



Chairperson, Belinda V. Faustinos, Los Angeles County

Vice Chairperson, Brent A. Tercero, City of Pico Rivera

Board Members:

Ronald Bates, City of Pico Rivera

Martin Galindo, Los Angeles County Board of Education

Santos H. Kreimann, Los Angeles County

Armando V. Moreno, Los Angeles County

Vicky Santana, Los Angeles County, Rio Hondo Community College

Monday, February 24, 2014

Special Meeting 4:30 p.m.

Council Chambers

6615 Passons Blvd.

Pico Rivera, California

Resolution No. OB-13-15

Agreement No. OB-002

PLEDGE OF ALLEGIANCE:

AGENDA ITEMS:

1. Minutes.

Recommendation:

- Approve special meeting of Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency minutes of January 10, 2013, September 12, 2013 and February 27, 2013.

2. Agreement for Independent Counsel

Recommendation:

1. Approve the engagement agreement among The Law Offices of Edward Z. Kotkin, and the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency.

Agreement No. _____

3. Change Regular Meeting Schedule for the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency.

Recommendation:

1. The Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency ("Oversight Board") change the schedule for regular meetings to the fourth Thursday of every February and September at 4:30 p.m.

4. Recognized Obligation Payment Schedule 14-15A and Administrative Budget for FY 14-15.

Recommendation:

1. Adopt the resolution of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency establishing the Recognized Obligation Payments Schedule (ROPS) for the July 1, 2014 to December 31, 2014 time period, and approving the Administrative Budget for the 14-15 fiscal year.

Resolution No. _____ A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY, ESTABLISHING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY THROUGH DECEMBER 2014 (ROPS 14-15A), APPROVING THE CARRYOVER OF UNSPENT FUNDS FROM THE PRECEEDING ROPS PERIOD TO THE BE SPENT ON PAPPYMENT OF AN ENFORCEABLE OBLIGATION IN THE CURRENT ROPS PERIODS, AND APPROVING THE ADMINISTRATIVE BUDGET FOR FY 14-15

PUBLIC COMMENTS: (Speakers have three (3) minutes to make their remarks on agenda items only.)

OTHER ITEMS:

ADJOURNMENT:

AFFIDAVIT OF POSTING

I, Anna Jerome, City Clerk, for the City of Pico Rivera, DO HEREBY CERTIFY, under penalty of perjury under the laws of the State of California, that the foregoing notice was posted at the Pico Rivera City Hall bulletin board, the Pico Rivera Post Office and Pico Rivera Parks (Pico, Smith and Rivera) on this the 21ST, day of February, 2014.

Dated this 21st, day of February, 2014


Anna M. Jerome, CMC
City Clerk

SB343 NOTICE

In compliance with and pursuant to the provisions of SB343 any public writing distributed by the City Clerk to at least a majority of the City Council Members regarding any item on this regular meeting agenda will be available on the back table at the entrance of the Council Chamber at the time of the City Council meeting and at the counter of City Hall at 6615 Passons Boulevard, Pico Rivera, California during normal business hours.



Thursday, January 10, 2013

A Special Meeting of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency was held in the Council Chamber, Pico Rivera City Hall, 6615 Passons Boulevard, Pico Rivera, California.

Chairperson Faustinos called the meeting to order at 5:30 p.m.

PLEDGE OF ALLEGIANCE:

PUBLIC COMMENTS: None.

AGENDA ITEMS:

1. Minutes.

Motion by Boardmember Bates, seconded by Boardmember Kreimann to approve special meeting of Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency minutes of December 6, 2012. Motion carries by the following roll call vote:

AYES: Bates, Camacho, Gutierrez-Lohrman, Kreimann, Moreno, Faustinos

NOES: None

ABSENT: Santana

2. Meeting Time for the Regular Meetings of the Oversight Board of the Successor Agency for the Pico Rivera Redevelopment Agency.

No action taken as board members unanimously chose to keep the 4:30 p.m. meeting time.

3. Due Diligence Review of Other Funds.

Finance Director Matsumoto stated that before the Board is the due diligence report for the Successor Agency for other funds, non-housing funds that was brought before the Board at the December 6, 2012 meeting for public comment. He stated that this item is being brought back before the Board for approval, which must be approved by January

15, 2013. The purpose, he stated, is to calculate the amount of excess funds available for distribution of other taxing entities and the Board indicates that there are none.

Boardmember Kreimann asked for clarification regarding why the \$38.4 million is not included as part of the liabilities of the agency. Director Matsumoto explained it's because of the governmental accounting standards. He stated that because the Water Authority and the city are related parties, the accounting standards require that they be shown in the fund financial statements and not just in the long term debt note.

Board Counsel Houston stated that the purpose of the DDR is to identify if there are funds available for transfer to various taxing entities. He stated that even if we take into account this particular item as a budgeted item, we would only show a greater deficit that was available for transfer so that the negative would become a larger negative amount.

Motion by Boardmember Bates, seconded by Vice Chairman Camacho to adopt Resolution No. OB-11-13 approving the due diligence review report.

Resolution No. OB-11-13 A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY APPROVING THE DUE DILIGENCE REVIEW PERFORMED PURSUANT TO HEALTH AND SAFETY CODE SECTION 34179.5

AYES: Bates, Camacho, Gutierrez-Lohrman, Kreimann, Moreno, Faustinos
NOES: None
ABSENT: Santana

PUBLIC COMMENTS: None.

OTHER ITEMS: None.

ADJOURNMENT:

Chairperson Faustinos adjourned the meeting at 5:46 p.m. There being no objection it was so ordered.

AYES: Bates, Camacho, Gutierrez-Lohrman, Kreimann, Moreno, Faustinos
NOES: None
ABSENT: Santana subpoena

Chairperson, Belinda Faustinos

ATTEST:

Anna M. Jerome, Deputy City Clerk

I hereby certify that the foregoing is a true and correct report of the proceedings of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency special meeting dated January 10, 2013 and approved by the Oversight Board on February 24, 2014.

Anna M. Jerome, City Clerk



Thursday, September 12, 2013

A Special Meeting of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency was held in the Council Chamber, Pico Rivera City Hall, 6615 Passons Boulevard, Pico Rivera, California.

Alternate Vice Chairperson Archuleta called the meeting to order at 4:30 p.m.

PRESENT: Bates, Moreno, Galindo, Archuleta (Kreimann arrived at 4:50 p.m.)

ABSENT: Santana, Faustinos

PLEDGE OF ALLEGIANCE: Alternate Vice Chairperson Archuleta

PUBLIC COMMENTS: None.

AGENDA ITEMS:

1. Minutes.

Motion by Boardmember Bates, seconded by Alternate Vice Chairperson Archuleta to approve special meeting of Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency minutes of January 10, 2013 and February 27, 2013. Motion failed due to lack of quorum.

AYES: Bates, Moreno, Archuleta

NOES: None

ABSENT: Faustinos, Kreimann, Santana

2. Agreement for Independent Counsel

Boardmember Archuleta inquired about the reduction in insurance requirements for independent counsel from \$5,000,000 to \$1,000,000. After a brief discussion, board members concurred with the current recommendation of \$1,000,000 as the industry standard for this type of coverage.

Motion by Boardmember Moreno, seconded by Boardmember Bates to approve the engagement agreement among The Law Offices of Edward Z. Kotkin, and the Oversight

Board of the Successor Agency to the Pico Rivera Redevelopment Agency. Motion failed due to lack of quorum.

