in the 2008 Project Fund shall be reallocated for the purposes described above as follows:

1. For the Martin Luther King Multimodal Transit Center, an amount not to exceed \$4,000,000.
2. For the Los Angeles County Sheriff's Department -- Compton Station dispatch center, an amount not to exceed \$700,000.
3. For the payment of debt service on the Bonds, an amount not to exceed \$7,000,000.

SECTION 4. That the City Manager is hereby authorized and directed to execute, deliver, and file with the Trustee under the Trust Agreement a Certificate of the City regarding the changes of the definition of "2008 Project" approved hereby, together with a copy of this Resolution, all as described in Exhibit C to the Facility Lease and in Section 1.01 of the Trust Agreement.

SECTION 5. That at such time or times as he deems appropriate, the City Manager is hereby authorized and directed to execute and deliver to the Trustee, one or more Written Requests of the City as described in Section 3.02 of the Trust Agreement, that the City Manager may deem necessary or advisable in connection with disbursements for the items listed in Section 3 hereof, subject to and in accordance with the terms and provisions of this Resolution, the Trust Agreement, and the Facility Lease and in order to effectuate the purposes of this Resolution.

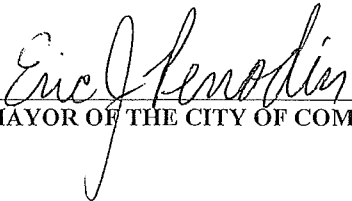
Resolution No. 23,422

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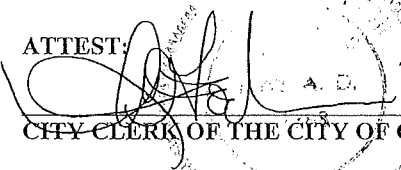
SECTION 6. That a copy of this Resolution shall be filed with the Offices of the City Clerk, City Controller, City Treasurer, City Manager and the City Attorney.

SECTION 7. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this 8th day of November, 2011.


MAYOR OF THE CITY OF COMPTON

ATTEST:


CITY CLERK OF THE CITY OF COMPTON

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council, signed by the Mayor, and attested to by the City Clerk at a regular meeting thereof held on the 8th day of November, 2011.

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

AYES: COUNCIL MEMBERS—Zurita, Arceneaux, Jones
NOES: COUNCIL MEMBERS—Dobson, Perrodin
ABSENT: COUNCIL MEMBERS—None
ABSTAINS: COUNCIL MEMBERS—None


CITY CLERK OF THE CITY OF COMPTON

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AMENDING THE 2012-2013 FISCAL YEAR BUDGET TO INCLUDE CURRENTLY APPROVED PROJECTS FROM THE SERIES 2008 COMPTON PUBLIC FINANCE AUTHORITY LEASE REVENUE BONDS

WHEREAS, on March 11, 2008, the City Council and the Board of Directors of the Compton Public Finance Authority (the “Authority”) adopted two companion resolutions, Resolutions No. 22,536 of the City Council and Resolution No. 24 of the Board of Directors of the Authority, authorizing the issuance of the Compton Public Finance Authority Lease Revenue Bonds (Refunding and Various Capital Projects), Series 2008 (the “Bonds”) for the purpose of (i) refinancing all of the outstanding 1997 certificates of participation and (ii) financing various additional projects; and

WHEREAS, on November 8, 2011, the City Council approved the allocation of monies in the 2008 Project Fund for the financing of improvements to the Martin Luther King Multimodal Transit Center in an amount not to exceed \$4,000,000.00, financing improvements to the dispatch center at 300 S. Willowbrook Avenue (Compton Sheriff Station) in an amount not to exceed \$700,000.00 and for payment of debt service of the Series 2008 Compton Finance Authority Lease Revenue bonds in an amount not to exceed \$7,000,000.00 (Resolution 23,422); and

