

RESOLUTION NO. 2025-106
RESOLUTION NO. 2025-03 (PPSC-NPC)

A RESOLUTION OF THE CITY OF MARINA CITY COUNCIL AND THE PRESTON PARK SUSTAINABLE COMMUNITY NON-PROFIT CORPORATION BOARD APPROVING AN AGREEMENT WITH FIELDMAN, ROLAPP, & ASSOCIATES, INC. FOR MUNICIPAL ADVISORY SERVICES; APPROVING AN AGREEMENT WITH STRADLING, YOCCA, CARLSON & RAUTH, LLP FOR BOND COUNSEL REPRESENTATION; AMENDING THE FISCAL YEAR 2025-26 PRESTON PARK BUDGET BY APPROPRIATING \$180,000; AUTHORIZING THE FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES; AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE THE AGREEMENTS SUBJECT TO REVIEW AND APPROVAL BY THE CITY ATTORNEY

WHEREAS, the City and the Preston Park Sustainable Community Non-Profit Corporation (“Preston Park”) has an existing \$35,950,000 interest only loan (“Loan”), with the full principal payment due on February 1, 2026;

WHEREAS, the Preston Park fund (“Fund”) has set aside approximately \$13 million that can be applied towards the loan repayment; and

WHEREAS, professional municipal advisory and bond counsel are needed to assist with refinancing the Loan; and

WHEREAS, Fieldman, Rolapp, & Associates, Inc. has provided a fixed fee proposal for municipal advisory services related to the Preston Park refinancing efforts (Exhibit A); and

WHEREAS, Stradling, Yocca, Carlson & Rauth, LLP has provided hourly rates for bond counsel representation in connection with legal services necessary for refinancing the Loan (Exhibit B); and

WHEREAS, both firms have the necessary expertise to assist with refinancing the Preston Park Loan and the City Council and the Preston Park Board desires to retain their services; and

WHEREAS, a budget amendment is needed to appropriate \$180,000 from the unallocated Preston Park Fund balance to support the agreements;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina and the Preston Park Sustainable Communities Non-Profit Corporation Board does hereby:

1. Approve an agreement with Fieldman, Rolapp & Associates, Inc. to provide municipal advisory services related to refinancing the Preston Park Loan; and
2. Approve an agreement with Stradling, Yocca, Carlson & Rauth, LLP for bond counsel services associated with refinancing the Preston Park Loan; and
3. Amend the Fiscal Year 2025-26 Preston Park budget by appropriating \$180,000 to support the municipal advisory and bond counsel agreements; and
4. Authorize the Finance Director to make necessary accounting and budgetary entries, and;

5. Authorize the City Manager to negotiate and execute the aforementioned agreements subject to final review by the City Attorney.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 3rd of September 2025 by the following vote:

AYES, COUNCIL MEMBERS: McAdams, McCarthy, Biala, Delgado, Visscher

NOES, COUNCIL MEMBERS: None

ABSENT, COUNCIL MEMBERS: None

ABSTAIN, COUNCIL MEMBERS: None

Liesbeth Visscher, Mayor Pro Tem

ATTEST:

Anita Sharp, Deputy City Clerk

**PROFESSIONAL SERVICES FOR MUNICIPAL ADVISOR
FIELDMAN, ROLAPP & ASSOCIATES, INC.**

Scope of Services

A. General Services.

The Consultant shall perform all the duties and services described in Section 1 of this Agreement and shall provide such other services as it deems necessary or advisable to accomplish the Project, consistent with the standards and practice of professional municipal advisors prevailing at the time such services are rendered to the City.

The City may, with the concurrence of Consultant, expand this Agreement to include Additional Services not specifically identified within the terms of this Agreement. Any Additional Services may be described in an addendum to this Exhibit A and are subject to compensation described in Exhibit B to this Agreement.

B. Transaction Services.

The Consultant shall assume primary responsibility for assisting the City in coordinating the planning and execution of each debt issue relating to the Project. Insofar as the Consultant is providing Services which are rendered only to the City, the overall coordination of the financing shall be such as to minimize the costs of the transaction coincident with maximizing the City's financing flexibility and capital market access. The Consultant's proposed debt issuance Services may include the following:

- Develop the Financing Schedule
- Monitor the Transaction Process
- Review the Official Statement, both preliminary and final
- Procure and Coordinate Additional Service Providers
- Provide Financial Advice to the City Related to Financing Documents
- Compute Sizing and Design Structure of the Debt Issue
- Plan and Schedule Rating Agency Presentation
- Conduct Credit Enhancement Procurement and Evaluation
- Conduct Market Analysis and Evaluate Timing of Market Entry
- Recommend Award of Debt Issuance
- Provide Pre-Closing and Closing Assistance

Specifically, Consultant will:

1. Develop the Financing Timetable.

The Consultant shall take the lead role in preparing a schedule and detailed description of the interconnected responsibilities of each team member and update this schedule, with refinements, as necessary, as the work progresses.