Agreement No. OB-002

AYES: Bates, Moreno, Archuleta
NOES: None
ABSENT: Faustinos, Kreimann, Santana

3. Change Regular Meeting Schedule for the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency.

Motion by Boardmember Bates, seconded by Boardmember Moreno for the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency (“Oversight Board”) to change the schedule for regular meetings to the fourth Thursday of every February and September at 4:30 p.m. Motion failed due to lack of quorum.

AYES: Bates, Moreno, Archuleta
NOES: None
ABSENT: Faustinos, Kreimann, Santana

4. Long-Range Property Management Plan.

Assistant City Manager Matsumoto stated that AB 1484 requires that after a Successor Agency obtains a finding of completion from the Department of Finance (DOF) that within 6-months the Agency is to submit a Property Management Plan to the DOF. He stated that the Agency received their finding of completion in late April, so in October the Property Management Plan is due to the DOF. After this Board approves the plan, he stated, it must be submitted to the DOF for their approval. He stated if the DOF does not approve the plan it may need to be amended and added that the report was prepared by RSG, the Agency’s redevelopment consultant. He further stated that the Agency does not have a lot of redevelopment property. Assistant City Manager Matsumoto stated that Attachment No. 1 has the summary of the long-range property management plan. He stated the first three properties are recommended for transfer to the City. The first two, he stated, are parking at two of the city’s parks and the third is portions of Streamland Park. He added that the recommendation for the last three properties, Burke Street, the train track and 8631 Beverly Boulevard, is to sell those properties with the proceeds going to the County and then to other taxing entities.

Boardmember Bates add that on items 1 and 2, makes reference to a few parking spots and the majority of Streamland Park is already in a long term lease with the Army Corps of Engineers and is zoned for open space. Boardmember Moreno concurred with the Successor Agency recommendation.

Motion by Boardmember Bates, seconded by Boardmember Moreno to adopt Resolution No. OB-13-13 of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency approving the Successor Agency to the Pico Rivera Redevelopment Agency's Long-Range Property Management Plan ("LRMP"). Motion carries by the following roll call vote:

Resolution No. OB-13-13 A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY, APPROVING THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY'S LONG-RANGE PROPERTY MANAGEMENT PLAN

AYES: Bates, Kreimann, Moreno, Archuleta

NOES: None

ABSENT: Faustinos, Santana

5. Recognized Obligation Payments Schedule 13-14B; Administrative Budget January through June 2014; and SERAF Loan Repayment Schedule.

Assistant City Manager Matsumoto stated that these are the ROPS that are required by law to be adopted and submitted to the Department of Finance (DOF) at least 90-days prior to receipt. He stated that there are some differences from the prior ROPS and proceeded saying that with the City loans, the DOF took the position that the loans were not enforceable obligations, but AB 1484 provides that the loans can be enforceable obligations and added back to the ROPS after obtaining a finding of completion and the Oversight Board finds that the loans are for legitimate redevelopment purposes. He stated that this Board made those findings last year and the City received the DOF finding of completion, therefore they are back on the ROPS. Agency staff, he stated, has removed the County deferral from the ROPS, which was reviewed by the Successor Agency Attorney, and pointed out to staff that the County deferral is a creature of the pass through agreement and therefore should not have been included on the ROPS. He further stated that both the Successor Agency Attorney and Oversight Board Attorney concur to remove the deferral from the ROPS because it is a creature of the pass through agreement.

Successor Agency Attorney Cardinale explained that Dissolution Act AB 1484 and AB 1X26 treat pass through agreements differently than other enforceable contracts. He stated that enforceable obligations are listed in 34171(d)1, it lays forth seven (7) separate categories of agreements. Pass through agreements, he stated, are treated separately. Because they are treated separately, he stated, there is no reason to include them on the ROPS as a separate payment item. He continued saying the law makes specific allowances for pass through agreements. The deferral, he stated, is exactly what the agreement is entitled, a deferred pass through agreement. It's the opinion of his office, he stated, that it should be treated under that section as opposed to a ROPS item.

Boardmember Kreimann said he disagreed. He stated that it is an agreement that was reached between the City and the County that was separate and apart from the pass through, and that the deferral has nothing to do with the pass through. He stated that they are two separate and distinct issues; one is a loan, not a pass through, and that it is an enforceable obligation and stated that he insist that the item be put back on the schedule with some nominal amount.

Boardmember Kreimann motioned to return the County deferral loan payment back on to the ROPS with a nominal dollar amount \$200,000 and include it in the ROPS so that the Board could get a determination from the DOF whether or not it is an enforceable obligation and direct staff or the attorney's to ask the question, seconded by Boardmember Moreno.

Boardmember Bates made a substitute motion to approve the staff recommendation.

Boardmember Kreimann withdrew his earlier motion and motioned to include the County loan payment on the ROPS with a footnote identifying that this particular item the Successor Agency staff and counsel are unclear if it is an enforceable obligation and would like the DOF to make the determination.

Boardmember Bates made a substitute motion to take off the dollar amount on the loan.

After some discussion among the Board members and counsel, Board members concluded to add the County deferral with a \$10,000 amount and a footnote indicating that legal counsel are not certain of the enforceable nature of this particular obligation, and seek the DOF determination as to whether or not it belongs on the ROPS.

Motion by Boardmember Kreimann, seconded by Boardmember Moreno to adopt the Resolution No. OB-13-14 of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency establishing the Recognized Obligation Payments

Scheduled 13-14B (ROPS) subject to amendment per direction of the Oversight Board for January through June 2014; approving the Administrative Budget for January through June 2014; and approving the projected Supplemental Education Revenue Augmentation Fund (SERAF) loan repayment schedule. Motion carries by the following roll call vote:

Resolution No. OB-13-14 A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY, PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 34180 AND 34117, ESTABLISHING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 13-14B FOR JANUARY THROUGH JUNE 2014, APPROVING THE ADMINSTRATIVE BUDGET FOR JANUARY THROUGH JUNE 2014, AND APPROVING THE PROJECTED SUPPLEMENTAL EDUCATION REVENUE AUGMENTATION FUND LOAN REPAYMENT SCHEDULE

AYES: Bates, Kreimann, Moreno, Archuleta

NOES: None

ABSENT: Faustinos, Santana

PUBLIC COMMENTS: None.

OTHER ITEMS: None.

ADJOURNMENT:

Alternate Vice Chairperson Archuleta adjourned the meeting at 5:29 p.m. There being no objection it was so ordered.

AYES: Bates, Kreimann, Moreno, Archuleta

NOES: None

ABSENT: Faustinos, Santana

Chairperson, Belinda Faustinos

ATTEST:

Anna M. Jerome, City Clerk

I hereby certify that the foregoing is a true and correct report of the proceedings of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency special meeting dated September 12, 2013, and approved by the Oversight Board on February 24, 2014.

Anna M. Jerome, City Clerk



Thursday, February 27, 2013

A Special Meeting of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency was held in the Council Chamber, Pico Rivera City Hall, 6615 Passons Boulevard, Pico Rivera, California.

Alternate Vice Chairperson Archuleta called the meeting to order at 5:05 p.m.

PLEDGE OF ALLEGIANCE: Alternate Vice Chairperson Archuleta

PUBLIC COMMENTS: None.

