

CITY OF BRENTWOOD
Oversight Board
Terrace View Room – 2nd floor
Brentwood City Hall
150 City Park Way
Brentwood, CA 94513

A regular meeting of the Brentwood Oversight Board is hereby called for:

Wednesday, July 17, 2013
4:00 p.m.

Oversight Board Members:

Bill Hill, Chair
Steve Barr
Bob Brockman
Paul Eldredge

Brian Swisher, Vice Chair
Kevin Horan
Eric Volta

MEETING AGENDA

1. Call to Order
2. Public Comment – *At this time the public is permitted to address the Board on items that are **not** on the agenda. Persons addressing the Board are required to limit their remarks to five (5) minutes unless an extension of time is granted by the Board.*
3. Approval of minutes from February 27, 2013 meeting
4. Consideration of the transfer of housing assets of the former Brentwood Redevelopment Agency to the City of Brentwood in its role as Successor Housing Agency
5. A Resolution approving and authorizing the City Attorney as Successor Agency General Counsel to execute an agreement with Burke, Williams and Sorensen for Successor Agency general legal services
6. Suggestions for future agenda items
7. Adjournment

Dated: July 12, 2013

NOTICE

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available. If you are a person with a disability and you need disability-related modifications or accommodations to participate in this meeting, please contact the City Clerk's Office at (925) 516-5440 or fax (925) 516-5441. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. {28 CFR 35.102-35, 104 ADA Title II}

POSTING STATEMENT

On **July 12, 2013** a true and correct copy of this agenda was posted on the City Hall Bulletin Board, outside City Hall, 150 City Park Way, Brentwood, CA 94513.



Oversight Board
February 27, 2013
Brentwood City Hall
Terrace View Conference Room
Meeting Minutes

Present: Steve Barr, Bob Brockman, Paul Eldredge, Brian Swisher, Eric Volta
Absent: Bill Hill, Kevin Horan

1. Call to Order – Vice Chair Brian Swisher called the meeting to order at 4:03 p.m.
2. Public Comment – None.
3. Consideration of minutes from January 30, 2013 – M/S/C (Brockman/Barr) to approve the minutes from the January 30, 2013 meeting. 3-0-1-3 (Volta abstained, Eldredge, Hill and Horan absent)

Paul Eldredge arrived at 4:06 p.m.

4. A Resolution of the Brentwood Oversight Board Approving the Recognized Obligation Payment Schedule ("ROPS") and Administrative Budget for July – December 2013

Assistant Finance Director Kerry Breen reported that ROPS #4 is before the Board for approval. He noted that all items on the ROPS are now being numbered for consistency and that item #23, Meta Housing, was denied by the State. The Successor Agency went through the meet and confer process and was not successful. The item will continue to show in the ROPS as being settled. The 3.95 million was remitted back to the County Auditor-Controller and has been reallocated to the taxing entities.

In response to a question from Eric Volta regarding pass-through payments, Kerry Breen responded that these payments no longer come through the Successor Agency but are now being administered by the County.

M/S/C (Volta/Barr) to adopt the resolution approving ROPS 4. 5-0-0-2 (Hill and Horan absent)

5. Suggestions for future agenda items –The next regular meeting is scheduled for March 20. If there are no agenda items, the meeting will be cancelled.
6. The meeting was adjourned at 4:13 p.m.

CITY OF BRENTWOOD OVERSIGHT BOARD

Meeting Date: July 17, 2013

Subject/Title: Consideration of the transfer of housing assets of the former Brentwood Redevelopment Agency to the City of Brentwood in its role as Successor Housing Agency

Submitted by: Kerry Breen, Assistant Finance Director

Approved by: Pamela Ehler, Director of Finance and Information Systems

RECOMMENDATION

Adopt a Resolution approving the transfer of housing assets of the former Brentwood Redevelopment Agency to the City of Brentwood in its role as Successor Housing Agency.

PREVIOUS ACTION

On May 8, 2012, the City of Brentwood Oversight Board adopted Resolution 2012-04 approving amended Recognized Obligation Payment Schedules ("ROPS") for the periods January – June 2012 and July – December 2012.

On August 15, 2012, the City of Brentwood Oversight Board adopted Resolution 2012-13 approving the Administrative Budget and the ROPS of the Successor Agency of the City of Brentwood for the period of January 1, 2013 - June 30, 2013.

On December 3, 2012, the City of Brentwood Oversight Board adopted Resolution 2012-17 approving the independent accountant's report on the Due Diligence Review of the Low and Moderate Income Housing Fund and determining the amount of cash and cash equivalents that are available for disbursement to taxing entities.

BACKGROUND

Pursuant to California Health and Safety Code (HSC) Section 34173 (d), on January 10, 2012 via Resolution 2012-07, the City of Brentwood elected to serve as the successor housing agency to the Brentwood Redevelopment Agency and to retain the housing assets and functions previously held and performed by the Redevelopment Agency upon its dissolution on February 1, 2012. Subsequent to the dissolution, all non-cash housing assets of the former Redevelopment Agency were transferred to the City as housing successor. In addition, cash amounts necessary to fund enforceable housing obligations, as listed on the Required Obligation Payment Schedule ("ROPS") for the periods of January 2012 through June 2013, were also transferred. Each ROPS was approved by the Oversight Board and by the California State Department of Finance ("DOF").

In June 2012, Assembly Bill 1484 ("AB1484") was passed by the Legislature modifying certain portions of the HSC relative to the redevelopment wind-down process. These modifications included a requirement that successor agencies submit a listing of all housing asset transfers to the DOF for review and approval on a Housing Asset Transfer Form ("HAT"). AB1484 also added a separate requirement that the Oversight Board approve, by resolution, the transfer of housing assets to the City as housing successor. This new requirement does not address coordination with the DOF approval of the same transfers required in a different section of the HSC. In order to achieve full compliance, the conservative approach being taken by other

agencies is to have the HAT acted upon by the Oversight Board, regardless of previous DOF approval.

The transfers of housing non-cash assets, as detailed on the HAT, included 2 parcels (1907 and 1909 Jane Way) being held for Low and Moderate Income Housing purposes. In addition, housing assets transferred to the City as the housing successor included affordable housing covenants, loan files and documents, office supplies, and loans made for the construction of low income housing in the City.

