

## **RESOLUTION NO. 2014-105**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROHNERT PARK AUTHORIZING AND APPROVING THE FIRST AMENDMENT TO THE CONSULTANT SERVICES AGREEMENT WITH GOODWIN CONSULTING GROUP FOR TAX ADVISEMENT SERVICES**

**WHEREAS**, on April 22, 2014, the City Council of the City of Rohnert Park adopted Ordinance Number 878 Approving a Development Agreement with Vast Oak Properties L.P. and the University District LLC for the University District Specific Plan Area; and

**WHEREAS**, this Development Agreement provided for the formation of Community Facilities Districts (CFDs) with a focus on financing the construction of public facilities; and

**WHEREAS**, this Development Agreement provided that the developer may elect to form the CFDs through the California Statewide Communities Development Authority (CSCDA) and the developer has made a request to use CSCDA; and

**WHEREAS**, the City wishes to have a peer review of the CFD formation documents, particularly the Rate and Method of Apportionment for the special tax, developed by CSCDA's consultants in order to confirm that these documents comply with the City's Local Goals and Policies Concerning the Use of the Mello-Roos Community Facilities Act of 1982; and

**WHEREAS**, on June 10, 2014, the City Council of the City of Rohnert Park adopted Resolution 2014-057 Adopting and Approving a Consultant Services Agreement with Goodwin Consulting Group (GCG) for Tax Advisement Services ("Agreement"); and

**WHEREAS**, GCG is the qualified special tax consultant selected by the City to advise on matters related to the Rate and Method of Apportionment of special taxes;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Rohnert Park that it does hereby authorize and approve the First Amendment to the Agreement by and between Goodwin Consulting Group and the City of Rohnert Park, a municipal corporation, for special tax peer review services for formation of Community Facilities District benefitting Vast Oak Properties L.P. and the University District LLC for the University District Specific Plan Area.

**BE IT FURTHER RESOLVED** that the City Manager is hereby authorized and directed to take all actions to effectuate this First Amendment to the Agreement for and on behalf of the City of Rohnert Park, including execution, if necessary, in substantially similar form to the agreement attached hereto as Attachment 1, subject to minor modifications by the City Manager or City Attorney.

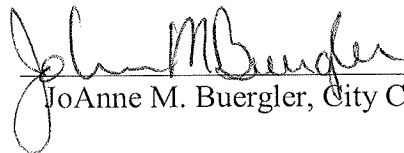
DULY AND REGULARLY ADOPTED this 9<sup>th</sup> day of September 2014.



**CITY OF ROHNERT PARK**

  
Joseph T. Callinan, Mayor

**ATTEST:**

  
JoAnne M. Buerger, City Clerk

Attachment: Agreement

BELFORTE: AYE MACKENZIE: AYE STAFFORD: AYE AHANOTU: AYE CALLINAN: AYE  
AYES: ( 5 ) NOES: ( 0 ) ABSENT: ( 0 ) ABSTAIN: ( 0 )

# Attachment

## FIRST AMENDMENT TO THE CONSULTANT SERVICES AGREEMENT WITH GOODWIN CONSULTING GROUP FOR TAX ADVISEMENT SERVICES

This First Amendment to the Agreement between the City of Rohnert Park ("City") and Goodwin Consulting Group, ("Consultant") for additional services ("First Amendment") is entered into as of the 9<sup>th</sup> day of September, 2014, ("Effective Date"), by and between City and Consultant.

### RECITALS

- A. City and Consultant are parties to that certain Agreement entitled "*Consultant Services Agreement for Tax Advisement Services*" dated June 10, 2014, and authorized through Resolution No. 2014-057 approved by the City Council on June 10, 2014, for the amount of \$40,000.
- B. City and Consultant now desire to enter into this First Amendment to provide for additional work as described below.

### AGREEMENT

NOW, THEREFORE, in consideration of the following mutual promises, the parties hereby amend the Agreement as follows:

- 1. Scope of Services. In addition to the services provided under the Agreement, Consultant shall provide additional services as described in the attached Exhibit A.
- 2. Compensation. Consultant shall perform the services described in this First Amendment for a total not-to-exceed amount of \$15,000.00 as shown in Exhibit B. Total compensation under this Agreement with this Amendment shall not exceed \$55,000.00
- 3. Agreement in Effect. Except as amended by this First Amendment, the Agreement shall remain in full force and effect.
- 4. Counterpart Signatures. This First Amendment may be signed in multiple counterparts which, when signed by all parties, shall constitute a binding agreement.

IN WITNESS THEREOF, the parties have executed this First Amendment as of the date first written above.

#### CITY OF ROHNERT PARK:

By: \_\_\_\_\_ / \_\_\_\_\_  
Darrin Jenkins, City Manager (Date)  
Per Resolution No. 2014-\_\_\_\_\_ adopted by the Rohnert  
Park City Council at its meeting of September 9, 2014.

