

(R-93-1878)


RESOLUTION NUMBER R-282035

ADOPTED ON MAY 24 1993

BE IT RESOLVED, by the Council of The City of San Diego, that the Financing Team for the Proposed Refunding of \$3.9 million City of San Diego Mortgage Revenue Bonds 1983 Series, which Financing Team is described in the attached Report to the Honorable Mayor and City Council, is hereby approved.

APPROVED: JOHN W. WITT, City Attorney

By



Harold O. Valderhaug
Chief Deputy City Attorney

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Or.Dept:Hsg.Comm.
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REPORT TO THE HONORABLE MAYOR
AND CITY COUNCIL

DATE: May 11, 1993 REPORT NO. 93 -
ATTENTION: For the Agenda of May 24, 1993
FROM: Severo Esquivel, Deputy City Manager
SUBJECT: Selection of Members of the Financing Team for the Proposed
Refunding of \$3,900,000 City of San Diego Mortgage Revenue
Bonds 1983 Series A (University Canyon Apartments located at
2098 Via Las Cumbres) (DISTRICT: 6)

SUMMARY

Issue - Should the City Council approve the following recommended firms as members of the financing team for the proposed current refunding of \$3,990,000 City of San Diego Mortgage Revenue Bonds, 1983 Series A (University Canyon Apartments located at 2098 Via Las Cumbres):

Financial Advisor - Evensen Dodge Inc. (75%) and The Knight Group Inc. (MBE and WBE - 25%);

Bond Underwriter - Banc One Capital Corporation and E.J. De La Rosa & Co. (MBE - 20%);

Bond Counsel - Stradling, Yocca, Carlson & Rauth (80%) and Fatica, Boutwell and Behrend (WBE - 20%).

Recommendation - It is so recommended.

Fiscal Impact - The fees and expenses of the financing team are contingent upon the sale of the proposed refunding bonds and will be included in the cost of issuance. The compensation schedule is included as Attachment 1 to this report.

MBE/WBE Impact - All the proposals include participation by MBE/WBE firms in accordance with established City of San Diego Minority and Women Business Enterprise goals.

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Previous Related Action(s) - The original issuance of bonds was authorized by the City Council on **April 18, 1983** (Ordinance O-15946). On **March 15, 1993**, the Housing Commission approved the firms of Evensen Dodge and the Knight Group as financial advisor and on **April 19, 1993**, the Commission continued the selection of a bond underwriter for this bond refunding. On **May 17, 1993**, the Commission approved Banc One Capital Corporation and E.J. De La Rosa & Co. as the selected bond underwriters.

Future Related Action(s) - If the recommended action is approved, then the Housing Commission and the City Council will be requested to authorize the reissuance of bonds.

BACKGROUND

On April 19, 1993 the Housing Commission continued the selection of a bond underwriter for the University Canyon bond refunding and directed staff to form another selection committee to re-evaluate the selection of a recommended firm.

DISCUSSION

On April 27, 1993, a new selection committee met to re-evaluate the selection of a bond underwriter. The committee consisted of the representatives of the City Attorney's Office, City Auditor's Office, Centre City Development Corporation, the Neighborhood House, General Counsel, Evensen Dodge and The Knight Group, the Commission's financial advisor.

The committee recommended the selection of Banc One Capital Corporation and E.J. De La Rosa & Co. as bond underwriters for the refunding. The Housing Commission approved the recommended firms on May 17, 1993.

Pursuant to the policy for the selection of financing team members, each bond issue, bond refunding, or bond restructuring requires selection of a Financial Advisor, Bond Underwriter and Bond Counsel on a competitive RFP basis (Attachment 2). The final selection of the financing team members is made by the issuing body (City Council or Housing Authority).

Under the policy, it is the responsibility of the City Attorney's office to select a bond counsel using a competitive process. The City Attorney's selection of the bond counsel firm is based on the results of their RFP process.


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CONCLUSION

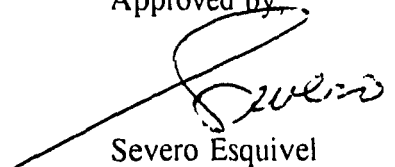
Staff recommends that the City Council approve the selection of the proposed members of the financing team for the proposed bond refunding. If approved, the financing team will start working with staff in preparing the necessary documentation for the contemplated refunding which will be submitted for consideration and authorization by the Housing Commission board and the City Council.

Respectfully submitted,

Approved by,


Jack D. Farris
Fiscal Advisor

FARRIS:kb
(an_und.ccl)


Severo Esquivel
Deputy City Manager

Attachment 1: Compensation Schedule
Attachment 2: Policy for the Selection of Financing Team Members

ATTACHMENT 1

**Compensation Schedule for the Proposed Refunding
of \$3,990,000 University Canyon Apartments Bonds**

<u>Financial Advisor</u>	<u>Fee</u>	<u>Underwriter</u>	<u>Fee</u>	<u>Bond Counsel</u>	<u>Fee</u>
Evensen Dodge Inc. and The Knight Group	\$15,000 + \$1,000 per \$1,000,000 in bonds in excess of \$10,000,000	Banc One Capital Corporation E.J. De La Rosa & Co.	\$12.50/\$1,000 Bond	Stradling Yocca, Carlson & Rauth and Fatica, Boutwell and Behrend	\$20,000

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Passed and adopted by the Council of The City of San Diego on MAY 24 1993
by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Abbe Wolfsheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ron Roberts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
John Hartley	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
George Stevens	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Behr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Valerie Stallings	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Juan Vargas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Susan Golding	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

SUSAN GOLDING
Mayor of The City of San Diego, California.

(Seal)

CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California.

By Blenda B. Barnes, Deputy.

Office of the City Clerk, San Diego, California

Resolution B282035 Adopted MAY 24 1993
Number.....

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SAN DIEGO, CA