

ALL ITEMS FOR CONSIDERATION BY THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION ARE AVAILABLE FOR PUBLIC VIEWING IN THE OFFICE OF THE OVERSIGHT BOARD SECRETARY AND THE CENTRAL LIBRARY

Agendas and other writings that will be distributed to the Board Members in connection with a matter subject to discussion or consideration at this meeting and that are not exempt from disclosure under the Public Records Act, Government Code Sections 6253.5, 6254, 6254.3, 6254.7, 6254.15, 6254.16, or 6254.22, are available for inspection following the posting of this agenda in the Oversight Board Secretary's Office, at Commerce City Hall, 2535 Commerce Way, Commerce, California, and the Central Library, 5655 Jillson Street, Commerce, California, or at the time of the meeting at the location indicated below.

**AGENDA FOR THE REGULAR MEETING OF
THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO
THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION
COUNCIL CHAMBERS
CITY HALL, CITY OF COMMERCE
5655 JILLSON STREET, COMMERCE, CALIFORNIA**

WEDNESDAY, JUNE 6, 2012 – 5:00 P.M.

CALL TO ORDER

Chairperson Leon

PLEDGE OF ALLEGIANCE

Board Member Marquez

ROLL CALL

Secretary Olivieri

PUBLIC COMMENT

Citizens wishing to address the Oversight Board on any item on the agenda or on any matter not on the agenda may do so at this time. However, State law (Government Code Section 54950 et seq.) prohibits the Oversight Board from acting upon any item not contained on the agenda posted 72 hours before a regular meeting and 24 hours before a special meeting. Upon request, the Oversight Board may, in its discretion, allow citizen participation on a specific item on the agenda at the time the item is considered by the Oversight Board. Request to address Oversight Board cards are provided by the Secretary. If you wish to address the Oversight Board at this time, please complete a speaker's card and give it to the Secretary prior to commencement of the Oversight Board meeting. Please use the microphone provided, clearly stating your name and

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address for the official record and courteously limiting your remarks to five (5) minutes so others may have the opportunity to speak as well.

To increase the effectiveness of the Public Comment Period, the following rules shall be followed:

No person shall make any remarks which result in disrupting, disturbing or otherwise impeding the meeting.

WRITTEN COMMUNICATIONS – None.

PRESENTATIONS – None.

CONSENT CALENDAR

Items under the Consent Calendar are considered to be routine and may be enacted by one motion. Each item has backup information included with the agenda, and should any Board Member desire to consider any item separately he/she should so indicate to the Chairperson. If the item is desired to be discussed separately, it should be the first item under Scheduled Matters.

1. Approval of Minutes

The Board will consider for approval the minutes of the Special Meeting of Wednesday, May 2, 2012, held at 4:00 p.m. and Adjourned Special Meeting of Wednesday, May 9, 2012, held at 5:00 p.m.

SCHEDULED MATTERS

2. Resolution No. OB 2012-06 – A Resolution of the Oversight Board of the Successor Agency to the Commerce Community Development Commission Approving an Agreement With DMD Appraisals for the Appraisal of Successor Agency-owned Property Located at 4957 Sheila Street and 4800 Washington Boulevard, Commerce, California

Gatwick Group, LLC (“Gatwick”) has had conceptual discussions with the Commerce Community Development Commission (“Commission”)/ Successor Agency staff since early fall of 2011 regarding a retail redevelopment concept involving the entire approximately 13.3 acre site bounded on the north by Washington Boulevard, east by Atlantic Boulevard, south by Sheila Street and west by the I-710 Freeway in the City of Commerce. The site is comprised of the following ownership interests: Gatwick Group, LLC - 7.76 ac.; Klein Trust - .17 ac.; UPRR & AT/SF (BNSF) - 1.50 ac., and Commission/Successor Agency - 3.90 ac. (“Commission Properties”).

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Gatwick had a property appraisal performed (at its expense) of the Commission Properties and has made an offer to purchase said Properties. It was customary for staff to review an appraisal and have a separate appraisal performed by an independent consultant working on behalf of the former Commission.

The Board will consider for approval and adoption proposed Resolution No. OB 2012-06 approving an agreement with DMD Appraisals for the appraisal of Successor Agency-owned property located at 4957 Sheila Street and 4800 Washington Boulevard in the City of Commerce, California.

3. Retention of Oversight Board Legal Counsel

On May 2, 2012, the Oversight Board requested that Successor Agency staff send out a Request for Proposals (“RFP”) to law firms/attorneys that may be interested in providing legal services to the Oversight Board.

The Board will review the four proposals received in response to the RFP and, at its discretion, select one of the law firms/attorneys to provide legal services to the Board, reject all of the proposals and/or provide further direction to staff as deemed appropriate.

4. Review of Future Agenda Items

The Board will review, and provide direction as deemed appropriate with respect to, future agenda items for consideration by the Board.

STAFF REPORTS AND INFORMATION ITEMS

5. Report on Acceptance of Recognized Obligation Payment Schedule (“ROPS”) by Department of Finance

Successor Agency staff will report on the acceptance of the Recognized Obligation Payment Schedules for January-June 2012 and July-December 2012 by the Department of Finance.

CHAIR AND BOARD MEMBER REPORTS AND INFORMATION ITEMS

RECESS TO CLOSED SESSION

6. Pursuant to Government Code §54956.8, the Board will confer with Successor Agency staff, Vilko Domic, Alex Hamilton, John Yonai, Eduardo Olivo and Brad Pierce, serving as its real property negotiators, with respect to real estate negotiations with:

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- A. Gatwick Group, LLC, aka Commerce VRG, LLC, including proposed price and other terms, concerning real property commonly referred to as the Cable property and/or Cable Trust property; real property owned separately by the Union Pacific Railroad, Burlington Northern Santa Fe Railway Company and Anne R. Klein Estate and former Commission-owned real property located at 4957 Sheila Street and on the southeast corner of Washington Boulevard and Hepworth Avenue, APN 5244-033-900 (formerly known as 4800 Washington Boulevard), Commerce, California, with said properties bounded by Washington Boulevard on the north, Sheila Street on the south, Atlantic Boulevard on the east and the I-710 Freeway on the West, and

- B. Mayans Development, Inc., including proposed price and other terms, concerning real property located on Eastern Avenue, commonly known as APN 5241-013-900, APN 5241-013-901, APN 5241-013-902, APN 5241-013-903 and APN 5241-014-900; Greenwood Avenue, commonly known as APN 6357-011-909, APN 6357-011-907 and APN 6357-011-910; Nicola Avenue, commonly known as APN 6351-038-900; Neenah Street, commonly known as APN 6356-015-900; Watcher Street, commonly known as APN 6357-014-900, APN 6257-014-901, APN 6357-014-902 and APN 6357-014-903; Gage Avenue, commonly known as APN 6357-016-900, APN 6357-016-901, APN 6357-016-905 and APN 6357-016-002 and Gage Avenue (privately owned), commonly known as APN 6357-016-003.

ADJOURNMENT

**LARGE PRINTS OF THIS AGENDA ARE AVAILABLE UPON REQUEST
FROM THE OVERSIGHT BOARD SECRETARY'S OFFICE,
MONDAY-FRIDAY, 8:00 A.M. - 6:00 P.M.**

AGENDA REPORT

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION

DATE: June 6, 2012

TO: OVERSIGHT BOARD

FROM: SUCCESSOR AGENCY FINANCE DIRECTOR

SUBJECT: RESOLUTION NO. OB 2012-06 – A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION APPROVING AN AGREEMENT WITH DMD APPRAISALS FOR THE APPRAISAL OF SUCCESSOR AGENCY-OWNED PROPERTY LOCATED AT 4957 SHEILA STREET AND 4800 WASHINGTON BOULEVARD, COMMERCE, CALIFORNIA

RECOMMENDATION

Approve and adopt the Resolution approving an agreement with DMD Appraisals.

BACKGROUND AND OVERVIEW:

Gatwick Group, LLC (“Gatwick”) has had conceptual discussions with the Commerce Community Development Commission (“Commission”)/Successor Agency staff since early last Fall regarding a retail redevelopment concept involving the entire approximately 13.3 acre site bounded on the north by Washington Boulevard, east by Atlantic Boulevard, south by Sheila Street, and on the west by the I-710 Freeway. The approximately 13.3 acre site is comprised of the following ownership interests:

- Gatwick Group, LLC: 7.76 ac.
- Klein Trust: .17 ac.
- UPRR & AT/SF (BNSF): 1.50 ac.
- CDC/Successor Agency: 3.90 ac.

The Successor Agency owned property is comprised of two parcels, one of which is located at 4957 Sheila and is approximately 3.07 acres, and 4800 Washington Boulevard which is approximately .85 acres (the “Commission Properties”).

Gatwick advised Successor Agency staff that it has an interest in acquiring the Commission Properties. On October 18, 2011, the Commission approved a license with Gatwick to allow access to the Commission Properties to conduct geotechnical testing. This was done in conjunction with an overall assessment being conducted by Gatwick to determine the overall site’s suitability for a potential retail development. As part of that feasibility

effort, Gatwick also had a property appraisal performed (at their expense) to include the Commission Properties.

The Successor Agency has received a copy of the property appraisal by Gatwick which was prepared by Frazier Capital Valuation. Based on the appraisal, Gatwick has made an offer to purchase the Commission Properties. It is customary for staff to review the appraisal and have a separate appraisal performed by an independent consultant working on behalf of the City. These tasks involve the work of a fully credentialed appraiser to review the underlying documents and generate a separate appraisal. For the subject site, it is critical that the appraiser have a local working knowledge of the market conditions as well as the unique opportunities and constraints found in the City. Prior experience on properties in the City is a plus.

Given this, staff contacted Mr. Dale Donerkiel, from DMD Appraisals, Inc., to solicit a price proposal for a property appraisal of the Commission Properties. Per Mr. Donerkiel, the costs associated with the preparation of separate appraisals would be \$8,000.00 maximum with the breakdown as follows: \$5,000 for 4957 Sheila Street and \$3,000 for 4800 Washington Boulevard. DMD estimates completion of the appraisals within 2-4 weeks once they are authorized to proceed.

Mr. Donerkiel and DMD Appraisals are familiar with the overall site; they have done prior appraisal work for that site and several parcels in the area over 10 years ago. In addition, DMD has comprehensive experience Commerce spanning over 50 commercial and industrial transactions including appraisal work for The Citadel. They also recently prepared an appraisal for the City-owned property at 4560 Washington Boulevard (Commerce Truck Stop). This appraisal included the complex valuation of an existing 50-year City ground lease as well as a fee simple interest analysis of the market value of the land and improvements.

Pursuant to AB 1 X 26, the matter must also be approved by the Oversight Board to the Successor Agency before the Agreement can become effective.

FISCAL IMPACT:

The cost to complete the appraisals is a maximum of \$8,000.00. Funds for this work were approved on the Recognized Obligation Payment Schedule (“ROPS”) for January 2012 – June 2012 as the line item entitled “Project Area 3-Contract for Consulting Services.” The ROPS was approved by the Oversight Board and subsequently approved by the State Department of Finance.

Respectfully submitted,


Vilko Domic
Successor Agency Finance Director

Approved as to form:


Eduardo Olivo
Successor Agency Legal Counsel

RESOLUTION NO. OB 2012-06

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION APPROVING AN AGREEMENT WITH DMD APPRAISALS FOR THE APPRAISAL OF SUCCESSOR AGENCY-OWNED PROPERTY LOCATED AT 4957 SHEILA STREET AND 4800 WASHINGTON BOULEVARD, COMMERCE, CALIFORNIA

WHEREAS, Gatwick Group, LLC ("Gatwick") had conceptual discussions with the Commerce Community Development Commission ("Commission")/Successor Agency staff since early last Fall regarding a retail redevelopment concept involving the entire approximately 13.3 acre site bounded on the north by Washington Boulevard, east by Atlantic Boulevard, south by Sheila Street, and on the west by the I-710 Freeway; and

WHEREAS, the approximately 13.3 acre site is comprised of the following ownership interests: Gatwick Group, LLC - 7.76 ac.; Klein Trust - .17 ac.; UPRR & AT/SF (BNSF) - 1.50 ac.; and Commission/Successor Agency - 3.90 ac; and

WHEREAS, the Successor Agency-owned property is comprised of two parcels, one of which is located at 4957 Sheila Street and is approximately 3.07 acres, and the other at 4800 Washington Boulevard, which is approximately .85 acres (the "Commission Properties"); and

WHEREAS, Gatwick has advised Successor Agency staff that it has an interest in acquiring the Commission Properties; and

WHEREAS, Gatwick had a property appraisal performed (at their expense) of the Commission Properties and made an offer to purchase the Commission Properties; and

WHEREAS, it was customary for staff to review the appraisal and have a separate appraisal performed by an independent consultant working on behalf of the Commission; and

WHEREAS, staff contacted Mr. Dale Donerkiel, from DMD Appraisals, Inc., to solicit a price proposal for an appraisal of the Commission Properties. Per Mr. Donerkiel, the costs associated with the preparation of separate appraisals would be \$8,000.00 maximum with the breakdown as follows: \$5,000 for 4957 Sheila Street and \$3,000 for 4800 Washington Boulevard. DMD estimates completion of the appraisals within 2-4 weeks once they are authorized to proceed; and

WHEREAS, on June 5, 2012, this matter was approved by the Successor Agency to the Commission. Pursuant to AB 1X 26, the matter must also be approved by the Oversight Board.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Agreement between the Successor Agency to the Commerce Community Development Commission and DMD Appraisals, attached hereto as Exhibit "A", is hereby approved.

Section 2. The Oversight Board Secretary shall certify to the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED this 6th day of June, 2012.

Lilia R. Leon
Oversight Board Chairperson

ATTEST:

Linda Kay Olivieri
Oversight Board Secretary

EXHIBIT "A"

AGREEMENT BETWEEN THE SUCCESSOR AGENCY TO
THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION AND
DMD APPRAISALS

[See following document]

THIS AGREEMENT (the "Agreement") dated as of June 5th, 2012(the "Effective Date") is made by and between DMD Appraisal, Inc. ("Consultant") and the Successor Agency to the Commerce Community Development Commission (the "Successor Agency").

RECITALS

WHEREAS, Consultant represents that it is specially trained, experienced and competent to perform the special services that will be required by this Agreement; and

WHEREAS, Consultant is willing to render such Services, as hereinafter defined, on the terms and conditions below.

AGREEMENT

1. **Scope of Services and Schedule of Performance.**

Consultant shall perform the services (the "Services") set forth in Exhibit "A," which is attached hereto and incorporated herein by this reference, in accordance with the schedule set forth therein.

2. **Term.**

Except as otherwise provided by Section 18 hereof the term of this Agreement shall be for a period commencing on the Effective Date until the completion by Consultant of all the Services, to the satisfaction of the Successor Agency.

3. **Compensation.**

So long as Consultant is discharging its obligations in conformance with the terms of this Agreement, Consultant shall be paid a fee by the Successor Agency in accordance with the fee schedule set forth in Exhibit "A" and with the other terms of this Agreement. The fees payable hereunder shall be subject to any withholding required by law.

Such fees shall be payable following receipt of an itemized invoice for services rendered. Consultant shall send and address its bill for fees, expenses, and costs to the Successor Agency to the attention of the Successor Agency Executive Director. The Successor Agency shall pay the full amount of such invoice; provided, however, that if the Successor Agency or its Executive Director object to any portion of an invoice, the Successor Agency shall notify Consultant of the Successor Agency's objection and the grounds therefore within thirty (30) days of the date of receipt of the invoice; the parties shall immediately make every effort to settle the disputed portion of the invoice.

4. **Financial Records.**

Consultant shall maintain complete and accurate records with respect to fees and costs incurred under this Agreement. All such records shall be maintained on a generally accepted accounting basis and be clearly identified and readily accessible. Consultant shall keep, maintain

and provide free access to such books and records to examine and audit the same, and to make transcripts thereof as necessary, and to allow inspection of all work data, documents, proceedings and activities related to this Agreement for a period of three years from the date of final payments under this Agreement. All accounting records shall readily provide a breakdown of fees and costs charged to this Agreement.

5. Independent Contractor.

Consultant is and shall perform its services under this Agreement as a wholly independent contractor. Consultant shall not act nor be deemed an agent, employee, officer or legal representative of the Successor Agency. Consultant shall not at any time or in any manner represent that it or any of its agents, employees, officers or legal representatives are in any manner agents, employees, officers or legal representatives of the Successor Agency. Consultant has no authority to assume or create any commitment or obligations on behalf of the Successor Agency or bind the Successor Agency in any respect. This Agreement is not intended to and does not create the relationship of partnership, joint venture or association between the Successor Agency and Consultant. None of the foregoing shall affect any privilege or protection against disclosure which applies to the services Consultant undertakes under this Agreement.

6. Consultant to Provide Required Personnel; Subcontracting.

Consultant shall provide and direct the necessary qualified personnel to perform the Services required of, and from, it pursuant to the express and implied terms hereof, with the degree of skill and judgment normally exercised by recognized professional firms performing services of a similar nature at the time the Services are rendered, and to the reasonable satisfaction of the Successor Agency.

