



A G E N D A
JOINT MEETING: GLENDALE CITY COUNCIL AND
GLENDALE HOUSING AUTHORITY

COUNCIL CHAMBER, City Hall – 613 E. Broadway, 2nd Floor
Glendale, CA 91206

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APRIL 9, 2019

- ROLL CALL** - 3:00 p.m.
- Report of the City Clerk of the City Council and Housing Authority, re: Posting of Agenda. The Agenda for the April 9, 2019 joint public meeting of the City Council and Housing Authority was posted on Friday, April 5, 2019 on the bulletin board Outside City Hall.

A **JOINT PUBLIC MEETING** of the City Council and Housing Authority is hereby called to meet at 3:00 p.m. on Tuesday, April 9, 2019, in the City Council Chamber, City Hall, 613 E. Broadway, 2nd Floor, Glendale, CA 91206 to consider the following item(s) of business, to wit;

- 1. Finance, re: Creation of Glendale Municipal Financing Authority to Assist in Refinancing the 2000 Variable Rate Demand Certificates of Participation**
 - a. City Council Resolution Approving the Execution of a Joint Exercise of Powers Agreement
 - b. Housing Authority Resolution Approving the Execution of a Joint Exercise of Powers Agreement
 - c. City Council Motion Authorizing a Professional Services Agreement (PSA) with Jones Hall for Bond Counsel and Disclosure Counsel Services in an Amount Not-to-Exceed \$77,000 for the Refinancing of the City's 2000 Variable Rate Certificates of Participation

- d. City Council Motion Authorizing an Amendment to the PSA with Harrell & Company Advisors for Municipal Advisor Services in a Total Amount Not-to-Exceed \$76,000 for the Refinancing of the City's 2000 Variable Rate Certificates of Participation

ADJOURNMENT - For the City Council
 - For the Housing Authority



Ardashes Kassakhian, City Clerk

ACKNOWLEDGMENT OF SERVICE

Members of the public may address the City Council and Housing Authority regarding any item in this notice. Service of the above Call for a Joint Public Meeting of the City Council and Housing Authority, at the time and place above designated, is hereby acknowledged, and the Notice required by Government Code Section 54956 is hereby waived:

Hour: _____ a.m./p.m., this _____ day of _____, 20__.

By _____ Title: City Council Member/ Housing Authority Member



CITY OF GLENDALE, CALIFORNIA
REPORT TO THE:

Joint City Council Housing Authority Successor Agency Oversight Board
Glendale Financing Authority

April 9, 2019

AGENDA ITEM

Report: Creation of Glendale Municipal Financing Authority to assist in refinancing the 2000 Variable Rate Demand Certificates of Participation

- 1) City Council Resolution to approving the execution of a Joint Exercise of Powers Agreement
- 2) Housing Authority Resolution to approving the execution of a Joint Exercise of Powers Agreement
- 3) City Council Motion to authorize a professional services agreement with Jones Hall for bond counsel and disclosure counsel services in an amount not-to-exceed \$77,000 for the refinancing of the City's 2000 Variable Rate Certificates of Participation
- 4) City Council Motion to authorize an amendment to the professional services agreement with Harrell & Company Advisors for municipal advisor services in a total amount not-to-exceed \$76,000 for the refinancing of the City's 2000 Variable Rate Certificates of Participation

COUNCIL ACTION

Public Hearing [] Ordinance [] Consent Calendar [] Action Item [X] Report Only []
Approved for April 9, 2019 calendar

ADMINISTRATIVE ACTION

Signature

Submitted by:
Michele Flynn, Interim Director of Finance *Michele Flynn*

Prepared by:
Shu-Jun Li, Deputy Director of Finance *Shu-Jun Li*
Alwin DeLeon, Accounting Supervisor *Alwin DeLeon*

Approved by:
Yasmin K. Beers, City Manager *Yasmin K. Beers*

Reviewed by:
Roubik Golanian, Assistant City Manager *Roubik Golanian*
Mike Garcia, City Attorney *Mike Garcia*

RECOMMENDATION

It is respectfully requested the City Council and the Housing Authority adopt resolutions authorizing execution of a joint exercise of powers agreement for the creation of the Glendale Municipal Financing Authority; and that the City Council authorize a professional services agreement with Jones Hall for bond counsel and disclosure counsel services in an amount not-to-exceed \$77,000 for the refinancing of the City's 2000 Variable Rate Certificates of Participation and authorize an amendment to the professional services agreement with Harrell & Company Advisors for financial advisor services in a total amount not-to-exceed \$76,000 for the refinancing of the City's 2000 Variable Rate Certificates of Participation.

BACKGROUND/ANALYSIS

Joint Exercise of Powers Agreement:

In 1999, the City and the former Glendale Redevelopment Agency formed the City of Glendale Financing Authority (Financing Authority) for the purpose of assisting the City in financing the 2000 Police Building Project with the issuance of the 2000 Variable Rate Certificates of Participation (COPs). The City of Glendale Financing Authority is a distinct legal entity separate and apart from the City and the former Agency created to assist in financing and refinancing of City capital improvements.

On March 26, 2019, the City Council reviewed alternatives for refinancing the COPs and directed staff to prepare the required documents. The documents are expected to be submitted to the City Council for approval at the April 16, 2019 meeting. The use of a financing authority such as the City's Financing Authority is necessary for the refinancing.

Due to the Dissolution Act, the use of the existing Financing Authority to assist in new financings or refinancing is limited, since the former Agency, now Successor Agency, is one of the parties to the joint exercise of powers agreement (1999 JPA) creating the Financing Authority. The Dissolution Act contains language concerning the termination of the Successor Agency in the future that could have an impact for any new debt issued by the Financing Authority, although it does not affect the existing COPs since they existed prior to the Dissolution Act.

Therefore, to complete the refinancing of the COPs, it is necessary to either first (1) amend the 1999 JPA to add the Glendale Housing Authority as an additional party and remove the Successor Agency or (2) to establish a new joint powers authority between the City and the Housing Authority with the same powers and purpose as the existing Financing Authority – that is, to assist in financing and refinancing City capital improvements. An amendment to the existing 1999 JPA requires action by the Successor Agency, with approval by the Countywide Oversight Board and submission to the Department of Finance (DOF). The 1999 JPA amendment process is a lengthy one due to the inclusion of the County Oversight Board and DOF and might impair the City's ability to refinance before the COPs direct purchase renewal date.

Staff is instead recommending that a new joint exercise of powers agreement (2019 JPA) be executed by the City and the Housing Authority to create the "Glendale Municipal Financing Authority" (GMFA). The form of the 2019 JPA is attached as Exhibit 1. A copy of the 1999 JPA is attached as Exhibit 2. There are not significant changes from the terms of 1999 JPA to the new 2019 JPA except for the parties thereto. The GMFA will continue in the Financing Authority's role to assist with financing and refinancing of City capital improvements.

The City Council will be the members of the Board of Directors of the GMFA. The Mayor and Vice Mayor will act as the Chair and Vice Chair of GMFA and the City Treasurer will act as Treasurer. The City Manager, Finance Director and City Clerk will act as the Executive Director, Chief Financial Officer and Secretary, respectively. By-Laws for the GMFA and a conflict of interest code will be adopted by the GMFA at its first meeting once it is established. The regular meetings of the GMFA will take place on the same dates as the regular City Council meetings.