The HAT also included transfers of housing cash assets of \$4,284,138, consisting of \$3,989,500 for the Meta Housing project; \$144,623 for January 2012 – June 2012 to fund enforceable obligations as included on the approved ROPS; and \$150,015 for the July 2012 – December 2012 approved ROPS. In addition to being included on the ROPS, these transfers were also included in the Due Diligence Review of the Low and Moderate Income Housing Fund (“DDR”) for purposes of determining the cash balances available for distribution to the other taxing entities. The DOF ultimately disallowed the \$3,989,500 transfer for Meta Housing, and those funds were returned to the Successor Agency and subsequently distributed to the other taxing entities. The remaining cash transfers on the HAT and DDR, totaling \$294,638, were approved by the DOF in both documents. The HAT attached to this staff report has been updated to reflect the removal of the \$3,989,500 cash transfer but otherwise is reflective of what has been approved by the DOF.

The instructions of the HAT specified that only transfers through July 2012 should be included. Cash transfers necessary to fund enforceable housing obligations for the January 2013 – June 2013 ROPS time period were thus not listed on the HAT since those transfers would not occur until January 2013. Through the January – June 2013 ROPS process, the Oversight Board and DOF approved the use of \$144,140 in existing Successor Agency Low and Moderate Income Housing Funds to cover approved housing enforceable obligations for the January 2013 – June 2013 time period. As such, these funds were considered to be “encumbered balances” on the DDR and not available for distribution to the other taxing entities. Following the distribution of \$4,072,553 of “unencumbered balances” to the other taxing entities and the final transfer of \$144,140 for housing enforceable obligations, the Successor Agency Low and Moderate Income Housing Fund was left with a \$0 balance.

Despite the housing transfers having been reviewed and approved through the ROPS, HAT and DDR process, potentially conflicting information in the HSC has prompted staff to proceed in a conservative manner to ensure all legal procedures have been followed. As such, the HAT and subsequent \$144,140 transfer relating to 2013 enforceable obligations is being presented to the Oversight Board for consideration of approval.

FISCAL IMPACT

The approval of housing transfers does not have a fiscal impact due to these transfers all having been approved and accounted for previously on prior ROPS, the DDR and the HAT. The City, as housing successor, was the recipient of the transfer of all non-cash housing assets pursuant to HSC Section 34176(a)(1). The cash transfers were included as enforceable obligations on the ROPS and DDR and were included on the HAT with the exception of the 2013 transfer. The source of those funds was the Successor Agency’s Low and Moderate Income Housing Fund, which now has a \$0 cash balance following the distribution of over \$4 million to the other taxing entities.

Attachments

Resolution

Exhibit “A” – DOF approved Housing Asset Transfer Form

OVERSIGHT BOARD RESOLUTION NO.

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY CITY OF BRENTWOOD APPROVING TRANSFERS OF HOUSING ASSETS OF THE FORMER BRENTWOOD REDEVELOPMENT AGENCY TO THE CITY OF BRENTWOOD IN ITS ROLE AS SUCCESSOR HOUSING AGENCY.

WHEREAS, on February 1, 2012 the Brentwood Redevelopment Agency was dissolved pursuant to HSC Sections 34161-34166; and

WHEREAS, on January 10, 2012, pursuant to HSC Section 34173(d) and 34176 and City Resolution 2012-07, the City Council of the City of Brentwood elected to become the Successor Agency to the Brentwood Redevelopment Agency and to become the Successor Housing Agency to the Brentwood Redevelopment Agency; and

WHEREAS, HSC 34176(a)(1) provides for all rights, powers, duties, obligations, and housing assets (as defined by HSC 34176(e)) of the redevelopment agency that were retained by the Successor Agency to be transferred to the Successor Housing Agency; and

WHEREAS, the Successor Agency transferred all non-cash housing assets to the City as Successor Housing Agency as listed on the Housing Asset Transfer form and subsequently approved by the Department of Finance; and

WHEREAS, the Department of Finance approved and the Successor Agency transferred cash housing assets to the City as Successor Housing Agency in the amount of \$438,778, of which \$294,638 was listed on the Housing Asset Transfer Form; and

WHEREAS, a cash transfer of \$144,140, necessary to cover approved enforceable housing obligations during the first six months of 2013 was made subsequent to the submission of the Housing Asset Transfer Form; and

WHEREAS, the Department of Finance approved the subsequent cash transfer of \$144,140 through their approval of the applicable ROPS and through their approval of the exclusion of this transfer from the calculated balance determined to be available for distribution to the other taxing entities in the Low and Moderate Income Housing Fund Due Diligence Review; and

WHEREAS, despite housing asset transfers being approved through the ROPS, Housing Asset Transfer Form and Due Diligence Review process, staff is requesting a separate approval for these transfers due to potentially conflicting requirements in the HSC.

NOW, THEREFORE BE IT RESOLVED AS FOLLOWS:

1. The Housing Asset Transfer Form, in the form attached to this resolution and incorporated herein by reference, is hereby approved.

2. A cash transfer of \$144,140 from the Successor Agency Low and Moderate Income Housing Fund as specified on the approved Low and Moderate Income Fund Due Diligence Review and as listed in the approved January 2013 – June 2013 ROPS is hereby approved.

PASSED, APPROVED AND ADOPTED by the Oversight Board for the Successor Agency City of Brentwood at a regular meeting held on July 17, 2013, by the following vote:

**DEPARTMENT OF FINANCE
HOUSING ASSETS LIST
ASSEMBLY BILL X1 26 AND ASSEMBLY BILL 1484
(Health and Safety Code Section 34176)**

Former Redevelopment Agency: Brentwood Redevelopment Agency

Successor Agency to the Former Redevelopment Agency: City of Brentwood

Entity Assuming the Housing Functions of the former Redevelopment Agency: City of Brentwood

Entity Assuming the Housing Functions Contact Name: Kerry Breen Title Assistant Finance Director Phone 925-516-5436 E-Mail Address kbreen@brentwoodca.gov

Entity Assuming the Housing Functions Contact Name: Michelle Hamblin Title Accounting Manager Phone 925-516-5107 E-Mail Address mhamblin@brentwoodca.gov

All assets transferred to the entity assuming the housing functions between February 1, 2012 and the date the exhibits were created are included in this housing assets list. The following Exhibits noted with an X in the box are included as part of this inventory of housing assets:

Exhibit A - Real Property	X (3 pages)
Exhibit B- Personal Property	X
Exhibit C - Low-Mod Encumbrances	X
Exhibit D - Loans/Grants Receivables	X
Exhibit E - Rents/Operations	
Exhibit F- Rents	
Exhibit G - Deferrals	