Consultant may not have a subcontractor perform any Services except for the subcontractors identified in Exhibit A as such. Such identified subcontractors shall perform only those Services identified in Exhibit A as to be performed by such subcontractor. All labor, materials, fees and costs of such identified subcontractors shall be paid exclusively by Consultant. No subcontractors may be substituted for any of the identified subcontractors except with the prior written approval of the Successor Agency Executive Director.

7. Responsible Principal and Project Manager.

Consultant shall have a Responsible Principal and a Project Manager who shall be principally responsible for Consultant obligations under this Agreement and who shall serve as principal liaison between the Successor Agency and Consultant. Designation of another Responsible Principal or Project Manager by Consultant shall not be made without the prior written consent of the Successor Agency.

8. Successor Agency Liaison.

Consultant shall direct all communications to the Successor Agency Executive Director or his designee. All communications, instructions and directions on the part of the Successor Agency shall be communicated exclusively through the Successor Agency Executive Director or

his designee.

9. Licenses.

Consultant warrants that it and its employees have obtained all valid licenses and/or certifications generally required of professionals providing services such as the Services, by all applicable regulating governmental agencies, and are in good standing with such applicable regulating governmental agencies.

1. Compliance with Laws.

Consultant shall, and shall ensure that its employees and its subcontractors, if any, comply with all applicable City of Commerce, county, state, and federal laws and regulations (including occupational safety and environmental laws and regulations) in performing the Services and shall comply with any directions of governmental agencies and the Successor Agency relating to safety, security, and the like.

11. Warranty and Liability.

Consultant warrants that the Services provided under this Agreement will be performed with the degree of skill and judgment normally exercised by recognized professionals performing services of a similar nature at the time the services were rendered. Consultant shall be liable for injury or loss caused by the negligence of, or breach of this warranty by Consultant, its employees, its subcontractors, if any, and/or its agents hereunder. This warranty survives the completion and/or termination of this Agreement.

12. Indemnification.

Consultant shall indemnify and hold the Successor Agency and their respective officials, officers, agents and employees harmless from and against any and all liabilities, losses, damages, costs and expenses the Successor Agency and their respective officials, officers, agents and employees hereafter may suffer in connection with any claim, action, or right of action (at law or in equity) because of any injury (including death) or damage to person or property proximately caused by any negligent acts, errors, or omissions by Consultant, its employees, its subcontractors or its agents in the performance of the Services hereunder. Consultant shall not be liable to the extent that any liability, loss, damage, cost, and expense is caused solely from an act of negligence or willful misconduct by the Successor Agency or its respective officials, officers, employees or agents. Upon demand, Consultant shall promptly provide a defense to such claims, actions or right of action (at law or equity) and shall promptly pay for all associated and resulting costs, damages, settlements, penalties, judgments, fees and expenses, including attorneys' fees and costs.

13. Ownership of Documents.

All original documents, designs, drawings, methodological explanations, computer programs, reports, notes, data, materials, services and other products prepared in the course of providing the Services (collectively, "Products") shall become the sole property of the Successor

Agency and the Successor Agency shall have authority to publish, disclose, distribute, use, reuse or disposed of the Products in whole or in part, without the permission of Consultant. In the event that this Agreement is terminated by the Successor Agency, Consultant shall provide the Successor Agency with any finished or unfinished Products. No documents, designs, drawings, methodological explanations, computer programs, reports, notes, data, materials, services and other products prepared in whole or in part under this Agreement shall be the subject of an application for copyright or submitted for publication by or on behalf of Consultant. Notwithstanding such ownership, Consultant shall be entitled to make and obtain copies or reproductions of such Products for its own files or internal reference.

14. Data and Services to be Furnished by the Successor Agency.

All information, data, records, reports and maps as are in possession of the Successor Agency, and necessary for the carrying out of this work, shall be made available to Consultant without charge. The Successor Agency shall make available to Consultant, members of the Successor Agency's staff for consultation with Consultant in the performance of this Agreement. The Successor Agency does not warrant that the information data, records, reports and maps heretofore to be provided to Consultant are complete or accurate; Consultant shall satisfy itself as to such accuracy and completeness. The Successor Agency and Consultant agree that the Successor Agency shall have no liability should any of the information, data, records, reports, and maps be inaccurate, incomplete or misleading.

15. Covenant against Contingent Fees.

Consultant warrants that it has not employed or retained any company or person to solicit or secure this Agreement and that it has not paid or agreed to pay any company or person any fee, Successor Agency or percentage from the award or making of this Agreement, except for subcontractors listed in this Agreement. For breach or violation of this warranty, the Successor Agency shall have the right, among other available legal remedies, to terminate this Agreement without liability, or in its discretion, to deduct from the consideration payable to Consultant, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

26. Conflict of Interest.

Consultant covenants that neither it nor any officer or principal of its firm have any interests, nor shall they acquire any interest, directly or indirectly which will conflict in any manner or degree with the performance under this Agreement. Consultant further warrants its compliance with the Political Reform Act (Government Code § 81000, *et seq.*) and all other laws, respecting this Agreement and that no Services shall be performed by either an employee, agent, or a subcontractor of Consultant, who has a conflict relating to the Successor Agency or the performance of Services on behalf of the Successor Agency.

17. Other Agreements.

Consultant warrants that it is not a party to any other existing agreement that would prevent Consultant from entering into this Agreement or that would adversely affect Consultant's

a dispute cannot be settled through direct discussions, the parties agree to settle any disputes involving only monetary amounts less than \$100,000 by binding arbitration pursuant to the rules of the American Arbitration Association by an arbitrator sitting in Los Angeles County.

52. Attorneys' Fees.

In the event an arbitration or a judicial proceeding is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable costs and attorneys' fees incurred in connection therewith.

63. Notices.

Notices provided hereunder shall be delivered by certified First Class U.S. Mail, postage prepaid, or by personal service as required in judicial proceedings, directed to the address provided below:

For the Successor Agency:

Successor Agency to the Commerce Community Development Commission
2535 Commerce Way
Commerce, California 90040
Attn: Successor Agency Executive Director

For Consultant:

DMD Appraisals, Inc.
555 South Brand Boulevard
San Fernando, California 91340
Attn: Dale Donerkiel, President

Notice shall be deemed received three days after its mailing to the above address or upon actual receipt as indicated by return receipt, whichever is earlier. Personal service shall be deemed received the same day personal delivery is effected.

74. Governing Law.

The validity, performance and construction of this Agreement shall be governed by and interpreted in accordance with the laws of the State of California applicable to contracts made to be performed therein. Any litigation commenced by either party to this Agreement shall be venued in Los Angeles County, California.

85. Severability.

Should any part of this Agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this

ability to perform the Services under this Agreement. During the term of this Agreement, Consultant shall not, without Successor Agency's prior written consent, perform services for any person, firm, or corporation other than Successor Agency if such services could lead to a conflict with Consultant's obligations under this Agreement.

18. Termination.

This Agreement may be terminated, prior to the expiration of its term, only in the following manner:

- a. by the written mutual agreement of the parties hereto; or
- b. by the Successor Agency, with or without cause, upon 5 days written notice to Consultant pursuant to Section 23 of this Agreement.

Upon receipt of a notice of termination, Consultant shall immediately cease all work and promptly deliver to the Successor Agency the work product or other results obtained by Consultant up to that time. In the event of termination without cause by the Successor Agency, the Successor Agency shall pay Consultant for work completed prior to the date of such termination (based on the percentage of the overall work satisfactorily completed by Consultant in relation to the work required by the entire Agreement or the hours worked by Consultant, as applicable), provided such work is in a form usable by the Successor Agency.

19. Waiver of Breach.

No waiver of any term, condition or covenant of this Agreement by the Successor Agency shall occur unless signed by the Successor Agency Executive Director and such writing identifies the provision which is waived and the circumstances or period of time for which it is waived. Such waiver shall be for the specified period of time only and shall not apply to any subsequent breach. In addition, such waiver shall not constitute a waiver of any other term, condition or covenant of this Agreement nor shall it eliminate any remedies available to the Successor Agency for any breaches of this Agreement which are not excused by such waiver. A delay in communicating a failure of Consultant to satisfy a term, condition or covenant in no way waives that term or any remedies available for its breach.

30. Assignment.

Neither this Agreement nor any rights or obligations hereunder may be assigned or otherwise transferred by Consultant, nor shall this Agreement inure to the benefit of any trustee in bankruptcy, receiver, or creditor or Consultant, whether by operation of law or otherwise, without the prior written consent of the Successor Agency which may be withheld in its sole discretion. Any attempt to so assign or transfer this Agreement or any rights or obligations hereunder without such consent shall be void and of no effect.

41. Arbitration.

If any dispute arises out of or relates to this Agreement, or the breach thereof, and if such

Agreement, absent the unexercised portion, can be reasonably interpreted to give effect to the intentions of the parties.

26. No Construction of Agreement against any Party.

Each party has cooperated in the drafting and preparation of this Agreement. Hence, in any construction to be made of this Agreement, it shall not be construed against any party on the basis such party drafted this Agreement or any provision thereof.

27. Entire Agreement and Amendments to Agreement.

This Agreement contains the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersedes all previous communications, negotiations, and agreements, whether oral or written, between the parties with respect to such subject matter, and no addition to or modification of this Agreement or waiver of any provisions of this Agreement shall be binding on either party unless made in writing and executed by Consultant and the Successor Agency.

28. No Representations Except as Expressly Stated in this Agreement.

Except as expressly stated in this Agreement, no party, nor its employees, agents or attorneys have made any statement or representation to any other party or its employees, agents or attorneys regarding any fact relied upon in entering into this Agreement, and each party does not rely upon any statement, representation and/or promise of any other party, its respective employees, agents or attorneys in executing this Agreement.

29. Counterpart Signatures.

This Agreement may be executed in one or more counterparts. When this Agreement has been properly signed by an authorized representative of each of the parties hereto, it shall constitute a valid Agreement, though each of the signatories may have executed separate counterparts hereof.

IN WITNESS WHEREOF, the parties hereto have each executed or caused to be executed this Agreement as of the Effective Date.

**SUCCESSOR AGENCY TO THE COMMERCE
COMMUNITY DEVELOPMENT
COMMISSION**

DATED: June 5, 2012

By: _____
Lilia R. Leon, Chairperson

ATTEST:

Linda K. Olivieri, Secretary

DMD APPRAISALS, INC.

DATED: June 5, 2012

By: _____
Dale Donerkiel, President

APPROVED AS TO FORM



By: Eduardo Olivo
Title: Successor Agency Legal Counsel

Exhibit A

DMD APPRAISALS, INC.

555 South Brand Boulevard, San Fernando, CA 91340 Office: (818) 898-2202 Fax: (818) 898-1770 Email: DMDIncorp@aol.com

PROPOSAL

Mr. Alex Hamilton
CITY OF COMMERCE REDEVELOPMENT
2535 Commerce Way
Commerce, CA 90040

Email: alexh@ci.commerce.ca.us

May 30, 2012

RE: PROPOSAL FOR APPRAISAL SERVICES FOR THE PROPERTY(S):

**3.07 ACRES OF LAND; NORTHWEST CORNER OF ATLANTIC BLVD.
AND SHEILA STREET, COMMERCE, CA 90040 APN: 5244-034-900**

AT YOUR REQUEST, I HAVE ESTIMATED THE COSTS TO APPRAISE THE ABOVE MENTIONED PROPERTY TO BE **\$5,000**. THE FEE IS PAYABLE **\$2,500 IN ADVANCE AND THE BALANCE OF \$2,500 AT COMPLETION**, PRIOR TO RELEASE OF APPRAISAL. PLEASE MAKE CHECKS PAYABLE TO DMD APPRAISALS AT 555 SOUTH BRAND BLVD., SAN FERNANDO, CALIFORNIA 91340.

INTERESTS APPRAISED: Fee Simple (Land Only)

PREPARATION TIME: 2-4 weeks; following receipt of Signed Contract and payment

PURPOSE OF APPRAISAL: Long Range Planning

INSTRUCTIONS: WE WILL NEED, IF AVAILABLE: PRELIMINARY TITLE REPORT, COPIES OF ANY OLD APPRAISALS, COPIES OF LEASES, ETC...

FOR YOUR INFORMATION: ALL APPRAISALS ARE PREMISED UPON CERTAIN GENERAL & SPECIFIC ASSUMPTIONS. SO THAT YOU ARE INFORMED AS TO THE ANTICIPATED LIMITING CONDITIONS UPON WHICH WE WILL BASE THIS APPRAISAL, WE HAVE ATTACHED A COPY OF THESE ASSUMPTIONS AND CONDITIONS WHICH ARE TO BE CONSIDERED A PART OF THIS CONTRACT. IF FOR YOUR APPRAISAL THESE REQUIRE AMENDMENT, YOU WILL BE NOTIFIED. AT COMPLETION OF REPORTS, YOU WILL RECEIVE TWO BOUND COPIES MAILED, AND/OR ELECTRONIC COPY.

PLEASE SIGN AND RETURN THE ORIGINAL OF THIS LETTER CONTRACT. THANK YOU FOR CONSIDERING US FOR THIS ASSIGNMENT.

DMD APPRAISALS, INC.

**Dale
Donerkiel**

Digitally signed by Dale Donerkiel
DN: cn=Dale Donerkiel, o,
ou=AG002740,
email=dmdincorp@aol.com, c=US
Date: 2012.05.31 12:59:26 -07'00'

Signature _____
Client/Print _____
Date _____

STATEMENT OF LIMITING CONDITIONS

The following statements, assumptions, and considerations are offered as a basis for this particular appraisal report:

Factual information presented in this report has been furnished by or obtained from sources which were considered reliable. While the data is believed to be correct, it cannot be guaranteed.

It is assumed that the legal description and title are good and marketable for this ownership. No examination of title was made or requested as a part of this appraisal.

No land survey was made by the appraiser. While the dimensions and areas shown and/or referred to herein are assumed to be correct, property boundaries and locations of any improvements as indicated on exhibits in this report are not to be construed as being based upon a survey for which the appraiser is responsible.

Market Value of the property is defined as the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.

Real Property Only: This appraisal is of real property only as determined by the appraiser from a physical inspection of the premises. All personal property, including furnishings not normally considered part of the real property, have not been included.

Use of Report: This report is made for the exclusive use of the client as addressed in the letter of transmittal.

It is respectfully requested that no reproduction of this report or any portion thereof be undertaken without the consent of the appraiser. Possession of this report does not carry the right of publication.

This appraisal has been made in conformity with the **Uniform Standards of Professional Appraisal Practice (USPAP) and Code of Professional Ethics** of The Appraisal Institute, of which we are members.

Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of The Appraisal Institute.

Licenses, Certificate of Occupancy: The property will be appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based, unless otherwise stated.

Liability: The liability of DMD Appraisals, Inc. and the appraiser is responsible for this report is limited to the client only and to the fee actually received by the appraiser. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussion. The appraiser is in no way to be responsible for any costs incurred to discover or correct any deficiencies of any type present in the property; physically, financially and/or legally.

The Appraiser: No one other than the appraiser(s) signing this report has prepared the analyses, conclusions and opinions concerning real estate that are set forth in this appraisal.

The value premises cited are foundational and basic to the values reported herein, and the right is reserved to revise and/or rescind the appraisal opinions in the event the conditions are modified to any extent.

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials, may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

Testimony or attendance in Court is not required by reason of this appraisal with reference to the property in question. If court testimony is required, our fees for preparation and court time are based upon \$250 an hour, minimum 5 hours to be paid in advance. Any added court time over 5 hours will be invoiced at the rate of \$250 an hour and will include driving time to and from court as well as pre-trial preparation time. All fees are due and payable upon presentation of the invoice.

The interest appraised is the Fee Simple Interest. The date of value is the date of inspection.

DMD APPRAISALS, INC.

555 South Brand Boulevard, San Fernando, CA 91340 Office: (818) 898-2202 Fax: (818) 898-1770 Email: DMDIncorp@aol.com

PROPOSAL

Mr. Alex Hamilton
CITY OF COMMERCE REDEVELOPMENT
2535 Commerce Way
Commerce, CA 90040

Email: alexh@ci.commerce.ca.us

May 30, 2012

RE: PROPOSAL FOR APPRAISAL SERVICES FOR THE PROPERTY(S):

SOUTHEAST CORNER OF WASHINGTON BLVD. AND HEPWORTH AVENUE,
COMMERCE, CA 90040 APN: 5244-033-900; 19,824± SQ..FT.

AT YOUR REQUEST, I HAVE ESTIMATED THE COSTS TO APPRAISE THE ABOVE MENTIONED PROPERTY TO BE \$2,000. THE FEE IS PAYABLE \$1,000 IN ADVANCE AND THE BALANCE OF \$1,000 AT COMPLETION, PRIOR TO RELEASE OF APPRAISAL. PLEASE MAKE CHECKS PAYABLE TO DMD APPRAISALS AT 555 SOUTH BRAND BLVD., SAN FERNANDO, CALIFORNIA 91340.

INTERESTS APPRAISED: Fee Simple (Land Only)
PREPARATION TIME: 2-4 weeks; following receipt of Signed Contract and payment
PURPOSE OF APPRAISAL: Long Range Planning

INSTRUCTIONS: WE WILL NEED, IF AVAILABLE: PRELIMINARY TITLE REPORT, COPIES OF ANY OLD APPRAISALS, COPIES OF LEASES, ETC...

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DMD APPRAISALS, INC.