2. Monitor the Transaction Process.

The Consultant shall have primary responsibility for the successful implementation of the financing strategy and timetable that is adopted for each debt issue relating to the Project. The Consultant shall coordinate (and assist, where appropriate) in the preparation of the legal and disclosure documents and shall monitor the progress of all activities leading to the sale of debt. The Consultant shall prepare the timetables and work schedules necessary to achieve this end in a timely, efficient and cost-effective manner and will coordinate and monitor the activities of all parties engaged in the financing transaction.

3. Review the Official Statement for a Public Sale.

The Consultant shall review the official statement for each debt issue relating to the Project to ensure that the City's official statement is compiled in a manner consistent with industry standards. Consultant does not undertake any responsibility to review disclosure documents on behalf of owners or beneficial owners of bonds or debt which may arise from the Consultant's work hereunder.

4. Procure and Coordinate Additional Service Providers.

The Consultant may act as City's representative in procuring the services of financial printers for the official statement and related documents. In addition, the Consultant may act as the City's representative in procuring the services of trustees, paying agents, fiscal agents, feasibility consultants, redevelopment consultants, or escrow verification agents or other professionals, if the City directs.

5. Provide Financial Advice to the City Relating to Financing Documents.

The Consultant shall assist the managing underwriters, bond counsel and/or other legal advisors in the review of the respective financing resolutions, notices and other legal documents. In this regard, the Consultant shall monitor document preparation for a consistent and accurate presentation of the recommended business terms and financing structure of each debt issue relating to the Project, it being specifically understood however that the Consultant's services shall in no manner be construed as the Consultant engaging in the practice of law.

6. Compute Sizing and Design Structure of Debt Issue.

The Consultant shall work with the City's staff bond counsel and other professionals of the City to design a financing structure for each debt issue relating to the Project that is consistent with the City's objectives, that coordinates each transaction with outstanding issues and that reflects current conditions in the capital markets.

7. Plan and Schedule Rating Agency Presentation for a Public Sale.

The Consultant shall develop a plan for presenting the financing program to the rating agencies. The Consultant shall schedule rating agency visits, if appropriate, to assure the appropriate and most knowledgeable rating agency personnel are available for the presentation and will develop presentation materials and assist the City officials in preparing for the presentations.

8. Conduct Credit Enhancement Evaluation and Procurement.

Upon the City's direction, the Consultant will initiate discussions with bond insurers, letter of credit providers and vendors of other forms of credit enhancements to determine the availability of and cost benefit of securing financing credit support.

9. Conduct Market Analysis and Evaluate Timing of Market Entry.

The Consultant shall provide summaries of current municipal market conditions, trends in the market and how these may favorably or unfavorably affect the City's proposed financing.

a. Competitive Sales (for a Public Sale)

For all types of competitive sale of debt, the Consultant shall undertake such activities as are generally required for sale of securities by competitive bid including, but not limited to the following:

- Review and comment on terms of Notice of Sale Inviting Bids
- Provide advice on debt sale scheduling
- Provide advice on the use of electronic bidding systems
- Contact potential bidders
- Coordinate bid opening with the City officials
- Verify bids received and make recommendations for acceptance
- Provide confirmation of issue sizing, based upon actual bids received, where appropriate
- Coordinate closing arrangements with the successful bidder(s)

b. Negotiated Sales (for a Public Sale)

In the case of a negotiated sale of debt, the Consultant shall perform an evaluation of market conditions preceding the negotiation of the terms of the sale of debt and will assist the City with the negotiation of final issue structure,

interest rates, interest cost, reoffering terms and gross underwriting spread and provide a recommendation on acceptance or rejection of the offer to purchase the debt. This assistance and evaluation will focus on the following areas as determinants of interest cost:

- Size of financing
- Sources and uses of funds
- Terms and maturities of the debt issue
- Review of the rating in pricing of the debt issue
- Investment of debt issue proceeds
- Distribution mix among institutional and retail purchasers
- Interest rate, reoffering terms and underwriting discount with comparable issues
- Redemption provisions

c. Private or Direct Placement

In the case of a private placement or direct placement of debt with a commercial bank or other similar institution, the Consultant will provide assistance and advice to the City in negotiating the terms of the debt, including the size, structure, interest rates, prepayment terms and compensation to lender, if any. The Consultant will provide a recommendation on the acceptance or rejection of the terms of the placement. The Consultant cannot provide a specific list of potential lenders and cannot serve as placement agent for the financing, but can assist the City with implementing a financing with a lender or lenders selected by the City without advice from the Consultant.

