



Monterey County

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Board Report

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Matter Type: WR General Agenda

Accept a request for written consent to Subordination of Pass-through payments relating to Successor Agency to the Gonzales Redevelopment Agency, Gonzales Redevelopment Project, Tax Allocation Refunding Bonds.

RECOMMENDATION:

It is recommended that the Monterey County Water Resources Agency Board of Supervisors: Accept a request for written consent to Subordination of Pass-through payments relating to Successor Agency to the Gonzales Redevelopment Agency, Gonzales Redevelopment Project, Tax Allocation Refunding Bonds.

SUMMARY/DISCUSSION:

The Successor Agency to the Gonzales Redevelopment Agency plans to issue Tax Allocation Refunding Bonds (the "Bonds"), pursuant to the provisions of 34177.5 of the California Health and Safety Code and section 53580 *et seq.* of the California Government Code. This proposed issuance the Bonds is for the purposes of refinancing previously issued and outstanding 2011 bonds (the "Prior Bonds") in order to take advantage of reduced interest rates.

The Successor Agency has provided sufficient evidences of its ability to make pass-through and debt service payments due Monterey County Water Resources Agency under the terms of this Agreement. Monterey County will receive \$7.48.

Approval by the Monterey County Water Resources Agency is requested for a subordination to the Bonds of the amount of tax increment revenues required to be paid by the Successor Agency to the Monterey County Water Resources Agency.

OTHER AGENCY INVOLVEMENT:

Due to the late submission of the report, the CAO Budget and Analysis Division was not provided adequate time to review for potential fiscal, organizational, policy or other implications to the County of Monterey.

FINANCING:

There is no impact in continuing the subordinated arrangement.

Prepared and Approved by:

David E. Chardavoyne, General Manager, (831)755-8906

Attachment:

Letter dated March 16, 2016 from Henry Har - Meyers Nave, A Professional Law Corporation