Dale
Donerkie

Digitally signed by Dale
Donerkie
DN: cn=Dale Donerkie,
o, ou=AG002740,
email=dmdincorp@aol.c
om, c=US
Date: 2012.05.31
13:07:52 -07'00'

Signature _____
Client/Print _____
Date _____

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The interest appraised is the Fee Simple Interest. The date of value is the date of inspection.

Co. of A. Inc.

AGENDA REPORT

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION

DATE: June 6, 2012

TO: OVERSIGHT BOARD
FROM: SUCCESSOR AGENCY FINANCE DIRECTOR
SUBJECT: RETENTION OF OVERSIGHT BOARD LEGAL COUNSEL

RECOMMENDATION

The Oversight Board has the discretion to select one of the law firms/attorneys that have responded to the request for proposals or to reject all of the proposals and/or provide further direction to staff as deemed appropriate.

BACKGROUND AND OVERVIEW:

On May 2, 2012, the Oversight Board requested that Successor Agency staff send out a request for proposals to law firms/attorneys that were interested in providing legal services to the Oversight Board. Successor Agency staff identified several qualified attorneys/law firms. A Request for Proposals, a copy of which is attached, was sent to the following attorneys/law firms:

Robin D. Harris – Richards, Watson & Gershon
Alexis Crump – Lewis Brisbois Bisgaard & Smith, LLP
Betsy Martyn – Lewis Brisbois Bisgaard & Smith, LLP
John Cavanaugh – The Cavanaugh Law Group
Joe Montes – Burke, Williams & Sorensen, LLP
Mark J. Huebsch – Stradling Yocca Carlson & Rauth
Dave DeBerry – Woodruff, Spradlin & Smart
Terry Tao – Atkinson, Andelson, Loya, Ruud & Romo
Ruben Duran – Meyers Nave
Jill N. Willis – Best Best & Krieger
Richard D. Jones – Jones & Mayer

The following law firms responded and provided proposals (see attached):

Atkinson, Andelson, Loya, Ruud & Romo: **\$295 per hour (partners); \$240 per hour (senior associates); \$200 per hour (associates); \$125 per hour (paralegals).**

Woodruff, Spradlin & Smart: **\$250 per hour (blended attorney rate); \$145 per hour (paralegals).**

Lewis Brisbois Bisgaard & Smith LLP: **\$225 per hour.**

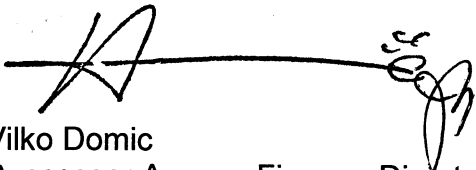
Stradling Yocca Carlson & Rauth: **\$325 per hour (shareholders); \$275 per hour (senior associates); \$250 per hour (associates); \$140 per hour (paralegals).**

It should be noted that the law firm of Atkinson, Andelson, Rudd & Romo are currently retained by the City of Commerce to provide labor law advice. They would therefore appear to have a conflict of interest.

FISCAL IMPACT:

The cost for the services for all of the attorneys will be based on the above-referenced hourly rates. The total cost will depend on the number of service hours required.

Respectfully submitted,



Vilko Domic
Successor Agency Finance Director

Approved as to form,



Eduardo Olivo
Successor Agency Legal Counsel

REQUEST FOR QUALIFICATIONS
FOR LEGAL SERVICES FOR THE OVERSIGHT BOARD OF THE SUCCESSOR
AGENCY TO THE COMMERCE COMMUNITY DEVELOPMENT COMMISSION

Pursuant to AB 1X 26, an Oversight Board was established to oversee the actions of the Successor Agency to the Commerce Community Development Commission. The Oversight Board is seeking the services of an attorney with a law firm or an experienced sole practitioner to serve as Legal Counsel to the Board. The Board's regular meetings are held the first Wednesday of each month at 5:00 p.m. in the Council Chambers at Commerce City Hall, located at 2535 Commerce Way, Commerce, CA 90040.

The term of the engagement would be for fiscal year 2012-2013, but may commence earlier than July 1, 2012, and the contract may be extended from year-to-year until the Oversight Board completes its work and is dissolved or is merged with the other oversight boards in Los Angeles County in 2016 as required under AB 1X 26. Either party may terminate the engagement with 30 days prior written notice.

Interested firms should have some experience advising public bodies on the Ralph M. Brown Act, Political Reform Act and the Public Records Act. It would be desirable if the firm also has experience with public contracting, public finance (bonds), and redevelopment-funded development projects and activities, as well as loans and property dispositions.

The selected Legal Counsel will advise the Oversight Board and be supported by the Successor Agency staff, and will be expected to work closely with legal counsel from the Successor Agency and the various taxing entities with appointments to the Oversight Board or who receive property tax revenues. The Oversight Board members represent the following agencies:

City of Commerce

County of Los Angeles

Montebello Unified School District

Sanitation Districts of Los Angeles County

Los Angeles Community College District

The Legal Counsel must consider all potential conflicts of interest that may arise in connection with its representation of the Oversight Board.

The scope of the services of the Legal Counsel may include, but is not limited to, the following:

- Advise the Oversight Board on legal authority and liability for actions taken in the ordinary course of business.
- Advise the Oversight Board on actions necessary to protect the Board members from personal liability and protect the assets of the dissolved agency from liability and attachment.
- Review and advise the Oversight Board on the recommendations from the Successor Agency regarding contracting issues.
- Review and advise the Oversight Board on recommendations from the Successor Agency on refinancing matters, overseeing completion of redevelopment projects and disposition of property and other assets.
- Provide advice on legislative matters which may affect the Oversight Board (exclusive of lobbying).
- Represent the Oversight Board in connection with any inquiry, investigation, audit or other proceedings of state regulatory agencies.
- Represent the Oversight Board in any litigation brought by or against or otherwise involving the Board, or assist the Board in contracting for specialized litigation counsel and overseeing outside counsel's work.
- Engage in any other legal matter reasonably requested by the Oversight Board.

Experience/Qualifications:

The Legal Counsel must have knowledge and experience in the following areas of law: Ralph M. Brown Act, Political Reform Act, Public Records Act, contracts and bond financing. It will also be beneficial if the firm has experience with real property development and disposition and redevelopment law. Knowledge and experience in the other areas of public law is also desirable.

Submittal Content:

- 1) A one-page cover letter with the name and contact information for the proposed lead attorney.
- 2) Description of the qualifications and experience of the proposed lead attorney and any associates to be assigned to work for the Oversight Board in the areas of law listed above.

3) Three client references.

4) List of current hourly rates for each attorney and support staff proposed to be assigned to work for the Board.

Interested firms may submit proposals by 5:00 p.m. on Wednesday, May 30, 2012, via e-mail to lindao@ci.commerce.ca.us with a copy to eolivo@olivo-law.com.

Proposals may also be submitted by delivery to

Linda Kay Olivieri, City Clerk
City of Commerce
2535 Commerce Way
Commerce, CA 90040

The Successor Agency, along with members of the Oversight Board or representatives from the other taxing entities may conduct an initial review and evaluation of all proposals to determine interview candidates. All inquiries should be directed to Linda Olivieri at 323-722-4805, Ext. 2252.

The Oversight Board reserves the right to reject any and all submittals and to waive minor inconsistencies. The cost of preparing responses to this Request for Qualifications shall be borne by the respondents and will not be reimbursed by the Oversight Board.

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW

12800 CENTER COURT DRIVE SOUTH, SUITE 300
CERRITOS, CALIFORNIA 90703-9364
(562) 653-3200 - (714) 826-5480

FAX (562) 653-3333
WWW.AALRR.COM

FRESNO

(559) 225-6700
FAX (559) 225-3416

IRVINE

(949) 453-4260
FAX (949) 453-4262

PLEASANTON

(925) 227-9200
FAX (925) 227-9202

RIVERSIDE

(951) 683-1122
FAX (951) 683-1144

SACRAMENTO

(916) 923-1200
FAX (916) 923-1222

SAN DIEGO

(858) 485-9526
FAX (858) 485-9412

OUR FILE NUMBER:

000845-00000
10411170.1

May 30, 2012

SENT VIA EMAIL LINDAO@CI.COMMERCE.CA.US

Ms. Linda Kay Olivieri, MMC
City Clerk
Secretary of the Successor Agency
Secretary of the Oversight Board
City of Commerce
2535 Commerce Way
Commerce, CA 90040

Re: RFQ, Legal Services

Dear Ms. Olivieri:

Atkinson, Andelson, Loya, Ruud & Romo is very pleased to submit its response to the Oversight Board of the Successor Agency to the Commerce Community Development Commission ("Agency") Request for Qualifications (RFQ) for Legal Services.

The firm believes that it is qualified to provide legal services as provided under the Scope of Services of the Legal Counsel, Page 2 of the proposal.

The following attorney will be the primary contact for the Agency.

Terry T. Tao, Partner
Atkinson, Andelson, Loya, Ruud & Romo
12800 Center Court Dr., Suite 300
Cerritos, CA 90703
(562) 653-3200 • ttao@aalrr.com
Bar Number: 162272

ATKINSON, ANDELSON, LOYA, RUUD & ROMO


May 30, 2012

Page 2

Our firm is committed to providing the highest level of client service and to creating productive partnerships with our clients. We welcome the opportunity to build a relationship with the Oversight Board and work closely with Agency personnel to anticipate legal issues and then devise effective and successful strategies to meet those challenges.

Very truly yours,

ATKINSON, ANDELSON, LOYA, RUUD & ROMO



Terry T. Tao
Partner

TTT/JNG
Enclosure

cc: eolivo@olivo-law.com

**REQUEST FOR QUALIFICATIONS (RFQ)
FOR LEGAL SERVICES FOR THE
OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY TO THE
COMMERCE COMMUNITY
DEVELOPMENT COMMISSION**

PROPOSALS DUE:
Wednesday, May 30, 2012, by 5:00 p.m.



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Response to Legal Services for the Oversight Board of the Successor Agency to the Commerce Community Development Commission

Thank you for asking our firm to submit a proposal to provide legal representation to the Oversight Board of the Successor Agency to the Commerce Community Development Commission. Information provided below highlights general firm capabilities and responds to the specifics of your request. Atkinson, Andelson, Loya, Ruud & Romo recognizes that a primary goal of ABx1 26 is to ensure that contractual obligations are performed and payments are made in a timely manner. Our goal is to help the oversight board avoid surprises when dealing with the disposition of assets and long-term liabilities received from the former development commission, while advising the oversight board to reach their goals and objectives in a timely manner with the intent to maximize value. In addition, our experience and expertise in assisting boards comply with state law, including the Brown Act, Conflict of Interest Laws, and the California Public Records Act Request, will play a vital role in assisting the Board with legal compliance issues.

(A) Firm Organization

Atkinson, Andelson, Loya, Ruud & Romo (AALRR or the firm) is a professional law corporation founded in 1979. With more than 140 attorneys and seven locations in California, we are committed to working and communicating with our clients in a timely and cost-sensitive manner in order to provide solutions to the numerous issues public agencies face. At AALRR, our strength is on your side.

The National Law Journal recently recognized AALRR as one of 20 mid-size law firms for inclusion on their 2011 “Hot List.” “The National Law Journal’s Midsize Hot List includes 20 law firms that have thrived amid the downturn.” (July 11, 2011, “Midsize Hot List, .The National Law Journal) In March 2012, AALRR was ranked 25th in *Los Angeles Business Journal’s* annual ranking of the “100 Largest Law Firms.”

We celebrate diversity and have a longstanding commitment to hiring and keeping professionals who reflect the community and our clients. The 2011 California 50 survey as published in *California Lawyer* magazine was reflective of our increase in partner diversity, twenty-two percent (22%) of AALRR partners are minorities and women.

Over the last three decades, Atkinson, Andelson, Loya, Ruud & Romo has earned a reputation as one of California’s most widely respected law firms. Our uncompromising approach to high quality legal work enables us to provide consistent practical management and organizational solutions.

Headquartered in Cerritos, California, we are easily accessible from any of our seven offices strategically located throughout the state. Our local office in Cerritos is uniquely positioned offering full-service capabilities within minutes of the Agency.

**Cerritos: 12800 Center Court Drive, Suite 300, Cerritos, CA 90703
Phone: (562) 653-3200; Fax: (562) 653-3333**

Pleasanton: 5075 Hopyard Road, Suite 210, Pleasanton, CA 94588
Phone: (925) 227-9200; Fax: (925) 227-9202

Sacramento: 2485 Natomas Park Drive, Suite 240, Sacramento, CA 95833
Phone: (916) 923-1200; Fax: (916) 923-1222

Fresno: 5260 N. Palm Avenue, Suite 300, Fresno, CA 93704
Phone: (559) 225-6700; Fax: (559) 225-3416

Irvine: 20 Pacifica, Suite 400, Irvine, CA 92618
Phone: (949) 453-4260; Fax: (949) 453-4262

Riverside: 3450 Fourteenth Street, Suite 420, Riverside, CA 92501
Phone: (951) 683-1122; Fax: (951) 683-1144

San Diego: 11440 West Bernardo Court, Suite 174, San Diego, CA 92127
Phone: (858) 485-9526; Fax: (858) 485-9412

Our depth allows us to effectively manage your legal needs, and to pair specific attorneys with you based on the expertise of the attorney and your individual preferences. We are invested in Los Angeles County and understand the responsibilities associated with being trusted advisors to the Oversight Board.

Terry T. Tao has full authority to execute any contracts with the Agency and can be reached at the Cerritos number above, or at ttao@aalrr.com. Mr. Tao will be the point person for the Agency and responsible for coordinating all services the Oversight Board receives from AALRR and is committed to creating a seamless client service methodology through his unmatched proactive and responsive approach.

Proposed legal teams are immediately available to the Oversight Board, are licensed to practice law in California and are in good standing with the state bar. Team members have the requisite experience to competently perform the services required under this request. General information is provided below with their individual short biographies attached at the end of this submission.

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Attorney	Bar Number	Areas of Expertise
Terry T. Tao Partner	California State Bar #155637	School and public works, construction law, architectural malpractice, construction contract administration, land use, environmental law, construction litigation, advice and counsel in drafting contracts and agreements
Michael J. Baker Partner	California State Bar #119116	Business and contractual matters, litigation, arbitration, and mediation, construction and design related matters including drafting contracts concerning all project delivery methods as well as drafting building program management and construction management agreements
Hugh W. Lee Partner	California State Bar #194279	School and public works construction law, construction disputes and litigation, labor compliance and enforcement, bidding and bid disputes, architectural malpractice, and construction contract administration, develop and negotiate architect, construction management and consultant agreements, prepare bid documents and general conditions for public works projects
Martin A. Hom Partner	California State Bar #157058	Litigation and trial experience, alternative dispute resolution, employment and administrative law, and labor relations, differing site conditions, changes, terminations for default, and extended performance and various close-out issues.
Scott J. Sachs Senior Associate	California State Bar #213737	Complex litigation, construction law, environmental law and electronic discovery. Land use, underground storage tanks, and review of applications and permits.
Jesus R. Gonzales Senior Associate	California State Bar #221955	Construction law and public law matters, complex construction litigation, drafts licenses, leases, easements and joint use agreements and various land use issues.

General Areas of Experience	
Labor Relations	Collective Bargaining, Grievance Processing, Arbitrations, Mediation, Fact-finding, and Litigation
Personnel Management	Layoffs, Contract Admission, Wage and Hour, Leaves, Workers' Compensation, Unemployment Insurance, Employment Discrimination, Dismissals, and Employee Discipline and Discrimination Complaints
Governance	Board Policy Development, The Brown Act, Board Relations, California Education Code and Title V Interpretation
Facilities	Contracts and Bids - Contract Preparation, Bid Specification, Breach of Contract, Bid Protests, Claims Construction Claims - Construction Defects, Builder Liability, Engineering and Design Failures, Soil Erosion, Stop Notices, bond Claims, Delay Claims Real Property - Developer Fees, CEQA, Eminent Domain, Joint Use Facility Agreements, Leases, Sales & Exchanges, Redevelopment Matters, Environmental Regulation
Real Estate	Purchasing, Selling, Developing, Financing, Leasing, Title and Easement Issues, Low Income Housing, Eminent Domain
Tax	Tax Planning for Businesses and Individuals, Estate Planning, Tax Controversies with IRS, FTB, SBE, EDD, and County Assessor; Executive Compensation and Employee Benefits, ERISA Plans, 1031 Exchanges and Tax Free Reorganizations
Bankruptcy	Asset protection, reorganizations, financial analysis and debt restructuring, fraudulent transfer recovery, litigation, restructuring

(B) Public/Government Contracting

Consultant Agreements

Our firm represents public agencies, community college and school districts in all types of transactions and agreements including: Architect agreements, construction management agreements, inspector agreements, lease and purchase contracts for equipment and supplies, food service contracts, transportation contracts, consultant and professional contracts, energy conservation and management contracts, contracts for information technology hardware and software, as well as all bidding and notice requirements for these transactions.

We review proposed agreements for compliance with legal requirements and provide opinions on whether such agreements protect the client's best interests. In addition, our firm drafts all varieties of agreements and negotiates the terms and conditions on behalf of the client. The goal of our review is to achieve a set of contracts and related documents that are cohesive, consistent and coordinated within each discipline or services provided by the various consultants required to successfully complete a district construction project.