Prepared By: **Kerry Breen**

Date Prepared: **7/31/2012**

**City of Brentwood
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)**

Item #	Type of Asset a/	Legal Title and Description	Carrying Value of Asset	Total square footage	Square footage reserved for low-mod housing	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant b/	Date of transfer to Housing Successor Agency	Construction or acquisition cost funded with Low-Mod Housing Fund monies	Construction or acquisition costs funded with other RDA funds	Construction or acquisition costs funded with non-RDA funds	Date of construction or acquisition by the former RDA	Interest in real property (option to purchase, easement, etc.)
1	Vacant Land Parcel - 1907 Jane Way	NO APN	\$650,510	1.12 acres of land	The entire parcel	No	N/A	1-Feb-12	Yes	No	No	31-Dec-07	Fee
2	Vacant Land Parcel - 1909 Jane Way	APN 013-010-013	\$389,849	.894 acres of land	The entire parcel	No	N/A	1-Feb-12	Yes	No	No	15-Dec-04	Fee
3	Affordable Housing	APN 010-650-010	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	31-May-06	Option to Purchase in the Event of Default
4	Affordable Housing	APN 010-650-033	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	24-Sep-04	Option to Purchase in the Event of Default
5	Affordable Housing	APN 010-660-009	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	16-Dec-05	Option to Purchase in the Event of Default
6	Affordable Housing	APN 010-670-042	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	7-Oct-05	Option to Purchase in the Event of Default
7	Affordable Housing	APN 010-770-018	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	19-Dec-02	Option to Purchase in the Event of Default
8	Affordable Housing	APN 012-350-004	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	28-Jan-08	Option to Purchase in the Event of Default
9	Affordable Housing	APN 013-380-105	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	15-Dec-04	Option to Purchase in the Event of Default
10	Affordable Housing	APN 013-400-013	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	1-Mar-05	Option to Purchase in the Event of Default
11	Affordable Housing	APN 013-400-016	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	23-Feb-05	Option to Purchase in the Event of Default
12	Affordable Housing	APN 013-400-023	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	23-Feb-05	Option to Purchase in the Event of Default
13	Affordable Housing	APN 013-400-052	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	31-Jan-11	Option to Purchase in the Event of Default
14	Affordable Housing	APN 013-400-053	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	17-Nov-05	Option to Purchase in the Event of Default
15	Affordable Housing	APN 013-400-058	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	23-Jun-05	Option to Purchase in the Event of Default
16	Affordable Housing	APN 013-400-064	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	30-Aug-05	Option to Purchase in the Event of Default
17	Affordable Housing	APN 013-410-014	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	29-Mar-05	Option to Purchase in the Event of Default
18	Affordable Housing	APN 013-410-028	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	29-Jun-07	Option to Purchase in the Event of Default
19	Affordable Housing	APN 013-410-033	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	22-Feb-05	Option to Purchase in the Event of Default
20	Affordable Housing	APN 016-300-004	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	3-Oct-05	Option to Purchase in the Event of Default

a/ Asset types may include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

City of Brentwood
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Type of Asset <i>a/</i>	Legal Title and Description	Carrying Value of Asset	Total square footage	Square footage reserved for low-mod housing	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant <i>b/</i>	Date of transfer to Housing Successor Agency	Construction or acquisition cost funded with Low-Mod Housing Fund monies	Construction or acquisition costs funded with other RDA funds	Construction or acquisition costs funded with non-RDA funds	Date of construction or acquisition by the former RDA	Interest in real property (option to purchase, easement, etc.)
1	Affordable Housing	APN 016-300-016	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	30-Sep-05	Option to Purchase in the Event of Default
2	Affordable Housing	APN 016-300-017	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	30-Sep-05	Option to Purchase in the Event of Default
3	Affordable Housing	APN 016-300-110	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	30-Sep-05	Option to Purchase in the Event of Default
4	Affordable Housing	APN 016-300-119	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	27-Oct-05	Option to Purchase in the Event of Default
5	Affordable Housing	APN 016-300-190	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	17-Feb-06	Option to Purchase in the Event of Default
6	Affordable Housing	APN 016-300-161	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	31-Mar-06	Option to Purchase in the Event of Default
7	Affordable Housing	APN 016-300-217	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	30-Jan-07	Option to Purchase in the Event of Default
8	Affordable Housing	APN 016-300-244	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	6-Apr-06	Option to Purchase in the Event of Default
9	Affordable Housing	APN 016-300-254	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	16-Apr-06	Option to Purchase in the Event of Default
10	Affordable Housing	APN 018-470-004	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	5-May-05	Option to Purchase in the Event of Default
11	Affordable Housing	APN 018-520-070	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	19-Dec-05	Option to Purchase in the Event of Default
12	Affordable Housing	APN 018-520-071	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	21-Dec-05	Option to Purchase in the Event of Default
13	Affordable Housing	APN 018-520-072	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	22-Jun-06	Option to Purchase in the Event of Default
14	Affordable Housing	APN 018-560-020	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	29-Sep-06	Option to Purchase in the Event of Default
15	Affordable Housing	APN 018-560-021	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	29-Sep-06	Option to Purchase in the Event of Default
16	Affordable Housing	APN 018-560-042	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	31-Oct-06	Option to Purchase in the Event of Default
17	Affordable Housing	APN 018-560-043	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	29-Sep-06	Option to Purchase in the Event of Default
18	Affordable Housing	APN 019-760-059	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	30-Sep-05	Option to Purchase in the Event of Default
19	Affordable Housing	APN 019-760-060	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	21-Nov-05	Option to Purchase in the Event of Default
20	Affordable Housing	APN 019-840-090	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	28-Jul-06	Option to Purchase in the Event of Default