Once the COPs are refinanced (expected by July 1, 2019), the City Council and the Successor Agency will be presented with resolutions to terminate the Financing Authority, since at that time there will be no debt outstanding to which the Financing Authority is a party, and the entity is no longer needed. This action will be submitted for approval to the Countywide Oversight Board and the Department of Finance, but timing for their respective responses is not critical.

Professional Services Agreements:

In order to issue the GMFA bonds to refinance the COPs, certain professional services are required. The primary services are bond counsel, disclosure counsel and municipal advisor.

Staff is recommending a contract with Jones Hall to provide bond counsel and disclosure counsel services for the bonds. Jones Hall has acted as the City's bond counsel for the original COPs as well as the COPs 2013 conversion to a direct purchase and the 2016 renewal of the direct purchase agreement with Bank of America Merrill Lynch. Jones Hall has also acted as bond counsel and disclosure counsel on the former Redevelopment Agency and Successor Agency tax allocation bonds. The contract amount will not exceed \$77,000. The Jones Hall proposal is attached as Exhibit 3.

The bond counsel services would include drafting all of the basic financing documents, including a Site Lease, Lease Agreement, Assignment Agreement, and a Trust Agreement or Indenture, as well as all documentation required for the approval of the transaction by the City and the GMFA, and all documentation required for the sale of the issue on a competitive basis as well as for the closing of the issue. The services would include rendering a standard bond counsel opinion as to the validity of the proceedings by the City and the GMFA, as well as to the tax exemption of interest on the refunding issue. In their role of disclosure counsel they will review the official statement.

The City engaged Harrell & Company Advisors to prepare the analysis of refinancing options for the COPs and entered into a contract for \$7,500 in February 2019. Staff is recommending an amendment to the contract to include the municipal advisor services necessary to issue the bonds of the GMFA, and an increase in the total contract from \$7,500 to \$76,000. The Harrell & Company Advisors proposal is attached as Exhibit 4.

The additional municipal advisor services include structuring and sizing the Bonds, preparing the Official Statement and working closely with the disclosure counsel to make sure all relevant financial information on the City is included in the Official Statement, reviewing and commenting on all legal documents prepared by bond counsel to ensure conformance with the financing structure, preparation of the rating agency presentation, and conducting the competitive sale of the Bonds.

FISCAL IMPACT

There is no fiscal impact to formation of the Glendale Municipal Financing Authority.

The costs to issue the GMFA bonds includes fees for bond counsel, disclosure counsel, municipal advisor, S&P rating agency, trustee, and the cost of the competitive bidding platform, printing and title insurance. These fixed costs are expected to total \$216,000 (including the fees of Jones Hall and Harrell & Company). There will be additional underwriting fees, which will be determined as part of the competitive sale of the bonds, and are expected to be \$150,000. All fees will be paid from bond proceeds. Further details on the costs of issuance and the GMFA bonds will be provided as part of the staff request for approval of the financing documents at a subsequent meeting.

ALTERNATIVES

Alternative 1: The City Council and the Housing Authority accept staff recommendation to approve the resolutions to form the Glendale Municipal Financing Authority and the City Council authorize a professional services agreement with Jones Hall for bond counsel and disclosure counsel services for the refinancing in an amount not-to-exceed \$77,000; and authorize an amendment to the professional services agreement with Harrell & Company Advisors for financial advisor services for the refinancing in a total amount not-to-exceed \$76,000.

Alternative 2: Amend the existing joint exercise of powers agreement to add the Housing Authority as a party, and remove the Glendale Successor Agency as a party, requiring Countywide Oversight Board and Department of Finance approval.

Alternative 3: The City Council and the Glendale Housing Authority may consider any other alternative not proposed by staff.

CAMPAIGN DISCLOSURE

In accordance with the City Campaign Finance Ordinance No. 5744, the following are the names and business addresses of the members of the board of directors, the chairperson, CEO, COO, CFO, Subcontractors and any person or entity with more than 10% interest in Harrell & Company Advisors, LLC and Jones Hall.

Harrell & Company Advisors, LLC					
Full Name	Title	Business Address	City	State	Zip
Suzanne Harrell	Director	333 City Blvd West, Suite 1215	Orange	CA	92868

Jones Hall, A Professional Law Corporation					
Full Name	Title	Business Address	City	State	Zip
Charles F. Adams	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111
Josh Anzel	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111
Steven G. Melikian	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111
David A. Walton	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111
Scott R. Ferguson	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111
Courtney L. Jones	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111
William J. Kadi	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111
David T. Fama	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111
Ronald L. Lee	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111
Christopher K. Lynch	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111
James Wawrzyniak	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111
Juan Galvan	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111
Katie Dobson	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111
Julie Wunderlich	Shareholder	475 Sansome Street, Suite 1700	San Francisco	CA	94111

EXHIBIT

1. Joint Exercise of Powers Agreement Creating the Glendale Municipal Financing Authority
2. 1999 Joint Exercise of Powers Agreement Creating the City of Glendale Financing Authority
3. Jones Hall Fee Proposal for Bond and Disclosure Counsel Services
4. Harrell & Company Advisors Fee Proposal for Municipal Advisor Services

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GLENDALE
AUTHORIZING THE EXECUTION AND DELIVERY OF A JOINT EXERCISE OF
POWERS AGREEMENT WITH THE GLENDALE HOUSING AUTHORITY,
ESTABLISHING THE GLENDALE MUNICIPAL FINANCING AUTHORITY**

WHEREAS, City of Glendale (the "City") and the former Glendale Redevelopment Agency have previously entered into a Joint Exercise of Powers Agreement dated as of December 7, 1999, under which the City of Glendale Financing Authority has been formed as a joint power agency under Article 1 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the "Joint Powers Law"), in connection with the original financing of the Police Services Building and related facilities located at 131 North Isabel Street in the City (the "Police Building Project"); and

WHEREAS, the Successor Agency to the Glendale Redevelopment Agency (the "Successor Agency") has succeeded to the interests of the former Glendale Redevelopment Agency, and as such is currently a member of the City of Glendale Financing Authority; and

WHEREAS, the City wishes to provide for the refunding of the outstanding Variable Rate Demand Certificates of Participation (2000 Police Building Project) (the "2000 COPs") which were originally issued to provide financing for the Police Building Project, and in order to implement such refunding of the 2000 COPs the City requires the assistance of a joint powers agency to serve as counterparty to various leases and other financing documents (the "Refunding Documents"); and

WHEREAS, the Successor Agency may be dissolved prior to final maturity of the bonds or other obligations which are issued to refund the outstanding 2000 COPs, which could cause the City of Glendale Financing Authority to be dissolved during the term of the Refunding Documents; and

WHEREAS, it is therefore desirable to form a new joint powers agency between the City and the Glendale Housing Authority (the "Housing Authority") for the purpose of creating a public agency which has the legal authority to enter into the Refunding Documents and which will be in full force and effect throughout the term of the Refunding Documents; and

WHEREAS, to that end the City wishes at this time to approve the execution and delivery of a Joint Exercise of Powers Agreement between the City and the Housing Authority, establishing the Glendale Municipal Financing Authority as a joint powers authority under the Joint Powers Law.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GLENDALE, CALIFORNIA:

SECTION 1. Establishment of Glendale Municipal Financing Authority. The City Council hereby approves the establishment of the Glendale Municipal Financing Authority (the "Financing Authority") under the Joint Powers Law, pursuant to the Joint Exercise of Powers Agreement between the Housing Authority and the City in the form on file with the City Clerk. The Mayor is hereby authorized and directed to execute, and the City Clerk is hereby authorized

1 A /

and directed to attest to, the final form of the Joint Exercise of Powers Agreement in the name and on behalf of the City.