Administration of Construction Contracts

Our agreements outline specific responsibilities and duties based on whether the client requires a construction manager to administer projects utilizing the multiple-prime construction delivery method or to assist the client as an agent to manage a project. By setting forth specific responsibilities, our goal is to minimize conflicts between the owner, architect and contractor. These efforts result in a more efficiently managed project reducing the likelihood of unnecessary costs, claims, and litigation.

The firm recently established an entire building program, from the selection of the program manager to architects and all contractors, on a \$350-400 million, 4-5 year phased building project for Rio Hondo Community College District. This current project is the district's first building program since 1963. In addition, we handled the administration of the construction contracts for Coachella Valley's \$100 million, K-12 education park, Pasadena Community College's \$150 million bond program, San Bernardino Community College's \$190 million bond program, Palm Springs Unified School District's \$200 million bond program, North Orange County Community College's \$239 million bond program, and West Contra Costa Unified School District's \$950 million bond program.

Construction Claims

The firm excels in the area of handling and resolving construction and design claims. Our attorneys are well-regarded for their experience in these areas and have resolved several billion dollars in claims.

Firm attorneys have extensive experience in virtually every type of construction and public works project, including transportation/highway, airports, public hospitals and medical centers, major sports and public assembly venues, correctional facilities, educational facilities, industrial and processing plants, and office/retail buildings. We have specific experience in every stage of the design-bid-build process under Public Contract Code sections 20211 through 20214, from contracting for professional design and engineering services, through the bidding and construction phases. We also have developed outstanding expertise in alternative delivery methods, from design-build contracting, authorized for transit districts under Public Contract Code sections 20209.5 through 20209.14, to contracts for energy conservation projects based on demonstrated energy cost savings pursuant to Government Code sections 4217.10 through 4217.18.

Our attorneys have the ability to handle all aspects of public works projects from conception to completion and they pride themselves in assisting public agencies with proactive planning and management of their projects and capital improvement programs to ensure that they are delivered both on time and within budget. In fact, over the years the firm has represented more than 200 public agencies in construction/facilities work and general business services.

The firm also has attorneys with extensive experience in assisting public agencies, owner/developers and employers to achieve all aspects of labor compliance with the minimum wage, overtime, recordkeeping, apprenticeship, and classification requirements on public works projects subject to Labor Code Sections 1720 et seq. and

the Davis-Bacon Act and related statutes. We conduct preventive audits and render opinions to public agencies, owner/developers and employers relating to compliance with these laws as well as represent employers in investigations conducted by the United States Department of Labor Wage and Hour Division, Housing and Urban Development and California's Division of Labor Standards Enforcement. The firm represents over 100 Labor Compliance Programs in California, providing them with legal assistance and guidance on prevailing wage and apprenticeship issues.

The firm is proactive in educating public agencies and contractors in the nuances of prevailing wages under California and/or federal law. Since the amendment in 2001 of Labor Code Sections 1720 et seq., the definition of "public work" within the meaning of California law has expanded, requiring public agencies to carefully monitor how their projects are structured. We are involved in the preparation of transactional documents, including Disposition and Development Agreements to address any hidden prevailing wage and related issues. Our attorneys develop strong working relationships with in-house counsel and human resources professionals. Through these relationships, we strive to implement liability reduction techniques, provide practical solutions to difficult problems, provide human resource training, and aggressively defend employers in civil and administrative actions.

Our office routinely works with professional consultants and experts with backgrounds in construction, scheduling, engineering, architectural, and/or cost accounting to support us in the evaluation of construction claims and the preparation and presentation of technical data. With the joint efforts of these consultants and the attorneys of the firm, we are capable of assisting our clients with the broad range of issues that arise throughout the planning, design and construction process. Particularly, we have helped clients successfully achieve their public works goals using various alternative delivery methods to achieve integrated project delivery, bringing together every discipline from design through project management to construction in order to deliver large, complex projects as turn-key developments consistent with expectations for time and expense. Our close collaboration with other construction professionals and our deep understanding of integrated project delivery has positioned us to help clients achieve the goals of public-private partnership methods within the constraints of existing law. We have found that both our expertise and reputation has helped us in resolving major disputes in both public and private projects at their earliest possible time with favorable outcomes for our clients.

The firm provides a wide array of business and construction-related services to its public and private clients including:

- Drafting and negotiating contract documents involving a variety of contract delivery methods including traditional design-bid-build, design-build, construction manager agency, construction manager at risk, multi-prime contracts and continuously evolving alternative delivery systems embraced by the industry, such as Integrated Project Delivery.

- Competitive bidding requirements, bid protests, affirmative action issues, subcontractor listing law, contractor licensing, prequalification, contractor responsibility hearings and debarment, subcontractor substitution hearings and other administrative proceedings.
- Building Code review, enforcement and interpretation, ADA public accessibility requirements, challenges and application, and land use and zoning interpretation and local and State agency appeals.
- Project management assistance including contract administration, contract interpretation, notice compliance, handling of change orders, differing site condition claims, schedule monitoring, and project close-out.
- Preparation and/or evaluation of construction for completion issues including delay, disruption and acceleration claims, loss of productivity and cost overruns.
- Contract performance defaults and terminations and related surety takeover issues.
- Both prosecuting and defending federal and state False Claims Act violations.
- Addressing and sometimes litigating latent construction defects, faulty workmanship, corrective work, design errors and omissions, and all aspects of insurance coverage issues.
- All aspects of construction labor law including compliance with prevailing wage and apprenticeship requirements.

(C) Real Property Disposition

The firm represents public agencies with respect to all aspects of property acquisition, disposition, and use. AALRR has sold or exchanged tens of millions of dollars' worth of property on behalf of our public sector clients. Recent sales include projects for Fountain Valley School District, Lowell Joint School District, Alhambra Unified School District, Los Alamitos Unified School District and Santa Ana Unified School District, to name a few. In particular, the firm has followed complicated sale processes and auctions for four (4) different properties (totaling approximately \$100 million) for the Fountain Valley School District.

Available services include regulatory site approval, negotiated acquisitions, sale or lease of surplus property, purchase and escrow agreements, leases and licenses, joint use and occupancy agreements, eminent domain, and civic center agreements. The firm also has extensive experience in environmental and land use matters. Our services in the real property area include both transactional and litigation assistance. Firm attorneys have helped sell and exchange property on behalf of our public agency clients. They have also analyzed and prepared documents related to zoning, land use,

property exchange, sale of partial properties under the Naylor Act, waiver of Education Code provisions and “opting out” of the State funding program. Our tax attorneys assist our public entity clients in tax controversies and regularly advise our clients on tax-deferred transactions, such as 1031 exchanges.

Our eminent domain practice includes advice on the procedural aspects of eminent domain property acquisition, as well as litigation. On the technical side, we prepare, file, and serve summons, complaints, and all related documents. We have obtained and served writs of assistance in order to evict owners from the property. Our counsel services include review of litigation guarantees, acquisition negotiations, and property valuations.

If litigation becomes necessary, we have the team available to handle all phases of litigation from pre-trial through appeal. We are adept at handling all right to take, right to possession, and just compensation challenges. At the conclusion of a matter, we prepare all documents necessary to obtain clear title.

The firm has experience in all facets of state and federal environmental and hazardous substances regulation and provides strategic advice to clients on a broad range of environmental issues, including federal and state Superfund and site remediation matters, brownfields redevelopment, environmental aspects of real estate transactions, compliance and enforcement matters, climate change, environmental disclosure, environmental litigation and alternative dispute resolution.

The firm has extensive experience with hazardous substances regulation, including CERCLA (Superfund) enforcement, asbestos regulation, as well as oversight and enforcement by the California Environmental Protection Agency Department of Toxic Substances Control (“DTSC”).

The firm has negotiated settlements under CERCLA on behalf of multiple clients with the state and federal Environmental Protection Agency concerning improper hazardous waste disposal at the Casmalia Resources and Omega Chemical Corporation Superfund sites. The firm has also assisted several clients with investigation and remediation actions carried out under the direction of DTSC. The firm’s role has included meeting and negotiating with DTSC, participating in both closed and open session governing board meetings for public agency clients, reviewing investigation and cleanup documents, and preparing public notices.

The firm is also active in advising clients on storm water pollution prevention, Clean Water Act compliance, and NPDES permitting associated with construction projects of all types. We have represented multiple clients with issues involving various Regional Water Quality Control Boards. Finally, the firm has experience with Proposition 65 compliance, pipeline risk assessment, and seismic studies. The firm has also represented clients regarding the development, purchase, sale and use of contaminated real property. We have assisted clients working with the California Regional Water Quality Control Board, the California Coastal Commission, the Department of Toxic Substances Control, local fire agencies, and the United States Fire Service. The firm

also represents clients in a variety of federal and state proceedings under RCRA, the Clean Air Act, the Clean Water Act and related state statutes, and advises clients on environmental compliance, liability, risk management and transactional issues. The firm has been responsible for environmental due diligence and contractual allocation of environmental liabilities in numerous transactions involving properties and facilities throughout the United States. Recently, the firm has advised clients on emerging issues relating to greenhouse gas (GHG) management, climate change, sustainable development and environmental disclosure.

The firm has advised numerous public agencies on compliance measures for the California Environmental Quality Act ("CEQA"), including preparation, review, and certification/adoption of environmental impact reports, initial studies, and mitigated negative declarations. We have also counseled clients on effective use of CEQA exemption findings and mitigation measures. CEQA impacts virtually every private and public project in the state. The firm recognizes the unique ability of a CEQA challenge to delay or derail a project, and we place particular emphasis on proactive compliance. We have helped several public entities to defuse potential challenges through public involvement and shrewd planning. Despite our proactive approach, CEQA challenges occur from time-to-time. The firm has experience in both defending and prosecuting CEQA challenges on behalf of public entities.

Although we strive to minimize our clients' exposure to lawsuits, the fact is that litigation is a reality when dealing with real property transactions. Our attorneys represent our clients through all stages of litigation: drafting and filing the initial complaint or responsive pleadings, preparing and responding to discovery, conducting factual investigation, preparing witnesses and defending depositions, retaining and deposing expert witnesses, preparing summary judgment motions, preparing for trial, trying the cases, and dealing with appeals and other post-judgment issues. The firm also has considerable experience in alternative dispute resolution methods, including arbitration and mediation.

Redevelopment Law

The firm has reviewed numerous redevelopment policies to determine compliance with AB1290 requirements for accounting of redevelopment proceeds as well as addressing pass through agreement accounting for pre-AB 1290 arrangements. Recently, the firm appealed a determination by the State Controller that improperly characterized pre-AB 1290 funds as real property taxes and was able to reverse the determination days prior to the Office of Administrative Appeals hearing.

The firm has also addressed use of redevelopment funds and arrangements made for both design and construction of projects that are financed by redevelopment agencies including loans, joint use and license arrangements that are typical with redevelopment agencies.

Recently the firm assisted with the real property interest of ABC Unified School District in this published case.

City of Cerritos v. Cerritos Taxpayers Assn., 183 Cal.App.4th 1417, 108 Cal.Rptr.3d 386 (2010), holding that an agreement between ABC Unified School District and the City of Cerritos for purchase and renovation of properties in exchange for construction of affordable housing was a proper use of Low and Moderate income (LMI) funds under the California Redevelopment Act.

(D) Construction Litigation, Mediation, and Arbitration

Although we strive to minimize our clients' exposure to lawsuits, the fact is that litigation is a reality in public works projects. Our attorneys represent our clients through all stages of litigation: drafting and filing the initial complaint or responsive pleadings; preparing and responding to discovery; conducting factual investigations; preparing witnesses and defending depositions; retaining and deposing expert witnesses; preparing summary judgment motions; preparing for trial; trying the cases, and dealing with appeals and other post-judgment issues. The firm has litigated writ petitions regarding requests to substitute subcontractors under Public Contract Code section 4107 and defended writ actions filed by disappointed bidders.

The firm also has considerable experience in alternative dispute resolution methods, including arbitration and mediation. Our diverse and extensive experience renders the firm uniquely qualified to handle litigation in a variety of areas. Examples of our recent experience in handling litigation/mediation matters on public works projects include the following:

Santa Ana Unified School District

The district hired a program manager to handle all bond and State funded projects, a \$650 million program. A total project sum of the bond funded projects under the program manager contract was approximately \$650 million. The District terminated the program manager and initiated litigation. At the time, the program manager had billed for over \$7 million in unpaid invoices and had incurred at least \$2 million in actual costs. The program manager filed a lawsuit seeking lost profits and compensation of over \$20 million. After over a year of significant litigation, this matter settled for \$600,000, or a sum less than the remaining reimbursable costs owed to the program manager.

Torrance Unified School District

The firm handled litigation arising from a contractor termination due to extensive deficiencies in the work performed by the contractor and its subcontractors on a high school modernization project. The district withheld \$548,000 from the contractor's final payment, and withheld approximately \$500,000 in authorized change orders, and prosecuted a cross-complaint against the contractor's \$2.5 million claim. After completing the first phase of arbitration, the matter settled for approximately \$1.5 million and included the contractor's relinquishment of \$548,000 in retention, relinquishment of \$500,000 in change orders and a payment of an additional \$500,000 to the district. In addition, the contractor provided the district with a letter of apology for distribution to the public and the district's oversight committee. This letter was crucial in the district successfully passing a subsequent school construction bond.

Ontario-Montclair Unified School District

The firm represented the district in two significant delay claim cases which were successfully resolved at minimum expense to the district despite the considerable size and reputation of the contractor bringing the claims.

Duarte Unified School District

The firm represented the district with respect to a dispute with the contractor on the Andres Duarte project. We reduced a \$150,000 construction claim to a final settlement of \$18,474 by capitalizing on a licensure lapse by the contractor one month before the project concluded. We also crafted the settlement to characterize the payment as an executed change order to obtain Office of Public School Construction funding for the settlement sum.

The firm is also successful at handling the following unique construction matters:

Debarment or Responsibility Proceedings

We have handled the debarment of contractors for Riverside Unified School District, San Jacinto Unified School District, and Ventura County Community College District.

Termination of General Contractors

We have terminated contractors for Redondo Beach Unified School District, Torrance Unified School District, Fontana Unified School District, Rialto Unified School District, and Palm Springs Unified School District.

Takeovers of Large Default Projects

In bankruptcy and contractor termination cases, we negotiate with the surety to have them assume control of projects.

We have had much success at arbitration as well. Here is a sample of some of the firm's arbitration experience:

- Successfully winning 18 out of 19 change order claims for a total of \$585,000 on behalf of contractor at arbitration.
- Won \$750,000 for contractor on delay and extra work claims on CalTrans project.
- Acted as lead arbitrator in 30 days of hearings in a claim brought by an electrical subcontractor against the prime contractor on a project for the University of California.

(E) General Business Law

Firm attorneys provide advice and assistance on conflict of interest issues, including violations of Government Code sections 1090 et seq. and 87100 et seq. (Political Reform Act of 1974). They also offer training to all agency office employees, including new and experienced board members, on potential conflicts of interest.

Firm attorneys are familiar with all matters relating to the Brown Act and Public Records issues. For example, under the Brown Act, they have reviewed agendas for compliance with requirements, provided advice about the definition of a meeting, the propriety of closed session discussions, and the obligation to announce certain actions taken in closed sessions. We currently advise our public agency clients on all aspects of municipal law. We also regularly provide legal interpretations and advice concerning board relations issues and policies, including advising and in-servicing boards on the Brown Act.

Our attorneys regularly review changes in public agency and education law, which are shared with board members at regular meetings and through the firm's educational conferences and frequent alerts. In addition, we provide draft policy documents for board review and discussion, as well as legal opinions on board issues.

If requested, our attorneys are available to attend board meetings to advise the Oversight Board in closed session on matters facing the Agency. They are also available to attend any other meetings where their attendance is requested. Prior to such meetings, they are available to review any documents that may be considered at the meeting. Firm attorneys are also available to review and comment on Board policies and administrative regulations to ensure they comply with state and federal law and new legislation and that they are being followed correctly. Additionally, we can prepare new policies and regulations as requested.

Firm attorneys are regularly called upon to advise on requests for information under the California Public Records Act and the Federal Freedom of Information Act, as well as issues specifically concerning privacy rights. They are familiar with the legal requirements and can offer advice tailored to the specific request.

(F) Fees

The law firm's hourly rate for our services is Two Hundred and Ninety-Five Dollars (\$295.00) per hour for partners and senior counsel, Two Hundred and Forty Dollars (\$240.00) per hour for senior associates, Two Hundred Dollars (\$200.00) per hour for associates, and One Hundred and Twenty-Five Dollars (\$125.00) per hour for paralegals.

In order to assist in tracking costs on particular cases or issues, the law firm has created a "point-number" billing system. As a further way of keeping track of ongoing matters, a supervising attorney may provide clients with a monthly status report including a summary of current activities and progress towards resolution. Our billing is done monthly and then submitted to the client. The bill can be separated by department or matter. Our Billing Manager is responsible for managing the firm's billing and ensuring the billing information meets the client's needs. Our firm uses the CMS software program for billing purposes. Hard copies of invoices are sent between the 10th and 15th of every month.

Telephone calls are billed to the client at the actual cost of the call, plus the attorney's time. The law firm bills commuting to appointments for Agency-related matters at the regular hourly rate, one way portal-to-portal.