a/ Asset types may include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

**City of Brentwood
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)**

Item #	Type of Asset <i>a/</i>	Legal Title and Description	Carrying Value of Asset	Total square footage	Square footage reserved for low-mod housing	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant <i>b/</i>	Date of transfer to Housing Successor Agency	Construction or acquisition cost funded with Low-Mod Housing Fund monies	Construction or acquisition costs funded with other RDA funds	Construction or acquisition costs funded with non-RDA funds	Date of construction or acquisition by the former RDA	Interest in real property (option to purchase, easement, etc.)
1	Affordable Housing	APN 019-850-007	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	30-May-06	Option to Purchase in the Event of Default
2	Affordable Housing	APN 019-840-029	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	28-Jan-10	Option to Purchase in the Event of Default
3	Affordable Housing	APN 019-840-020	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	19-Mar-10	Option to Purchase in the Event of Default
4	Affordable Housing	APN 019-850-089	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	11-Jun-10	Option to Purchase in the Event of Default
5	Affordable Housing	APN 019-850-081	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	25-Jun-10	Option to Purchase in the Event of Default
6	Affordable Housing	APN 019-850-077	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	26-Jul-10	Option to Purchase in the Event of Default
7	Affordable Housing	APN 019-850-053	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	21-Jan-11	Option to Purchase in the Event of Default
8	Affordable Housing	APN 019-850-072	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	14-Mar-11	Option to Purchase in the Event of Default
9	Affordable Housing	APN 019-850-065	N/A	N/A	N/A	Yes	City Inclusionary Ordinance	1-Feb-12	No	No	No	12-Aug-11	Option to Purchase in the Event of Default
10	Affordable Housing	APN 016-160-039	N/A	N/A	N/A	Yes	Low/Mod Funds (Exhibit D)	1-Feb-12	Yes	No	No	9-Apr-96	Option to Purchase in the Event of Default
11	Affordable Housing	APN 016-160-041	N/A	N/A	N/A	Yes	Low/Mod Funds (Exhibit D)	1-Feb-12	Yes	No	No	12-Jan-02	Option to Purchase in the Event of Default
12	Affordable Housing	APN 016-160-041	N/A	N/A	N/A	Yes	Low/Mod Funds (Exhibit D)	1-Feb-12	Yes	No	No	1-Jul-04	Option to Purchase in the Event of Default
13	Affordable Housing	APN 013-212-012-2	N/A	N/A	N/A	Yes	Low/Mod Funds (Exhibit D)	1-Feb-12	Yes	No	No	25-Jan-05	Option to Purchase in the Event of Default
14	Affordable Housing	APN 019-110-070	N/A	N/A	N/A	Yes	Low/Mod Funds (Exhibit D)	1-Feb-12	Yes	No	No	12-May-06	Option to Purchase in the Event of Default
15	Affordable Housing	APN 013-160-024	N/A	N/A	N/A	Yes	Low/Mod Funds (Exhibit D)	1-Feb-12	Yes	No	No	6-Apr-11	Option to Purchase in the Event of Default
16	Affordable Housing	APN 013-160-024	N/A	N/A	N/A	Yes	Low/Mod Funds (Exhibit D)	1-Feb-12	Yes	No	No	6-Apr-11	Option to Purchase in the Event of Default
17	Affordable Housing	APN 013-212-012-2	N/A	N/A	N/A	Yes	Low/Mod Funds (Exhibit D)	1-Feb-12	Yes	No	No	29-Nov-10	Option to Purchase in the Event of Default

Please note that the APN information represents current APN numbers and not necessary the APN at the time the covenant was reached. The parcel number of the property at the time the agreement was entered into was in some cases different or was a collection of several parcels that subsequently became one parcel number when developed.

a/ Asset types may include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

City of Brentwood
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Type of Asset a/	Description	Carrying Value of Asset	Date of transfer to Housing Successor Agency	Acquisition cost funded with Low-Mod Housing Fund monies	Acquisition costs funded with other RDA funds	Acquisition costs funded with non-RDA funds	Date of acquisition by the former RDA
1	Loan Files and Documents	All files on hand relating to existing loans and covenants	N/A	1-Feb-12	Estimated at \$500	\$0	\$0	Various
2	Office Supplies	General Office supplies	N/A	1-Feb-12	Estimated at \$1,500	\$0	\$0	Various
3		including pens, paper,						
4		and light equipment (e.g.						
5		stapler, tape dispenser,						
6		adding machine, 3-hole						
7		punch, pencil sharpener, etc)						
8		which are expensed as						
9		purchased for accounting						
10		purposes.						
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								

a/ Asset types any personal property provided in residences, including furniture and appliances, all housing-related files and loan documents, office supplies, software licenses, and mapping programs, that were acquired for low and moderate income housing purposes, either by purchase or through a loan, in whole or in part, with any source of funds.

City of Brentwood
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Type of housing built or acquired with enforceably obligated funds a/	Date contract for Enforceable Obligation was executed	Contractual counterparty	Total amount currently owed for the Enforceable Obligation	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant b/	Current owner of the property	Construction or acquisition cost funded with Low-Mod Housing Fund monies	Construction or acquisition costs funded with other RDA funds	Construction or acquisition costs funded with non-RDA funds	Date of construction or acquisition of the property
1	First ROPS (Jan - June 2012) Line 9**	DOF Approval of ROPS 5/24/12	Office/Phone/Utility costs	2,442	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2	First ROPS Line 9** (PFM Asset Management)	Contract with PFM 2/13/2007	Investment Management Fees	1,927	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	First ROPS Line 9** (Seifel Consulting)	Contract with Seifel June 30, 2011	Professional Services -	11,804	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	First ROPS Line 9** (Maze and Associates)	Contract with Maze and Associates Feb 9, 2010	Professional Services - Annual External Audit	997	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	First ROPS Line 9** (Burke, Williams and Sorenso; and Best, Best and Krieger)	Contract with Burke June 23, 2011; BBK July 7, 2011	Legal Expenses	18,229	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6	First ROPS Line 16**	DOF Approval of ROPS 5/24/12	Housing Monitoring / Compliance - Staff costs	109,224	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7	This line has been removed following denial by the DOF*										
8	Second ROPS (July - Dec 2012) ** Line 16	DOF Approval of ROPS 5/24/12	Housing Monitoring / Compliance - Staff costs	107,031	N/A	N/A	N/A	N/A	N/A	N/A	N/A
9	Second ROPS ** Line 11	DOF Approval of ROPS 5/24/12	Office/Phone/Utility costs	2,500	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10	Second ROPS Line 11** (Burke, Williams and Sorenso; and Best, Best and Krieger)	Contract with Burke June 23, 2011; BBK July 7, 2011, contracts updated in August 2012	Legal Expenses	18,584	N/A	N/A	N/A	N/A	N/A	N/A	N/A
11	Second ROPS ** Line 11	Contract with Maze and Associates Feb 9, 2010	Professional Services - Annual External Audit	2,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
12	Second ROPS ** Line 11	Contract with Seifel June 30, 2011, updated in August 2012	Professional Services - Advisory	17,400	N/A	N/A	N/A	N/A	N/A	N/A	N/A
13	Second ROPS ** Line 11	Contract with PFM 2/13/2007	Investment Management Fees	2,500	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* The Loan Agreement between Meta Housing and the former Redevelopment Agency for \$3,989,500 was disapproved as an enforceable obligation by the Department of Finance. The Department of Finance approved all remaining items on all pages of the Housing Asset Transfer form. This item has been removed for purposes of Oversight Board approval, although a revised form was never required to be submitted to the Department of Finance. This transfer was reversed, and the funds returned to the Successor Agency and have since been distributed to the other taxing entities.