AGENDA ITEMS:

1. Minutes.

Motion by Boardmember Santana, seconded by Boardmember Bates to carry over/table the minutes of January 10, 2013, to the next Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency meeting. Motion carries by the following roll call vote:

AYES: Archuleta, Bates, Kreimann, Santana

NOES: None

ABSENT: Gutierrez-Lohrman, Moreno, Faustinos

2. Addition of Counsel to Existing Engagement Agreement with Cummins & White, LLP.

Director of Finance Matsumoto stated that Oversight Board Counsel Houston thought it prudent to select alternate counsel in the event that he is not available. He stated that Edward Kotkin is of counsel for Cummins & White, LLP and the recommendation is that the Oversight Board approve Edward Kotkin as an alternate when Counsel Houston is unavailable.

Motion by Boardmember Bates, seconded by Boardmember Santana to discuss and take action on a minute action authorizing addition of counsel pursuant to existing legal services agreement between the Oversight Board and Cummins & White, LLP

(previously approved by the Oversight Board as Agreement No. OB-001). Motion carries by the following roll call vote:

AYES: Archuleta, Bates, Kreimann, Santana

NOES: None

ABSENT: Gutierrez-Lohrman, Moreno, Faustinos

3. Recognized Obligation Payment Schedule and Administrative Budget July through December 2013.

Director of Finance Matsumoto stated that the matter before the Board is required by state law which requires that the Oversight Board establish a ROPS 90-days before the property tax distribution. The property tax distribution, he stated, is June 1, 2013, and so the ROPS are due approximately March 1, 2013. He stated that there are no new items added to the ROPS. The Department of Finance, he stated, has taken the position that the city loans are not enforceable obligations until after the Successor Agency obtains a finding of completion. He stated that the city objects to that decision, but no legal action has been taken at this time. Currently, he stated, we do not anticipate sufficient property tax payments to make all of the ROPS payment, so the city will use other funds to make the bond payments. He stated that staff will be filing a notice of insufficiency with the county by May 1, 2013.

In regard to the ROPS, Boardmember Kreimann requested that in the future Director of Finance Matsumoto delineate in the note section other funding sources for the shortfall or include it as part of the discussion in the report.

Motion by Boardmember Bates, seconded by Boardmember Santana to adopt Resolution No. OB-12-13 of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency establishing the Recognized Obligation Payment Schedule (ROPS) for the July 1, 2013 through December 31, 2013, time period and approving the Administrative Budget for that same time period. Motion carries by the following roll call vote:

Resolution No. OB-12-13 A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY, PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 34180 AND 34117, ESTABLISHING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE 13-14A FOR JULY THROUGH DECEMBER 2013

AYES: Archuleta, Bates, Kreimann, Santana
NOES: None
ABSENT: Gutierrez-Lohrman, Moreno, Faustinos

PUBLIC COMMENTS: None.

OTHER ITEMS: None.

ADJOURNMENT:

Alternate Vice Chairperson Archuleta adjourned the meeting at 5:19 p.m. There being no objection it was so ordered.

AYES: Archuleta, Bates, Kreimann, Santana
NOES: None
ABSENT: Gutierrez-Lohrman, Moreno, Faustinos

Chairperson, Belinda Faustinos

ATTEST:

Anna M. Jerome, Deputy City Clerk

I hereby certify that the foregoing is a true and correct report of the proceedings of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency special meeting dated February 27, 2013, and approved by the Oversight Board on September 12, 2013.

Anna M. Jerome, Deputy City Clerk



To: Oversight Board of the Successor Agency to the Pico Rivera
Redevelopment Agency

From: Assistant City Manager

Meeting Date: February 24, 2014

Subject: AGREEMENT FOR INDEPENDENT COUNSEL

Recommendation:

Approve the engagement agreement among The Law Offices of Edward Z. Kotkin, and the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency.

Fiscal Impact:

The cost of the Oversight Board independent counsel is estimated at \$30,000 per year.

Discussion:

On July 19, 2012, the Oversight Board requested the Successor Agency provide independent counsel. On August 20, 2012, the Chair of the Oversight Board, with assistance from an additional board member and Successor Agency staff, selected Cummins & White as independent counsel.

On October 4, 2012 the Oversight Board approved Agreement No. OB-001, an Engagement Agreement with Cummins & White, LLP to provide legal services to the Oversight Board. Michael Houston, a partner at Cummins & White, LLP, has been the attorney primarily performing legal services to the Oversight Board. On February 27, 2013, the Oversight Board approved Edward Kotkin, of Counsel to Cummins & White, LLP, as an alternate attorney.

Michael Houston was recently appointed as the full-time City Attorney for the City of Anaheim and can no longer provide the services as independent counsel to the Oversight Board. Cummins & White expressed interest in focusing in areas other than municipal law. Staff believes that Mr. Kotkin is fully capable and qualified in performing the duties and services as independent counsel to the Oversight Board.

The material differences between the Edward Z. Kotkin agreement and the Cummins & White agreement with the Oversight Board are:

1. Substitution of firm names and addresses from Cummins & White, LLP to The Law Offices of Edward Z. Kotkin.
2. Change in Errors and Omissions Insurance coverage from five million dollars (\$5,000,000) to one million dollars (\$1,000,000) per claim and in the aggregate. This change is not material as the industry standard for this type of insurance coverage is typically \$1,000,000 or more.

With the exception of the aforementioned differences, both agreements are virtually the same. The cost of the Oversight Board independent counsel will remain at an estimated cost of \$30,000 per year and at the rate of \$225 per hour for all general legal services.



Michael Matsumoto
Assistant City Manager

MM:CO

Attachments

1. Engagement Agreement among The Law Offices of Edward Z. Kotkin and the Oversight Board to the Successor Agency to the Pico Rivera Redevelopment Agency.
2. Curriculum Vitae of Edward Z. Kotkin, The Law Offices of Edward Z. Kotkin

ENGAGEMENT AGREEMENT

THIS ENGAGEMENT AGREEMENT is made between the Oversight Board to the Successor Agency to the Pico Rivera Redevelopment Agency, a California local governmental agency (referred to as "Client"), and The Law Offices of Edward Z. Kotkin, a Professional Law Corporation ("Lawyers"). Client and Lawyers hereby agree as follows:

1. **Services.** Client engages Lawyers to provide all legal services ("Services") reasonably required to represent Client in connection with the matter(s) ("Matter") described in the attached Schedule "A" of Services ("Schedule"), as well as such other matters as may be specifically directed by Client; as noted below, if litigation is instituted or defended, an additional retainer deposit may be required prior to commencing representation on litigation. Client shall be truthful with Lawyers in discussing the Matter and shall keep Lawyers apprised of all developments regarding the Matter.

2. **Fees.**

A. Client agrees to compensate Lawyers for the Services at the hourly rates set forth in Schedule "B" of Fees. Fees will be billed by time-keepers in one-tenth (1/10) hour increments. These fees are subject to increases from time to time as may be agreed to between Client and Lawyers.

B. Time billed to Client's account may include, without limitation, time spent waiting in court, time spent in travel and time spent in office conferences between the legal personnel assigned to the Matter. When such personnel engage in office conferences, each person will account for the amount of time expended. Likewise, if more than one of Lawyers' legal personnel attends a meeting, court hearing or other proceeding, each will account for the amount of time expended. Adjustments in time to reflect value of research and development that was previously done may be made; but in no case will such exceed the actual time that would be expended had such research and development not previously been done in part or whole by the firm on another matter.

C. Lawyers may furnish Client with estimates of the amounts of fees which will be charged for certain Services from time to time. All such estimates are provided for Client's budgeting purposes. These estimates are by their nature inexact and are not binding on either Client or Lawyers. However, Lawyers will endeavor to realize estimates wherever possible.

