



CSCDA
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY



**AGENDA OF THE
REGULAR MEETING OF THE
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**

April 5, 2012

10:00 a.m.

**League of California Cities
1400 K Street, 3rd Floor
Sacramento, California**

Teleconference Locations

County of Butte
7 County Center Drive
Oroville, CA 95965

City of Woodland
300 First Street
Woodland, CA 95695

27788 Hidden Trail Road
Laguna Hills, CA 92677

- I. Call the Roll (alternates designate which member they are representing).
- II. Approve the Minutes of the March 15, 2012 Regular Meeting.
- III. Staff Updates.
- IV. Approve Consent Calendar.
- V. Approve the financing; all necessary actions; the execution and delivery of all necessary documents and authorize any member to sign all necessary financing documents for the following:
 - a. Total Road Improvement Program (TRIP) Approval, City of Menifee, County of Riverside and City of Moreno Valley, County of Riverside; up to \$40,000,000 in Gas Tax Revenue Certificates of Participation.

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2012 at __: __ __m,
Signed _____ . Please fax signed page to (925) 933-8457.

- VI. Discuss and approve Hawkins Delafield & Wood Conflict Waiver.
- VII. Discuss and approve Richards Watson Gershon Conflict Waiver.
- VIII. Public Comment.
- IX. Adjourn.



**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
CONSENT CALENDAR**

1. Induce the following projects:
 - a. Reiner Communities (Bethel Towers), City of Costa Mesa, County of Orange; issue up to \$37 million in multi-family housing debt obligations.

Thursday, April 5, 2012

Note: Persons requiring disability-related modification or accommodation to participate in this public meeting should contact (925) 933-9229, extension 225.

Item II

Approve the Minutes of the March 15, 2012 Regular Meeting.

**REGULAR MEETING OF THE
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**

California State Association of Counties
1100 K Street, Sacramento, California

March 15, 2012

MINUTES

Commission Chair Larry Combs called the meeting to order at 10:09 a.m.

I. Roll Call

Commission members present: Larry Combs, Steve Keil, Bob Leland, and Tim Snellings. Alternate commission member present: Dan Mierzwa representing Commissioner Terry Schutten. Commission member participating by conference telephone: Russ Branson. Alternate commissioner participating by conference telephone: Irwin Bornstein representing Commissioner Kevin O'Rourke.

Others present included: Jon Penkower and Jerry Burke – CSCDA Staff; Laura Labanieh Campbell of CSAC Finance Corporation; Greg Stepanicich of Richards Watson & Gershon; Thomas Meyer of Kaiser Permanente; John Myers of Orrick, Herrington & Sutcliffe LLP; Andrew Pines of Citi; and Mark Paxson, State Treasurer's Office. Others present via conference telephone: James Hamill and Caitlin Lanctot – CSCDA Staff.

II. Approval of Minutes—March 1, 2012

The commission approved the minutes for the meeting held March 1, 2012.

Motion: S. Keil

Second: D. Mierzwa

Abstain: I. Bornstein and T. Snellings

Approved by Roll-Call Vote

III. Staff Updates

James Hamill updated the Commission that the PACE program is moving forward with the validation action being filed in the next 2-3 weeks. Assuming there is no opposition the program should be opened for commercial use in the 14 participating counties sometime in early summer.

IV. Approval of Consent Calendar

The commission approved by consent the following actions:

- A. Inducement of a multi-family housing debt obligations project for Oakmont of Roseville, L.P. (Oakmont of Roseville), City of Roseville, County of Placer; issuance up to \$27 million.

Motion: S. Keil

Second: B. Leland

Unanimously Approved by Roll-Call Vote

V. Financing Approvals

The commission approved resolutions approving the financing; all necessary actions; the execution and delivery of all necessary documents and authorized any member or authorized signatory to sign all necessary financing documents for the following projects:

- A. Kaiser Permanente, City of Anaheim, County of Orange, City of Fontana, County of San Bernardino, City of Redwood City, County of San Mateo, City of San Leandro and City of Oakland, County of Alameda; up to \$2 billion in 501(c)3 non-profit revenue bonds.