** Amounts from the ROPS represent approved enforceable obligations which in some cases have already been satisfied. What is listed here is the amount transferred from the Successor Agency to pay those Enforceable Obligations from Feb 2012 until today.

a/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

City of Brentwood
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)

Item #	Was the Low-Mod Housing Fund amount issued for a loan or a grant?	Amount of the loan or grant	Date the loan or grant was issued	Person or entity to whom the loan or grant was issued	Purpose for which the funds were loaned or granted	Are there contractual requirements specifying the purposes for which the funds may be used?	Repayment date, if the funds are for a loan	Interest rate of loan	Current outstanding loan balance
1	Loan	\$ 314,550	4/9/1996	Brentwood/202 Senior Housing	Low Income Senior Housing	Yes	4/9/2036	0%	\$ 314,550
2	Loan	\$ 530,722	11/12/2002	Christian Church Homes/Sycamore Place II	Low Income Senior Housing	Yes	6/27/2058	3%	\$ 667,383
3	Loan	\$ 225,000	7/1/2004	Christian Church Homes/Sycamore Place II	Low Income Senior Housing	Yes	6/27/2058	3%	\$ 276,188
4	Loan	\$ 100,000	1/25/2005	Eden Housing	Low Income Senior Housing	Yes	1/25/2060	3%	\$ 119,875
5	Loan	\$ 1,400,000	5/12/2006	Mercy Housing California XII	Low Income Apartments	Yes	5/12/2061	3%	\$ 1,613,500
6	Forgivable Loan	\$ 458,886	4/6/2011	Brentwood Green Valley Associates	Low Income Apartments	Yes	4/6/2065	3%	\$ 452,046
7	Forgivable Loan	\$ 800,000	4/6/2011	Brentwood Green Valley Associates	Low Income Apartments	Yes	4/6/2065	3%	\$ 793,933
8	Loan	\$ 400,000	11/29/2010	Brentwood Senior Commons	Elevator in Low Income Senior Housing	Yes	11/29/2065	0%	\$ 400,000
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									

Note: Current outstanding loan balance reflects loan + interest accruals as of 2/1/12.
 No new loan agreements have been issued since 2/1/12.

CITY OF BRENTWOOD OVERSIGHT BOARD

Meeting Date: July 17, 2013

Subject/Title: A Resolution approving and authorizing the City Attorney as Successor Agency General Counsel to execute an agreement with Burke, Williams and Sorensen for Successor Agency general legal services

Prepared by: Damien Brower, City Attorney/ Successor Agency General Counsel

Submitted by: Damien Brower, City Attorney/Successor Agency General Counsel

RECOMMENDATION

Adopt a Resolution approving and authorizing the City Attorney as Successor Agency General Counsel to execute an agreement with Burke, Williams and Sorensen for Successor Agency general legal services.

PREVIOUS ACTION

On February 27, 2013, by Resolution 2013-02 the Oversight Board approved the administrative budget and Recognized Obligation Payment Schedule (ROPS) for the July 1, 2013 – December 31, 2013 timeframe.

On July 18, 2012, by Resolution 2012-12 the Oversight Board authorized the City Attorney, as Successor Agency General Counsel to execute an agreement with Burke, Williams and Sorensen for Successor Agency general legal services.

BACKGROUND

The Legislature created successor agencies to perform the tasks and duties associated with winding down the business and fiscal affairs of former redevelopment agencies. Complicating this process are ever evolving legislative proposals and legal interpretations to which cities and successor agencies must strictly adhere. In order to accomplish the State mandated objectives, a successor agency may need to engage the services of qualified consultants and attorneys to assist with the technical and/or legal aspects associated with ensuring the wind down process is conducted in compliance with all legal and statutory requirements.

As of February 1, 2012, redevelopment agencies were dissolved and the Successor Agency became responsible for the approval of any new agreements. The proposed agreement with Burke, Williams and Sorensen involves general legal services, such as document review and preparation. Attorneys at the firm have had a long history of assisting the former Redevelopment Agency with legal matters and this agreement will maintain the ongoing professional relationship as the dissolution process continues. The agreement covers the 2013/14 and 2014/15 fiscal years and cannot exceed \$50,000 without Successor Agency and Oversight Board approval.

In previous ROPS filings the Successor Agency requested that funding for outside consultant costs related to redevelopment dissolution would come from a combination of property tax increment (now referred to as the Redevelopment Property Tax Trust Fund or "RPTTF") and through the Successor Agency's annual \$250,000 administrative reimbursement allowance. The State Department of Finance (DOF) subsequently denied the request for any funding from

the RPTTF for these items, and as such, these costs will be funded through the Successor Agency's administrative reimbursement allowance. While the Successor Agency may attempt to receive RPTTF funding for these or similar items in future ROPS periods, this would not be effective until January 1, 2014 at the earliest.

FISCAL IMPACT

Payment for services under the terms of this agreement is consistent with the Successor Agency's Required Obligation Payment Schedule adopted by Oversight Board Resolution No. 2013-02. This agreement does not change the amount included on the adopted ROPS, and thus no additional funds would be need to be committed or reserved for these services. The anticipated expenses associated with this agreement would be included on future ROPS.

Funding for services under this contract performed through December 31, 2013 would be paid from the Successor Agency's administrative allowance with a portion of the funding for services performed after this date potentially being funded by RPTTF if approved by the DOF.

Attachments:
Resolution
Agreement

RESOLUTION NO.

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY OF THE CITY OF BRENTWOOD APPROVING AND AUTHORIZING THE CITY ATTORNEY AS SUCCESSOR AGENCY GENERAL COUNSEL TO EXECUTE AN AGREEMENT WITH BURKE, WILLIAMS AND SORENSEN FOR SUCCESSOR AGENCY GENERAL LEGAL SERVICES

WHEREAS, the Successor Agency continues to need legal advisory services to assist with technical and/or legal aspects associated with ensuring that the redevelopment wind down process is conducted in compliance with all legal and statutory requirements; and

WHEREAS, on February 27, 2013, by Resolution 2013-02, the Oversight Board adopted the Administrative Budget and Recognized Obligation Payment Schedule (ROPS) for the period of July 1, 2013 – December 31, 2013 time frame; and

WHEREAS, staff requests approval and authorization be given to the City Attorney of the City of Brentwood, as the Successor Agency General Counsel, to execute an agreement with Burke, Williams and Sorensen to provide Successor Agency general legal services for Fiscal Years 2013/14 and 2014/15.