Additional expenses associated with our proposal for legal services are as follows:

1. Photocopying	\$.20 per page
2. Document production and word processing:	\$40.00 per hour
3. Long distance telephone calls:	At cost
4. Facsimile mail:	\$2.00 per page outgoing & incoming
5. Messenger charges	At cost
6. Overnight mail service	At cost
7. Computerized Legal Research	At cost
8. Lodging	At cost

(G) Other Services

We also believe that public entities must properly and regularly train their management team to effectively address legal issues, limit liability, and reduce unnecessary legal expenses. Therefore, we encourage and offer presentations and other training programs for office management and governing board members. In March of each year, AALRR conducts our Employment Law Conference in Cerritos, California attracting over 700 attendees. We provide numerous Breakfast Briefings, prepare periodic Alerts on current legal issues, conduct webinar training, and have developed training programs to meet the needs of our clients.

(H) References

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tdreyfuss@riohondo.edu

Cathy Bojorquez, Assistant Superintendent of Business Services
 Santa Paula Elementary School District
 607 East Ventura Street
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 (805) 933-8847
cbojorquez@spesd.org

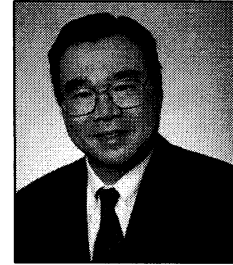
Dr. Gary Smuts, Superintendent
 ABC Unified School District
 16700 Norwalk Boulevard
 Cerritos, CA 90703
 (562) 926-5566
gary.smuts@abcusd.k12.ca.us

(I) **Attorney Bios** – See Pages 15 through 20

TERRY T. TAO

Senior Partner

ttao@aalrr.com



Construction - School/Facilities

Experience

Terry Tao is a senior partner in the Cerritos office of Atkinson, Andelson, Loya, Ruud & Romo. Mr. Tao practices primarily in the areas of school and public works construction law, surety claims and defaults, architectural malpractice, construction contract administration, land use, environmental law, and related matters. He represents numerous public school districts in the State of California, the University of California, Los Angeles World Airports, contractors, subcontractors, architects, engineers, and special districts. He handles construction litigation, advises clients in drafting contracts and agreements.

Mr. Tao has handled and tried numerous facilities. Terry's approach is to look at long term issues and resolve disputes when possible based on the actual issues in question. Since Terry is also an architect, he has the ability to review plans and specifications and apply legal principles to determine the likely result of a particular dispute and to try and guide the dispute as it unfolds. On rare occasions, it is not possible to resolve the dispute and Terry has the experience to take matters to trial or arbitration. Terry's approach is if the other side believes that the ultimate result is a loss at trial, they are more amenable to resolving disputes rather than litigating with the belief that the matter will resolve if the litigation is dragged out longer.

Education

Mr. Tao is a licensed California Architect. He earned his Bachelor of Arts degree in Architecture from the University of California, Berkeley. He earned his Juris Doctor from Loyola Law School.

Admissions

1991, California and U.S. District Court, Central District of California

Memberships

Los Angeles County, Orange County and American Bar Associations; State Bar of California; American Institute of Architects.

Publications and Speaking Engagements

Mr. Tao lectures extensively on all aspects of public contracts, including bidding and bid protests, and is a contributor to various construction-related organization monthly newsletters.

MICHAEL J. BAKER

Partner

mbaker@aalrr.com



Construction - Private

Experience

Michael Baker is a practicing construction lawyer and partner in the firm who specializes in the representation of owners, designers/engineers and general contractors. He has practiced in this area of law for over 20 years. Mr. Baker is defined by his experience in representing public and private owners, design professionals and contractors in business and contractual matters, as well as disputes before trial courts, arbitration panels, and mediators involving in-place construction projects collectively valued in excess of \$25 billion.

Mr. Baker's transactional experience in construction and design-related matters includes drafting contracts on behalf of owners, contractors and design teams, concerning all project delivery methods, as well as drafting for building programs ranging from \$200 million to over \$1 billion. Mr. Baker is a seasoned and experienced trial lawyer having brought to trial for decision or verdict matters in 11 different counties in the state of California, including trials in federal circuit court districts in California.

Mr. Baker has been, and is currently, recognized in Chambers USA, America's Leading Lawyers for Business, in the field of construction law, as well as a California Super Lawyer in the area of construction law. Mr. Baker is also extensively involved in the construction industry outside of his legal capacity as a lawyer. Currently, he is President of the Southern California Chapter of the Construction Management Association of America (CMAA), an 1100+ member chapter whose national membership is 9,000 members made up of public owners, private owners, construction managers, major design and engineering firms, as well as general contractors.

Education

Mr. Baker completed his Bachelors degree in Business Economics in 1981 from DePaul University in Chicago, Illinois, and received his Juris Doctor degree in 1984 from the Pepperdine University School of Law.

Admissions

1984, Illinois; 1985, California

Memberships

State Bar of California, Supreme Court of the United States, California U.S. District Courts, and the 9th Circuit Court of Appeals

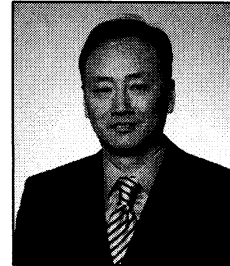
Publications and Speaking Engagements

Mr. Baker is a distinguished author and lecturer in design and construction law. He has published articles locally, nationally, and internationally in multiple trade journals, legal journals and general publications specifically for the design and construction industry. He writes a quarterly legal column for national distribution for design, engineering and construction professionals. Mr. Baker has written over 200 articles on all topics concerning design and construction law.

HUGH W. LEE

Partner

hlee@aalrr.com



Construction - School/Facilities

Experience

Hugh Lee's areas of practice include school and public works construction law, construction disputes and litigation, including handling claims by contractors, subcontractors and sureties against public agencies, labor compliance and enforcement, bidding and bid disputes, architectural malpractice, and construction contract administration. He advises and represents school districts, community college districts, contractors, subcontractors and developers on all construction-related matters.

Mr. Lee also focuses on transactional matters, including developing and negotiating architect, construction management and consultant agreements, and assists clients in preparing bid documents and general conditions for public works projects.

Education

Mr. Lee earned his Bachelor of Design degree from the University of Florida and his Masters Degree in Architecture from University of California at Los Angeles. He earned his Juris Doctor from Southwestern University.

Admission

1998, California

Membership

State Bar of California

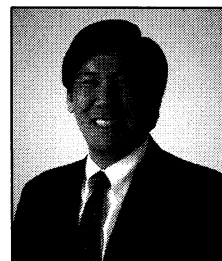
Publications and Speaking Engagements

Mr. Lee contributes to the firm's publications and newsletters and regularly speaks about recent developments in construction and school facilities law.

MARTIN A. HOM

Partner

mhom@aalrr.com



**Education Law
Construction - School/Facilities**

Experience

Martin Hom is a partner in the San Diego office of Atkinson, Andelson, Loya, Ruud & Romo. Mr. Hom has litigation and trial experience in a broad range of contract interpretation issues and disputes, such as delay and inefficiencies, acceleration, differing site conditions, changes, terminations for default, extended performance and home office overhead issues (i.e., Eichleay damages), and various close-out issues. In addition to trial experience, Mr. Hom also has experience in the use of various forms of alternative dispute resolution. Also, he represents California school districts, community college districts, and special districts in employment law, administrative law, and labor relations.

Before joining Atkinson, Andelson, Loya, Ruud & Romo, Mr. Hom was a Senior Assistant General Counsel for the U.S. General Services Administration (GSA) in Washington, DC. He began his career with GSA as a trial attorney and was ultimately promoted to a supervisory position in which he oversaw a group of 10 trial attorneys who litigated GSA's real property contract claims. In addition to supervising the real property litigation group, Mr. Hom also carried his own caseload. In one case, he was the government counsel for the design and construction of the Ronald Reagan Building and International Trade Center in Washington, DC, which was a 3.1 million square foot multi-use project and had an overall budget of \$738,000,000.

Education

Mr. Hom received his Juris Doctor degree from California Western School of Law and his Bachelors of Art from the University of California at Santa Barbara.

Admissions

1991, California; 1993, District Court of Columbia; 1997, Maryland

Memberships

San Diego County Bar Association; State Bar of California

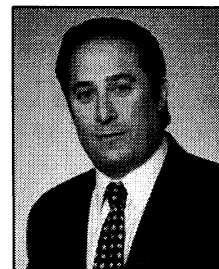
Publications and Speaking Engagements

Mr. Hom is a contributor to the firm's publications.

SCOTT J. SACHS

Senior Associate

ssachs@aalrr.com



Construction – Private and School/Facilities

Experience

Scott Sachs is a senior associate in the Cerritos office of Atkinson, Andelson, Loya, Ruud & Romo. His practice focuses on representing private and governmental entities in complex litigation in the area of construction law with a concentration in environmental law and electronic discovery. He has negotiated with governmental and regulatory agencies regarding land use, underground storage tanks, and review of applications and permits.

Mr. Sachs counsels clients on technology-based effluent limitations, water quality standards, national pollution discharge elimination system (“NPDES”) permits, nonpoint source pollution and total maximum daily loads, discharges of dredged or fill materials, and hazardous substance spills. He assists clients with remediation goals, site clearance, and all other contamination concerns.

Recently, Mr. Sachs assisted a large school district client purchase pollution legal liability insurance, and is currently overseeing hazardous substances compliance on over 90 of its properties. Additionally he reviews reports going to lead agencies, supervises and coordinates consultant work-product, and manages environmental clean-up cases.

Prior to joining AALRR, Mr. Sachs represented the Los Angeles MTA and received a \$5.2 million terminating sanction regarding the construction of the Metro Redline. Additionally, he represented the Port of Long Beach against a prior tenant for their non-compliance with various environmental laws and regulations.

Mr. Sachs has worked with the Los Angeles Regional Water Quality Control Board concerning various regulations and laws regarding NPDES permitting and effluent discharge. He has also presented testimony before the California Coastal Commission concerning land use and discharge to water bodies.

Mr. Sachs is the Chair for the American Bar Association Section of Environment, Energy, and Resource’s (“Section”) Smart Growth and Green Building Committee. He is co-author of the Green Construction Chapter of a forthcoming ALI ABA Green Building book. He was nominated by the Section for the ABA National Outstanding Young Lawyer Award, and is the past Chair of its Public Service Task Force. Mr. Sachs began his legal career as a clerk at the Michigan Department of Environmental Quality and the Michigan Attorney General’s Natural Resources Division.

Education

Mr. Sachs received his Bachelor of Arts degree from San Diego State University, and his Juris Doctor, *cum laude*, from the Thomas M. Cooley Law School in Lansing, Michigan.

Admissions and Memberships

2001, California, State Bar of California, United States District Court, Central District of California

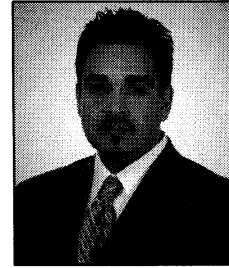
Publications and Speaking Engagements

Mr. Sachs is an active contributor to the firm’s various alerts and publications. He is the author of *Our Nation’s Wetlands...Will They Be ‘Sidecasted’ Away?* NAELS Reporter (2002) and *The Brownfields Stigma and The Move Towards Greener Pastures*, 1 Green Pages 11 (1999).

JESUS R. GONZALES, JR.

Senior Associate

jgonzales@aalrr.com



Construction - School/Facilities

Experience

Jesus Gonzales is a senior associate in the Cerritos office of Atkinson, Andelson, Loya, Ruud & Romo. Mr. Gonzales has substantial experience advising school districts, community colleges, county offices of education, special districts and other public entities on a wide variety of construction and public law matters.

Mr. Gonzales' representation includes the drafting and negotiating of contracts for all facets of construction projects including agreements between owners and design professionals; owners and construction managers; owners and contractors; and owners and design builders. Mr. Gonzales has litigated a variety of complex construction cases that have involved: professional liability of architects and engineers; latent and patent defects; liability of principals and sureties on bid, payment and performance bonds; prompt payment claims; stop notice claims; claims for differing site conditions; extra work claims; delay claims; disruption and acceleration claims; and other impact claims and performance problems experienced on construction projects. Mr. Gonzales is also experienced in the drafting of licenses, leases, easements and joint use agreements and is knowledgeable on various land use issues.

Education

Mr. Gonzales earned his Bachelor of Arts degree in Political Science from the University of California, Los Angeles. He received his Juris Doctor from Loyola Law School, Los Angeles.

Admission

2002, California

Membership

State Bar of California

Publications and Speaking Engagements

Mr. Gonzales is a contributor to the firm's many publications.



WOODRUFF, SPRADLIN & SMART

A PROFESSIONAL CORPORATION

**PROPOSAL FOR
LEGAL SERVICES TO OVERSIGHT BOARD OF
THE CITY OF COMMERCE AS SUCCESSOR
AGENCY TO THE COMMERCE COMMUNITY
DEVELOPMENT COMMISSION**

555 ANTON BOULEVARD, SUITE 1200 ■ COSTA MESA, CA 92626

Letter of Transmittal

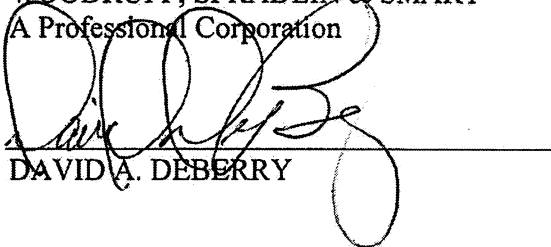
Woodruff, Spradlin & Smart appreciates the opportunity to submit this proposal to provide General Counsel services to the Oversight Board of the Successor Agency to the Commerce Community Development Commission. We are an established 42-attorney law firm located in Costa Mesa that has been representing a variety of government agencies for 36 years. We provide city attorney, general counsel, transactional and litigation services to a number of public agencies, primarily in Orange County, but also in other surrounding counties. We serve as the City Attorney for six Orange County cities and the City of Palm Springs, as well as previously served as Redevelopment General Counsel for those cities which had redevelopment agencies. The Firm is currently acting as General Counsel to several Successor Agencies. We also provide General Counsel services to regional public agencies such as the Orange County Sanitation District and Orange County Transportation Authority. The Firm is rated as A-V by Martindale-Hubbell, the highest possible rating.

The proposed lead attorney to the Oversight Committee is David A. DeBerry. Mr. DeBerry recently joined the Firm after 15 years as the in-house City Attorney for the City of Orange, where he also served as General Counsel to the Orange Redevelopment Agency. Prior to coming to the Firm in May of 2012, Mr. DeBerry was advising the City as the Successor Agency to the Orange Redevelopment Agency and was providing legal services to the Oversight Board as requested. He can be contacted by phone at work: 714-415-1088 or by cell: 714-640-4525. His address is: Woodruff, Spradlin & Smart, 555 Anton Boulevard, Suite 1200, Costa Mesa, CA 92626.

We look forward to the opportunity to provide the legal services required by the Oversight Board.

Sincerely,

WOODRUFF, SPRADLIN & SMART
A Professional Corporation



DAVID A. DEBERRY

Woodruff, Spradlin & Smart Company Data

1. Official Name and Address: Woodruff, Spradlin & Smart, APC
555 Anton Boulevard, Suite 1200
Costa Mesa, California 92626

2. Point of Contact: David A. DeBerry, Esquire
Woodruff, Spradlin & Smart, APC
555 Anton Boulevard, Suite 1200
Costa Mesa, California 92626
(714) 415-1088 Direct
(714) 415-1188 Fax
ddeberry@wss-law.com

3. Type of Corporate Formation: Woodruff, Spradlin & Smart is a professional corporation, duly formed and existing under the laws of the State of California.

4. Federal Employer ID Number: 95-3678827

5. Contact Information: 555 Anton Boulevard, Suite 1200
Costa Mesa, California 92626
Main Phone: (714) 558-7000
Main Fax: (714) 835-7787
One centralized office location conveniently located in Costa Mesa.

6. Statement of Ownership: The firm is not owned by any other business organization or individual.

7. Years in Business: Woodruff, Spradlin & Smart was organized and has continued the practice of law since 1976, having been originally formed by Thomas L. Woodruff and James G. Rourke. In 1992 the name of the Firm was amended to include Daniel K. Spradlin in recognition of the continuing success of the Litigation Department and following the retirement of James G. Rourke from the Firm in 1995, the name was changed to acknowledge the long-term contributions of its Managing Director, Kennard R. Smart, Jr.

8. Years of Experience: Woodruff, Spradlin & Smart has provided legal counsel to municipalities, special districts, and other public agencies for 36 years.

PROPOSAL

A. Experience and Qualifications.

Woodruff, Spradlin & Smart is a full-service municipal law firm engaged almost exclusively in the representation of public agencies. We specialize in the representation of cities and local and regional public agencies, both as advisor and litigator. Martindale-Hubbell rates the quality of the Firm as A-V (the highest possible rating).

Organized in 1976, the Firm currently includes 42 attorneys in two nearly equally staffed departments, the Public Law Department and the Litigation Department. The Public Law Department attorneys act as City Attorneys, General Counsel, and Special Counsel to a variety of public agencies. Of interest to the District, the Firm has attorneys with specialized skills in matters involving water and wastewater, public contracts, the environment, employment, intergovernmental relations, governance regulations, finance, land use, and tort liability.