Motion: S. Keil

Second: B. Leland

Unanimously Approved by Roll-Call Vote

- B. The California School for Mechanical Arts (Lick-Wilmerding High School), City and County of San Francisco; up to \$17 million in 501(c)3 non-profit revenue bonds.
- C. Encanto Apartment Homes, L.P. (Encanto Homes Apartments), City of Menifee, County of Riverside; up to \$23 million in multi-family housing debt obligations.
- D. Bella Vista El Cajon, L.P. (Bella Vista Apartments), City of El Cajon, County of San Diego; up to \$19 million in multi-family housing debt obligations.

Items B, C and D were approved in one motion

Motion: S. Keil

Second: B. Leland

Unanimously Approved by Roll-Call Vote

VI. Issuance of an RFP for TRAN Program Trustee

The commission approved the issuance of a Request for Proposal for Trustee services for the Tax & Revenue Anticipation Note (TRAN) program. The RFP will be issued March 19, 2012

Motion: S. Keil

Second: B. Leland

Unanimously Approved by Roll-Call Vote

VII. Process and Schedule for Review of Contracts for Professional Services

The commission approved a process and schedule for review of contracts for professional services. Contract reviews for all professional services will be conducted at the first December meeting of each year.

Motion: B. Leland

Second: D. Mierzwa

Unanimously Approved by Roll-Call Vote

VIII. Public Comment

There was no public comment.

IX. Closed Session: Conference with Legal Counsel

The Commission went into closed session. Upon return from closed session, the Commission Chair noted that no action was taken and direction was provided to staff.

X. Adjournment

Commission Chair Larry Combs adjourned the meeting at 11:02 a.m.

Submitted by: Laura Labanieh Campbell

*The next meeting of the commission is scheduled for
Thursday, April 5, at 10:00 a.m.
in the League Office at 1400 K Street, Sacramento, CA.*

Item IV

Approve Consent Calendar

1. Induce the following projects:
 - a. Reiner Communities (Bethel Towers), City of Costa Mesa, County of Orange; issue up to \$37 million in multi-family housing debt obligations.



Building Communities, Investing in Local Government Since 1988

Housing Bond Application

APPLICANT INFORMATION

Application Number: **2012018**
 Name of Developer: **Reiner Communities**
 Primary Contact: **Sean Burrowes**
 Title: **Investment Director**
 Address: **8105 Irvine Center Drive, Suite 830
Irvine, CA 92618**
 Telephone Number: **(497) 530-4555 Ext. 202**
 Fax Number: **(949) 753-7590**
 E-mail: **sburrowes@reinercommunities.com**

BORROWER DESCRIPTION

Type of Entity: For-profit Corporation Non-profit Corporation
 Municipality Partnership
 Other (specify): _____

For Non-profits only: Will you be applying for State Volume Cap? **No**

Name of Borrowing Entity: **TBD**

Date Established: **7-1-2012**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **18**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **18**

PRINCIPAL FINANCE TEAM INFORMATION

UNDERWRITER/PLACEMENT AGENT

BOND COUNSEL

Firm: **Citi - Municipal Securities Division**

Firm: **tbd (Orrick?)**

Contact: **Jay Abeywardena**

Contact: **Justin Cooper**

Address: **325 E Hillcrest Drive, Suite 160
Thousand Oaks, CA 91360**

Address: **405 Howard Street
San Francisco, CA 94105**

Telephone: **(805) 557-0943**

Telephone: **(415) 773-5908**

Fax: **na**

Fax: **na**

E-mail: **jay.m.abeywardena@citi.com**

E-mail: **jcooper@orrick.com**

Application Number: **2012018 - Bethel Towers**

Name of Borrower: **Reiner Communities**

PROJECT DESCRIPTION

Current Project Name: **Bethel Towers**

New Project Name: **new name tbd**

Project Street Address: **678 W 19th Street**

City: **Costa Mesa** State: **CA** Zip Code: **92627**

County: **Orange**

Is Project located in unincorporated part of the County? **No**

Total Number of Units: Market: **0** Restricted: **269** Total Units: **269**

Lot Size: **2.98 acres**

Amenities: **The 270 unit senior property benefits from a first floor lobby that includes laundry rooms, free tenant storage lockers, a entertainment/media room, and community space. The property also includes a library/computer area on the 18th floor, as well as a separate community building that is sometimes used as a chapel for resident services.**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **One 18-story Concrete Tower With Lobby, Office, Laundry, Storage, Maintenance Areas And 270 Residential Units. One Single Story Community Room/chapel.**