NOW, THEREFORE BE IT RESOLVED that the Oversight Board of the Brentwood Successor Agency does hereby approve and authorize:

1. The City Attorney, as Successor Agency General Counsel, to execute an agreement with Burke, Williams and Sorensen for general legal services in an amount not to exceed \$50,000 for Fiscal Years 2013/14 and 2014/15.

PASSED, APPROVED AND ADOPTED by the Oversight Board for the Successor Agency City of Brentwood at a regular meeting held on July 17, 2013 by the following vote:

**AGREEMENT FOR SPECIAL COUNSEL SERVICES
[Burke, Williams & Sorensen – Successor Agency Matters]**

This Agreement for Special Counsel Services (“Agreement”) is made and entered into as of the ___ day of _____, 2013, by and between the Successor Agency for the Redevelopment Agency of the City of Brentwood (“Successor Agency”) and Burke, Williams & Sorensen (“Special Counsel”) (collectively, the “Parties”).

RECITALS

A. Successor Agency requires the professional services of attorneys who are experienced in redevelopment matters.

B. Special Counsel has the necessary experience and history in providing professional services and advice related to redevelopment law.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, the Parties agree as follows:

1. Scope of Work. Successor Agency retains Special Counsel to represent the Successor Agency in connection with its redevelopment activities, including, but not limited to, advice, consultation, legal research and opinions regarding redevelopment activities (the “Services”) in accordance with this Agreement’s terms and conditions.

2. Standard of Performance. While performing the Services, Special Counsel will exercise the reasonable professional care and skill customarily exercised by reputable members of the California State Bar practicing in the Metropolitan Northern California Area, and will use reasonable diligence and best judgment while exercising its professional skill and expertise.

3. Term. Unless earlier terminated or extended, the term of this Agreement will be from July 1, 2013, until June 30, 2015.

4. Time is of the Essence. Time is of the essence for each and every provision of this Agreement.

5. Compensation. Special Counsel’s current rates are attached as Exhibit “A” and are typically modified annually. Special Counsel will notify the City in writing of such modifications at least fourteen (14) days prior to their effective date. No other compensation for the Services will be allowed except for items covered by subsequent amendments to this Agreement.

6. Reimbursable Expenses. In lieu of itemizing reimbursable charges, Special Counsel may charge Successor Agency an administrative fee of four percent of hourly billings which compensates the cost of normal photocopying, long distance telephone calls, regular mail postage, telecopy charges and other expenses as to which individual itemization is impractical. Special Counsel shall be entitled to reimbursement for all reasonable and necessary expenses incurred from outside vendors related to extraordinary costs not covered by the four percent administrative fee.

7. Advancement of Costs. Special Counsel will advance expenses and costs incurred on behalf of the Successor Agency under this Agreement in an amount not exceeding \$450 per month. If costs will exceed \$450 per month, costs in excess of this total shall be paid directly by the Successor Agency or shall be advanced to Special Counsel pursuant to a separate letter agreement which the Successor Agency Counsel is authorized to execute on behalf of the Successor Agency.

8. Payment for Services. Special Counsel shall submit itemized monthly invoices to the Successor Agency accounting for the Services provided and costs incurred pursuant to the terms of this Agreement. Each monthly invoice shall bill in six-minute increments and shall include the total hours performed to date. Minimum billing requirements are unacceptable to the Successor Agency and invoice shall charge only for actual time spent. Payment will occur only after receipt by Successor Agency of invoices sufficiently detailed that clearly set forth by date, the type of work performed, the specific subject of work performed or legal research performed, and the time spent on a task. Successor Agency shall make payment to Special Counsel within thirty (30) days of receipt of the invoice, except for those specific items on the invoice which are contested or questioned and returned by Successor Agency, with written explanation, within thirty (30) days of receipt of the invoice. Special Counsel shall provide to Successor Agency, a written response to any statement contested or questioned and further, upon request of Successor Agency, provide Successor Agency with any and all documents related to the service or costs. No charge shall be made for time expended in providing this information to the Successor Agency.

Special Counsel shall invoice Client monthly for the Services and costs incurred. The form of invoice shall include a cover summary sheet containing only the "attorney services" and the amount being billed therefore; the "costs advanced" and the amount being billed therefore; and a total for all services and costs invoiced. Attached to the summary sheet shall be the detailed backup information which, as to "attorney services", sets forth the dates services were performed; the initials of the attorney performing said services; the hourly rate attributable thereto; the hours or minutes being invoiced, and the total invoiced costs of attorney services. As to "costs advanced", the detailed back up information shall set forth the dates costs were incurred, the type of cost incurred; and the total of advance costs incurred.

9. Status of Special Counsel. Special Counsel will perform the Services in Special Counsel's own way as an independent contractor and in pursuit of Special Counsel's independent calling, and not as an employee of Successor Agency. The persons used by Special Counsel to provide services under this Agreement will not be considered employees of Successor Agency for any purposes.

The payment made to Special Counsel pursuant to the Agreement will be the full and complete compensation to which Special Counsel is entitled. Successor Agency will not make any federal or state tax withholdings on behalf of Special Counsel or its agents, employees or subcontractors. Successor Agency will not be required to pay any workers' compensation insurance or unemployment contributions on behalf of Special Counsel or its employees or subcontractors. Special Counsel agrees to indemnify Successor Agency within thirty (30) days for any tax, retirement contribution, social security, overtime payment, unemployment payment or workers' compensation payment which Successor Agency may be required to make on behalf of Special Counsel or any agent, employee, or subcontractor of Special Counsel for work done under this Agreement. At the Successor Agency's election, Successor Agency may deduct the indemnification amount from any balance owing to Special Counsel.

10. Subcontracting. Special Counsel will not subcontract any portion of the Services without prior written approval of Successor Agency Counsel or his/her designee. If Special Counsel subcontracts any of the Services, Special Counsel will be fully responsible to Successor Agency for the acts and omissions of Special Counsel's subcontractor and of the persons either directly or indirectly employed by the subcontractor, as Special Counsel is for the acts and omissions of persons directly employed by Special Counsel. Nothing contained in this Agreement will create any contractual relationship between any subcontractor of Special Counsel and Successor Agency. Special Counsel will be responsible for payment of subcontractors. Special Counsel will bind every subcontractor and every subcontractor of a subcontractor by the terms of this Agreement applicable to Special Counsel's work unless specifically noted to the contrary in the subcontract and approved in writing by Successor Agency.