SECTION 2. Authorization to Make Necessary Filings. The firm of Jones Hall, A Professional Law Corporation, as bond counsel to the City, is hereby authorized and directed to cause to be prepared, executed and filed any and all reports, statements and other documents as may be required in order to implement the establishment of the Financing Authority.

SECTION 3. Effective Date. This Resolution shall take effect immediately upon its passage and adoption.

Adopted this ____ day of April, 2019.

Mayor

ATTEST:

City Clerk

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) SS

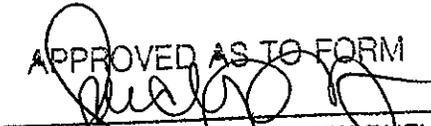
I, ARDASHES KASSAKHIAN, Clerk of the City of Glendale, certify that the foregoing Resolution No. _____ was adopted by the Council of the City of Glendale at a joint special meeting with the Glendale Housing Authority meeting held on the _____ day of _____, 2019, and that same was adopted by the following vote:

Ayes:

Noes:

Absent:

Abstain:

APPROVED AS TO FORM

CHIEF ASSISTANT CITY ATTORNEY
DATED 4/4/2019

City Clerk

RESOLUTION NO. _____

RESOLUTION OF THE GLENDALE HOUSING AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A JOINT EXERCISE OF POWERS AGREEMENT WITH THE CITY OF GLENDALE, ESTABLISHING THE GLENDALE MUNICIPAL FINANCING AUTHORITY

WHEREAS, City of Glendale (the "City") and the former Glendale Redevelopment Agency have previously entered into a Joint Exercise of Powers Agreement dated as of December 7, 1999, under which the City of Glendale Financing Authority has been formed as a joint power agency under Article 1 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the "Joint Powers Law"), in connection with the original financing of the Police Services Building and related facilities located at 131 North Isabel Street in the City (the "Police Building Project"); and

WHEREAS, the Successor Agency to the Glendale Redevelopment Agency (the "Successor Agency") has succeeded to the interests of the former Glendale Redevelopment Agency, and as such is currently a member of the City of Glendale Financing Authority; and

WHEREAS, the City wishes to provide for the refunding of the outstanding Variable Rate Demand Certificates of Participation (2000 Police Building Project) (the "2000 COPs" which were originally issued to provide financing for the Police Building Project, and in order to implement such refunding of the 2000 COPs the City requires the assistance of a joint powers agency to serve as counterparty to various leases and other financing documents (the "Refunding Documents"); and

WHEREAS, the Successor Agency may be dissolved prior to final maturity of the bonds or other obligations which are issued to refund the outstanding 2000 COPs, which could cause the City of Glendale Financing Authority to be dissolved during the term of the Refunding Documents; and

WHEREAS, it is therefore desirable to form a new joint powers agency between the City and the Glendale Housing Authority (the "Housing Authority") for the purpose of creating a public agency which has the legal authority to enter into the Refunding Documents and which will be in full force and effect throughout the term of the Refunding Documents; and

WHEREAS, to that end the Housing Authority wishes at this time to approve the execution and delivery of a Joint Exercise of Powers Agreement between the City and the Housing Authority, establishing the Glendale Municipal Financing Authority as a joint powers authority under the Joint Powers Law.

NOW, THEREFORE, BE IT RESOLVED BY THE GLENDALE HOUSING AUTHORITY OF THE CITY OF GLENDALE, CALIFORNIA:

SECTION 1. Establishment of Glendale Municipal Financing Authority. The Housing Authority hereby approves the establishment of the Glendale Municipal Financing Authority (the "Financing Authority") under the Joint Powers Law, pursuant to the Joint Exercise of Powers Agreement between the Housing Authority and the City in the form on file with the Clerk of the Housing Authority. The Chair is hereby authorized and directed to execute, and the Clerk is hereby authorized and directed to attest to, the final form of the Joint Exercise of Powers Agreement in the name and on behalf of the Housing Authority.

SECTION 2. Authorization to Make Necessary Filings. The firm of Jones Hall, A Professional Law Corporation, as bond counsel to the City, is hereby authorized and directed to cause to be prepared, executed and filed any and all reports, statements and other documents as may be required in order to implement the establishment of the Financing Authority.

SECTION 3. Effective Date. This Resolution shall take effect immediately upon its passage and adoption.

Adopted this ___ day of April, 2019.

Chairperson

ATTEST:

Secretary to the Glendale Housing Authority

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) SS

I, ARDASHES KASSAKHIAN, Secretary to the Housing Authority of the City of Glendale, California, certify that the foregoing Resolution No. _____, was adopted by the Glendale Housing Authority Board, at a joint special meeting with the City Council of the City of Glendale meeting held on the _____ day of _____, 2019, and that same was adopted by the following vote:

Ayes:

Noes:

Absent:

Abstain:

APPROVED AS TO FORM


CHIEF ASSISTANT CITY ATTORNEY
DATED 4/4/19

Secretary, Glendale Housing Authority

MOTION

Moved by Council Member _____, seconded by Council Member _____, that the City Manager, or her designee, is hereby authorized to execute a professional services agreement with Jones Hall, a professional law corporation to serve as bond and disclosure counsel for the refinancing of the City's 2000 Variable Rate Certificates of Participation, as more particularly outlined in the April 9, 2019, staff report of the Interim Director of Finance. Said professional services agreement shall be for a total fee not to exceed \$77,000. The final professional services agreement shall be subject to review and approval as to form by the City Attorney.

Vote as follows:

Ayes:

Noes:

Absent:

Abstain:

City Clerk

APPROVED AS TO FORM

CHIEF ASSISTANT CITY ATTORNEY
DATED 4/4/19

MOTION

Moved by Council Member _____, seconded by Council Member _____, that the City Manager, or her designee, is hereby authorized to execute a professional services agreement with Harrell & Company Advisors for municipal financial advisor services in relation to the refinancing of the City's 2000 Variable Rate Certificates of Participation, as more particularly outlined in the April 9, 2019, staff report of the Interim Director of Finance. Said professional services agreement shall be for a total fee not to exceed \$76,000. The final professional services agreement shall be subject to review and approval as to form by the City Attorney.