Type of Housing: New Construction Family
 Acq/Rehab Senior Is this an Assisted Living Facility? **No**

City or county contact information:

Contact Name: _____

Title: _____

Phone Number: _____ Ext. _____

Fax Number: _____

E-mail: _____

PUBLIC BENEFIT

Percentage of Units in Low Income Housing: **100% (excl. mgr unit)**

Percentage of Area Median Income(AMI) for Low Income Housing Units: **80% @ 60%, 20% @ 50%**

Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
Studio	50	38	\$808	\$1,003	\$195
Studio	60	148	\$900	\$1,003	\$103
1 Bedroom	50	14	\$866	\$1,110	\$244
1 Bedroom	60	53	\$990	\$1,100	\$110
2 Bedrooms	50	4	\$1,038	\$1,293	\$255
2 Bedrooms	60	12	\$1,160	\$1,293	\$133

Remarks:

OTHER PUBLIC BENEFIT

SERVICES PROVIDED

- High-speed internet service in each affordable unit of an on-going nature for a minimum of 10 years.
- After school program of an on going nature for the minimum of 10 years.
- Educational classes (which are not the same as the after school program) for a minimum of 10 years.
- Licensed childcare providing 20 hours or more per week(Monday through Friday) to residents of the development.
- Contract for services, such as assistance with the daily living activities, or provision of senior counseling services.

ENVIRONMENT

Energy

- Does the facility exceed Title 24 Standards? Yes No N/A
 If Yes, by what percent? _____%
- Does the facility have solar(PV) panels? Yes No N/A
 If Yes, what is the size in kWh? _____
- Does the facility purchase carbon credits? Yes No N/A
 If Yes, what is the annual consumption? _____

Water

- Does the facility provide any of the following:
- Efficient Toilets? Yes No N/A
- Water-saving showerheads? Yes No N/A
- Drought tolerant landscaping? Yes No N/A
- Other, specify: _____

Transportation

- Does the entity provide carpooling or mass-transit subsidies? Yes No N/A
- Does the entity maintain a fuel efficient fleet? Yes No N/A

Waste

- Does the project provide recycling facilities? Yes No N/A

WORKFORCE

Employment Creation

Job Type/Description	During Construction	Post Construction
None _____	<u>0</u>	<u>0</u>

GOVERNMENTAL INFORMATION

Congressional District # _____ State Senate District # 35 State Assembly District # 68

Application Number: **2012018 - Bethel Towers**

Name of Borrower: **Reiner Communities**

FINANCING STRUCTURE

Type of Financing: Public Sale Private Placement Refunding

For Refundings only: Will you be applying for State Volume Cap? **No**

For Refundings only: Is this a transfer of property to a new owner? _____

Maturity: **2030** Years

Interest Rate Mode: Fixed Variable

CONSTRUCTION FINANCING:

Credit Enhancement: None Letter of Credit
 FNMA(Fannie Mae) Freddie Mac
 Bond Insurance Other (specify): _____

Name of Credit Enhancement Provider or Private Placement Purchaser: **N/A**

PERMANENT FINANCING:

Credit Enhancement: None Letter of Credit
 FNMA(Fannie Mae) Freddie Mac
 Bond Insurance Other (specify): _____

Name of Credit Enhancement Provider or Private Placement Purchaser: **N/A**

Expected Rating: Unrated S & P _____
 Moody's _____ Fitch _____

Projected State Allocation Pool: General Mixed Income Rural

Will the project use Tax-Credit as a source of funding?: **Yes**

SOURCES & USES

CONSTRUCTION SOURCES		USES	
Tax-Exempt Bond Proceeds:	\$31,000,000	Land Acquisition:	\$1,912,500
Taxable Bond Proceeds:		Building Acquisition:	\$24,223,300
Tax Credits:	\$16,850,846	Construction or Remodel:	\$13,938,106
Developer Equity:	\$716,705	Cost of Issuance:	\$869,492
Other Funds(Describe):		Capitalized Interest:	\$1,410,575
Cash Flow	\$1,410,575	Reserves:	\$857,253
_____	.....	Other Funds(Describe):	
_____	.....	Developer Fee	\$2,500,000
_____	.....	Relocation	\$3,340,000
_____	.....	FFE	\$275,000
TOTAL:	\$49,978,126	Other Admin/Legal/Accounting	\$651,900
		_____
		TOTAL:	\$49,978,126