It is anticipated that Mr. DeBerry would provide nearly all, if not all, of the legal services required by the Oversight Board. As noted in the *Letter of Transmittal*, Mr. DeBerry recently joined the Firm in May of 2012 after serving as the in-house City Attorney for the City of Orange for the past 15 years, where he was also General Counsel to the Orange Redevelopment Agency during that period. Mr. DeBerry negotiated and drafted agreements for the Orange Redevelopment Agency, as well as provided on-going legal advice with respect to the Redevelopment Agency issues. Up until April of 2012 he was advising the City and Agency on the impacts of AB 26, including the process for becoming a Successor Agency, Oversight Board selection, disposition of Agency assets, Recognized Obligation Payment Schedules, new or amended agreements that could be executed by the Successor Agency and other matters as they arose. At the request of the Chair of the City of Orange's Oversight Board, he attended one meeting of the Oversight Board to respond to questions from Board members, as well as to provide an overview of the Brown Act's open meeting laws and the application of the Political Reform Act to the Board's activities.

Mr. DeBerry worked for the Firm for five years prior to taking a position with Orange. While at the Firm, Mr. DeBerry served as General Counsel for three special districts, Los Alamitos County Water District, Midway City Sanitary District and Coachella Valley Community Services District. He is twice past president of the Orange County City Attorneys Association and for two years served as the Orange County representative on the California League of Cities Legal Advocacy Committee.

While at Orange, Mr. DeBerry headed an office of four attorneys which handled the vast majority of legal services required by Orange, dramatically reducing the City's cost for legal services during his tenure. Mr. DeBerry provided advice to the City Council, Planning Commission, and staff on a wide range of public agency governance issues such as the Political Reform Act, Public Records Act, Brown Act, Meyer-Milias-Brown Act, etc.

Mr. DeBerry has had several significant litigation successes, personally handling litigation involving personnel, land use, the Political Reform Act, Public Records Act and eminent domain. He oversaw two litigation matters relating to the Orange County bankruptcy, which ultimately led to the City recovering \$6.2 million, exceeding its bankruptcy loss of \$5.6 million. Mr. DeBerry also negotiated and oversaw litigation against the City's former solid waste hauler which ultimately led to a settlement and judgment resulting in a total recovery of \$11.65 million, which recovery was used to subsidize trash rates in Orange for 10 years. In May of 2012, Mr. DeBerry received two favorable Superior Court rulings. One involved several novel and complex land use issues related to the City's approval of a residential development and the City Council's interpretation of the General Plan and the second, a conflict of interest challenge to the City Council's award of a contract. In his 15 years as City Attorney, the City never lost a challenge to the City Council's approval or denial of a development project. Mr. DeBerry has argued three matters before the state appellate court (two land use cases and one Public Records Act case), prevailing in each instance.

Although he has had a successful litigation track record, Mr. DeBerry's strongest suit is litigation avoidance. This can be achieved by foreseeing exposure, engaging in creative and honest negotiations, and careful drafting of documents and opinions. He successfully negotiated a resolution of a claim by the Orange Unified School District that it was owed several million dollars in redevelopment agency property tax increment. The settlement led to seed money for a long-needed high school stadium renovation with a new artificial turf and track and other school district facilities that the City was able to utilize for its after school programs as part of the settlement. On several occasions he was able to resolve initially hostile eminent domain actions by bringing forward creative settlements which ultimately led to "friendly condemnations." Recently the County of Orange proposed to use its Theo Lacy Jail facility in Orange to house illegal immigrant detainees awaiting deportation. After supplying County Counsel with a draft of his opening pleading, the County agreed to negotiate a settlement, which consisted of limits on the use of Theo Lacy and payments to the City based on the illegal immigrant detainee population. No City Council member in his 15 years was ever successfully sued or fined for any violation of the Brown Act, Political Reform Act or Government Code section 1090 relating to interests in contracts.

Mr. DeBerry has been a guest speaker at several local and statewide conferences, including recent speaking engagements on the effect of Proposition 62 on fee increases for solid waste services, ethics for public officials and on land use matters. Mr. DeBerry has advised and trained applicable staff, board members, and elected officials on the Public Records Act, Brown Act, and Political Reform Act.

The Firm has other equally capable individuals, all with City Attorney, Redevelopment Agency and Successor Agency experience, who could step in to provide service to the Oversight Board if Mr. DeBerry was for some reason unavailable or to assist him as necessary.

Should the Oversight Board find itself in the unlikely need of litigation services, the Firm's Litigation Department attorneys have extensive trial experience in all areas of public

agency law in both state and federal courts. We believe that this variety of experiences is a unique asset offered to our clients and enables us to obtain outstanding trial results. Our Firm's Litigation Department, which is headed by one of Orange County's foremost public agency litigators, Daniel K. Spradlin, represents public agencies in both administrative and judicial proceedings and a number of public agencies that have other law firms acting as their general counsel or city attorney. The litigation attorneys and paralegal professionals work in concert with the advisory attorneys to provide our public agency clients with the best possible legal representation.

The Firm has represented numerous cities and public agencies in Orange, Los Angeles, Riverside, San Bernardino, and San Diego Counties in litigation and in addition to litigating on behalf of our General Counsel and City Attorney clients, represents other public agencies and risk management pools. We respect that our clients have different perspectives with regard to the value of settling matters. Our attorneys acknowledge that legal matters are often driven by economics and they readily adapt their litigation strategy to suit individual client needs. Additional information about the Firm can be obtained on our web site at www.wss-law.com.

B. Firm References and List of Public Agency Clients.

1. References for Mr. DeBerry and the Firm.

Carolyn Cavecche
Mayor, City of Orange
Board Member, Orange County Transportation Authority
Phone: (714) 478-9399
300 East Chapman Avenue
Orange, CA 92866

Theresa Smith
Councilmember, City of Orange
CEO Catholic Charities
Phone (714) 381-7027
300 East Chapman Avenue
Orange, CA 92866

Fred Whitaker
Councilmember, City of Orange
Partner, Cummins & White law firm
Phone (714) 267-3935
300 East Chapman Avenue
Orange, CA 92866

Will Kempton, CEO
Orange County Transportation Authority
Phone: (714) 560-6282
550 S. Main Street
Orange, CA 92863-1584

James Ruth
General Manager
Orange County Sanitation District
Phone: (714) 962-2411
10844 Ellis Avenue
Fountain Valley, CA 92708

2. **Sampling of Firm Clients.**

a. General Counsel, City Attorney Clients

Children & Families Commission of Orange County
City of Garden Grove
City of Laguna Hills
City of Rancho Santa Margarita
City of San Juan Capistrano
City of Tustin
Midway City Sanitary District
Orange County Fire Authority
Orange County Public Law Library
Orange County Sanitation District
Orange County Transportation Authority
Regional Center of Orange County
Rossmoor/Los Alamitos Area Sewer District
City of Hawaiian Gardens
City of Palm Springs
Riverside Transit Agency
San Diego Regional Solid Waste Association

b. Tort Liability Defense/Special Counsel Clients

CalOptima
Capistrano Unified School District
City of Anaheim
City of Costa Mesa
City of Fullerton
City of Irvine
City of Laguna Beach
City of Newport Beach

County of Orange
Saddleback Valley Unified School District
South Orange County Community College District
Underground Service Alert
Alliance of Schools for Cooperative Insurance Program
Authority for California Cities Excess Liability
City of Riverside
City of San Bernardino
City of Torrance
County of Riverside
San Bernardino Associated Governments
Southern California Joint Powers Insurance Authority

C. Cost Reporting and Invoicing

Woodruff, Spradlin & Smart customarily provides detailed monthly statements based on task billing for all services. The Firm adapts its invoices to its clients' needs, and wherever possible, the Firm would work with City staff to ensure that billing task codes used in statements for legal services are consistent with City task codes for budgetary, development services, and other cost-recovery programs, for instance. From the statements, the reader can see the task that was accomplished, the attorney working on the task, the time spent by that attorney and the dollar amount for the time spent. Expenses are separately described. Backup for expenses will be provided upon request. The Firm will work cooperatively on any audit of its statements. We expect that our statements will be reviewed carefully each month and that if there are questions, to provide prompt responses. Our Firm's invoices will be broken down in tenth of an hour (.1) increments (every 6 minutes).

Every invoice will be made immediately available to any member of the Board upon request at anytime or to other persons as authorized by the Board. If any member of the Board has any questions or concerns regarding any aspect of legal services invoicing, they should contact the General Counsel. We want to ensure that the Board is satisfied with the manner in which our invoices are prepared, organized, submitted, reviewed, and authorized for payment. For time, billing, and accounting software, the Firm uses Omega Legal Systems.

D. Cost Proposal

We propose a blended rate of \$250 per hour for all attorney services provided and \$145 per hour for paralegals. We are sensitive to the needs of our clients to manage and keep their legal expenses low, without sacrificing the quality of such services. We believe the most economical way of ensuring quality services is by a versatile and experienced public lawyer who can provide quick, efficient responses with minimum research and drafting requirements. Mr. DeBerry was able to significantly reduce the budget of the Orange City Attorney's Office by utilizing many of these techniques even as the workload in his office increased. Because of his 15 years of experience as an in-house City Attorney, he will give particular consideration and

understanding to the legal service needs of the Oversight Board and servicing those needs in a financially prudent manner.

1. Hourly Rates for Legal Personnel

Attorneys	\$250.00
Paralegals	\$145.00

2. Billing Increment

- Attorneys shall bill in increments of one-tenth of an hour (six minutes).
- Attorneys shall not bill for secretarial time, including time spent for faxing, mailing, arranging for messengers, or calendaring.
- Attorneys shall bill a total of one hour for travel to and from Oversight Board meetings.

3. Costs and Expenses

In-office photocopying	\$0.25 per page (after 25 pages per copy job)
Mileage	In accordance with the IRS Standard Mileage Rate (currently \$0.555 per mile) (outside of Orange County)
Word Processing	No cost, unless overtime required, then at cost
Phone	No cost

Effective on July 1, 2013, and each year thereafter, the hourly rates for Retainer Services and Legal Personnel shall be adjusted in an amount equal to the percentage increase in the Consumer Price Index for the Los Angeles-Orange County Metropolitan Area, all wage earners, for the period between June 1—May 30 of the prior 12 month period. Each hourly rate shall be rounded to the nearest \$1.00 increment.

4. Rate Adjustments and Other Contract Terms.

Any contract entered into will include the right of the Board to terminate our services at any time for any reason and the individual appointed as General Counsel shall serve solely at the pleasure of the Board. The Firm is able to provide professional liability, general liability and other insurance as required by the Oversight Board.

WOODRUFF, SPRADLIN & SMART
A Professional Corporation


KENNARD R. SMART, JR.
PRESIDENT AND MANAGING DIRECTOR

**LEWIS
BRISBOIS
BISGAARD
& SMITH LLP**
ATTORNEYS AT LAW

650 East Hospitality Lane, Suite 600
San Bernardino, California 92408
Telephone: 909.387.1130
Fax: 909.387.1138
www.lbbsslaw.com

ELIZABETH L. MARTYN
DIRECT DIAL: 909.386.3039
E-MAIL: MARTYN@LBBSSLAW.COM

May 22, 2012

Linda Kay Olivieri, City Clerk
City of Commerce
2535 Commerce Way
Commerce, California 90040

Re: Oversight Board Legal Services

Dear Ms. Olivieri:

This letter responds to the Request for Proposals to provide Oversight Board Legal Services to the City of Commerce ("RFP"). Please see my resume enclosed, as well as the resumes of my partners, Karen Feld and Alexis Crump. We have experience in the enumerated legal areas from our service as redevelopment agency, successor agency and oversight board counsel to various clients, including but not limited to the cities of Cudahy and San Bernardino. Also, we have served as city attorneys and bond counsel for numerous entities within the State. Presently, I serve on several advisory groups regarding ABx1 26 and on-going legislation, and have given several presentations on the current state of the law.

From our twenty years of experience as redevelopment agency counsel and bond counsel, we have a clear understanding of redevelopment agency budgets and expenses, bond debt service payments and on-going trustee service fees, pass-through payments, development agreements, as well as the stages of projects in development. Due to this experience, we have been able to provide a unique prospective in the representation of our successor agency and oversight board clients.

Other than the Los Angeles County Sanitation District (the "District"), our firm does not have a current contract with any of the agencies that appointed the Oversight Board members or the other taxing entities which they represent. In connection with the District, none of the attorneys listed on this Response have represented the District in any capacity. As such, if hired by the Commerce Oversight Board ("OB"), we would request waivers from the District and the OB, and as necessary, create an ethical wall between the attorneys working with the OB and those working with the District.

Our references are:

1. Emil Marzullo, Interim Executive Director, City of San Bernardino as Successor Agency to the Redevelopment Agency of the City of San Bernardino
2. Frank Gurule, Vice Mayor of the City of Cudahy and Chairman of the Cudahy Oversight Board
3. David M. Silva, Mayor of the City of Cudahy and Chairman of the City of Cudahy as Successor Agency to the Cudahy Community Development Commission

Our billing rate for such services is \$225/hr. You may wish to look at the firm website, www.lbbsslaw.com, as well. You can reach me at (909) 386-3039 or (949) 636-9737 (cell) with questions.

Very truly yours,



Elizabeth L. Martyn of
LEWIS BRISBOIS BISGAARD & SMITH LLP

ATLANTA • BEAUMONT • CHARLESTON • CHICAGO • DALLAS • FORT LAUDERDALE • HOUSTON • LAFAYETTE • LAS VEGAS • LOS ANGELES • NEW ORLEANS
NEW YORK • NEWARK • ORANGE COUNTY • PHOENIX • SACRAMENTO • SAN BERNARDINO • SAN DIEGO • SAN FRANCISCO • TAMPA • TUCSON



ELIZABETH MARTYN

martyn@lbbslaw.com

909.386.3039

San Bernardino

AREAS OF PRACTICE

Elizabeth Martyn's practice emphasizes public agency transactional law, including:

- Ralph M. Brown Act (open meetings), Public Records Act
- Conflicts of Interest (FPPC, *Govt. Code* Section 1090 and *Health & Safety Code* Section 33130) and incompatibility of office (*Govt. Code* Section 1099)
- AB 1234 ethics training and related issues regarding governing board reimbursement and benefits
- Governmental organization and reorganization (including JPA's, LAFCO)
- Land use, zoning and environmental matters (CEQA)
- Water matters: wholesale and retail delivery, representation before state regulatory agencies; participation on TMDL Task Force
- Local financing (special taxes, fees and charges, Proposition 218)
- Public Agency Retirement Law (PERS, 1937 Act)
- Contract negotiation, drafting, interpretation and enforcement, including public construction contract
- Nonprofit support of public agencies

LEGAL EXPERIENCE

Ms. Martyn has served as a City Attorney for large and small contract municipalities as well as general counsel for water and other special districts, dealing with matters ranging from the everyday to complex legal issues. In her capacity as a City Attorney, Ms. Martyn also represents its planning commissions, redevelopment agencies, joint powers authorities and water authorities.