#### ATTEST:

\_\_\_\_\_  
City Clerk

#### APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

#### GOODWIN CONSULTING GROUP:

By: \_\_\_\_\_ / \_\_\_\_\_  
Name: \_\_\_\_\_ (Date)  
Title: \_\_\_\_\_

By: \_\_\_\_\_ / \_\_\_\_\_  
Name: \_\_\_\_\_ (Date)  
Title: \_\_\_\_\_

## EXHIBIT A

### CITY OF ROHNERT PARK UNIVERSITY DISTRICT MELLO-ROOS COMMUNITY FACILITIES DISTRICT FORMATION

#### SCOPE OF WORK

---

Goodwin Consulting Group, Inc. (GCG) will serve as special tax consultant to assist the City of Rohnert Park (City) in the formation of a Mello-Roos Community Facilities District (CFD) that will fund public improvements required for development of the University District (Project). The City will not actually be forming the CFD directly; instead, the CFD will be formed through the California Statewide Communities Development Authority (CSCDA). Accordingly, GCG will provide the following services to the City:

***Task 1. Kick-Off Meeting***

GCG will meet with City staff, property owners and developers, the City's financial advisor, bond counsel, CSCDA representatives, and other members of the financing team to discuss the proposed CFD. This task will include (i) discussing the relationship between CSCDA and the City, (ii) learning about the proposed land uses, public facilities to be financed, anticipated absorption rates, and timing and number of bond issues, and (iii) reviewing the proposed structure and components of the CFD, and how they relate to the City's land-secured goals and policies. Subsequent work immediately following the kick-off meeting will include reviewing and providing comments on an updated version of the goals and policies.

***Task 2. Mello-Roos Cash Flow Analysis***

GCG will review iterations of the analysis of the CFD annual cash flow prepared by CSCDA. The review will confirm the maximum special tax that will be needed to maintain required debt service coverage on bonded indebtedness issued on behalf of the CFD. In addition, the review will check (i) the special tax burden on undeveloped property based on a given absorption scenario, (ii) the size of the initial and subsequent bond sales taking into consideration minimum value-to-lien requirements set forth in state law and City policy, and (iii) the anticipated bond structure, including special tax revenue, bond interest rate, short-term reinvestment rate, capitalized interest, reserve fund, and other features that may affect the size of bond issues and the corresponding annual debt service.

***Task 3. Rate and Method of Apportionment of Special Tax***

GCG will review iterations of the Rate and Method of Apportionment of Special Tax (RMA) prepared by CSCDA, which will serve as the official special tax formula for the CFD. The RMA will provide detail and direction as to how the special tax should be levied in future years to ensure adequate revenues are available for timely repayment of debt service on bonded indebtedness issued by the CFD. The RMA will be included as an exhibit to the Resolution of

Intention to Form the CFD, which will be adopted by the City Council as part of the first set of actions taken towards forming the CFD.

In addition to providing guidance relative to the annual levy of special taxes in the CFD, GCG will also provide guidance on some or all of the following items related to the RMA:

- Identification of the maximum special tax for each special tax category, including each category of developed and undeveloped property
- Provision for a back-up special tax or alternate mechanism to be used to maintain maximum special tax revenues in the event that land uses change in future years
- A detailed prepayment formula that will provide flexibility for a property owner to prepay all or a portion of the special tax obligation after some or all bonds have been issued for the CFD
- If additional property is expected to annex into the CFD, a description of the “catch-up tax” that will apply to annexing parcels to equalize the cumulative special tax burdens

***Task 4. CFD Boundary Map***

GCG will review iterations of the official boundary map for the CFD to ensure it reflects accurate information, conforms to State law, and is prepared in a format acceptable to the County Recorder’s Office.

***Task 5. CFD Formation and Bond Issuance Documents***

In coordination with the working group, GCG will review other documents required in the CFD formation proceedings that relate exclusively to the special tax formula. Specifically, GCG will:

- Review the CFD Report required pursuant to Section 53321.5 of the Government Code
- Review the Bond Purchase Agreement, Fiscal Agent Agreement and/or Bond Indenture to assure that the flow of special tax revenues and interest earnings as set forth in these documents are consistent with assumptions used in the Mello-Roos cash flow analysis
- Review the Official Statement

***Task 6. Meeting Attendance***

GCG will attend meetings with City staff and other members of the working group to review and discuss CFD formation and bond issuance documents. In addition, GCG will attend City Council meetings as requested. A total of three (3) meetings is included in the budget presented in Exhibit B.

## EXHIBIT B

### CITY OF ROHNERT PARK UNIVERSITY DISTRICT MELLO-ROOS COMMUNITY FACILITIES DISTRICT FORMATION

#### BUDGET AND FEE SCHEDULE

---

##### Services and Expenses

GCG's fee for services and expenses associated with CFD formation and issuance of the first series of bonds is \$15,000. Additional consulting services beyond those included in the scope of work may be provided within the budget if total hourly billings are less than the budget. Alternatively, if the scope of work can be completed for less than the budget, only the hours actually expended will be billed. Services shall be billed based on the following hourly fee schedule:

##### GCG HOURLY SERVICE RATES \*

Managing Principal	\$250/Hour
Principal	240/Hour
Vice President	210/Hour
Senior Associate	185/Hour
Associate	165/Hour
Analyst	140/Hour
Research Assistant	85/Hour

*\* These rates are effective through December 31, 2014 and may be adjusted for inflation thereafter.*

#### **B. LIMITATIONS**

The following services are not included in the scope of work provided in Exhibit A and will be billed on a time and materials basis or pursuant to a separate contract if needed:

- Attendance at more than three meetings
- Issuance of additional series of bonds after the first issue