Vote as follows:

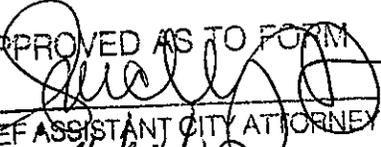
Ayes:

Noes:

Absent:

Abstain:

City Clerk

APPROVED AS TO FORM

CHIEF ASSISTANT CITY ATTORNEY
DATED 4/14/19

JOINT EXERCISE OF POWERS AGREEMENT

This JOINT EXERCISE OF POWERS AGREEMENT (this "Agreement") dated as of April 9, 2019, is between the CITY OF GLENDALE, a charter city and municipal corporation duly organized and existing under the Constitution and laws of the State of California (the "City"), and the GLENDALE HOUSING AUTHORITY, a public body, corporate and politic, duly organized and existing under the laws of the State of California (the "Housing Authority");

WITNESSETH:

WHEREAS, agencies formed under Article 1 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the "Joint Powers Law") are permitted to provide financing for any of their members in connection with the acquisition, construction and improvement of public capital improvements and other programs of such members; and

WHEREAS, the City and the Housing Authority (collectively, the "Members") wish to form an agency under the Joint Powers Law, to be known as the Glendale Municipal Financing Authority (the "Authority"), for the purpose of providing an entity which can provide financial assistance to the City in connection with the refinancing of outstanding obligations of the City incurred in connection with the construction and improvement of a Police Services building located at 131 North Isabel Street in the City (the "Police Services Project"), and which is also authorized to exercise the other powers granted to joint powers agencies generally;

NOW, THEREFORE, in consideration of the above premises and of the mutual promises herein contained, the City and the Housing Authority do hereby agree as follows:

ARTICLE I

GENERAL PROVISIONS

Section 1.01. Purpose. This Agreement is entered into pursuant to the Joint Powers Law. The purpose of this Agreement is to provide assistance to the City and the Housing Authority from time to time in connection with their financing programs, or for any other financing purposes authorized under Article 4 of the Joint Powers Law (commencing with Section 6584) (the "Bond Act"). Without limiting the generality of the foregoing, the City and the Housing Authority acknowledge and agree that the primary purpose for which the Authority has been formed is to facilitate the refunding of the outstanding obligations of the City in respect of the Police Services Project.

Section 1.02. Creation of Authority. Pursuant to the Joint Powers Law, there is hereby created a joint powers agency to be known as the "Glendale Municipal Financing Authority". The Authority shall be a public entity separate and apart from the Members, and shall administer this Agreement. The Authority shall be deemed to be created and to exist as an entity which is authorized to transact business and exercise its powers, upon the adoption by the Housing Authority and the City Council of the City

of their respective resolutions authorizing and directing the execution and delivery of this Agreement.

Within 30 days after the effective date of this Agreement, or any amendment hereto, or within such other time prescribed by applicable law, the Authority will cause a notice of this Agreement or amendment to be prepared and filed with the office of the California Secretary of State in the manner set forth in Section 6503.5 of Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code.

Section 1.03. Board.

(a) Composition of Board. The Authority shall be governed by a Board of Directors (the "Board") consisting of five directors. Each member of the City Council of the City shall be a member of the Board by virtue of being a member of the City Council. All voting power of the Authority shall reside in the Board.

(b) Call, Notice and Conduct of Meetings. All meetings of the Board, including without limitation regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act of the State of California (constituting Chapter 9 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California) (the "Brown Act").

(c) Quorum. A majority of the members of the Board shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time. The affirmative votes of at least a majority of the Board members present at any meeting at which a quorum is present shall be required to take any action by the Board.

(d) Time and Place of Regular Meetings. The Board shall conduct regular meetings on the same date, at the same time and at the same location as the regular meetings of the City Council of the City. Such regular meetings may occur either during or after the regular meetings of the City Council of the City, but may not commence earlier than the starting time for the regular meetings of the City Council of the City. If the Secretary does not post an agenda for a regular meeting pursuant to the Brown Act, then such failure to post shall be deemed to be a determination by the Chair that no items required discussion and, therefore, that the regular meeting has been cancelled, except as otherwise provided in the Brown Act.

Section 1.04. Treasurer. Pursuant to Section 6505.5 of the Joint Powers Law, the person performing the functions as Treasurer of the City is hereby designated as the Treasurer of the Authority and, as such, shall perform the functions of the treasurer of the Authority, as such functions are set forth in Section 6505.5 of the Joint Powers Law. Pursuant to Section 6505.1 of the Joint Powers Law, the Treasurer shall have charge of, handle and have access to all accounts, funds and money of the Authority and all records of the Authority relating thereto. The Treasurer shall have custody of all of the accounts, funds and money of the Authority from whatever source. In the event, but only in the event, that the Treasurer holds moneys for the account of the Authority or the Members, the Treasurer shall verify and report in writing at least quarterly to the Authority and the Members the amount of money so held, the amount of receipts since the last such report, and the amount paid out since the last such report.

Section 1.05. Other Officers of the Authority. In addition to the Treasurer, the officers of the Authority shall consist of a Chairperson, Vice Chairperson, Executive Director, Chief Financial Officer and Secretary, who shall consist of the Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Clerk of the City, respectively. Said officers shall perform such functions as shall be customary in the exercise of such positions, and as may be more specifically provided by the Authority from time to time.

The Chairperson shall sign all contracts on behalf of the Authority, except as may otherwise be provided by resolution of the Board. The Vice Chairperson shall act, sign contracts and perform the duties of the Chairperson in the absence of the Chairperson. The Executive Director shall have charge of the day-to-day administration of the Authority and shall execute the directives of the Board. The Secretary shall have charge of the records of the Authority and shall be responsible for recording the minutes of all meetings of the Board. The City Attorney of the City shall act as general legal counsel to the Authority and shall perform such duties as are customary for general legal counsel to a public agency.

The Chief Financial Officer shall have primary responsibility for the fiscal management of the Authority, other than as may be provided by the Treasurer, and shall act as auditor of the Authority in accordance with Section 6505.5 of the Joint Powers Law. As auditor of the Authority, the Chief Financial Officer shall draw warrants to pay demands against the Authority when the demands have been approved by the Board and shall assure that there is strict accountability of all funds and reporting of all receipts and disbursements of the Authority.

Section 1.06. Bonding of Officers. From time to time, the Board may designate officers of the Authority having charge of, handling or having access to any records, funds or accounts or other assets of the Authority, and the respective amounts of the official bonds of such officers and such other persons pursuant to Section 6505.1 of the Joint Powers Law. In the event that any officer of the Authority is required to be bonded pursuant to this Section, such bond may be maintained as a part of or in conjunction with any other bond maintained on such person by any Member, it being the intent of this Section not to require duplicate or over-lapping bonding requirements from those bonding requirements which are otherwise applicable to the Members.

ARTICLE II

POWERS

Section 2.01. General Powers. The Authority shall exercise the powers granted to it under the Joint Powers Law, including but not limited to the powers set forth in Article 4 of the Joint Powers Law (the "Bond Act") and the powers common to each of the Members, as may be necessary or convenient to the provide financial assistance to the Members, subject to the restrictions set forth in Section 2.02.

Section 2.02. Restrictions on Exercise of Powers. The powers of the Authority shall be exercised in the manner provided in the Joint Powers Law and in the Bond Act, and, except for the exercise of those powers set forth in the Bond Act, shall be

subject (in accordance with Section 6509 of the Joint Powers Law) to the restrictions upon the manner of exercising such powers that are imposed upon the City.

Section 2.03. Non-Liability of Members and Directors For Obligations of Authority. The debts, liabilities and obligations of the Authority shall not be the debts, liabilities and obligations of any of the Members. No member, officer, agent or employee of the Authority shall be individually or personally liable for the payment of the principal of or premium or interest on any obligations of the Authority or be subject to any personal liability or accountability by reason of any obligations of the Authority; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by the instruments authorizing the issuance of any obligations of the Authority.