THIS AGREEMENT HAS IMPORTANT LEGAL SIGNIFICANCE. YOU SHOULD CONSIDER CONSULTING WITH ANOTHER ATTORNEY BEFORE SIGNING THIS AGREEMENT AS IT WOULD BE INAPPROPRIATE FOR THIS FIRM TO RENDER LEGAL ADVICE CONCERNING THIS DOCUMENT.

3. **Costs and Expenses.** Client agrees to pay Lawyers all costs and expenses incurred in rendering Services. However, Lawyers shall not be required to advance any amount to pay costs or expenses attributable to Client. Costs and expenses may include, without limitation, long-distance telephone calls, messenger and other delivery fees, postage, charges for computer research and outside assisted legal research, travel expenses such as mileage (except that fees and costs incurred from traveling from Orange County to Client's offices in Pico Rivera for regular and special meetings of the Oversight Board shall not be billed to Client), parking, which shall be in addition to the hourly rates for travel time, clerical staff, overtime, word processing charges, process server's fees, filing fees and other charges assessed by courts and other public agencies, court reporter's fees, jury fees, witness fees, investigator's fees, expert's fees or consultant's fees, copy costs (at our customary rate, unless volume and then allows for copying by outside service), and other similar items. Except as may be listed on the Schedule, all such items will be charged to Client at Lawyers' cost. No substantial costs will be incurred without Client's advance approval.

4. **Statements.** Lawyers will send Client statements on a monthly basis setting forth the fees and costs incurred by Client. Client shall pay each such statement upon receipt. Client shall notify Lawyers promptly in writing if Client disputes any entry for legal services or costs on any statement; and if Client fails to do so within thirty (30) days after receipt thereof, all such entries shall be acknowledged as correct as between Lawyers and Client. If Client so requests, Attorney will provide a statement within ten (10) days. The statements shall include the amount, rate, basis of calculation or other method of determination of the fees and costs, which costs will be clearly identified by item and amount.

5. **Deposit.** At this time, no deposit is requested, as reflected in Schedule "A." At any time during the representation of Client, Lawyers may request a retainer to be used as a deposit as security against future fees and, if Lawyers' services are required for litigation, an additional retainer may be required. Typically, the amount to be requested as an additional retainer will be equal to Lawyers' estimate of a high month's worth of fees to be incurred in connection with Lawyers' representation of Client.

6. **Intentionally Deleted.**

7. **Results.** Lawyers have made no promises or guarantees to Client concerning the outcome of the Matter, and nothing in this Agreement shall be construed as such a promise or guarantee.

THIS AGREEMENT HAS IMPORTANT LEGAL SIGNIFICANCE. YOU SHOULD CONSIDER CONSULTING WITH ANOTHER ATTORNEY BEFORE SIGNING THIS AGREEMENT AS IT WOULD BE INAPPROPRIATE FOR THIS FIRM TO RENDER LEGAL ADVICE CONCERNING THIS DOCUMENT.

8. Termination of Services.

A. Client shall have the right to terminate Lawyers' services at any time upon written notice to Lawyers. Such termination shall not, however, relieve Client of the obligation to pay the amounts owed to Lawyers for services rendered and costs incurred prior to such termination. After receiving a termination notice, Lawyers shall immediately cease to render additional services, except for such services as Lawyers may be required to provide under applicable law or as Lawyers deem reasonably necessary to transfer the Matter to Client or to successor legal counsel and Lawyers shall be compensated for all such services. Client will fully cooperate with Lawyers' efforts to withdraw and transfer the Matter.

B. Lawyers shall have the right to immediately terminate this Agreement at any time upon written notice to Client. After delivering such termination notice, Lawyers shall immediately cease to render additional services, except for such services as Lawyers may be required to provide under applicable law or as Lawyers deem reasonably necessary to transfer the Matter to Client or to successor legal counsel. Upon such termination, Client shall take all steps necessary to free Lawyers of any obligation to perform further legal services, including without limitation, the execution of any documents necessary to complete Lawyers' discharge or withdrawal. The rights of Lawyers hereunder are in addition to those created by statute or recognized by rules of professional conduct.

9. Arbitration.

A. Other than a dispute over the amount of fees or costs due and owing, any dispute concerning the rights of any of the parties hereto, including, but not limited to, any dispute over alleged malpractice, shall, if any such dispute cannot be resolved between the parties hereto, be decided by arbitration by a retired judge of the Superior Court to be agreed upon by the parties. Client understands that it may well be entitled to a jury trial as to any claim against Lawyers for malpractice or for other claims and that Client waives hereby any such right. Client represents that it has had the opportunity to consult independent counsel of its choice regarding its waiver of any right to a jury as specified above and as to the other terms of this Agreement and has either done so or has knowingly and willingly of its own free choice chosen not to consult such independent counsel. If the parties cannot agree upon an arbitrator, the presiding judge of the Superior Court of Los Angeles shall be requested to appoint a retired judge to act in such capacity, upon petition of any party hereto. In the event the presiding judge fails or refuses for thirty (30) days after a request to make such appointment, the court shall be petitioned to appoint a lawyer licensed to practice in California as sole arbitrator.

THIS AGREEMENT HAS IMPORTANT LEGAL SIGNIFICANCE. YOU SHOULD CONSIDER CONSULTING WITH ANOTHER ATTORNEY BEFORE SIGNING THIS AGREEMENT AS IT WOULD BE INAPPROPRIATE FOR THIS FIRM TO RENDER LEGAL ADVICE CONCERNING THIS DOCUMENT.

The prevailing party in any proceeding, whether arbitration, Superior Court or Federal Court action, related to any provision of this agreement will be awarded attorneys' fees and costs incurred in that action or proceeding, including without limitation the value of the time spent by Lawyers to prosecute or defend such an action, or support other counsel in the prosecution or defense of such action calculated at the hourly rates(s) then normally charged by Lawyers to clients which it represents on an hourly basis.

B. In the event of a dispute hereunder over the amount of fees or costs due and owing to Lawyers, Lawyers are required to serve Client prior to or at the time of filing an action or other proceeding against Client via personal service or first class mail the California State Bar's "Notice of Client's Right to Arbitrate" form. Client's failure to request arbitration within thirty (30) days after receipt of the "Notice of Client's Right to Arbitrate" form from Lawyers shall be deemed a waiver of Client's right to arbitration. (California Business & Professions Code § 6201.) In the event of Client's failure to request arbitration within thirty (30) days, Lawyers in their discretion shall have the right to proceed with an action to collect fees and costs either via a civil action or by arbitration. In the event that Client elects to arbitrate the fee dispute within thirty (30) days or Lawyers choose to proceed with arbitration following Client's waiver of its right to arbitrate, such arbitration shall be held in accordance with the procedures of the California State Bar Association.

The prevailing party in any proceeding for the collection of fees and costs, whether by arbitration or Superior Court action, will be awarded attorneys' fees and costs incurred in that action or proceeding, including without limitation the value of the time spent by Lawyers to prosecute or defend such an action, or support other counsel in the prosecution or defense of such action calculated at the hourly rates(s) then normally charged by Lawyers to clients which it represents on an hourly basis.

10. Entire Agreement.

A. This Agreement contains the entire understanding among the parties hereto and supersedes any prior understandings and agreements among them with respect to the subject matter herein. There are no representations, agreements, arrangements or understandings among the parties, oral or written, relating to the subject matter of this Agreement that are not fully expressed herein. Any statements, promises or inducements, whether made by any party or agent of any party, that are not contained in this written Agreement shall not be valid or binding. This Agreement may not be enlarged, modified or altered except by a written agreement signed by all the parties hereto.

