



CITY OF CARSON

Legislation Text

File #: 2021-184, Version: 1

Report to Mayor and City Council

Tuesday, March 16, 2021

Consent

SUBJECT:

CONSIDER APPROVAL OF AMENDMENT NO. 4 TO AGREEMENT WITH KOSMONT & ASSOCIATES INC. (C-17-014) FOR ENHANCED INFRASTRUCTURE FINANCING DISTRICT CONSULTING SERVICES (CITY COUNCIL)

I. SUMMARY

Since 2017, Kosmont & Associates Inc., has provided Enhanced Infrastructure Financing District (EIFD) Consulting Services to the City. The current contract is scheduled to expire on June 30, 2021. With the County's recent willingness to participate in the Carson EIFD, certain formation steps would have to be retaken. These formation steps will take several months to complete and will go beyond the June 30, 2021 contract expiration date. The proposed Kosmont Contract Amendment ("Amendment No. 4") extends the term at no additional costs to the City from an end date of June 30, 2021 to June 30, 2022. The additional time is needed due to extended negotiations with the County. The extension would also provide the City with EIFD consulting services necessary to complete the EIFD formation. Staff anticipates the EIFD formation process to be completed in the 2021 calendar year, however, is requesting a contract end date of June 30, 2022 to account for unexpected delays. Lastly, Amendment No. 4 does not add any additional tasks to the existing scope.

II. RECOMMENDATION

TAKE the following actions:

- 1. APPROVE** Amendment No. 4 to the Contract Agreement with Kosmont & Associates, extending the term by one-year through June 30, 2022 at no additional to the cost to the City and;
- 2. AUTHORIZE** the Mayor to execute the Agreement, following approval as to form by the City Attorney.

III. ALTERNATIVES

TAKE any other action the City Council deems appropriate.

IV. BACKGROUND

Original Kosmont Contract (EIFD Feasibility Evaluation Phase)

In February 2017, the City entered into an agreement with Kosmont & Associates to evaluate the feasibility of establishing an Enhanced Infrastructure Financing District (EIFD) to fund essential infrastructure improvements in the City. Kosmont's evaluation concluded that Enhanced Infrastructure Financing Districts have the capacity to assist the City and would be most effective with partnerships among other taxing entities (Exhibit No. 1).

Amendment Nos. 1 and 2 (EIFD Outreach and Analysis Phase)

Subsequent to this initial evaluation, the City approved an amended contract in the amount of \$55,000 on February 6, 2018 to work towards the establishment of City's EIFD (Amendment No. 1, Exhibit No. 2). During this term, Kosmont & Associates and the City reached out to the County of Los Angeles ("County"), as the major taxing entity, to participate and partner in the EIFD. However, during these discussions, the County of Los Angeles did not appear interested to participate in Carson's EIFD. A second amendment (Amendment No. 2, Exhibit No. 3) was approved on May 7, 2019 to extend the term duration to June 2020 to allow more time for completion of these tasks.

Amendment No. 3 (Added Scope: EIFD Formation, Continued Outreach, and Special Projects Phase)

On January 14, 2020, the City approved an amended contract (Amendment No. 3, Exhibit No. 4) to update Kosmont scope of services to include the following five tasks: (1) Updates on County discussions and direction on EIFD partnerships, (2) Resolution of Intent and establishment of the Public Financing Authority, (3) Infrastructure Financing Plan completion and distribution, (4) Infrastructure Financing Plan (IFP) approval and EIFD formation hearings, and (5) As-needed real estate and project financing advisory services (Special Projects). During this phase, the County and City approved a Memorandum of Agreement ("MOA") to indicate the County's willingness to participate in the Carson EIFD.

V. FISCAL IMPACT

The Amendment No. 4 (Exhibit No. 5) extends the contract term to June 30, 2022 at no additional costs to the City.

VI. EXHIBITS

1. Executed Kosmont agreement. (pgs. 4-28)
2. Executed Kosmont Amendment No. 1. (pgs. 29-41)

3. Executed Kosmont Amendment No. 2. (pgs. 42-50)
4. Executed Kosmont Amendment No. 3. (pgs. 51-76)
5. Proposed Amendment No. 4 to Contract Agreement with Kosmont & Associates. (pgs. 77-85).

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