In addition, no Member shall assume any liability or responsibility for any debts, liabilities or obligations which may be incurred by the other Member in connection with the issuance of bonds or other obligations of the Authority for the benefit of such other Member.

ARTICLE III

CONTRIBUTION; ACCOUNTS AND REPORTS; FUNDS

Section 3.01. Contributions. The Members may, but are not required to (a) make contributions from their treasuries for any of the purposes set forth herein, (b) make payments of public funds to defray the cost of such purposes, (c) make advances of public funds for such purposes, such advances to be repaid as provided herein, or (d) use their personnel, equipment or property in lieu of other contributions or advances. The provisions of Government Code 6513 are hereby incorporated into this Agreement.

Section 3.02. Accounts and Reports. To the extent not covered by the duties assigned to a trustee chosen by the Authority, the Treasurer shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of any trust instrument entered into with respect to the proceeds of any Bonds issued by the Authority. The books and records of the Authority in the hands of a trustee or the Treasurer shall be open to inspection at all reasonable times by representatives of any of the Members. The trustee appointed under any indenture or trust agreement shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of said indenture or trust agreement. Said trustee may be given such duties in said indenture or trust agreement as may be desirable to carry out this Agreement.

Section 3.03. Funds. Subject to the applicable provisions of any instrument or agreement which the Authority may enter into, which may provide for a trustee to receive, have custody of and disburse Authority funds, the Treasurer shall receive, have the custody of and disburse Authority funds as nearly as possible in accordance with generally accepted accounting practices, shall make the disbursements required by this Agreement or to carry out any of the provisions or purposes of this Agreement.

ARTICLE IV

MISCELLANEOUS PROVISIONS

Section 4.01. Term. This Agreement shall become effective, and the Authority shall come into existence, on the date of execution and delivery hereof by the Members, and this Agreement and the Authority shall thereafter continue in full force and effect so long as either (a) any bonds or other obligations remain outstanding or any material contracts to which the Authority is a party remain in effect, or (b) the Authority shall own any interest in any real or personal property.

Section 4.02. Fiscal Year. Unless and until changed by resolution of the Board, the fiscal year of the Public Finance Authority shall be the period from July 1 of each year to and including the following June 30, except for the first fiscal year, which shall be the period from the date of execution of this Agreement to June 30, 2019.

Section 4.03. Disposition of Assets. Upon the termination of this Agreement, all property of the Authority, both real and personal, shall be divided between the Members in such manner as shall be agreed upon by the Members.

Section 4.04. Notices. Notices and other communications hereunder to the Members shall be sufficient if delivered to the clerk or secretary of the governing body of each Member.

Section 4.05. Section Headings. All section headings in this Agreement are for convenience of reference only and are not to be construed as modifying or governing the language in the section referred to or to define or limit the scope of any provision of this Agreement.

Section 4.06. Law Governing. This Agreement is made in the State of California under the Constitution and laws of the State of California, and is to be so construed.

Section 4.07. Amendments. This Agreement may be amended at any time, or from time to time, except as limited by contract with the owners of any bonds issued by the Authority or by applicable regulations or laws of any jurisdiction having authority, by one or more supplemental agreements executed by all of the parties to this Agreement either as required in order to carry out any of the provisions of this Agreement or for any other purpose, including without limitation addition of new parties (including any legal entities or taxing areas heretofore or hereafter created) in pursuance of the purposes of this Agreement.

Section 4.08. Enforcement by Authority. The Authority is hereby authorized to take any or all legal or equitable actions, including but not limited to injunction and specific performance, necessary or permitted by law to enforce this Agreement.

Section 4.09. Severability. Should any part, term or provision of this Agreement be decided by any court of competent jurisdiction to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or

ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

Section 4.10. Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the respective Members. No Member may assign any right or obligation hereunder without the written consent of the other Member.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized and their official seals to be hereto affixed, as of the day and year first above written.

CITY OF GLENDALE

By _____
Mayor

Attest:

City Clerk

GLENDALE HOUSING AUTHORITY

By _____
Chairperson

Attest:

Secretary

Summary of Joint Exercise of Powers Agreement

City of Glendale Police Facility Project

Name of Entity: City of Glendale Financing Authority.

Purpose of Agreement: Provide assistance to the City in connection with the financing of the Police Building Project.

Powers: All powers granted by Joint Powers Law necessary or convenient to the financing of the Police Project.

Composition of Board: 5 members of the City Council

Regular Meeting Date: Third (3rd) Tuesday of June of each year commencing June 20, 2000.

Board Chairperson: Mayor.

Board Vice Chairperson: Mayor pro tem.

Officers:

Executive Director: City Manager. Duties: day to day administration of Authority business.

Treasurer: City Treasurer. Duties: investment of Authority funds.

Chief Financial Officer: City Director of Finance and Administrative Services. Duties: financial management of Authority, other than as provided by Treasurer.

Secretary: City Clerk. Duties: keep Authority records and Board minutes.

Authority Attorney: City Attorney. Duties: general legal counsel to the Authority.

JOINT EXERCISE OF POWERS AGREEMENT

This JOINT EXERCISE OF POWERS AGREEMENT (this "Agreement") dated as of December 7, 1999, is by and between the CITY OF GLENDALE, a charter city and municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "City"), and the GLENDALE REDEVELOPMENT AGENCY, a public body corporate and politic organized and existing under the laws of the State of California (the "Agency");

WITNESSETH:

WHEREAS, agencies formed under Article 1 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the "Joint Powers Law") are permitted to provide financing for any of their members in connection with the acquisition, construction and improvement of public capital improvements and other programs of such members; and

WHEREAS, the City and the Agency (collectively, the "Members") wish to form an agency under the Joint Powers Law, to be known as the City of Glendale Financing Authority (the "Authority"), for the purpose of providing an entity which can provide financial assistance to the City in connection with the construction and improvement of a Police Services building to be located generally at west side of Isabel Street between Wilson and Broadway in the City (the "Police Building Project");

NOW, THEREFORE, in consideration of the above premises and of the mutual promises herein contained, the City and the Agency do hereby agree as follows:

ARTICLE I

GENERAL PROVISIONS

Section 1.01. Purpose. This Agreement is entered into pursuant to the Joint Powers Law. The purpose of this Agreement is to provide assistance to the City in connection with the financing of the Police Building Project.

Section 1.02. Creation of Authority. Pursuant to the Joint Powers Law, there is hereby created a joint powers agency to be known as the "City of Glendale Financing Authority". The Authority shall be a public entity separate and apart from the Members, and shall administer this Agreement. The Authority shall be deemed to be created and to exist as an entity which is authorized to transact business and exercise its powers, upon the adoption by the Agency and the City Council of the City of their respective resolutions authorizing and directing the execution and delivery of this Agreement.

Section 1.03. Board.

(a) Composition of Board. The Authority shall be governed by a Board of Directors (the "Board") consisting of five (5) directors. Each member of the City Council of the City shall be a member of the Board by virtue of being a member of the City Council. All voting power of the Authority shall reside in the Board.

(b) Call, Notice and Conduct of Meetings. All meetings of the Board, including without limitation, regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act of the State of California (constituting Chapter 9 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California).