10. Recommend Award of Debt Issuance.

Based upon activities outlined in Task 10(a), 10(b) and 10(c) above, the Consultant will recommend accepting or rejecting offers to purchase the debt issue. If the City elects to award the debt issue, the Consultant will instruct all parties and help facilitate the actions required to formally consummate the award.

11. Provide Pre-Closing and Closing Activities.

The Consultant shall assist in arranging for the closing of each financing. The Consultant shall assist counsel in assuming responsibility for such arrangements as they are required, including arranging for or monitoring the progress of bond printing, qualification of issues for book-entry status, signing and final delivery of the securities and settlement of the costs of issuance.

**PROFESSIONAL SERVICES FOR MUNICIPAL ADVISOR
FIELDMAN, ROLAPP & ASSOCIATES, INC.**

Compensation and Expenses

Part 1 Transaction Based Compensation

For Services referenced in Section 1 of this Agreement, including Services performed after the adoption by the City Council, the Consultant will be compensated a fee of forty-five thousand dollars (\$45,000) for a Private Placement and sixty thousand dollars (\$60,000) for a Public Sale.

The fees listed above shall increase each January 1st beginning January 1, 2026 by three percent (3.00%).

Payment of compensation earned by Consultant pursuant to this Part 1 shall be contingent on, and payable at the closing of the debt issue(s) undertaken to finance the Project.

Part 2 Hourly Compensation

For Services and Additional Services referenced in Section 1 and Section 2 of this Agreement, including Services performed prior to the adoption by City Council, the Consultant will be compensated at the then current hourly rates. The table below reflects the rates in effect as of the date of execution of this Agreement.

<u>Personnel</u>	<u>Hourly Rate</u>
Executive Officer.....	\$427.00
Principal	\$417.00
Executive / Senior Vice President	\$406.00
Vice President	\$346.00
Assistant Vice President	\$319.00
Senior Associate	\$287.00
Associate.....	\$254.00
Analyst.....	\$141.00
Administrative Assistant.....	\$103.00

Hourly Compensation will be billed on a monthly basis and are due thirty (30) days from the invoice date. Invoices not paid within sixty (60) days are subject to a two percent (2.00%) late fee for every month payment is late.

Hourly Rates identified above shall increase by the Annual Inflation Adjustment and rounded to the nearest whole number.

Expenses

Expenses will be billed for separately and will cover, among other things, travel, lodging, subsistence, overnight courier, conference calls, and computer charges. Advances made on behalf of the City for costs of preparing, printing or distributing disclosure materials or related matter whether by postal services or electronic means, may also be billed through to the City upon prior authorization. Additionally, a surcharge of six percent (6.00%) of the compensation amount is added to verifiable out-of-pocket costs for recovery of costs such as telephone, postage, document reproduction and the like.

Limiting Terms and Conditions

The above compensation is based on completion of work orders within six months of the City's authorization to proceed, and assumes that the City will provide all necessary information in a timely manner.

The fee referenced in Part 1 above, presumes attendance at up to 6 meetings in the City's offices or such other location within a 25-mile radius of the City place of business as the City may designate. Preparation for, and attendance at City Council meetings on any basis other than "by appointment" may be charged at our normal hourly rates referenced in Part 2 above.

Abandonment

If, once commenced, the services of the Consultant are terminated prior to completion of our final report for any reason, the Consultant will be compensated for professional services and reimbursed for expenses incurred through the time of receive notification of such termination at the standard hourly rates shown above.

Exhibit B

TERMS OF RETENTION (PRESTON PARK REFINANCING) OF STRADLING YOCCA CARLSON & RAUTH LLP

1. **Master Terms of Retention set forth in Master Engagement Letter.** Except as expressly provided in this letter, the terms of the Master Terms of Retention will apply to the transaction and our Firm's representation contemplated by this letter as if the same were herein set forth at length.

2. **Fees and Costs.** Stradling Yocca Carlson & Rauth LLP (the "Firm") is compensated for its services based primarily on the value of the services and the time spent performing them. Such compensation may include the time spent on client conferences, travel, research, drafting documents, and other activities. The amount of fees charged on a statement is determined by the hours expended by the different attorneys and other professional personnel involved and the applicable rates.