WHEREAS, the current balances for these projects are: \$2,527,667 for the Martin Luther King Multimodal Transit Center, and \$ 700,000 for the Los Angeles County Sheriff Department – Compton Station Dispatch Center and \$5,840,057, for the payment debt service on the Series 2008 Compton Finance Authority Lease Revenue Bonds; and

WHEREAS, the currently approved projects referenced above were not included in the City’s 2012-2013 Fiscal Year budget; and

WHEREAS, the City Controller’s Office is requesting that the currently approved projects be included into the budget in order to ensure internal budgeting and accounting consistency; and

WHEREAS, adoption of this resolution will reduce currently scheduled general fund expenditures by \$2,319,888.00; and

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

SECTION 1. That the Fiscal Year 2012-2013 budget will be amended to reduce the General Fund expenditure and budget deficit by \$2,319,888.00; and increase Lease Revenue Fund Expenditure and Revenue by \$2,319,888.00 as shown below:

LEASE REVENUE BONDS

<u>Account Number</u>	<u>Amount</u>
3030-000-000-3970	\$2,319,888.00
3030-610-000-4282	\$2,319,888.00

GENERAL FUND

<u>Account Number</u>	<u>Amount</u>
1001-610-000-4290	\$2,319,888.00
Reduction of Budget Deficit	\$2,319,888.00

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SECTION 2. That the Series 2008 Compton Public Finance Authority Lease Revenue Bonds is further appropriated as follows:

INCREASE EXPENDITURE	
<u>Account Number</u>	<u>Amount</u>
3030-680-DCI-4266	\$700,000.00
INCREASE REVENUE	
3030-000-000-3970	\$700,000.00
INCREASE EXPENDITURE	
<u>Account Number</u>	<u>Amount</u>
3030-420-000-4269	\$2,527,667.00
INCREASE REVENUE	
3030-000-000-3970	\$2,527,667.00

SECTION 3. That a copy of this Resolution shall be filed with the Offices of the City Clerk, City Controller, City Treasurer, City Attorney and City Manager.

SECTION 4. That the Mayor shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____, 2012.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CITY CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton hereby certify that the foregoing Resolution was adopted by the City Council of the City of Compton, signed by the Mayor and attested by the City Clerk at a regular meeting thereof held this _____ day of _____ 2012.

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

AYES: COUNCIL MEMBERS-
NOYES: COUNCIL MEMBERS-
ABSTAIN: COUNCIL MEMBERS-
ABSENT: COUNCIL MEMBERS-

CITY CLERK OF THE CITY OF COMPTON

July 30, 2012

TO: MAYOR AND COUNCIL MEMBERS

FROM: CITY MANAGER

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON AUTHORIZING THE CITY MANAGER TO ENTER INTO HOME PROGRAM AGREEMENTS WITH THE WIN PROJECT AND CROSSROADS HOUSING AS COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS (CHDO) IN THE CITY OF COMPTON

SUMMARY

Staff is requesting that the City Council authorize the City Manager to enter into HOME Investment Partnership (“HOME”) program agreements with the WIN Project and Crossroads Housing as Community Housing Development Organizations (“CHDO”) in the City of Compton.

BACKGROUND

The City receives an annual entitlement grant from U. S. Department of Housing and Urban Development (“HUD”) to administer the HOME program and the City has delegated this responsibility to the Successor Agency (“Agency”).

The HOME program requires that participating jurisdictions allocate a minimum set-aside of 15 percent (15%) of their HOME grant to designated Community Housing Development Organizations to provide for affordable housing each year. The 15 percent set-aside is referred to as CHDO Reserve.

The Agency released a Request for Qualifications to solicit proposals from qualified companies and non-profit agencies with extensive experience in real estate rehabilitation, management and real estate financing for HUD funded programs. To that extent, the WIN Project and Crossroads Housing were approved in May 2011 by the City Council as CHDO’s in the City of Compton.

STATEMENT OF THE ISSUE:

The Agency staff believes that the WIN Project and Crossroads Housing meets the requirements for the HOME and CHDO program funding and have the capacity and track record necessary to administer HOME funded projects.

#2.