(c) Quorum. A majority of the members of the Board shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time. The affirmative votes of at least a majority of the Board members present at any meeting at which a quorum is present shall be required to take any action by the Board.

(d) Time and Place of Regular Meetings. The Board shall conduct a regular meeting on the third (3rd) Tuesday of June of each year commencing June 20, 2000, at the hour of 6:00 p.m. in the City Council Chambers, 613 East Broadway, 2nd Floor, Glendale, California. Notwithstanding the foregoing, no such meeting need be held in any year should the Chairperson determine that no business is required to be conducted by the Board at such meeting. The time, date and place established for regular meetings of the Board may be changed from time to time by resolution of the Board or by action of the Board duly recorded in the minutes.

Section 1.04. Treasurer. Pursuant to Section 6505.5 of the Joint Powers Law, the person performing the functions as Treasurer of the City is hereby designated as the Treasurer of the Authority and, as such, shall perform the functions of the treasurer of the Authority, as such functions are set forth in Section 6505.5 of the Joint Powers Law. Pursuant to Section 6505.1 of the Joint Powers Law, the Treasurer shall have charge of, handle and have access to all accounts, funds and money of the Authority and all records of the Authority relating thereto. The Treasurer shall have custody of all of the accounts, funds and money of the Authority from whatever source. In the event, but only in the event, that the Treasurer holds moneys for the account of the Authority or the Members, the Treasurer shall verify and report in writing at least quarterly to the Authority and the Members the amount of money so held, the amount of receipts since the last such report, and the amount paid out since the last such report.

Section 1.05. Other Officers of the Authority. In addition to the Treasurer, the officers of the Authority shall consist of a Chairperson, Vice Chairperson, Executive Director, Chief Financial Officer and Secretary, who shall consist of the Mayor, Mayor pro tem, City Manager, Director of Finance and Administrative Services and City Clerk of the City, respectively. Said officers shall perform such functions as shall be customary in the exercise of such positions, and as may be more specifically provided by the Authority from time to time. The Chairperson shall sign all contracts on behalf of the Authority, except as may otherwise be provided by resolution of the Board. The Vice Chairperson shall act, sign contracts and perform the duties of the Chairperson in the absence of the Chairperson. The Executive Director shall have charge

of the day-to-day administration of the Authority and shall execute the directives of the Board. The Secretary shall have charge of the records of the Authority and shall be responsible for recording the minutes of all meetings of the Board. The City Attorney of the City shall act as general legal counsel to the Authority, and shall perform such duties as are customary for general legal counsel to a public agency.

The Chief Financial Officer shall have primary responsibility for the fiscal management of the Authority, other than as may be provided by the Treasurer, and shall act as auditor of the Authority in accordance with Section 6505.5 of the Joint Powers Law. As auditor of the Authority, the Chief Financial Officer shall draw warrants to pay demands against the Authority when the demands have been approved by the Board and shall assure that there shall be strict accountability of all funds and reporting of all receipts and disbursements of the Authority.

Section 1.06. Bonding of Officers. From time to time, the Board may designate officers of the Authority having charge of, handling or having access to any records, funds or accounts or other assets of the Authority, and the respective amounts of the official bonds of such officers and such other persons pursuant to Section 6505.1 of the Joint Powers Law. In the event that any officer of the Authority is required to be bonded pursuant to this Section 1.06, such bond may be maintained as a part of or in conjunction with any other bond maintained on such person by any Member, it being the intent of this Section 1.06 not to require duplicate or over-lapping bonding requirements from those bonding requirements which are otherwise applicable to the Members.

ARTICLE II

POWERS

Section 2.01. General Powers. The Authority shall exercise the powers granted to it under the Joint Powers Law, including but not limited to the powers set forth in Article 4 of the Joint Powers Law (the "Bond Act") and the powers common to each of the Members, as may be necessary or convenient to the financing of the Police Project, subject to the restrictions set forth in Section 2.02. As provided in the Joint Powers Law, the Authority shall be a public entity separate and apart from the Members.

Section 2.02. Restrictions on Exercise of Powers. The powers of the Authority shall be exercised in the manner provided in the Joint Powers Law and in the Bond Act, and, except for the exercise of those powers set forth in the Bond Act, shall be subject (in accordance with Section 6509 of the Joint Powers Law) to the restrictions upon the manner of exercising such powers that are imposed upon the City.

Section 2.03. Non-Liability of Members and Directors For Obligations of Authority. The debts, liabilities and obligations of the Authority shall not be the debts, liabilities and obligations of any of the Members. No member, officer, agent or employee of the Authority shall be individually or personally liable for the payment of the principal of or premium or interest on any obligations of the Authority or be subject to any personal liability or

accountability by reason of any obligations of the Authority; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by the instruments authorizing the issuance of any obligations of the Authority.

In addition, no Member shall assume any liability or responsibility for any debts, liabilities or obligations which may be incurred by the other Member in connection with the issuance of bonds or other obligations of the Authority for the benefit of such other Member.

ARTICLE III

CONTRIBUTION; ACCOUNTS AND REPORTS; FUNDS

Section 3.01. Contributions. The Members may, but are not required to: (a) make contributions from their treasuries for any of the purposes set forth herein, (b) make payments of public funds to defray the cost of such purposes, (c) make advances of public funds for such purposes, such advances to be repaid as provided herein, or (d) use their personnel, equipment or property in lieu of other contributions or advances. The provisions of Government Code 6513 are hereby incorporated into this Agreement.

Section 3.02. Accounts and Reports. To the extent not covered by the duties assigned to a trustee chosen by the Authority, the Treasurer shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of any trust instrument entered into with respect to the proceeds of any Bonds issued by the Authority. The books and records of the Authority in the hands of a trustee or the Treasurer shall be open to inspection at all reasonable times by representatives of any of the Members. The trustee appointed under any trust agreement shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of said trust agreement. Said trustee may be given such duties in said trust instrument as may be desirable to carry out this Agreement.

Section 3.03. Funds. Subject to the applicable provisions of any instrument or agreement which the Authority may enter into, which may provide for a trustee to receive, have custody of and disburse Authority funds, the Treasurer shall receive, have the custody of and disburse Authority funds as nearly as possible in accordance with generally accepted accounting practices, shall make the disbursements required by this Agreement or to carry out any of the provisions or purposes of this Agreement.

ARTICLE IV

MISCELLANEOUS PROVISIONS

Section 4.01. Term. This Agreement shall become effective, and the Authority shall come into existence, on the date of execution and delivery hereof, and this Agreement and the Authority shall thereafter continue in full force and effect so long as either (a) any bonds or other obligations remain outstanding or any material contracts to which the Authority is a party remain in effect, or (b) the Authority shall own any interest in any real or personal property.

Section 4.02. Disposition of Assets. Upon the termination of this Agreement, all property of the Authority, both real and personal, shall be divided between the Members in such manner as shall be agreed upon by the Members.

Section 4.03. Notices. Notices hereunder shall be in writing and shall be sufficient if delivered to:

City of Glendale
613 East Broadway
Glendale, California 91206-4391
Attention: City Manager

Glendale Redevelopment Agency
633 East Broadway
Glendale, California 91206-4391
Attention: Redevelopment Director

Section 4.04. Section Headings. All section headings in this Agreement are for convenience of reference only and are not to be construed as modifying or governing the language in the section referred to or to define or limit the scope of any provision of this Agreement.