Work in connection with the Preston Park Refinancing will be charged on an hourly rate basis. A schedule of the hourly rates applicable to attorneys expected to work on City matters is attached as Exhibit A. The hourly rates provided in Exhibit A are the discounted rates the Firm charges for public agencies on financing matters. Such rates may change from time-to-time but no increases in excess of 2% per annum shall be implemented without the written consent of the City Manager.

Notwithstanding the foregoing, the Firm will agree to defer payment of fees with respect to the Preston Park Refinancing until the earlier of (a) February 1, 2026, or (b) closing of the Preston Park Refinancing transaction. Further, the Firm would be willing to agree to a flat fee for the Preston Park Refinancing legal services to be provided by the Firm at such point as the financing plan for the Preston Park Refinancing has been determined, including the loan or bond structure, method of sale, required loan or bond documentation, selection of a private placement bank or underwriter, and financing schedule have been determined and initial drafts of loan documents have been prepared.

The firm also charges for various costs such as copying, telephone charges, computerized legal research, word processing and/or other computer time, overtime costs, messenger services, travel, filing fees and other costs. Bills for some costs are passed on directly, such as bills for certified shorthand reporters, technical consultants, and other professional fees.

3. **Client Communication.** You hereby designate Layne Long, City Manager, to act on your behalf for this matter, and you authorize us to communicate with, and receive directions from, that person and any other person that you may designate in the future.

4. **Authority to Sign.** The person signing this letter on behalf of the City represents that he or she has the full right and authority to do so, and to fully commit and bind the City to this engagement letter.

5. **Firm Not Providing Financial Advice.** The Firm is not a registered municipal advisor and does not provide financial advisory services or otherwise provide financial advice to

Firm clients. We understand that your registered municipal advisor, Fieldman, Rolapp & Associates, Inc., will be providing financial advisory services to you with respect to the ongoing CFD matters.

6. **Miscellaneous.** The Master Engagement Letter, as supplemented by this letter, sets forth the entire agreement between you and the Firm, and there is no other or additional understanding between you and the Firm on these subjects. This agreement supersedes any prior agreements or representations, written or oral, between you and the Firm on these subjects. Any modification or amendment to this agreement must be in a writing signed by you and the Firm. This agreement shall be governed by California law without reference to its conflict of law principles. If any provision of this agreement is found to be invalid or unenforceable, that provision shall be deemed modified or removed so that it is valid and enforceable to the fullest extent of the law, and the other provisions of this agreement shall be unimpaired.

7. **Primary Attorneys.** The primary attorneys with responsibility for this representation will be Brian Quint and Vanessa Legbandt. The parties agree that the Firm is being retained based on the unique skill, experience, and expertise of Brian Quint and Vanesa Legbandt and no change will be made in the primary attorneys without the prior, written consent of the City. The Firm will not substitute another primary attorney without the prior, reasonable, approval of the City.

2024 “B” GROUP DISCOUNTED RATES

DEPARTMENT	“B” PARTNERS	2024 “B” RATE
PUBLIC	VANESSA S. LEGBANDT	\$630.00
PUBLIC	BRIAN QUINT	\$690.00
PUBLIC (TAX)	CAROL LEW	\$690.00
PUBLIC	OTHER PARTNERS	\$630.00
DEPARTMENT	“B” ASSOCIATES	2024 “B” RATE
PUBLIC	NICK YEAGER	\$450.00
PUBLIC (TAX)	BRIAN PATTON	\$430.00
PUBLIC	OTHER ASSOCIATES	\$390.00

ALL “B” GROUP PARALEGALS ARE AT \$195.00/HOUR
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August 26, 2025

Item No. **10g(1)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of September 3, 2025

Chair and Board Members of
Preston Park Sustainable Community Non-Profit Corporation