Application Number: **2012018 - Bethel Towers**

Name of Borrower: **Reiner Communities**

PRINCIPAL FINANCE TEAM INFORMATION (continued)

FINANCIAL ADVISOR	REBATE ANALYST
Firm: RBC Capital markets	Firm: TBD
Contact: David Lacki	Contact:
Address: 500 W. Madison, Suite 2500 Chicago, IL 60661	Address:
Telephone: (312) 559-1654	Telephone:
Fax: na	Fax:
E-mail: david.lacki@rbccm.com	E-mail:

ADDITIONAL REQUIREMENT

Please provide the following as an additional attachment:

<u>Attachment</u>	<u>Description of Information</u>
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A	\$5,000 non-refundable* issuance fee deposit payable to "California Communities."
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*Refundable only if financing not approved.

MAILING ADDRESS

California Communities®
2033 N. Main St., Suite 700
Walnut Creek, CA 94596

Item V

Approve the financing; all necessary actions; the execution and delivery of all necessary documents and authorize any member to sign all necessary financing documents for the following:

- a. Total Road Improvement Program (TRIP) Approval, City of Menifee, County of Riverside and City of Moreno Valley, County of Riverside; up to \$40,000,000 in Gas Tax Revenue Certificates of Participation.

SUMMARY AND RECOMMENDATIONS

DATE: APRIL 5, 2012
APPLICANT: CITY OF MENIFEE AND CITY OF MORENO VALLEY
AMOUNT: UP TO \$40,000,000 OF TAX-EXEMPT TRANSPORTATION REVENUE COPS
PURPOSE: FINANCE THE IMPROVEMENT OF STREET INFRASTRUCTURE
PROGRAM: (TRIP) TOTAL ROAD IMPROVEMENT PROGRAM

Background:

In 2008 the Commission approved the ability of the Authority to offer a program to cities and counties to finance street improvement projects by a pledge of gas tax revenues and other transportation-related funding, with the Authority entering into Installment Sale Agreements with such cities and counties which are members of the Authority. The payments under which would represent payments on Certificates of Participation (“COPs”) to be executed and delivered on a pooled or stand-alone basis.

An eighteen cent state fuel excise tax is collected on all gasoline, diesel and other fuel sales, and distributed by the State Controller on a monthly basis to cities and counties. This fuel excise tax was further increased in March 2010 by state legislation which swapped former gasoline sales taxes (Prop. 42 funds) for an increase in fuel excise taxes. The State reaffirmed this fuel excise tax – gasoline sales tax swap through the passage of AB 105 in March 2011.

Gas Tax funds are apportioned by population and by the number of registered vehicles. Article XIX of the State Constitution restricts use of the Gas Tax funds to maintenance/construction of public streets and highways. Most cities and counties use Gas Tax revenues for operations and maintenance.

Riverside County Transportation Commission (RCTC) collects a ½ cent sales tax (“Measure A”) within the county to pay for regional and local transportation projects. In November 2002, Riverside County voters approved an extension of the Measure A sales tax to 2039. RCTC member agencies (e.g. Riverside County cities) are allocated a portion of annual Measure A revenues to pay for local street projects allowed under the Measure A sale tax ordinance. Measure A funds are apportioned based on proportionate shares of dwelling units, sales tax generated and other factors.

Many cities within Riverside County have under-funded street maintenance and reconstruction resulting in a large project backlog. Many Riverside County cities have relied on funding projects on a pay-as-you-go basis using Gas Tax and Measure A funds.

In February 2012, the City of Desert Hot Springs issued \$5,925,000 of Transportation Revenue COPs (Gas Tax and Measure A revenue pledge) and in December 2008, the Cities of Coachella and Indio collectively issued \$14,655,000 in Gas Tax Revenue (Gas Tax revenue pledge only) COPs through the Authority.