Section 4.05. Law Governing. This Agreement is made in the State of California under the Constitution and laws of the State of California, and is to be so construed.

Section 4.06. Amendments. This Agreement may be amended at any time, or from time to time, except as limited by contract with the owners of any bonds issued by the Authority or by applicable regulations or laws of any jurisdiction having authority, by one or more supplemental agreements executed by all of the parties to this Agreement either as required in order to carry out any of the provisions of this Agreement or for any other purpose, including without limitation addition of new parties (including any legal entities or taxing areas heretofore or hereafter created) in pursuance of the purposes of this Agreement.

Section 4.07. Enforcement by Authority. The Authority is hereby authorized to take any or all legal or equitable actions, including but not limited to injunction and specific performance, necessary or permitted by law to enforce this Agreement.

Section 4.08. Severability. Should any part, term or provision of this Agreement be decided by any court of competent jurisdiction to be illegal or in conflict with any law of the

State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

Section 4.09. Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the respective Members. No Member may assign any right or obligation hereunder without the written consent of the other Member.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized and their official seals to be hereto affixed, as of the day and year first above written.

CITY OF GLENDALE

By *Finger Bromberg*
Mayor

[SEAL]

Attest:

Aileen P. Boyle
City Clerk

GLENDALE REDEVELOPMENT
AGENCY

By *David B. Weiner*
Chairperson

[SEAL]

Attest:

Aileen P. Boyle
Secretary

APPROVED AS TO FORM:
William C. [Signature]
Assistant City Attorney
DATE ... 12/6/99 ...



March 1, 2019

Robert P Elliot
Director of Finance
City of Glendale
633 East Broadway
Glendale, California 91206-4393

475 Sansome Street
Suite 1700
San Francisco, CA 94111
t. 415.391.5780
f. 415.276.2088

Re: Refunding of 2000 Certificates of Participation
Proposal for Bond and Disclosure Counsel Services

Dear Bob:

We are pleased to submit a proposal to work with the City as its bond counsel and disclosure counsel in connection with the refunding or extension of the outstanding Variable Rate Demand Certificates of Participation (2000 Police Building Project) which were originally issued in the aggregate principal amount of \$64,200,000 (the "2000 Certificates").

Background. Our firm (and me in particular) served as bond counsel on the original issuance of the 2000 Certificates and drafted all of the original financing documents, including the Site Lease, Lease Agreement and Trust Agreement. When the liquidity facility for the 2000 Certificates expired in 2013 and the 2000 Certificates were remarketed to Bank of America, we once again served as bond counsel to the City in connection with that transaction. Most recently, we worked as bond counsel in 2016 when the term of the arrangement with Bank of America was extended for an additional three years.

As a result of the 2016 transaction, the additional three-year extension of the 2000 Certificates expires this coming July, at which time the City is planning to either (a) refund the 2000 Certificates in full with a new issue of Refunding Certificates or Refunding Lease Revenue Bonds which are sold through a public offering, or (b) extend the term of the 2000 Certificates with Bank of America or with another institutional lender, similar to the transaction done in 2016. We understand that in either case, the City may elect to utilize available cash to retire up to half of the 2000 Certificates.

Refunding COPs or Bonds. In the event the City elects to refund the 2000 Certificates in whole or in part with a new issue of Refunding COPs or Refunding Lease Revenue Bonds, our services as bond counsel would include drafting all of the basic financing documents, including a Site Lease, Lease Agreement, Assignment Agreement, and a Trust Agreement or Indenture, as well as all documentation required for the approval of the transaction by the City and the Financing Authority, and all documentation required for the sale of the issue either on a competitive basis or a negotiated basis as well as for the closing of the issue. Our services would include rendering a standard bond counsel opinion as to the validity of the proceedings by the City and the Financing Authority, as well as to the tax exemption of interest on the refunding issue.

We understand that a full refunding of the 2000 Certificates would entail an issue size of around \$30 million. For a full refunding of the 2000 Certificates, we propose to charge a flat fee of \$65,000. In the event the City utilizes its available cash resources to reduce the issue size by half, we propose to charge a flat fee of \$50,000. In either case, we would request additional reimbursement for our direct out-of-pocket expenses for any travel expenses, legal publication costs and the costs of preparing closing transcripts, in an amount not to exceed \$2,000.

If the City elects to refund the 2000 COPs in whole or in part, such a financing structure will entail the preparation of an official statement in order to meet federal securities law disclosure requirements, and the City will require the services of disclosure counsel. We understand that in such a case, the official statement will be prepared by the City's municipal advisor and the role of disclosure counsel will be limited to reviewing rather than preparing the document. We would be happy to provide services of disclosure counsel to the City, and propose charging a flat fee of \$10,000 for doing so.

Extension of Existing Financing. In the event the City elects to retain the existing documentation in place for the 2000 Certificates and extend the term of the debt with Bank of America or with another lending institution, our services as bond counsel would include drafting amendments to the existing Lease Agreement and Trust Agreement, all documentation required for the approval of the transaction by the City and the Financing Authority, and all documentation for the closing of the transaction. Our services would include rendering a standard bond counsel opinion as to the validity of the proceedings by the City and the Financing Authority, as well as to the tax exemption of interest on the 2000 Certificates during the extension period.

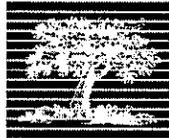
For our legal services as bond counsel on this transaction, we propose to charge a flat fee of \$30,000 no matter what the principal amount of the transaction may be. In addition, we would request additional reimbursement for our direct out-of-pocket expenses for any travel expenses, legal publication costs and the costs of preparing closing transcripts, in an amount not to exceed \$2,000.

Amendment of JPA. No matter what financing structure is chosen by the City, we believe it will be necessary to amend the existing Joint Exercise of Powers Agreement in order to ensure that the Financing Authority survives the dissolution of the Successor Agency. Such a result can most easily be achieved by adding an additional member to the Agreement, such as the Housing Authority. We are happy to provide these legal services at no additional cost.

We appreciate the opportunity to service as bond counsel and disclosure counsel to the City on the proposed financing, and are happy to answer any questions that might arise from this proposal.

Very truly yours,


Charles F. Adams



HARRELL & COMPANY
ADVISORS, LLC

March 1, 2019

Bob Elliot
Director of Finance
City of Glendale
141 N. Glendale Ave., Room 346
Glendale, CA 91206

RE: Proposal to Serve as Municipal Advisor

Dear Bob:

The City has outstanding 2000 Certificates of Participation (COP), currently owned by Bank of America Merrill Lynch (BAML) pursuant to a direct placement last renewed in 2016. The COPs bear interest at a variable rate. You have requested that I submit a proposal to prepare an analysis showing the financial implications of (1) renewing the direct placement, (2) issuing refunding COPs to convert the COPs from variable rate to fixed rate (3) applying certain reserves toward a pay down of approximately half of current principal outstanding and issuing refunding COPs for the balance or (4) paying off the entire obligation. If the City chooses options 1, 2, or 3 and issues bonds or renews the direct placement, you have requested that I also submit a proposal to serve as Municipal Advisor for the bonds. We appreciate the opportunity to submit this proposal and to have the opportunity to continue our relationship with the City.