Corporation Board Meeting
of September 3, 2025

**CITY COUNCIL AND THE PRESTON PARK SUSTAINABLE COMMUNITY
NON-PROFIT CORPORATION BOARD CONSIDER ADOPTING
RESOLUTION NO. 2025-, AND RESOLUTION NO. 2025- (PPSC-NPC)
APPROVING AN AGREEMENT WITH FIELDMAN, ROLAPP, &
ASSOCIATES, INC. FOR MUNICIPAL ADVISORY SERVICES IN
CONNECTION WITH REFINANCING OF AN EXISTING LOAN FOR
PRESTON PARK; APPROVE AN AGREEMENT WITH STRADLING, YOCCA,
CARLSON & RAUTH, LLP FOR BOND COUNSEL REPRESENTATION IN
CONNECTION WITH SAME; AMEND THE FISCAL YEAR 2025-26 PRESTON
PARK BUDGET BY APPROPRIATING \$180,000 TO SUPPORT SUCH
SERVICES; AUTHORIZE THE FINANCE DIRECTOR TO MAKE NECESSARY
ACCOUNTING AND BUDGETARY ENTRIES; AND AUTHORIZE THE CITY
MANAGER TO NEGOTIATE AND EXECUTE THE AGREEMENTS SUBJECT
TO REVIEW AND APPROVAL BY THE CITY ATTORNEY**

RECOMMENDATION:

It is recommended that the City Council adopt Resolution No. 2025-, and Resolution No. 2025- (PPSC-NPC):

1. Approving an agreement with Fieldman, Rolapp & Associates, Inc. to provide municipal advisory services related to refinancing the Preston Park Loan; and
2. Approving an agreement with Stradling, Yocca, Carlson & Rauth, LLP for bond counsel services associated with refinancing the Preston Park Loan; and
3. Amending the Fiscal Year 2025-26 Preston Park budget by appropriating \$180,000 to support the municipal advisory and bond counsel agreements; and
4. Authorize the Finance Director to make necessary accounting and budgetary entries; and
5. Authorize the City Manager to negotiate and execute the aforementioned agreements subject to final review by the City Attorney.

BACKGROUND:

On January 7, 2016, the Preston Park Sustainable Community Non-Profit Corporation entered into a loan agreement to finance the acquisition of a leasehold interest in the Preston Park Apartments. The \$35,950,000 full-term, interest only loan was financed at a 4.15% interest rate. The entire principal balance is due on February 1, 2026.

While the City is still in the process of closing the Fiscal Year 2024-25 accounting records, approximately \$13 million has been set aside to apply towards debt service.

To facilitate moving forward with refinancing efforts, the City needs to retain professional municipal advisory and bond counsel services.

ANALYSIS:

Governments typically engage financial specialists to assist in developing a debt issuance strategy, preparing bond or loan documents, and marketing the bonds to investors. Two of the primary professionals that are retained for debt financing activities are a municipal advisor and bond counsel. The municipal advisor assists in determining the best financing structure to meet the City's needs, coordinates timeline with financial professionals, and facilitates the debt issuance through a public sale or a private/direct placement. The bond counsel assures compliance with statutory and procedural requirements, issues legal opinions, serves as disclosure counsel, prepares official statements; and assists in preparing the final closing documents.

The City is recommending entering into an agreement with Fieldman, Rolapp, & Associates, Inc. (Fieldman) for municipal advisory services and Stradling, Yocca, Carlson & Rauth, LLP (Stradling) for bond counsel representation. Fieldman has more than 50 years' experience in providing financial advice and services to public agencies. Their firm is a registered municipal advisor with both the United States Securities and Exchange Commission and the Municipal Securities Rulemaking Board. Stradling is a leading business law firm with a 50-year history and is nationally recognized for public finance representation. Both firms have worked with the City on other matters, as well as the original Preston Park Loan.

While the debt structure is pending, each of the firms have provided the following estimates associated with the debt issuance:

Consulting Firm	Private Placement	Public Sale
Fieldman, Rolapp & Associates, Inc.	\$ 45,000	\$ 60,000
Stradling, Yocca, Carlson, & Rauth LLP	75,000	120,000
Estimated Total	\$120,000	\$180,000

The proposal from Fieldman, Rolapp & Associates, Inc. represents a fixed fee for either a private placement or public sale (**EXHIBIT A**), while the Stradling proposal is initial based on hourly rates (**EXHIBIT B**). The amounts listed in the table for Stradling represent their estimated costs for budgetary purposes. Stradling has indicated in their draft agreement that they will be willing to agree to a flat fee once the financing plan has been determined.

Staff is recommending approval of the two agreements to allow the City to move forward with preparing a debt issuance timeline and begin evaluating debt structures. Approval of these agreements do not commit the City to any specific new debt structure. Additional information on the Preston Park Loan refinancing is planned to be discussed at a Special Council Meeting in September.

FISCAL IMPACT:

An additional appropriation of \$180,000 is needed to provide these services. There are sufficient funds available in the unallocated Preston Park Fund balance to support these two agreements.

CONCLUSION:

Tori Hannah
Director of Finance
City of Marina

REVIEWED/CONCUR:

Layne Long
City Manager
City of Marina