B. The place of performance of this Agreement shall be California. Client hereby agrees to submit to the jurisdiction of the California State or Federal Courts in the

THIS AGREEMENT HAS IMPORTANT LEGAL SIGNIFICANCE. YOU SHOULD CONSIDER CONSULTING WITH ANOTHER ATTORNEY BEFORE SIGNING THIS AGREEMENT AS IT WOULD BE INAPPROPRIATE FOR THIS FIRM TO RENDER LEGAL ADVICE CONCERNING THIS DOCUMENT.

County of Los Angeles with respect to any action that is brought to enforce the terms of this Agreement.

C. It is mutually understood and agreed that this Agreement shall be governed by the laws of the State of California, both as to interpretation and performance.

11. **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction or arbitrator to be illegal or unenforceable, said provision shall be deemed to be severed and deleted and neither such provision, its severance nor its deletion shall affect the validity of the remaining provisions of this Agreement.

12. **Notice.** All notices, requests, demands or other communications necessary to be given hereunder shall be in writing and shall be deemed to have been given if delivered or if mailed by United States Mail, postage prepaid, to the parties at the following addresses (or at such other addresses as a party may notify the other party of in writing in accordance with this section).

If to Lawyers address to: The Law Offices of Edward Z. Kotkin
Xerox Centre
1851 East First Street, Suite 900
Santa Ana, CA 92705-4066
Attention: Edward Z. Kotkin

If to Client address to: Oversight Board to the Successor Agency to the Pico Rivera
Redevelopment Agency
c/o Michael Matsumoto, Director of Finance
P.O. Box 1016
6615 Passons Blvd.
Pico Rivera, CA 90660-1016
Marked as follows: Only to be opened by Oversight Board Staff

13. **Cooperation of Clients.** It is understood and agreed that Client shall notify Lawyers of any change of address or telephone number(s) where Client can be reached and shall furnish sufficient information so that Client may be contacted in a reasonable and timely manner during the course of Lawyers' representation of Client. It is further understood and agreed that if the representation of Client involves litigation in the State of California, it may require the presence of Client or its representative, at its expense, for the purpose of discovery or trial. It is further understood and agreed that successful defense of any litigation will require the cooperation and assistance of Client which Client agrees to

THIS AGREEMENT HAS IMPORTANT LEGAL SIGNIFICANCE. YOU SHOULD CONSIDER CONSULTING WITH ANOTHER ATTORNEY BEFORE SIGNING THIS AGREEMENT AS IT WOULD BE INAPPROPRIATE FOR THIS FIRM TO RENDER LEGAL ADVICE CONCERNING THIS DOCUMENT.

give to Lawyers. It is further understood and agreed that the absence of reasonable cooperation will, at Lawyers' option, be sufficient grounds to warrant withdrawal of Lawyers from representation of Client.

14. Retention/Destruction of Client's File.

A. Client is entitled to a copy of the file materials maintained or generated by Lawyers with respect to Client's representation by Lawyers, except those undisclosed work product materials reflecting Lawyers' impressions, conclusions, opinions, legal research or theories, internal accounting records and other documents not reasonably necessary to Client's representation (hereinafter "Client File"), upon reasonable notice and at Client's expense. Where Lawyers withdraw, Client cancels this Agreement and substitutes Lawyers out as attorneys of record in any litigation in which Lawyers were representing Client, or upon completion of the work for which Lawyers were retained by Client, Client is entitled, upon giving Lawyers reasonable notice, to custody of the original Client File and Lawyers, at their expense, are entitled to keep a copy of any of said Client File materials they deem desirable.

B. Subject to Paragraph 14(a) above, at the conclusion of the handling by Lawyers of the Matter to which this Agreement pertains, Lawyers may at any time, in Lawyers' absolute discretion, store the original Client File or destroy all or part of said file. Subject to Paragraph 14(a) above, and unless other arrangements are made, under Lawyers' document retention policy, Lawyers will begin to destroy portions of the original Client File once the matter is closed. Should Client wish to retain the file after the matter is closed, Client must contact Lawyers at the time the matter is concluded.

15. Errors and Omissions Insurance Coverage. Lawyers represent that they maintain errors and omissions insurance coverage applicable to the services to be rendered under this Agreement. The policy limits of that coverage are one million dollars (\$1,000,000.00) per claim and one million dollars (\$1,000,000.00) in the aggregate.

16. Payment of Client Fees by Another Party.In connection with this Agreement, we are required by California Rules of Professional Responsibility, Rule 3-310(F) and Business and Professions Code section 6068 to obtain a waiver of conflicts from the Client because a third party (the Successor Agency of the Pico Rivera Redevelopment Agency) will be responsible for legal fees and costs incurred by this firm in representing the Client. Any such agreement to pay Lawyers' fees will not affect Client's obligation to pay attorney fees and costs under this agreement, nor will Lawyers be obligated under this agreement to enforce such agreement. Any such amounts actually received by Lawyers, however, will be

THIS AGREEMENT HAS IMPORTANT LEGAL SIGNIFICANCE. YOU SHOULD CONSIDER CONSULTING WITH ANOTHER ATTORNEY BEFORE SIGNING THIS AGREEMENT AS IT WOULD BE INAPPROPRIATE FOR THIS FIRM TO RENDER LEGAL ADVICE CONCERNING THIS DOCUMENT.

credited against the attorney fees set forth in this agreement. The fact that the Successor Agency may agree to pay some or all of Client's attorney fees will not make that entity a client of Lawyers and that entity will have no right to instruct Lawyers in matters pertaining to the services Lawyers render to Client. Unless Client gives written permission to discuss all or a portion of Client's matters with the entity paying all or a portion of the attorney fees, Lawyers will not disclose any confidential information to the entity. By signing this agreement and initialing below this paragraph, Client consents to this arrangement and acknowledges that Attorney has advised Client of the advantages and disadvantages of this arrangement and has afforded Client to seek independent counsel to advise on the effect of this paragraph.

Belinda Faustinos

This Agreement, consisting of ten (10) pages, including schedules, may be executed in counterparts, each of which may be deemed an original, and taken together they shall constitute one and the same agreement. Facsimile or electronic signatures shall have the same effect as original signatures.

ACCEPTED:

OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
FOR THE PICO RIVERA REDEVELOPMENT
AGENCY, a California local agency

Dated: _____

By: _____
Belinda Faustinos, Chair

ATTESTED:

By: _____
Anna Jerome, Board Secretary

[SIGNATURES CONTINUE ON NEXT PAGE]

THIS AGREEMENT HAS IMPORTANT LEGAL SIGNIFICANCE. YOU SHOULD CONSIDER CONSULTING WITH ANOTHER ATTORNEY BEFORE SIGNING THIS AGREEMENT AS IT WOULD BE INAPPROPRIATE FOR THIS FIRM TO RENDER LEGAL ADVICE CONCERNING THIS DOCUMENT.