Our engagement as Municipal Advisor will require us to complete the following:

Phase 1 – Financial Analysis:

- Prepare a report detailing the financial impact of (1) renewing the direct placement, (2) issuing refunding COPs to convert the COPs from variable rate to fixed rate (3) applying certain reserves toward a pay down of approximately half of current principal outstanding and issuing refunding COPs for the balance or (4) paying off the entire obligation.
- Prepare a timeline to complete each option.

Phase 2 – Direct Placement Only:

- Assist in developing an RFP for direct placement that would be effective in July 2019. Review the results of the bids received by the City and assist in making the award to BAML or new bank.
- Develop a schedule of actions to complete the renewal or replacement transaction prior to the current expiration of the BAML commitment in July 2019.
- Review and comment on all legal documents prepared by bond counsel or bank's counsel required for the renewal or replacement.

The City Tower, 333 City Boulevard West, Suite 1215, Orange, California 92868
Tel: 714.939.1464

Phase 2 – Refunding COPs Only:

- Structure and size the Bonds.
- Attend all meetings of the working group and the City Council as required.
- Prepare the Official Statement and work closely with the disclosure counsel to make sure all relevant financial information on the City is included in the official statement.
- Review and comment on all legal documents prepared by the City's bond counsel to ensure conformance with the financing structures.
- Prepare rating agency presentation.
- Prepare Staff for dialogue with ratings analysts.
- Submit documentation and attend meetings with rating as may be required.
- Conduct the competitive sale of the Bonds, and prepare cashflows.
- Review the proposed arrangements for closing of Bonds and delivery of the Bonds, including certificates and representations of other parties to ensure certification of information relied upon in the financing.
- Provide any post-issuance follow up as required.
- Provide any other services reasonably requested and not otherwise set forth above.

Our fixed fee for acting as Municipal Advisor in providing Phase 1 services described above is \$7,500. This fee is non-contingent but can be paid at closing from bond proceeds if the City determines to proceed with issuance of the Bonds and all other Phase 2 services.

Our fixed fee for acting as Municipal Advisor in providing Phase 2 services for a direct purchase renewal is \$12,000 to be paid by the City upon completion of the renewal.

Our fixed fee for acting as Municipal Advisor in providing Refunding COPs Phase 2 services (including preparation of the Official Statement) is:

- \$67,500 for a Bond issue of an approximately \$30 million to refinance the COPs in full as described above; or
- \$47,500 for a Bond issue of an approximately \$16 million to refinance the COPs after a partial pay down as described above.

In general, Harrell & Company would agree to fees payable for Phase 2 services for Refunding COPs to be contingent on the successful sale of bonds and payable from bond proceeds at closing, if the City Attorney and Bond Counsel will allow for that compensation method. If the City's legal counsel or our own legal counsel determines that the financial advisor is an independent contractor subject to California Government Code Section 1090, which may be applied independent contractors "when they have duties to engage in or advise on public contracting that they are expected to carry out on the government's behalf," our fees would not be contingent. Since this is an evolving area of law, we are available to discuss this with City staff and your attorneys whenever you would like and we would try to be as accommodating as is possible within the legal constraints imposed.

In any event, after the commencement of Phase 2 services for a bond issuance, no billing would occur until either the Bonds were sold, or the financing was abandoned. If the financing is abandoned because of a change in market conditions or any other reason, we would anticipate compensation at an hourly rate of \$400 per hour for time incurred, not to exceed \$10,000, due and payable as compensation for the Phase 2 services rendered to that stage in the financing process. In the event such financing is abandoned as described, this portion of the fee is non-contingent.

In addition to such fees, we would expect to be reimbursed for actual out-of-pocket expenses associated with the transaction in an amount not to exceed \$1,000. Reimbursed expenses are expected to include shipping, delivery, printing, photocopying, and teleconferences.

In connection with the services described herein, certain disclosures are required by the Securities and Exchange Commission and the Municipal Securities Rulemaking Board regarding municipal advisors. These disclosures are attached hereto as Exhibit A.

I hope the foregoing is acceptable to the City. Please call if you have any questions or would like to discuss any of the foregoing. I look forward to working with you, the City staff and your financing team.

Very truly yours



Suzanne Q. Harrell

Acknowledged By:

Exhibit A
Municipal Advisor Disclosures

Harrell & Company Advisors, LLC (Harrell & Co.) is registered as a “municipal advisor” pursuant to Section 15B of the Securities Exchange Act (Act) and rules and regulations adopted by the United States Securities and Exchange Commission (“SEC”) and the Municipal Securities Rulemaking Board (“MSRB”). The SEC has approved MSRB Rule G-42 which, among other matters, requires Harrell & Co. to provide the City with information regarding any conflicts of interest that Harrell & Co. may have and with information about where to find Harrell & Co.’s SEC filings on the SEC website.

As a municipal advisor in connection with the issuance of the Bonds, Harrell & Co. will owe a fiduciary duty to the City and will carry out its duties in accordance with such duty. Simply put, this means that Harrell & Co. owes the City both a duty of loyalty and a duty of care and that in performing services that Harrell & Co. may undertake in connection with any bond issue, Harrell & Co. will put the needs of the City ahead of its own. This standard of care is higher than that required of other financial services providers such as underwriters.

The fees to be paid by the City to Harrell & Co. are based on the relative size of the transaction and contingent on the successful closing of the financing. Although this form of compensation may be customary, it presents a conflict because Harrell & Co. may have an incentive to recommend unnecessary financings or financings that are disadvantageous to the City. In addition, if facts or circumstances arise that could cause the financing to be delayed or fail to close, Harrell & Co. may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing. Harrell & Co. manages and mitigates this conflict primarily by adherence to the fiduciary duty which Harrell & Co. owes to municipal entities such as the City which require Harrell & Co. to put the interests of the City ahead of its own.

At the present time, Harrell & Co. has determined, after exercising reasonable diligence, that other than described above, it has no known material conflicts of interest that would impair its ability to provide advice to the City in accordance with its fiduciary duty to municipal entity clients such as the City. To the extent any such material conflicts of interest arise after the date of our engagement, Harrell & Co. will inform the City of such conflicts as described below. This could include the fact that the law firm that the City chooses as its bond counsel may provide independent legal advice to Harrell & Co., unrelated to the financing.

The City may terminate Harrell & Co.’s services at any time upon written notice. Harrell & Co. may withdraw from its representation as Municipal Advisor upon written notice to the City subject to the fiduciary duty described above which may require it to continue to represent the City until an appropriate replacement is identified which will depend on the status of the transaction.

Harrell & Co. is required to disclose to the SEC information regarding criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and

civil litigation involving us. Pursuant to MSRB Rule G-42, Harrell & Co. is required to disclose any legal or disciplinary event that is material to the City's evaluation of Harrell & Co. or the integrity of its management or advisory personnel. As reflected in Harrell & Co.'s filings with the SEC, Harrell & Co. has determined that no such event exists.

Copies of our filings with the United States Securities and Exchange Commission can currently be found by accessing the SEC's EDGAR system Company Search Page which is currently available at <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either "Harrell & Co Advisors" or for our CIK number which is 0001610917.

The Act further prohibits underwriters from switching from a financial advisory role in developing a financing to an underwriting role. Harrell & Co. is not engaged in underwriting.

The MSRB has made available on its website (www.msrb.org) a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the appropriate regulatory authority.