Recent ongoing work includes:

- Speaker: AB 1234 Ethics Training and subcommittee to develop power point (2006 - present)
- Speaker: Legal Ethics for Water Lawyers - Argent Publications Conference, April 18, 2008
- *Elsinore Valley Municipal Water District/Water Employees Service Authority v. PERS*: successful representation of joint powers authority to force PERS membership (2007)
- *West Basin Municipal Water District v. Central Basin Municipal Water District*: negotiation of termination of 15 years of joint operation
- City Attorney, City of Canyon Lake (since 1991 incorporation)
- Coachella Valley Recreation and Park District, General Counsel
- Castaic Lake Water Agency: assistant general counsel; revision and update of Employee Manual; retail rate setting under Proposition 218
- City Attorney, City of West Covina (1990 – 2000)
- City Attorney, City of Twenty-nine Palms (1987 – 1999)
- Assistant City Attorney, City of Indio (2003 – 2005)
- Formation of Orange County Fire Authority

EDUCATION

- University of California, Los Angeles School of Law, Juris Doctor, 1981; Moot Court Best Brief; Managing Editor, *International Law Reporter*; Teaching Assistant, *Legal Research and Writing*
- University of California Riverside, Bachelor of Arts, *summa cum laude*, *Phi Beta Kappa*, 1978



KAREN ZERMENO FELD

kfeld@lbbslaw.com

909.381.7142

San Bernardino

AREAS OF PRACTICE

Karen Zermeno Feld serves as vice-chair of the firmwide Real Estate Development & Land Use Practice Group. She has more than 20 years of experience representing public entities and private clients as follows:

- Represents cities, redevelopment agencies, school districts and public transit agencies in municipal, redevelopment, and educational law including contracting, Brown Act, Tort Claims Act, CEQA, conflict of interest and incompatible offices
- Represents public transit agencies in general litigation
- Represents private transportation companies (trucking, taxis, limousines, private shuttles) in general litigation including sexual misconduct
- Represents developers in real estate litigation (commercial and residential development)
- Represents school districts and teachers in general litigation
- Represents public entities in general litigation and eminent domain
- Transactional work for redevelopment agencies including ERN's, DDA's, OPA's and eminent domain
- Transactional work for real estate developers including conveyance agreements, letters of intent, grant of easements and negotiating with public agencies
- Jury and court trial experience in civil and criminal matters

ASSOCIATIONS

- San Bernardino City Library Foundation, Board of Directors (2011 - present)
- California Women Lawyers, Judicial Evaluation Committee (2009 - present)
- Inland Empire Legal Association of Women; founding member; Vice President; Mentoring Committee; Bylaws Committee (2009 - present)
- Project Access Attorney Mentor, Hispanic National Bar Association, charter member and group leader
- Commission appointment by the Mayor of the City of San Bernardino to the San Bernardino Library Board (1993)
- Future Leaders of the Inland Empire, Mock Trial Instructor (1994)
- Mock Trial Scoring Attorney, California State Finals, Counties of Riverside and San Bernardino (2005 - present)
- Mexican American Student Bar Association, USC
- Founding Member, American Indian Student Bar Association, USC

ADMISSIONS

- California State Bar, 1992
- United States District Court, Central and Southern, 1992
- California Supreme Court, 1992

HONORS

- Hearing Officer, Mountains Recreation and Conservation Authority (2012 - present)
- California Super Lawyer (2012)
- California Top Women Lawyer, (2011) by the Daily Journal
- Nominated for Super Lawyer (2007)
- Board of Advisors, Chapman University Roger Hobbs Institute for Real Estate, Law and Environmental Studies (2006-2010)

AWARDS/PUBLICATIONS

- Speaker: Hispanic National Bar Association (2008 - 2009)
- Received jury verdict below real estate expert's Statement of Valuation in an eminent domain case (October 2008) - *San Bernardino Redevelopment Agency v. Infinite State*
- Organizer of Law Day and Tutoring Day at several K-12 schools in low-income and disadvantaged areas (2006 - present)
- Article: Co-author Important Agreements in Redevelopment Law (2006) and Economic Development Incentives in California (2007)
- Speaking Materials: California Community Redevelopment Law (2006)
- Article: Responsibility and Diversity, California Bar Journal (October 2004)
- Speaker: References and the Defamation Trap, Employment Law Seminar (2004)
- Speaker: You've Been Called to Testify, Now What? Employment Law Seminar (2003)
- Speaker: References and the Defamation Trap, School Law in California, National Business Institute (2003)

- Complying with the Tort Claims Act, Omnitrans (2000)
- Speaker: Employment Relations, University of LaVerne School of Law (1999)
- All American Swimmer (1998, 1999)
- Speaker: The Legal Profession, UC Riverside (1993 - present)
- *Curry v. Rialto Unified School District* (1993) 20 Cal. App.4th 180: Ms. Feld successfully represented the Rialto USD. The court held that the school district could seek recovery from the tortfeasor's parents
- Quoted in San Bernardino Sun regarding lawsuits filed against local business owners for alleged violations of the American with Disabilities Act
- Quoted by the San Luis Obispo Times regarding a conflict of interest issue with a local school district
- Quoted by the Daily Journal in an article entitled "3rd Parties Can Sue Parents for Minors' Deeds"
- Black Belt in Tae Kwon Do

COMMUNITY ACTIVITIES

- Boys football coach, boys basketball coach, academic decathlon coach - St. Catherine's, Riverside (2007 - 2010)
- Sunday School Instructor, St. Catherine's, Riverside (2000 - 2010)

LEGAL EXPERIENCE

- Lewis Brisbois Bisgaard & Smith LLP, Partner (1992 - present)
- San Bernardino County District Attorneys Office (1991)

EDUCATION

- University of Southern California, Juris Doctor, 1992 - Moot Court Honors Program
- University of California, Riverside, Bachelor of Arts in History, 1989



ALEXIS CRUMP

crump@lbbslaw.com

909.381.7187

San Bernardino

AREAS OF PRACTICE

Alexis Crump has more than 20 years experience in municipal law, real estate law, redevelopment and municipal finance. Ms. Crump has acted as redevelopment counsel and general counsel for cities, redevelopment agencies, joint power authorities, non-profit corporations and developers throughout California. She has assisted clients with the formation and development of redevelopment projects, the establishment of community facilities districts and assessment districts and acquisition and development of single family and multi-family housing developments. Ms. Crump has acted as Bond Counsel, Special Counsel, Agency Counsel, Developer's Counsel and Underwriter's Counsel in a variety of municipal finance transactions, including the issuance of tax allocation bonds, multifamily housing bonds, lease revenue bonds, tax anticipation notes, certificates of participation and private placements ranging from \$5M to over \$100M. She has been legal counsel for over \$1B in municipal finance transactions during her career. Ms. Crump has prepared literature for, and lectured in the areas of, non-profit corporation formation and real estate development.

Representative Transactions:

- \$33,050,000 City of Tulare Public Financing Authority 2008 Lease Revenue and Refunding Bonds (Capital Facilities Project)

- \$26,875,000 El Monte Public Financing Authority Senior Tax Allocation Revenue Bonds, Series 2007 (Multiple Redevelopment Project Area Loans)
- \$28,665,000 San Bernardino Joint Powers Financing Authority Tax Allocation Bonds (20% Set Aside) Taxable Series 2006
- \$55,800,000 San Bernardino Joint Powers Financing Authority Tax Allocation Revenue Refunding Bonds Series 2005A; \$21,105,000 San Bernardino Joint Powers Financing Authority Tax Allocation Revenue Refunding Bonds Series 2005B

ASSOCIATIONS

- Member, National Association of Bond Lawyers
- Member, California Redevelopment Association
- Board Member, Beverly Hills West Links, Inc.
- Board Member, Hershe Group Foundation

EDUCATION

- Georgetown University Law Center, Juris Doctor, 1987
- University of California at Berkeley, Bachelor of Arts, 1984
- Alfred P. Sloan Fellow, Goldman School of Public Policy, University of California at Berkeley, 1983
- **Honors and Activities**
- Member of Phi Delta Phi Legal Fraternity
- University of California at Berkeley Honor Students' Society

STRADLING YOCCA CARLSON & RAUTH

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

660 NEWPORT CENTER DRIVE, SUITE 1600

NEWPORT BEACH, CA 92660-6422

TELEPHONE (949) 725-4000

FACSIMILE (949) 725-4100

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(949) 725-4000

SAN DIEGO
(858) 926-3000

SAN FRANCISCO
(415) 283-2240

SANTA BARBARA
(805) 730-6800

SACRAMENTO
(916) 449-2350

MARK HUEBSCH

DIRECT DIAL: (949) 725-4167
MHUEBSCH@SYCR.COM

May 21, 2012

Linda Kay Olivieri
Secretary of the Successor Agency and
Secretary of the Oversight Board
2535 Commerce Way
Commerce, CA 90040

Re: Request for Proposal (Legal Services) on behalf of the Oversight Board for the
Successor Agency to the Commerce Community Development Commission

Submitted via email to City Clerk Linda Kay Olivieri with a copy to City Attorney Eduardo Olivo

Dear Ms. Olivieri:

This constitutes a proposal by Stradling Yocca Carlson & Rauth to provide legal services for the oversight board to the successor agency to the Commerce Community Development Commission.

I would be lead attorney.

Our proposal to provide legal services follows.

My contact information is set forth above.

We look forward to being considered for the proposed work. Thank you for your consideration.

Very truly yours,

STRADLING YOCCA CARLSON & RAUTH

/S/ MARK J. HUEBSCH

MARK J. HUEBSCH

Basic Scope of Services. Stradling Yocca Carlson & Rauth (“Firm” or “We”) proposes to provide legal services to the Oversight Board for the Successor Agency to the Commerce Community Development Commission (“Oversight Board”) in connection with the dissolution of the Commerce Community Development Commission that is now a dissolved redevelopment agency pursuant to Assembly Bill x1 26 (“Dissolution Act”). The City of Commerce elected to act and serve as the Successor Agency to the Commerce Community Development Commission (“Successor Agency”) under the Dissolution Act. I would be the lead attorney for the Firm to the Oversight Board.

In terms of basic legal services, the Firm would provide advice to the Oversight Board and its seven members. Because of the very nature of the Dissolution Act in dissolving redevelopment agencies and setting forth certain rules for the conduct of the wind-down of the affairs of former redevelopment agencies, the Firm anticipates that certain waivers may be necessary and appropriate to be given by Oversight Board members and corresponding member agencies with regard to potential or actual conflicts of interest. For example, taxing agencies, such as a county, a city, special district, community college district, or school district, may take different positions regarding arrangements such as loans or other obligations entered into between a host city and its redevelopment agency or the ongoing effect or interpretation of a pass-through agreement between a redevelopment agency on the one hand and an affected taxing agency, such as a school district or a water district, on the other hand. We would anticipate providing advice and being available as a resource to the Oversight Board on such matters as arise and regarding basic requirements such as applicability and advice regarding the Political Reform Act, Public Records, Act, Brown Act, consideration and approval of a Recognized Obligation Payment Schedule, and considering proposals for the disposition of the non-housing real property of a former redevelopment agency.

Given the unprecedented and untested nature of the Dissolution Act, it is not possible to predict parameters for what legal issues may arise and will need to be addressed. In that regard, various bills have been proposed (SB 654 [Steinberg] and AB 1585 [Perez] being examples) which could affect the conduct of business by oversight boards.

Experience with Redevelopment and the Dissolution Act. We have, as a law firm, for several years enjoyed an active practice representing redevelopment agencies in all phases of activities, from creation of agencies, plan adoptions, plan amendments, redevelopment financing (as bond counsel), negotiation and preparation of virtually all kinds of transaction documents for redevelopment agencies (such as disposition and development agreements, owner participation agreements, affordable housing agreements) for commercial, industrial, market housing, affordable housing, mixed use, and other projects, litigation as lead counsel and as counsel working cooperatively with the city attorney, concerning redevelopment agencies and activities (generally on behalf of redevelopment agencies, housing authorities and cities, but occasionally, concerning matters of contract, on behalf of other governmental agencies adverse to particular redevelopment agencies). Prior to December 29, 2011 Supreme Court’s decision validating the Dissolution Act (and invalidating AB x1 27), the Firm’s redevelopment clients included redevelopment agencies in Anaheim, Berkeley, Buena Park, Burbank, Calexico, California City, Ceres, Chula Vista, Claremont, Clovis, Coronado, Costa Mesa, Cotati, Dinuba, El Cajon, El Centro, Escondido, Fontana, Fountain Valley, Garden Grove, Glendora, Grand Terrace, Highland, Lancaster, Lemoore, Lindsay, Loma Linda, Los Banos, Laguna Hills, Mission Viejo, Monrovia, Montclair, Moreno Valley, Oceanside, Pico Rivera, Porterville, Rialto, Ridgecrest, Ripon, Riverside (City), Riverside (County), Rohnert Park, San Juan Capistrano, Santa Ana, Simi Valley, Soledad, Tustin, Upland, Vista and Yucaipa. I

have been active in the representation of redevelopment agencies, on a regular basis, of Glendora, Highland, Loma Linda, Los Banos, Moreno Valley, Simi Valley, Soledad and Yucaipa, as well as preparing agreements or occasionally advising other agencies.

The Firm has been one of the leading bond counsel firms within the State of California as measured by number of issues and dollar volume; one of the active areas in this regard has been redevelopment financing (tax allocation bonds), as well as other forms of public financing, including lease revenue bonds, revenue bonds (for enterprise activities) and certificates of participation that have included pledges of tax increment monies. My involvement in that work is further described in the enclosed resume. The breadth of the Firm's and my involvement can be helpful in bringing to bear a broad range of experience to the oversight boards.

For additional information concerning my background, please refer to my resume (Exhibit "A") and for the Firm see Exhibit "B."

With the passage of the Dissolution Act and the onset of wind-down activities, I have been actively representing numerous redevelopment agencies and now successor agencies and housing successors concerning their activities under the Dissolution Act, including with respect to basic foundational activities (such as designating a regular time and place for meetings or adopting a conflict of interest code), considering protocols for dealing with the disposition of former redevelopment agency properties, transfer and administration of affordable housing assets and functions to the housing successor, and providing advice concerning enforceable obligations (and ineligible obligations), including agreements between a former redevelopment agency and its host city. I have also provided advice to certain taxing agencies in geographical areas where neither I nor others in this Firm represent or represented the former redevelopment agency involved; such representation of other, non-city taxing agencies has included school district and special district representation.

Members of the Firm's public law department are recognized experts in their areas and are often called upon to conduct training sessions, speak at seminars for public agencies and other municipal finance specialists, including seminars held by the League of California Cities, the (former) California Redevelopment Association (CRA), National Association of Housing and Redevelopment Officials (NAHRO), National Association of Bond Lawyers, Community College League of California, California Debt and Investment Advisory Commission, Association of California Water Agencies, Coalition for Adequate School Housing, California Special District Association, The Bond Buyer, Planning Directors Association, International Right of Way Association, Urban Land Institute, University of California, Irvine Extension, and others.

Because of the depth of the experience of this Firm, including me, concerning both the California Community Redevelopment Law and how redevelopment agencies operated, I believe the Firm can provide useful advice to the Oversight Board. In addition to the foregoing experience, as touched upon in the enclosed resume, I have participated in seminars, as conducted by the former California Redevelopment Association, the California Society of Municipal Finance Officers (CSMFO), and other organizations regarding redevelopment, affordable housing, the Dissolution Act and other public law topics. For the past several months, I have been an active and participating member of the CRA's Technical Committee and Implementation Subcommittee. In that capacity, I participated in analyzing the Dissolution Act in some depth, contributing to advice letters or

memoranda, as well as speaking at the seminar on the Dissolution Act that CRA conducted in Ontario in March of this year.

Fees; Billings. As the nature and scope of the respective engagements does not lend itself to an overall-fixed-price approach. We would charge for our services on the basis of hourly rates. The basic hour rates charged would be \$325 per hour for shareholders and \$275 for senior associates, and \$250 per hour for associates, depending upon the level of experience. Paralegal time, if any, would be billed at \$140 per hour. I anticipate that I would be the attorney primarily working on these matters. In the event litigation were to occur and the services of this Firm are utilized for such services, hourly rates would be \$350 per hour for shareholders, \$300 for senior associates, and \$275 per hour for associates, with paralegal time being billed at \$140 per hour. In the event We are called upon to provide services concerning financings, hourly rates would be \$425 per hour for shareholders, \$350 for senior associates, and \$325 per hour for associates.

We normally bill at thirty (30) day intervals, with payment expected within forty-five (45) days of each bill. We would request that some reasonable form of assurance be provided that the Firm would be paid from an entity or entities that have funds available for such purposes. We, therefore, suggest that some thought be given to either (i) assurance that the City of Commerce will pay for our legal services as provided to the Oversight Board, without regard to whether such agreement for services is permitted to be included on the Recognized Obligation Payments Schedule(s) of the Successor Agency, or (ii) one or more taxing agencies represented on the Oversight Board agree to remit payment for our services as provided to the Oversight Board. The determination of the exact entity providing payment may cause some revision to the Terms of Retention (see below) but the basic concepts would be as described in this paragraph.

Form of Agreement for Services. We are enclosing a form of agreement for services, (the "Terms of Retention", enclosed as Exhibit "D").

Given the unprecedented nature of oversight boards and rather unpredictable course of work, it may be difficult to delineate with much specificity what work will be encompassed within the corresponding agreement for legal services. Accordingly, the Firm suggests generally that work to be undertaken as directed by the Oversight Board.

Additional Comments and Disclosure. I am not aware of any pending engagement of the Firm has represented either (i) the City of Commerce or the Redevelopment Agency (collectively, "Fresno"), or (ii) an entity adverse to Fresno in a transaction or retained legal matter involving Fresno, or (iii) entities represented on the Oversight Board. In the event I become aware of any other circumstances that would require disclosure or waivers, I will bring these to your attention. As a matter of disclosure, the Firm does certain legal work for the State of California in connection with financings of the State; I am not anticipating that that representation would be in conflict with the scope of representation addressed in your request.

Thank you for the opportunity to be considered. If there is additional information which may be useful to you in considering this submittal, let me know and I will address your request.

City of Commerce
May 3, 2012
Page Five

The undersigned hereby agrees that the terms and conditions in this letter and the accompanying Terms of Retention shall apply to services rendered by Stradling Yocca Carlson & Rauth.

CITY OF COMMERCE

By: _____
City Manager

Dated: _____, 2012

EXHIBIT A

RESUME OF MARK J. HUEBSCH

EDUCATION

University of Southern California
(AB, Magna Cum Laude, 1972)
Phi Beta Kappa

University of California at Los Angeles
(JD, 1975)

ADMITTED TO BAR

1975 – California; 1977 – U.S. District Court Central
District of California

EMPLOYMENT

1975-1978 Deputy County Counsel
County of Kern

1978 – 1981 Deputy/Assistant City Attorney
City of Costa Mesa

1981 – 1983 Attorney, McDonough, Holland & Allen

1983 – Present Attorney, Stradling Yocca Carlson & Rauth
(Shareholder since 1986)

SPEAKER

Implementation of AB x1 26
California Redevelopment Association (CRA), Ontario
(March 2012)

California Society of Municipal Finance Officers (CSMFO)
Conference, Monrovia, 2012
CSMFO Conference, Tustin, 2012

Redevelopment as Tool for Change
(League of California Cities: 2000)

Basic Redevelopment Tools; Advanced Redevelopment
(MMASC: 2000)

Structuring Business Grant & Loan Programs
(CRA: 7 presentations)

Introduction to Redevelopment
(CRA: 4 presentations)

REFERENCES

Josh Betta, Finance Director, City of Glendora
Brooke McKinney, Finance Department, City of Moreno
Valley

Diana de Anda, Finance Director, City of Loma Linda
(additional references available upon request)

EXHIBIT B

BACKGROUND INFORMATION CONCERNING STRADLING YOCCA CARLSON & RAUTH, A PROFESSIONAL CORPORATION

EXPERIENCE

Profile of the Firm

Stradling Yocca Carlson & Rauth (the “Firm”) was formed by four attorneys in 1975, and has grown to be one of the largest law firms in Orange County, with offices in San Francisco, Santa Barbara and Sacramento. Our primary areas of specialization are public finance, public law, tax, general corporate law, corporate securities, real estate, litigation, labor, estate planning and pension and profit sharing. While the majority of our clients are headquartered here in California, the Firm represents a wide variety of United States and foreign clients in connection with their activities across the nation and around the world. The Firm has substantial depth and breadth of experience representing cities and redevelopment agencies in connection with the development and revitalization of commercial centers and business areas. The Firm’s experience in public finance and in the implementation of redevelopment projects provides us with a broad perspective which we believe is of assistance to clients.