ACKNOWLEDGED AND AGREED TO:

SUCCESSOR AGENCY FOR THE PICO RIVERA
REDEVELOPMENT AGENCY,
a California local agency

Dated: _____

By: _____
Ronald Bates, Executive Director

APPROVED AS TO FORM:

By: _____
Arnold Alvarez-Glasman, Esq.
Counsel to the Successor Agency

ACCEPTED:

THE LAW OFFICES OF EDWARD Z. KOTKIN

Dated: _____

By: _____
Edward Z. Kotkin

THIS AGREEMENT HAS IMPORTANT LEGAL SIGNIFICANCE. YOU SHOULD CONSIDER CONSULTING WITH ANOTHER ATTORNEY BEFORE SIGNING THIS AGREEMENT AS IT WOULD BE INAPPROPRIATE FOR THIS FIRM TO RENDER LEGAL ADVICE CONCERNING THIS DOCUMENT.

SCHEDULE "A" OF SERVICES

Matter:

- 1) Representation regarding oversight board activities and board member duties, obligations and responsibilities.
- 2) Negotiations with the County of Los Angeles regarding pass through agreement obligations as requested.
- 3) Other matters, within the scope of the Oversight Board, as requested.

Deposit:

None

THIS AGREEMENT HAS IMPORTANT LEGAL SIGNIFICANCE. YOU SHOULD CONSIDER CONSULTING WITH ANOTHER ATTORNEY BEFORE SIGNING THIS AGREEMENT AS IT WOULD BE INAPPROPRIATE FOR THIS FIRM TO RENDER LEGAL ADVICE CONCERNING THIS DOCUMENT.

SCHEDULE "B" OF FEES

<p>General Legal Services Included in Hourly Rate of \$225 per hour for all attorneys (other staff to be billed as provided below)</p>	<p>Attendance at all Oversight Board meetings (<i>with no fee being billed for the travel time to attend these meetings</i>); attendance at Oversight Board management staff meetings and other routine meetings as requested by the Oversight Board; consultation with Oversight Board members and management on legal issues as requested; review of public meeting agendas, agenda submittals, and minutes of Oversight Board meetings; provision of routine legal advice on behalf of the Oversight Board and the issuance of legal opinions, as requested by the Oversight Board; monitoring and review of proposed and enacted legislation affecting the Oversight Board; the preparation or review of routine Oversight Board resolutions; routine advice on government ethics and conflicts of interest.</p>
<p>Hourly Rates for Services Not Included in General Legal Services Above</p>	<p>Specialized Non-Litigation Legal Services (items not listed above) \$250 Litigation: \$250</p>

2013.08.20

THIS AGREEMENT HAS IMPORTANT LEGAL SIGNIFICANCE. YOU SHOULD CONSIDER CONSULTING WITH ANOTHER ATTORNEY BEFORE SIGNING THIS AGREEMENT AS IT WOULD BE INAPPROPRIATE FOR THIS FIRM TO RENDER LEGAL ADVICE CONCERNING THIS DOCUMENT.

EDWARD Z. KOTKIN

A lawyer with twenty-two (22) years of experience at the intersection between the private and public sectors, seizing opportunities to apply unique, multi-disciplinary skills to the advantage of clients.

Employment

The Law Offices of Edward Z. Kotkin, A Professional Law Corporation, Santa Ana, California (May 2011 to Present)

- Sole practitioner representing government agencies, officials, and private parties with public matters, *e.g.*, real estate developers, permit applicants, businesses, *etc.*
- General Counsel to Evantix GRC, LLC, a software and services company in the governance, risk management and compliance business since 2007, providing high-visibility customers/clients an outstanding vendor risk reporting, monitoring and management portal
- General Counsel to Waste & Recycling Services, Inc., solid waste hauling and recycling company in business thirteen (13) years, serving over four hundred (400) residential and commercial customers
- Special Counsel to AutoZone, Inc., a publicly traded international company with over three thousand two hundred (3,200) auto parts and accessories stores in the United States
- Special Counsel to Polymer Logistics, Inc., a leading provider of "One-Touch/Retail Ready Packaging working with retailers worldwide to simplify supply chain management through logistics services, *i.e.*, packaging for retail and retail ready display products - from the factory to the retail floor
- Special Counsel to Lundin Development Co., commercial/retail real estate developers headquartered in Huntington Beach, developed and managed over one million square feet of retail properties throughout Southern California and Arizona since 1975
- Special Counsel to Southern California Institute of Technology, an accredited career school and college founded by a team of educators in 1987 to pioneer effective, application focused educational methods in the engineering, business and trade disciplines
- Special Counsel to VP Builders, LLC and Family Development Group, Inc., real estate developers, residential and commercial properties, nearly one thousand (1,000) production homes constructed since 2003
- General Counsel to Omicron Enterprises, LLC, Orange County based start-up real estate investment company
- General Counsel to Comfort Cottages, Inc., licensed residential care facility in business seven (7) years
- Independent/General Counsel to five (5) public entity clients, oversight boards of the successor agencies to the redevelopment agencies of the cities of Chula Vista, Corona, Montclair, Pico Rivera and National City
- Provided Special Counsel services to City of Azusa, California and City Council Member as special counsel re purported public integrity issue
- Special Counsel, Government Real Estate Owned Properties, Saeed Corporation, d.b.a. "Real Estate Legends," Orange County based real estate investment company with twenty (20) years of industry experience

- Special Counsel to Skyline Construction Services, Inc., an Orange County Construction Clean-Up company rated "A+" by the Better Business Bureau, in business since 2005
- Special Counsel to Nazas Construction, Inc., a Construction Clean-Up company in the top thirty percent (30%) of Inland Empire contractors, in business since 1998
- Served Innovative Idea Group, LLC, emerging technology company with more than twenty (20) employees and contractors, as interim general counsel & special counsel
- Advocated for a public official advancing public integrity issues re law enforcement and labor/employment matters
- General Counsel and Board Member, Spirit Youth Sports, Inc., d.b.a. Spirit League, an Orange County non-profit organization that allows children with special needs to play team sports in a positive, self-esteem building environment (*Pro Bono*)
- AV® Rated Attorney – top rating of legal ability and general ethical standards possible, based upon anonymous opinions of members of the Bar and the Judiciary; *AV® Preeminent™ and BV® Distinguished™ are certification marks of Reed Elsevier Properties Inc., used in accordance with the Martindale-Hubbell certification procedures, standards and policies, see www.martindale.com/ratings for more details*
- Martindale-Hubbell "Client Review Rating" – 5.0/5.0
- "Superb," 10.0/10.0 Avvo® Rating - unbiased assessment calculated using a mathematical model; Avvo® treats all lawyers equally and rates them by identical standards, no rating can be purchased in this system developed with input from hundreds of attorneys and thousands of consumers for use by non-experts
- OC Register Metro, listed in annual Top Attorneys Issue, publication date July 29, 2013
- Selected for listing in Los Angeles Times' "Southern California's Top Rated Lawyers," presented by Legal Leaders, publication date November 24, 2013

Woodruff, Spradlin & Smart, APC, Costa Mesa, California (December 2005 to May 2011)

- Managed all legal affairs of growing city during fastest period of population and infrastructure growth in its history (*see Municipal Law Experience below*)
- Served as City Attorney of the City of Indio, California, population 76,036 per 2010 census
- Worked as General Counsel to Redevelopment Agency for the City of Indio and Indio Water Authority
- Created and acted as legal counsel for Eastern Riverside County Interoperable Communications Authority (joint powers agency for public safety communication)
- Provided limited deputy city attorney and/or prosecutor services to Cities of Garden Grove, Hawaiian Gardens, Palm Springs, San Juan Capistrano, and Tustin
- Completed disposition of corporate assets of solid waste hauling company
- Advocated for supermarket in proposed condemnation in the City of Lake Elsinore
- Represented a retired city manager re deposition testimony
- Assisted City of La Verne as special counsel re land use matter

