



Press Release

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Compton City Council Unanimously Supported Assembling Team to Deliver \$45 Million to Reconstruct City Infrastructure That Will Not Increase Taxes for Residents *City Streets and Public Facilities to be Refurbished with New Funding*

Compton, Calif. – Compton Mayor and City Council moved forward with approving a team of professionals to advise on the issuance obligations and reimbursement of a \$45 million municipal fund that will finance the reconstruction of the City’s aging infrastructure without raising taxes for residents at this week’s City Council meeting. The city bond would be restored through a series of revenue sources, including an estimated \$6 million from county and state tax measures such as Measure M, Measure R, Proposition A, Proposition C, SB 1 (RMRA), and the State Gas Tax as well as approximately \$2 million in funding from City of Compton’s Measure P for the 2021 fiscal year.

The professional financial team has been identified as leaders in their respective industry. The following professionals will make-up the finance team:

- Co-bond Counsel (“Bond Counsel”): Butler Snow LLP and Stradling Yocca Carlson & Rauth, P.C.
- Underwriter for the Bonds: Raymond James & Associates, Inc.
- Financial Advisor for the Bonds: Willdan Financial Services
- Issuer for the Bonds: Independent Cities Finance Authority (“ICFA”)
- ICFA Oversight Agent for the Bonds: Wolf & Company Inc.
- Issuer’s Counsel for the Bonds: Best, Best Krieger LLP
- Trustee for the Bonds: U.S. Bank National Association

“The City remains focused on repairing our city streets and improving public spaces in the community and I am confident that the selected team of professionals will help the City reissue the municipal bond effectively and provide clear guidance to keep up with the obligations of the bond,” said City Manager Craig Cornwell. “We were careful to identify and form a team that will serve in the best interest of Compton residents’ and the future of the City’s capital improvements.”

Street infrastructure and street lighting projects would be eligible under the municipal bond. With the funding, the city will be able to address failed streets and make critical improvements to public facilities, including parks in need of repair would be eligible for renovations under the municipal bond, including Burrell MacDonald Center, Compton’s Public Safety Station, Dollarhide Community Center, two fire stations (#2 and #3) including an Emergency Operation Center, City Hall, and others.

“Since the funding would be issued with a municipal bond, Compton residents will not see a new tax or an increase to an existing tax,” continued Cornwell. “Once the Mayor and City Council approve the municipal bond issuance, we can begin completing the process with the issuer to receive the funding needed to alleviate our City’s infrastructure. This proposal is a part of the City’s focus to identify new funding options to continue to provide needed resident services especially as the City is experiencing serious budget constraints due to the COVID-19 pandemic.”

Compton City Council has yet to authorize the issuance of the municipal bond, which would be issued in September 2020. The City is currently facing about \$85 million in infrastructure costs, this includes about \$45.7 in street repair costs and about \$5.2 million in improvements for city facilities. Over the past 10 months, Compton has invested over \$10 million into street infrastructure renovation projects.

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