Summary:

The City of Moreno Valley approved the sale of approximately \$20 million of Transportation Revenue COPs on January 10, 2012 and the City of Menifee approved the sale of approximately \$20 million of Transportation Revenue COPs on March 6, 2012; and both have requested that the COPs be sold through the California Communities Total Road Improvement Program.

The COPs are scheduled to issue in mid-April 2012 if approved by the Commission. The COPs represent the first tax-exempt financing for the City of Menifee in its history. In this pooled COP structure, each city is obligated on the COPs only to the extent of the obligation under its respective Installment Sale Agreement.

The COPs are expected to receive an “A” rating from Standard & Poor’s. If the COPs qualify for Assured Guaranty COP insurance (“Aa3/AA-” rating, Moody’s negative outlook) and there is an economic benefit, the COPs may be issued with Assured Guaranty insurance.

City of Menifee

For FY 2010/11, the City of Menifee received \$2,110,761 in Gas Tax revenues (collected under Sections 2103, 2105, 2106 and 2107 of the Streets & Highways Code). For FY 2010/11, Menifee received \$962,095 in local Measure A revenues from RCTC. The FY 2010/11 total of the Gas Tax and local Measure A revenues (aka “Transportation Revenues”) was \$3,072,856.

The proposed Certificates will be secured solely by a pledge of Menifee’s Gas Tax revenues and its apportionment of local Measure A revenues. Based on current interest rates, the maximum annual COP payment will be about \$1,229,819. The all-in interest rate is currently estimated to be 5.10%. Based on Menifee’s FY2010/11 Transportation Revenues, the COPs will have maximum annual payment coverage of over 2.50 times. These numbers may change if Menifee chooses to issue up to their \$20 million COP authorization.

City of Moreno Valley

For FY 2010/11, the City of Moreno Valley received \$4,683,912 in Gas Tax revenues (collected under Sections 2103, 2105, 2106 and 2107 of the Streets & Highways Code). For FY 2010/11, Moreno Valley received \$2,591,821 in local Measure A revenues from RCTC. The FY 2010/11 total of the Gas Tax and local Measure A revenues (aka “Transportation Revenues”) was \$7,275,733.

The proposed Certificates will be secured solely by a pledge of Moreno Valley’s Gas Tax revenues and its apportionment of local Measure A revenues. Based on current interest rates, the maximum annual COP payment will be about \$1,087,381. The all-in interest rate is currently estimated to be 5.10%. Based on Moreno Valley’s FY2010/11 Transportation Revenues, the COPs will have maximum annual payment coverage of over 6.69 times. These numbers may change if Moreno Valley chooses to issue up to their \$20 million COP authorization.

Public Benefit:

- The issuance of COPs on behalf of the cities of Moreno Valley and Menifee will allow the cities to make much needed improvements to their street infrastructure that would otherwise have been deferred due to lack of sufficient funds.
- The program will provide the ability to catch up on backlog repairs; increase the service level of the street network; and lower maintenance costs long term.

- The issuance will call for Certificates of Participation under an installment sale structure. No lease of assets would be required, wherein past transactions of this nature have required a lease of city/county assets.

Recommendation:

Based on the overall public benefit and conformance to the California Communities Issuance Policies, it is recommended that this Commission approve the Resolution as submitted to the Commission, which:

1. Approve the issuance of COPs through the Total Road Improvement Program;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Commission to sign all necessary documents.

Attachment A – Transportation Revenue Summary

Local Approval Information:

On March 6, 2012, the City of Menifee approved a resolution authorizing the issuance of up to \$20 million through the Total Road Improvement Program.

On January 10, 2012, the City of Moreno Valley approved a resolution authorizing the issuance of up to \$20 million through the Total Road Improvement Program.