Currently, the City has approximately \$850,000 in HOME funds – which have been placed in the Agency’s budget -- that must be committed by July 31, 2012 or HUD may cancel the grant and return these funds to the Federal government.

FISCAL IMPACT:

Funds are available in the Agency’s 2012-2013 Fiscal Year budget under Account No. 2805-910-000-4291 in the amount of \$850,000, which will be distributed pursuant to the agreements as follows:

Developer Name	Property Address	Project Description	Commitment Amount
The WIN Project	2045 E. 131 st Street. 942 W. 152 nd Street 800 E. Oak Street 1033 E. 149th Street	Purchase Rehabilitate, Resale and Rental to Low- Income Families	\$450,000.00
Cross-Roads Housing	221 N. Santa Fe Avenue 809 S. Bradfield Avenue 926 W. 152 nd Street	Purchase Rehabilitate, Resale and Rental to Low- Income Families	\$400,000.00
Total:			\$850,000

RECOMMENDATION:

That the City Council adopt the attached Resolution.

G. HAROLD DUFFEY
CITY MANAGER

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COMPTON
AUTHORIZING THE CITY MANAGER TO ENTER INTO HOME
PROGRAM AGREEMENTS WITH THE WIN PROJECT AND
CROSSROADS HOUSING AS COMMUNITY HOUSING DEVELOPMENT
ORGANIZATIONS (CHDO) IN THE CITY OF COMPTON

WHEREAS, the City receives an annual entitlement grant from U. S. Department of Housing and Urban Development (“HUD”) to administer the HOME Investment Partnerships (“HOME”) Program and the City has delegated this responsibility to the Successor Agency (“Agency”); and

WHEREAS, the HOME Program requires that participating jurisdictions allocate a minimum set-aside of 15 percent (15%) of their HOME grant to designated Community Housing Development Organizations (“CHDO”) to provide for affordable housing each year; and

WHEREAS, the City has approximately \$850,000.00 in HOME funds that must be committed by July 31, 2012; and

WHEREAS, the Agency released a Request for Qualifications to solicit proposals from qualified companies and non-profit agencies with extensive experience in real estate rehabilitation, management and real estate financing for HUD funded programs; and

WHEREAS, the Agency staff believes that the WIN Project and Crossroads Housing meet the requirements for the HOME and CHDO program funding and have the capacity and track record necessary to administer a HOME funded project.

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

Section 1. That the City Council hereby authorizes the City Manager to enter into HOME program agreements with the WIN Project and Crossroads Housing as Community Housing Development Organizations (CHDO) in the City of Compton.

Section 2. That funds have been appropriated in the Agency’s 2012-2013 Fiscal Year budget under Account No. 2805-910-000-4291 in the amount of \$850,000.00, which shall be allocated pursuant to the agreements as follows:

Developer Name	Property Address	Project Description	Commitment Amount
The WIN Project	2045 E. 131 st Street. 942 W. 152 nd Street 800 E. Oak Street 1033 E. 149 th Street	Purchase Rehabilitate, Resale and Rental to Low-Income Families	\$450,000.00

Cross-Roads Housing	221 N. Santa Fe Avenue 809 S. Bradfield Avenue 926 W. 152 nd Street	Purchase Rehabilitate, Resale and Rental to Low-Income Families	\$400,000.00
Total:			\$850,000

Section 3. That a certified copy of this resolution shall be filed in the offices of the City Manager, City Attorney, City Controller, Successor Agency, and Clerk.

Section 4. That the Mayor shall sign and the Clerk shall attest to the adoption of this resolution.

ADOPTED this ____ day of _____, 2012.

MAYOR OF THE CITY OF COMPTON

ATTEST:

CLERK OF THE CITY OF COMPTON

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

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at the regular/special meeting thereof held on the ____ day of _____, 2012.

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

AYES: COUNCIL MEMBERS -
NOES: COUNCIL MEMBERS -
ABSENT: COUNCIL MEMBERS -

CLERK OF THE CITY OF COMPTON