Twenty-three members of the Firm practice in the areas of public finance and general public law, making us one of the larger firms in the state in the public law field. Our public law attorneys devote their time overwhelmingly to the representation of the interests of public agencies, including cities, counties, redevelopment agencies, school districts, and special districts of various kinds, and to the supplying of legal services in connection with the financings of such agencies.

The Firm has been involved in nearly every type of financing undertaken by public agencies and has helped to develop several of the structures which are widely used throughout the country. We have utilized fixed and various variable rate financing techniques to provide low interest rates on public projects. We address unique financing problems by our solutions-oriented approach to working with issuers and other financing team members.

We believe that the Firm’s size offers an advantage to our public finance clients. First, the Firm has expertise in many areas, such as real estate, corporate securities, litigation, as well as general public law, that can be useful in analyzing all relevant issues for a bond financing. Second, our size provides stability and assurance to the client that the Firm will be in practice to follow up on matters related to the services it renders.

The Firm is a perennial leader in public finance in California. For more than 15 years, we have consistently been ranked among the top 5 bond counsel firms in the State, and most years have been ranked among the top three, both in terms of dollar volume and number of transactions. In addition, the Firm was ranked as the Number 3 disclosure counsel firm in the United States in 2011 and the Number 6 bond counsel firm in the State of California (the “State”) in 2010, the latest years for which such information is available. Additional historical information regarding the Firm is depicted in the table below:

**CALIFORNIA
BOND COUNSEL RANKINGS**

<i>Year</i>	<i>Dollar Volume (in Millions)</i>	<i>Rank</i>	<i>Number of Transactions</i>
2010	\$3,712	3	186
2009	5,806	2	116
2008	4,730	2	94
2007	5,337	3	156
2006	5,307	3	191
2005	6,549	2	279

Due to the volume and complexity of the transactions the Firm has participated in, the Firm has a breadth of knowledge and experience in all areas of municipal financing and has participated in just about every form of available financing structure, including, but not limited to, taxable and tax exempt tax allocation financings for housing and non-housing projects, lease revenue, 501(c)(3) financings and multifamily housing transactions, revenue secured utility financings, general fund lease revenue financings, derivative transactions, assessment district and Mello-Roos financings and revenue financings.

Redevelopment

Prior to the Dissolution Act and now under the Dissolution Act, the Firm has been and remains one of the most prominent in the State in terms of its redevelopment practice and now implementation of the Dissolution Act practice. The Firm has represented over 40 redevelopment agencies as general or special counsel dealing with all aspects of public laws affecting agencies. These services have included both work on bond issues and general matters.

Firm redevelopment clients have included agencies in Anaheim, Berkeley, Buena Park, Burbank, Calexico, California City, Ceres, Chula Vista, Claremont, Clovis, Coronado, Costa Mesa, Cotati, Dinuba, El Cajon, El Centro, Escondido, Fontana, Ft. Bragg, Fountain Valley, Garden Grove, Glendale, Glendora, Grand Terrace, Half Moon Bay, Highland, Imperial Beach, Lafayette, Lancaster, Lemoore, Lindsay, Lodi, Loma Linda, Los Banos, Laguna Hills, Mission Viejo, Monrovia, Montclair, Moreno Valley, Oceanside, Pico Rivera, Porterville, Rialto, Ridgecrest, Ripon, Riverside (City), Riverside (County), Rohnert Park, Salinas, San Juan Capistrano, Santa Ana, Simi Valley, Soledad, Tustin, Upland, Vista and Yucaipa.

In our capacity as special counsel to redevelopment agencies generally, we became familiar with allocating the housing portion of projects to the housing set aside fund. We also have experience with non-bonded indebtedness, including structured loans and other arrangements.

A partial listing of financings involving Mark Huebsch includes: (a) bond financings for the redevelopment agencies of: (i) Arcadia (2001 Tax Allocation Bonds, Series A, \$11,635,000; 2001 Taxable Tax Allocation Bonds, Series B, \$9,240,000); (ii) Bellflower (2004 Taxable Tax Allocation Refunding Bonds, \$7,815,000); (iii) Cotati (2001 Subordinate Tax Allocation Bonds, Series A, \$6,960,000; 2001 Subordinate Tax Allocation Bonds, Series B, \$1,100,000; 2004 Tax Allocation Refunding Bonds, \$5,610,000); (iv) Fontana, 2007 Tax Allocation Bonds, Sierra Corridor,

\$41,000,000); (v) Glendora (1993 Tax Allocation Bonds, 1993 Series A, \$13,390,000; 1998 Series A Refunding Loans, \$7,570,000; Glendora Public Financing Authority, Project No. One Tax Allocation Bonds, \$11,255,000, 2003 Series A, and Series B [Taxable] \$4,815,000); (vi) Imperial Beach, Tax Allocation Bonds, 2003 Series A, \$22,765,000; (vii) Los Banos, 2004 Taxable Tax Allocation Bonds, \$3,500,000; (viii) Oakley, Taxable Tax Allocation Bonds, Series 2003, \$8,500,000; (ix) Pismo Beach, 2001 Refunding Tax Allocation Bonds, \$1,795,000; (x) \$37,535,000 Ontario Redevelopment Financing Authority, 2007 Lease Revenue Bonds (Capital Projects); (xi) Santa Ana, Tax Allocation Bonds, Series 2003A, \$20,945,000 and Series B Refunding Bonds, \$34,145,000 [as underwriter's counsel]; (xii) Simi Valley, Tax Allocation Refunding Bonds, \$32,000,000; (xiii) Union City, Tax Allocation Refunding Bonds, 2003, \$16,600,000.

Not included in the above list are other financings, many of which have involved indirect support from the redevelopment agency. Other financings for which Mark Huebsch has actively participated include Moreno Valley Lease Revenue Bonds, \$48,700,000, 2005; Moreno Valley Lease Revenue Bonds, \$26,765,000, 2007; Fontana Public Financing Authority, 2007 Lease Revenue Bonds, \$54,550,000. The foregoing are examples where tax increment moneys will be made available to defray a portion of construction of public improvements, but where such revenues are not directed pledged to bonds. Other financings not listed above have included revenue bonds (including the issuance of hospital revenue bonds in the principal amount of \$158,345,000), additional hospital revenue bonds in the approximate principal amount of \$150,000,000, \$80,000,000 and \$40,000,000, certificates of participation, general obligation bonds, the issuance of fixed and/or variable obligations to refinance auction rate securities, and other obligations).

Certificates of Participation/Lease Revenue

We have extensive experience acting as bond counsel on both general fund certificates of participation and lease revenue bond financings. Recently, the undersigned have closed general fund supported financings for the Cities of Simi Valley, Salinas, Escondido, Riverside, Oceanside and Malibu. The Firm has completed general-fund supported lease financings for many other school districts, special districts, cities and counties in the past five years. Our certificates of participation financings have involved a variety of financing structures, including variable and fixed interest rates, project-backed financings, asset transfers, credit-enhanced and non-credit-enhanced structures, interest rate swap agreements, as well as city leases augmented by redevelopment agency revenues. From 2006 to 2009, we were bond counsel on 122 lease revenue certificates of participation or lease revenue bond financings totaling over \$6.3 billion.

The Firm has substantial real estate experience in connection with lease financings and also has a broad real estate practice representing buyers, sellers, borrowers and lenders. From a general real estate perspective, we are experienced in evaluating all aspects of title in the lease-leaseback process. We advise many local issuer clients with respect to real estate matters. With respect to this process, we are knowledgeable in title insurance matters, including the required endorsements that would be needed by the City in connection with its acquisition of property.

PERSONNEL

Mark J. Huebsch has been a shareholder (partner) at Stradling Yocca Carlson & Rauth since 1986, after joining the firm in 1983. Mr. Huebsch has specialized in public law his entire legal career, with particular emphasis on redevelopment law since 1981, following graduation from the UCLA Law School in 1975, and obtaining an A.B. degree (major in history) from the University of

Southern California (magna cum laude) in 1972. He has an “AV” rating in the Martindale-Hubbell Law Directory. His prior employment has included service as Deputy City Attorney, and then Assistant City Attorney with the City of Costa Mesa, as well as Deputy County Counsel of the County of Kern.

More recently, Mr. Huebsch was the attorney with principal responsibility for redevelopment legal matters for the redevelopment agencies of the cities of Glendora, Highland, Loma Linda, Los Banos, Moreno Valley and Yucaipa. In each case, the representation is as special counsel, with other counsel acting as City Attorney. Mr. Huebsch has been a program presenter for the California Redevelopment Association (“CRA”) at several Introduction to Redevelopment Programs, including programs dealing with both implementation and redevelopment plan adoptions, and a program (offered nine times by CRA) on Structuring Business Grants and Loans and, more recently, presentations concerning redevelopment dissolution at events sponsored by the California Redevelopment Association and the California Society of Municipal finance Officers.

References for Mr. Huebsch

The following individuals may be contacted as references regarding Mr. Huebsch; additional references are available upon request:

Mr. John Herrera
Herrera & Associates
(former Finance Director, City of
Imperial Beach; City of Pico Rivera)
3770 Orange Street
Riverside, CA 92501
(619) 271-1645

Mr. Josh Betta
Finance Director
City of Glendora
116 East Foothill Blvd.
Glendora, CA 91741
(626) 914-8241

Mr. T. Jarb Thaipejr, City Manager
Ms. Pamela Byrnes-O’Camb, City
Clerk
City of Loma Linda
25541 Barton Road
Loma Linda, CA 92354
(909) 799-2819

Mr. Blair King
City Manager
City of Coronado
1825 Strand Way
Coronado, CA 92118
(619) 522-7335

EXHIBIT C
TERMS OF RETENTION
OF
STRADLING YOCCA CARLSON & RAUTH

1. **Fees and Costs.** Stradling Yocca Carlson & Rauth is compensated for its services based primarily on the value of the services and the time spent performing them. This includes the time spent on conferences, court appearances, depositions, travel, research, drafting documents, and other activities. The basic hour rates charged would be \$325 per hour for shareholders and \$275 for senior associates, and \$250 per hour for associates, depending upon the level of experience. Paralegal time, if any, would be billed at \$140 per hour. I anticipate that I would be the attorney primarily working on these matters. In the event litigation were to occur and the services of this Firm are utilized for such services, hourly rates would be \$350 per hour for shareholders, \$300 for senior associates, and \$275 per hour for associates, with paralegal time being billed at \$140 per hour. In the event We are called upon to provide services concerning financings, hourly rates would be \$425 per hour for shareholders, \$350 for senior associates, and \$325 per hour for associates. In the event We are called upon to provide services concerning financings, hourly rates would be \$425 per hour for shareholders and \$325 per hour for associates. These rates are modified from time to time. An advance retainer is required for all new matters. Mileage will be billed at the rate established from time to time by the Internal Revenue Service.

The amount of fees charged on a statement is determined by starting with the hours expended by the different attorneys and other professional personnel involved. These amounts are then adjusted for factors such as the extent of any duplication of attorney effort, unusual efficiency (or lack of efficiency), the novelty or difficulty of the issues involved, the time demands of the representation, and unusually good (or unusually disappointing) results.

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.

Payment is due within ten days of the date of each fee and costs statement. Overdue statements will be charged interest of 10% per annum, compounded annually. If the City and/or the Agency (herein, "You" or "you") wishes to question any charge, you have agreed to do so within ten days of the statement date. Please contact the partner in charge of your matters if you have any questions about any of your bills.

2. [Intentionally Omitted].

3. **Estimates Not Binding.** Although we may furnish estimates of fees or costs that we anticipate will be incurred, these estimates are not intended to be binding, are subject to unforeseen circumstances, and are by their nature inexact.

4. **Termination by You.** You have the right at any time, in your sole discretion, to terminate our services and representation. Upon our termination, you will remain obligated to pay for all services rendered and costs or expenses paid or incurred on your behalf prior to the date of such termination or which are reasonably necessary thereafter.

5. **Termination by Us.** We reserve the absolute right to withdraw from representing you if, among other things, you fail to honor the terms of our agreement, you fail to cooperate fully or follow our advice on a material matter, or any fact or circumstance occurs that would, in our view, render our continuing representation unlawful or unethical. If we elect to withdraw, you will take all steps necessary to free us of any obligation to perform further services, including the execution of any documents necessary to complete our withdrawal, and we will be entitled to be paid at the time of withdrawal for all services rendered and costs and expenses paid or incurred on your behalf. If necessary in connection with litigation, we would request leave of court to withdraw.

6. **Date of Termination.** Our representation of you will be considered terminated at the earlier of (i) your termination of our representation, (ii) our withdrawal from our representation of you, or (iii) the substantial completion of our substantive work for you.

7. **Related Activities.** If any claim or action is brought against us or any personnel or agents of the firm based on your negligence or misconduct, or if we are asked to testify as a result of our representation of you or must defend the confidentiality of your communications in any proceeding, you agree to pay us for any resulting fees, costs, or damages, including our time, even if our representation of you has ended.

8. **No Guarantee of Outcome.** We do not and cannot guarantee any outcome in a matter.

9. **Insurance.** In accordance with the requirements of California Business and Professions Code § 6148, we advise you that this firm maintains professional errors and omissions insurance coverage applicable to the services to be rendered to you.

10. **Client.** This firm's client for the purpose of our representation is only the person or entity identified in the letter accompanying these Terms of Retention. Unless expressly agreed, we are not undertaking the representation of any related or affiliated person or entity, nor any parent, brother-sister, subsidiary, or affiliated corporation or entity, nor any of your or their officers, directors, agents, or employees.

11. **Payment Notwithstanding Dispute.** In the event of any dispute that relates to our entitlement to any payment from you, all undisputed amounts shall be paid by you. Any amounts in any client trust account held on your behalf, sufficient to pay the disputed amounts, shall continue to be held in such trust account until the final disposition of the dispute.

12. **Arbitration.** IN THE EVENT OF A DISPUTE REGARDING FEES, COSTS, OR ANY OTHER MATTER ARISING OUT OF OR RELATED IN ANY WAY WHATSOEVER TO OUR RELATIONSHIP WITH YOU, OR YOUR OR OUR PERFORMANCE OF THIS AGREEMENT, INCLUDING THE QUALITY OF THE SERVICES WHICH WE RENDER, THE DISPUTE SHALL BE DETERMINED, SETTLED AND RESOLVED BY CONFIDENTIAL ARBITRATION IN ORANGE COUNTY, CALIFORNIA. ANY AWARD SHALL BE FINAL, BINDING AND CONCLUSIVE UPON THE PARTIES, AND A JUDGMENT RENDERED THEREON MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. SHOULD YOU ELECT TO HAVE ANY FEE DISPUTE ARBITRATED PURSUANT TO NONBINDING ARBITRATION UNDER STATUTORY OR CASE LAW, THEN SUCH NONBINDING ARBITRATION SHALL DETERMINE ONLY THE ISSUE OF THE AMOUNT OF FEES PROPERLY CHARGEABLE TO YOU. ANY OTHER CLAIMS OR DISPUTES

BETWEEN US, INCLUDING CLAIMS FOR PROFESSIONAL NEGLIGENCE, SHALL REMAIN SUBJECT TO BINDING ARBITRATION PURSUANT TO THIS AGREEMENT.

Arbitration may be demanded by the sending of written notice to the other party. If arbitration is demanded, within 20 days of the demand you shall present a list of five qualified individuals who would be willing to serve that you would find acceptable to act as arbitrator. To serve as arbitrator, the individual must be a retired judge having served on any federal court or the California Superior Court or higher court in the State of California. Within 20 days of receiving your list, we may at our sole discretion (i) select any individual from that list and that individual shall serve as the arbitrator, or (ii) propose our own list of five individuals for arbitrator. If we choose to present a separate list, you may within 20 days select any individual from that list and that person shall serve as arbitrator. If no arbitrator can be agreed upon at the end of this process, each of us shall select one individual from our own respective list and those two persons shall jointly select the arbitrator. The arbitration shall be conducted pursuant to the procedures set forth in the California Code of Civil Procedure §§ 1280 et seq., and in that connection you and we agree that § 1283.05 thereof is applicable to any such arbitration. Nothing herein shall limit the right of the parties to stipulate and agree to conduct the arbitration pursuant to the then-current rules of the American Arbitration Association, the Judicial Arbitration & Mediation Services, or any other agreed-upon arbitration services provider.

AGREED:

CITY OF COMMERCE, a municipal corporation

By: _____
City Manager

Dated: _____, 2012