Finance Team:

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP (Los Angeles)
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP (Sacramento)
- Underwriter: De La Rosa & Co. (Los Angeles)
- Financial Advisor: Urban Futures Inc. (Orange)

Financing Structure:

The COPs will mature in no more than thirty years and will be issued as fixed rate tax-exempt obligations. The COPs will be publicly offered by the Underwriter in minimum denominations of \$5,000. The COPs are projected to receive an “A” rating (anticipated) from Standard & Poor’s. The proposed sale of COPs will comply with the Authority’s policies for the issuance of publicly offered securities.

Estimated Sources and Uses:

City of Menifee

Sources:	
COP Proceeds ¹	<u>\$18,578,267</u>
Total Sources	\$18,578,267
Uses:	
Project Fund Deposits	\$17,000,000
Reserve Fund	\$ 1,229,819
All-In Costs of Issuance	<u>\$ 348,448</u>
Total Uses	\$18,575,267

City of Moreno Valley

Sources:	
COP Proceeds ¹	<u>\$16,423,295</u>
Total Sources	\$16,423,295
Uses:	
Project Fund Deposits	\$15,000,000
Reserve Fund	\$ 1,087,381
All-In Cost of Issuance	<u>\$ 335,914</u>
Total Uses	\$16,423,295

¹ Includes net original issue premium and/or discount, subject to change.

Item VI

Discuss and approve Hawkins Delafield & Wood Conflict Waiver.

SUMMARY AND RECOMMENDATIONS

PURPOSE: DISCUSS AND APPROVE ATTORNEY CONFLICT WAIVER FOR HAWKINS DELAFIELD & WOOD WITH RESPECT TO THE WATER AND WASTERWATER 2006A AUDIT

Background:

Hawkins, Delafield & Wood (HDW) acted as bond counsel with respect to the issuance of the 2006A Water/Wastewater Revenue Bonds (the "Bonds"). The participants in the transaction were the City of Eureka, Golden Hills Community Services District, City of St. Helena and the United Water Conservation District. The Bonds have been randomly selected by the Internal Revenue Service (IRS) for an audit.

The IRS requires that there be a waiver of a potential conflict of interest by the issuer wherein the bond counsel will represent the issuer in the examination. This is based upon the fact as some point during the examination it is possible that the interests of bond counsel and the issuer may diverge. For example, if HDW's legal advice resulted in a violation of the provisions of the Internal Revenue Code.

At this time HDW and Staff are not aware of any aspect of the examination that would arise to such conflict. If such conflict were to arise HDW would withdraw its representation and suggest CSCDA retain other counsel.

Executing such agreement now would not preclude CSCDA from withdrawing its consent in the future. In order to keep costs to a minimum for the participants and expedite the process for the audit staff is recommending HDW be retained for the audit.

Richards, Watson Gershon acting as General Counsel to CSCDA has reviewed and approved the form and content of the conflict waiver.

Recommendation

Staff recommends the execution of the conflict waiver for the Water and Wastewater 2006A Bonds for Hawkins, Delafield & Wood.

Item VII

Discuss and approve Richards Watson Gershon Conflict Waiver.

SUMMARY AND RECOMMENDATIONS

PURPOSE: DISCUSS AND APPROVE ATTORNEY CONFLICT WAIVER FOR RICHARDS WATSON & GERSHON FOR CITY OF HANFORD REPRESENTATION

Background:

Richards, Watson & Gershon (RWG) is engaged as General Counsel to CSCDA. In addition to representing CSCDA, RWG represents numerous cities, counties and other local public agencies throughout California.

RWG has been engaged by the City of Hanford to act as bond counsel to refund the 1999B and 2002A Water and Wastewater Revenue Bonds. Pursuant to the agreement with CSCDA RWG does not provide bond counsel services for CSCDA. The California Rules of Professional Responsibility preclude an attorney from representing more than one client in one matter where the interests of the clients conflict, whether actually or potentially, without informed written consent of each client.

As bond counsel it is possible, although remote, in reviewing and preparing documents for the refunding the interest of the City and CSCDA may become adverse. If any dispute did arise and resulted in litigation RWG has stated in their letter they will not represent either CSCDA or the City of Hanford in such litigation.

Staff had special counsel Nielsen, Merksamer, Parrinello, Gross & Leoni review the letter, and they have approved the letter in form and content.

Recommendation

Staff recommends the execution of the conflict waiver and delegating the authority to sign the acknowledgment letter to staff.