11. Other Attorneys. The Successor Agency reserves the right to employ other attorneys in connection with the Services.

12. Indemnification. Special Counsel will indemnify and hold harmless Successor Agency and the City of Brentwood ("City") and its and their officers, agents, employees and volunteers from and against all claims, damages, losses and expenses including attorney fees arising out of the performance of the Services to the extent they are caused by the willful misconduct or negligent act or omission of the Special Counsel, any subcontractor, anyone employed by any of them or anyone for whose acts any of them may be liable.

The Parties expressly agree that any reasonable payment, attorney's fee, cost or expense Successor Agency or City incurs or makes to or on behalf of an injured employee under the City's or Successor Agency's self-administered workers' compensation is included as a loss, expense or cost for the purposes of this section to the extent such injury is caused by willful misconduct or negligent act or omission of Special Counsel, and that this section will survive the expiration or early termination of the Agreement.

13. Insurance. Special Counsel will obtain and maintain for the duration of the Agreement and any and all amendments, insurance against claims for injuries to persons or damage to property which may arise out of or in connection with performance of the Services by Special Counsel or Special Counsel's agents, representatives, employees or subcontractors. The insurance will be obtained from an insurance carrier admitted and authorized to do business in the State of California. The insurance carrier is required to have a current Best's Key Rating of not less than "A:VII."

13.1 Coverages and Limits. Special Counsel will maintain the types of coverages and minimum limits indicated below, unless Risk Manager or Executive Director, in consultation with the Successor Agency Counsel approves a lower amount. These minimum amounts of coverage will not constitute any limitations or cap on Special Counsel's indemnification obligations under this Agreement. Successor Agency, its officers, agents, volunteers and employees make no representation that the limits of the insurance specified to be carried by Special Counsel pursuant to this Agreement are adequate to protect Special Counsel. If Special Counsel believes that any required insurance coverage is inadequate, Special Counsel will obtain such additional insurance coverage, as Special Counsel deems adequate, at Special Counsel's sole expense.

13.1.1 Commercial General Liability Insurance. \$1,000,000 combined single-limit per occurrence for bodily injury, personal injury and property damage. If the submitted policies contain aggregate limits, general aggregate limits will apply separately to the work under this Agreement or the general aggregate will be twice the required per occurrence limit.

13.1.2 Automobile Liability. \$1,000,000 combined single-limit per accident for bodily injury and property damage.

13.1.3 Workers' Compensation and Employer's Liability. Workers' Compensation limits as required by the California Labor Code and Employer's Liability limits of \$1,000,000 per accident for bodily injury. Workers' Compensation and Employer's Liability insurance will not be required if Special Counsel has no employees and provides, to Successor Agency's satisfaction, a declaration stating this.

13.1.4 Professional Liability. Errors and omissions liability appropriate to Special Counsel's profession with limits of not less than \$1,000,000 per claim.

13.2 Additional Provisions. Special Counsel will ensure that the policies of insurance required under this Agreement contain, or are endorsed to contain, the following provisions:

13.2.1 For Commercial General Liability Insurance and Automobile Liability Insurance, Successor Agency and City and its and their officers, agents, volunteers and employees will be named as additional insureds.

13.2.2 Special Counsel will obtain occurrence coverage, excluding Professional Liability, which will be written as claims-made coverage.

13.2.3 This insurance will be in force during the life of the Agreement and any extensions of it and will not be canceled without thirty (30) days prior written notice to Successor Agency sent pursuant to the notice provisions of this Agreement.

13.3 Providing Certificates of Insurance and Endorsements. Prior to Successor Agency's execution of this Agreement, Special Counsel will furnish certificates of insurance and endorsements to Successor Agency.

13.4 Failure to Maintain Coverage. If Special Counsel fails to maintain any of these insurance coverages, then Successor Agency will have the option to declare Special Counsel in breach, or may purchase replacement insurance or pay the premiums that are due on existing policies in order to maintain the required coverages. Special Counsel is responsible for any payments made by Successor Agency to obtain or maintain insurance and Successor Agency may collect these payments from Special Counsel or deduct the amount paid from any sums due Special Counsel under this Agreement.

13.5 Primary Coverage. For any claims related to the Services and this Agreement, the Special Counsel's insurance coverage will be primary insurance with respect to Successor Agency and City and its and their officers, agents, volunteers and employees. Any insurance or self-insurance maintained by Successor Agency and City, for themselves or their officers, agents, volunteers and employees, will be in excess of Special Counsel's insurance and not contributory with it.

13.6 Reduction in Coverage/Material Changes. Special Counsel will notify Successor Agency thirty (30) days prior to any reduction in any of the insurance coverage required pursuant to this Agreement or any material changes to the respective insurance policies.

14. Conflict Waiver. Actual or possible conflict sometimes arises between existing or potential clients. Special Counsel may be required to ask for a conflict waiver in that event. Special Counsel asks for Successor Agency's understanding and cooperation if Special Counsel requests a conflict waiver in order to undertake or continue representation of another client in manner that will not be specifically detrimental or adverse to Successor Agency.

15. Maintenance of Records. Special Counsel will maintain complete and accurate records with respect to costs incurred under this Agreement. All such records will be clearly identifiable. Special Counsel will allow a representative of Successor Agency during normal business hours to examine, audit, and make transcripts or copies of such records and any other such documents created pursuant to this Agreement. Special Counsel will allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

16. Ownership of Documents. All work product produced by Special Counsel or its agents, employees, and subcontractors pursuant to this Agreement is the property of Successor Agency. Special Counsel will provide Successor Agency with the final version of all briefs, filings, legal memos and work product produced by Special Counsel within a reasonable time, not to exceed ten (10) days, after the work product is made final. In the event this Agreement is terminated, all work product produced by Special Counsel or its agents, employees and subcontractors pursuant to this Agreement will be delivered to Successor Agency pursuant to the termination clause of this Agreement. Special Counsel will have the right to make copies of the work product for Special Counsel's records.

17. Copyrights. Special Counsel agrees that all copyrights that arise from the Services will be vested in Successor Agency and Special Counsel relinquishes all claims to the copyrights in favor of Successor Agency.

18. Notices. The name of the persons who are authorized to give written notices or to receive written notice on behalf of Successor Agency and on behalf of Special Counsel under this Agreement.

