

Agenda Report

APRIL 24, 2000

TO: City Council/Community Development Commission
THROUGH: Finance Committee

FROM: Cynthia J. Kurtz, City Manager/Chief Executive Officer

SUBJECT: JOINT ACTION; APPROVAL OF A RESOLUTION OF THE CITY COUNCIL AND COMMUNITY DEVELOPMENT COMMISSION RESOLUTIONS AUTHORIZING THE EXECUTION AND DELIVERY OF A JOINT EXERCISE OF POWERS AGREEMENT BY AND BETWEEN THE CITY AND THE PASADENA COMMUNITY DEVELOPMENT COMMISSION

RECOMMENDATION

It is recommended that the City Council and Community Development Commission adopted Resolutions authorizing the execution and delivery of a Joint Exercise of Powers Agreement by and between the City and the Pasadena Community Development Commission.

Background

In 1999, the City Council and the Pasadena Community Development Commission authorized the City Manager to enter into an Owner Participation Agreement (OPA), Reciprocal Easement Agreement (REA), and Parking, Operation and Maintenance Agreement (POMA) with TrizecHahn Development regarding the renovation of the Plaza Pasadena (Paseo Colorado). As part of this transaction, the City agreed to contribute \$10 million towards the cost to construct public improvements to the subterranean and two satellite parking garages as well as public improvements to the Garfield Promenade. In addition, the City Council authorized the purchase of the leasehold interest in the parking garages held by the developer at a cost of approximately \$16 million. The City expects to finance this City Contribution.

Discussion

Staff is currently in the process of preparing the necessary bond documents and will be returning to the City Council for approval in early May. The bond financing is expected to be accomplished through the issuance of bonds by a joint exercise of powers authority (JPA). In order to facilitate the financing transaction, the City Council and Pasadena Community Development Commission are being asked to form the JPA.

The JPA is being formed in order to facilitate the financing of the City Contribution. The Marks Roos Local Bond Pooling Act provides complete authority for the issuance of revenue bonds by a joint powers authority for the purpose of financing public capital improvements and other projects of local agencies, such as the City and the Commission. The JPA will provide an available mechanism for financings for both the City and Commission in the future.

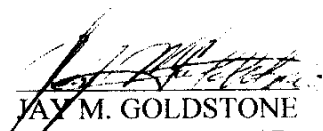
Fiscal Impact

There is no fiscal impact with this approval.

Respectfully submitted,


CYNTHIA J. KURTZ
City Manager/Chief Executive Officer

Approved:


JAY M. GOLDSTONE
Director of Finance/Treasurer