



**Council
Communication**
Office of the City Manager

Date

June 5, 2006

Agenda Item No. 32

Roll Call No. 06-

Communication No. 06-321

Submitted by: Richard A. Clark, City Manager

AGENDA HEADING:

Resolution Extending Agreement with the National Development Council Regarding Community and Economic Development Advisement

SYNOPSIS:

Approval of an agreement that extends the services of the National Development Council from March through May 2006 at a total cost of \$18,000 for additional financial analyses related to the Riverpoint West Redevelopment Project. This action also authorizes the City Manager to extend the agreement as needed, up to four months at a cost not to exceed \$24,000, to obtain consultant services related to financial packaging and leveraging for Riverpoint West or other projects.

FISCAL IMPACT:

Amount: \$18,000 initially and up to \$24,000 additionally.

Funding Source: FY06 Operating Budget – Page 310 - Economic Development Enterprise Fund CMO980717 SP743.

ADDITIONAL INFORMATION:

On November 1, 2005, the City Manager entered into a four-month agreement (November 2005 through February 2006) not to exceed \$24,000 with the National Development Council to provide the following services: (1) underwrite and structure the Riverpoint West redevelopment project, (2) assist the City in preparing the Section 108 loan and amended Brownfield Economic Development Initiative applications, and (3) help to structure the project to leverage additional funds, including New Markets Tax Credits. Due to the project's complexity, more detailed financial analysis that was unforeseen at the time the contract was entered into was required.

The National Development Council has performed well and is very knowledgeable about the use of New Markets Tax Credits, which will be a major component of the project financing for Riverpoint West. Retention of consultant services will provide further support to the project or other developments as needed.

PREVIOUS COUNCIL ACTION(S): NONE

Date:

Roll Call Number:

Action:

BOARD/COMMISSION ACTION(S): NONE

Date:

Roll Call Number:

Action:

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Additional consultant services may be required after the Section 108 loan and BEDI grant applications are approved in September 2006 to redevelop Riverpoint West or for other developments.