For Successor Agency:

Successor Agency for the
Redevelopment Agency of the
City of Brentwood
Attn: Damien Brower
150 City Park Way
Brentwood, CA 94513
(925) 516-5440

For Special Counsel:

Burke, Williams & Sorensen
Attn: Karen W. Murphy, Esq.
1901 Harrison St., 9th Floor
Oakland, CA 94612
(510) 273-8780

Except as otherwise stated, all notices to be provided or that may be provided under this Agreement must be in writing and delivered by regular or certified mail. Each party will notify the other immediately of any changes of address that would require any notice or delivery to be directed to another address.

19. Conflict of Interest. Successor Agency will evaluate Special Counsel's duties pursuant to this Agreement to determine whether disclosure under the Political Reform Act and Successor Agency's Conflict of Interest Code is required of Special Counsel or any of Special Counsel's employees, agents, or subcontractors. Should it be determined that disclosure is required, Special Counsel or Special Counsel's affected employees, agents, or subcontractors will complete and file with the Secretary those schedules specified by Successor Agency and contained in the Statement of Economic Interests Form 700.

Special Counsel warrants that it has no financial interest in the subject matter of this Agreement, other than the compensation to be provided for the Services. Special Counsel further warrants that it will comply with all California State Bar Rules of Professional Conduct, including those relating to interests adverse to a client (Rule 3-300) and representing adverse interests (Rule 3-310).

20. General Compliance with Laws. Special Counsel will keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Special Counsel, or in any way affect the performance of the Services by Special Counsel. Special Counsel will at all times observe and comply with these laws, ordinances, and regulations and will be responsible for the compliance of the Services with all applicable laws, ordinances and regulations.

21. Discrimination and Harassment Prohibited. Special Counsel will comply with all applicable local, state and federal laws and regulations prohibiting discrimination and harassment.

22. Termination of Services. Successor Agency may terminate Services at any time by written notice. After receiving such notice, Special Counsel will cease providing the Services. Special Counsel will cooperate with Successor Agency in the orderly transfer of all related files and records to Successor Agency's new counsel.

Special Counsel may terminate the Services at any time with Successor Agency's consent or for good cause. Good cause exists if (a) any statement is not paid within sixty (60) days of its date; (b) Successor Agency fails to meet any other obligation under this Agreement and continue in that failure for fifteen (15) days after Special Counsel send written notice to Successor Agency; (c) Successor Agency has misrepresented or failed to disclose material facts to Special Counsel, refused to cooperate with Special Counsel, refused to follow Special Counsel's advice on a material matter, or otherwise made Special Counsel's representation unreasonably difficult; or (d) any other circumstance exists in which ethical rules of the legal profession mandate or permit termination, including situations where a conflict of interest arises. If Special Counsel terminates the Services, Successor Agency agrees to execute a substitution of attorneys promptly and otherwise cooperate in effecting that termination.

Termination of the Services, whether by Successor Agency or by Special Counsel, will not relieve the obligation to pay for the Services rendered and costs incurred before the Services formally ceased.

23. Covenants Against Contingent Fees. Special Counsel warrants that Special Counsel has not employed or retained any company or person, other than a bona fide employee working for Special Counsel, to solicit or secure this Agreement, and that Special Counsel has not paid or agreed to pay any company or person, other than a bona fide

employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon, or resulting from, the award or making of this Agreement. For breach or violation of this warranty, Successor Agency will have the right to annul this Agreement without liability, or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of the fee, commission, percentage, brokerage fees, gift, or contingent fee.

24. Claims and Lawsuits. By signing this Agreement, Special Counsel agrees that any Agreement claim submitted to Successor Agency must be asserted as part of the Agreement process as set forth in this Agreement and not in anticipation of litigation or in conjunction with litigation. Special Counsel acknowledges that if a false claim is submitted to Successor Agency by Special Counsel, it may be considered fraud and Special Counsel may be subject to criminal prosecution. Special Counsel acknowledges that California Government Code sections 12650 et seq., the False Claims Act applies to this Agreement and, provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of information. If Successor Agency seeks to recover penalties pursuant to the False Claims Act, it is entitled to seek to recover its litigation costs, including attorney's fees. Special Counsel acknowledges that the filing of a false claim may subject Special Counsel to an administrative debarment proceeding as the result of which Special Counsel may be prevented to act as a Special Counsel on any public work or improvement for a period of up to five (5) years.

25. Jurisdiction and Venue. Any action at law or in equity brought by either of the Parties for the purpose of enforcing a right or rights provided for by this Agreement will be tried in a court of competent jurisdiction in the County of Contra Costa, State of California, and the Parties waive all provisions of law providing for a change of venue in these proceedings to any other county.

26. Successors and Assigns. It is mutually understood and agreed that this Agreement will be binding upon the Parties and their respective successors. Neither this Agreement nor any part of it nor any monies due or to become due under it may be assigned by Special Counsel without the prior consent of Successor Agency.

27. Paragraph Headings. Paragraph headings as used herein are for convenience only and will not be deemed to be a part of such paragraphs and will not be construed to change the meaning thereof.

28. Entire Agreement. This Agreement embodies the entire Agreement and understanding between the Parties relating to the subject matter of it. As of July 1, 2013, it will replace in its entirety the agreement dated July 18, 2012. In case of conflict, the terms of this Agreement supersede any and all prior written or oral agreement, order or understanding. Neither this Agreement nor any of its provisions may be amended, modified, waived or discharged except in writing signed by both Parties.

29. Authority. The individual executing this Agreement and the instruments referenced in it on behalf of Special Counsel represents and warrants that he has the legal power, right and actual authority to bind Special Counsel to the terms and conditions of this Agreement.

SPECIAL COUNSEL:

BURKE, WILLIAMS & SORENSEN

By: _____
John J. Welsh, Managing Partner

SUCCESSOR AGENCY:

SUCCESSOR AGENCY FOR THE
REDEVELOPMENT AGENCY OF THE CITY
OF BRENTWOOD

By: _____
Damien Brower, Successor Agency
Counsel

ATTEST:

By: _____
Margaret Wimberly, Secretary

APPROVED AS TO FORM:

By: _____
Damien Brower, Successor Agency
Counsel

EXHIBIT "A"
PUBLIC LAW PRACTICE GROUP

Hourly billing rates for owners, partners and of-counsels will range from \$260 - \$400.

Hourly billing rates for associates will range from \$195 to \$275.

Hourly billing rates for paralegals will range from \$145 to \$190.