Kotkin & Associates, A Professional Law Corporation, Aliso Viejo, California

(November 2002 to November 2005), *predecessor firm Bermudez & Kotkin, LLP*

- Transitioned from career as a statewide leader in criminal prosecution to the principal civil advocate for an historically underserved community
- Established and ran successful law firm staffed by up to five (5) attorneys
- Commenced provision of legal services to Indio described above *vis a vis* employment at Woodruff, Spradlin & Smart
- Led and coordinated extended multi-firm transactional and litigation representation for franchise solid waste hauler re conflict of interest matter and assignment of franchise agreement in City of South Gate
- Served as counsel for real estate investment company re multiple transactions and litigation re ownership and operation of apartment buildings
- Represented a retired city manager re controversial retirement issues

Riverside County District Attorney's Office, Riverside, California (August 1991 to November 2002)

- Led in creation, implementation and operation of multiple prosecution units within the Office's "Special Prosecutions Section," including financial elder abuse, real estate fraud, major fraud, public integrity, automobile insurance fraud, and workers' compensation insurance fraud
- Prosecuted high-profile fraud cases from filing through trial, practice areas: *(i)* banking, *(ii)* commercial, *(iii)* consumer and government guaranteed loans, *(iv)* conservatorship and probate matters, *(v)* corporate embezzlement, *(vi)* counterfeiting, *(vii)* fiduciary elder abuse, *(viii)* identity theft, *(ix)* insurance, *(x)* mortgage lending, *(xi)* police, *(xii)* political and public integrity, *(xiii)* pyramid schemes, *(xiv)* real estate, *(xv)* securities
- Litigated consumer protection, environmental enforcement & occupational safety cases
- Coordinated investigations by local, state and national law enforcement agencies
- Created and administered educational programs for real estate and insurance industry professionals regarding fraud detection, investigation, and prevention
- Trained and supervised new prosecutors
- Served as member of multi-disciplinary Riverside County regional "C.A.R.E." teams mandated by SB 2199 to fight elder abuse
- Wrote and reviewed prospective legislation
- *Awards: Outstanding Achievement Award 2000 (Riverside County District Attorney's Office); Runner-Up Prosecutor of the Year, Int'l Assoc. of Financial Crimes Investigators, 2001*
- Founded and served as Co-Chair of Real Estate Fraud Committee of California District Attorneys Association

Municipal Law Experience

City Attorney and City Prosecutor, City of Indio, California, **General Counsel**, Redevelopment Agency of the City of Indio & Indio Water Authority (November 2002 to May 2011)

- Drafted ordinances, resolutions, reports to public officials, policies
- Negotiated and drafted agreements, documents and reports for development projects, real estate transactions, public works (infrastructure) projects, professional services, water service
- Managed all litigation for City, Redevelopment Agency and Water Authority
- Served as lead counsel for Eastern Riverside County Interoperable Communications Authority per Joint Exercise of Powers Act, five (5) member cities
- Oversaw projects and litigation assigned to outside legal counsel
- Participated in all public meetings (City Council, Redevelopment Agency, Water Authority)
- Worked on coordinated multi-disciplinary management team
- Advised the city council, officials, manager and staff for all purposes re: condemnation, conflict of interest, contracts, constitutional law, environmental (including California Environmental Quality Act and National Environmental Policy Act), election issues, ethics, franchise agreements, labor, land use, municipal code enforcement (including revision and enforcement/prosecution as City Prosecutor), Native American issues, police litigation, premises liability, public finance, public meetings law, public records act, real estate transactions, redevelopment law, solid waste, tax, fee and exaction issues, water law, zoning
- Served as member of California League of Cities, City Attorneys Division, Committee re Fair Political Practices Commission

Representative Municipal Transactions

(i) Negotiated and Drafted Disposition and Development Agreement, Redevelopment Agency of the City of Indio and Desert Community College District, *January 2011*; **(ii)** Negotiated and Drafted Annual special event agreements and permits for Coachella and Stagecoach music festivals, multiple years, most recent approval *December 2010*; **(iii)** Negotiated and Drafted Solid Waste Hauling and Recycling Franchise Agreement with Burrtec Waste and Recycling Services, LLC, *June 2010*; **(iv)** Drafted New Parks Ordinance and Regulations, *December 2009*; **(v)** Adjusted Utility User Tax *via* City initiated ballot initiative, three percent (3%) increase, *November 2010*; **(vi)** Drafted Indio Ticket Distribution Policy, *April 2009*; **(vii)** Created Eastern Riverside County Interoperable Communications Authority per Joint Exercise of Powers Act, five (5) member cities, *July 2008*; **(viii)** Drafted Registration and Maintenance of Abandoned Properties Ordinance, *March 2008*; **(ix)** Negotiated and Drafted Regency Realty Group "Indio Towne Center Development Agreement," Home Depot, Winco, Petco, *etc.*, *January 2007*; **(x)** Established Indio Performing Arts Center, *June 2006*.

Representative Municipal Litigation

(i) Represented the City of Azusa and one of its city council members in purported public integrity case, request for leave to file *quo warranto* lawsuit, *September 2011* **(ii)** Reduced unjustified pass-through payments to local school district by fifty percent (50%) *via* settlement of litigation, *January 2008*, **(iii)** Allowed continued construction, and eventual completion and opening of Super Target store *via* settlement of environmental challenge, *August 2007*; **(iv)** Acquired land for Indio Soccer Park *via* condemnation settlement, *November 2004*.

Professional Affiliations

- State Bar of California, Member Number 155588, admitted December 16, 1991
- United States District Court, Central District of California, admitted September 9, 2005
- Orange County Bar Association, Member, Member 2005 to Present
- Orange County Bar Association, Lawyer Referral & Information Service, Panelist, 2011 to Present
- State Bar of California, Special Master, 2004 to 2012 (accompanied peace officers serving search warrants re evidence under the control of attorneys, physicians, psychotherapists and clergy)

Education

Georgetown University Law Center, Washington, D.C. (1988-1991)

- Juris Doctor, May 1991
- Participant, Georgetown Criminal Justice Clinic, Maryland Division, 1990-1991
- Recipient, Greenfield Trial Practice Award, 1991

Haverford College, Haverford, Pennsylvania (1984-1988)

- Bachelor of Arts, Philosophy, May 1988
- Participant, "One-Year Program," Hebrew University of Jerusalem, Israel, 1986-1987

Presentations

- AB1234 Ethics Training instructor (qualified per Attorney General and Fair Political Practices Commission standards), lectured to officials of Cities of Tustin, San Juan Capistrano, San Clemente, Rancho Santa Margarita, Laguna Niguel, Laguna Beach, Indio and Hawaiian Gardens
- Presentations to the International Code Council, Orange Empire Chapter (Public Records Act), the National Association of Appraisal Regulatory Officials (Appraisals in Mortgage Fraud), the Appraisal Institute (Mortgage Fraud), the California Association of Mortgage Brokers (Mortgage Fraud), the California Trustees Association (Mortgage Fraud), First American Title Company (Electronic Recordation), and the California Electronic Document Forum (Electronic Recordation)
- Presentation to Public Agency Risk Managers Association, Southern California Chapter, December 1, 2011, "Public Records, Paper Trails, and Penalties – Catching Up with the Law on Computer Resources"
- Presentation to the Workers' Compensation Forum, 21st Annual All Day Seminar, San Bernardino, California, May 8, 2012, "Electronic Confidentiality – Computers are Forever (Public Records & E-Discovery)"
- Presentation to the National Bureau of Business Licensing Officials, Annual Conference, Anaheim, California, July 12, 2012, "Adjusting to New Paradigms - Checking In & Keeping Money Local"
- Upcoming presentation to California Municipal Revenue & Tax Association, Annual Conference, Costa Mesa, California, October 10, 2013

Languages

- Proficient in Spanish and Hebrew



To: Oversight Board of the Successor Agency to the Pico Rivera
Redevelopment Agency

From: Assistant City Manager

Meeting Date: February 24, 2014

Subject: CHANGE REGULAR MEETING SCHEDULE FOR THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO
THE PICO RIVERA REDEVELOPMENT AGENCY

Recommendation:

The Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency ("Oversight Board") change the schedule for regular meetings to the fourth Thursday of every February and September at 4:30 p.m.

Fiscal Impact:

None.

Discussion:

On April 12, 2012, the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency ("Oversight Board") established the third Thursday of the first month of each calendar quarter as the regular meeting schedule. The Oversight Board has been conducting special meetings in lieu of regular meetings to satisfy requirements mandated by the California Department of Finance. On June 27, 2012, Assembly Bill No. 1484 ("AB 1484") was enacted to require Recognized Obligation Payments Schedule ("ROPS") approvals by March 1 and October 1 each year. Due to the requirements of AB 1484, staff recommends the Oversight Board change the regular meeting schedule to the fourth Thursday of every February and September.

Michael Matsumoto
Assistant City Manager

MM:CO



To: Oversight Board of the Successor Agency to the Pico Rivera
Redevelopment Agency

From: Assistant City Manager

Meeting Date: February 24, 2014

Subject: RECOGNIZED OBLIGATION PAYMENT SCHEDULE 14-15A;
AND ADMINISTRATIVE BUDGET FOR FY 14-15

Recommendation:

Adopt the resolution of the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency establishing the Recognized Obligation Payment Schedule (ROPS) for the July 1, 2014 to December 31, 2014 time period, and approving the Administrative Budget for the 14-15 fiscal year.

Fiscal Impact:

Filing the ROPS will allow the Successor Agency to receive property taxes on June 1, 2014 estimated at \$1.8 million. The only obligation to receive funding is the December 1, 2014 bond payment of \$2,307,475.

Discussion:

Effective February 1, 2012, all redevelopment agencies in California were dissolved, and the City is now acting as the Successor Agency to manage and curtail the operation of the dissolved Pico Rivera Redevelopment Agency.

Requirement

Pursuant to Health and Safety Code (HSC) section 34177 (I), the Department of Finance (DOF) has provided the ROPS forms that successor agencies must use to report enforceable obligations for the periods July to December 2014 (ROPS 14-15A). The completed ROPS 14-15A is due to DOF on March 3, 2014 by electronic submission. Pursuant to HSC section 34177(I)(2)(C) a copy of the ROPS must also be submitted to the

county-auditor controller and the State Controller's Office. In addition, the successor agency should post a copy to its website.

HSC section 34177(j) requires the Successor Agency to prepare an Administrative Budget and submit it to the Oversight Board for approval. The attached Administrative Budget is for the fiscal year 2014-15. While there may not be funding for all of the administrative costs during this ROPS period, these costs are included on the ROPS.

ROPS 14-15A

The only two items on ROPS 14-15A are the debt service payment for the 2001 tax allocation bond and the administrative budget. DOF provides the template form for ROPS 14-15A and has included items previously retired or removed by the Successor Agency. These include line items #9, #12, and #13 which the Successor Agency now includes in the administrative budget as those obligations are on-going services that are administrative in nature.

On January 2, 2014 the Successor Agency received \$1,618,400 from the County for their Redevelopment Property Tax Trust Fund (RPTTF) for ROPS 13-14B. In addition, the County has also remitted an additional \$415,618 that the Successor Agency was previously entitled to. Due to the additional remittance, it is anticipated that during the ROPS 13-14B period, there will be approximately \$211,243 in unspent funds, which also includes unspent Administrative Allowance funds. While this amount is currently an estimate, the Successor Agency requests all unspent funds from ROPS 13-14B to be carried over to ROPS 14-15A to assist with the large debt service payment on due 12/1/14. While the ROPS shows a requested RPTTF amount of \$2,346,232, it is anticipated that the actual remittance from the County will be closer to \$1.8 million, furthering the need for the carryover of the approximately \$211,243 to pay the bond payment. The administrative budget is being requested at this time; however, it is likely that no funding will be available until the next ROPS period 14-15B, when the bond debt service payment is interest only and significantly less than the current ROPS period.

The Successor Agency currently has a bond reserve of \$1,280,377 on hand, and, there will be sufficient funds to make up the shortage for the December 1, 2014 bond payment.



Michael Matsumoto
Assistant City Manager

MM

Attachment 1: Resolution establishing the Recognized Obligation Payment Schedule 14-15A, approving the carryover of unspent funds, and approving the administrative budget.

RESOLUTION NO. _____

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE PICO RIVERA REDEVELOPMENT AGENCY ESTABLISHING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JULY THROUGH DECEMBER 2014 (ROPS 14-15A), APPROVING THE CARRYOVER OF UNSPENT FUNDS FROM THE PRECEEDING ROPS PERIOD TO BE SPENT ON PAYMENT OF AN ENFORCEABLE OBLIGATION IN THE CURRENT ROPS PERIOD, AND APPROVING THE ADMINISTRATIVE BUDGET FOR FY 14-15.

WHEREAS, the Pico Rivera Redevelopment Agency (“Agency”) was dissolved effective February 1, 2012 by way of Assembly Bill (“AB”) 1x26 and the California Supreme Court’s decision in *California Redevelopment Ass’n v. Matosantos*; and

WHEREAS, AB 1x26 (as subsequently amended from time to time, the “Dissolution Act”), created the Pico Rivera Successor Agency (“Successor Agency”) for the purpose of winding down the affairs of the dissolved Agency; and

WHEREAS, pursuant to Health & Safety Code Section 34177(l), the Successor Agency is required to adopt recognized obligation payment schedules (“ROPS”) every six months listing all payments due on “enforceable obligations” due during that six month period; and

WHEREAS, pursuant to Health & Safety Code Section 34177(j), the Successor Agency is required to prepare an annual administrative budget; and

WHEREAS, the Pico Rivera Oversight Board (“Oversight Board”) was created by the Dissolution Act for the purpose of overseeing, reviewing, and approving certain actions of the Successor Agency, including the Successor Agency’s ROPS and administrative budget; and

WHEREAS, pursuant to Health & Safety Code Section 34177(m), the Oversight Board must approve the ROPS covering the July 1 through December 31, 2014 payment schedule (“ROPS 14-15A”) by March 3, 2014; and

WHEREAS, pursuant to Health & Safety Code Section 34187(a)(2), the Successor Agency may retain property tax from a previous ROPS period that otherwise would be distributed to affected taxing entities if the State Department of Finance determines the Successor Agency requires those funds for the payment of enforceable obligations; and

WHEREAS, it is estimated that there will be unspent funds from ROPS 13-14B (approximately \$211,243), and such funds are needed to be carried over to the current ROPS 14-15A to pay the enforceable obligation of the 2001 tax allocation bond debt service; and

WHEREAS, absent authorization to utilize and carryover unspent ROPS 13-14B funds in the

Resolution No. _____

Page 2 of 3

ROPS 14-15A period, the Successor Agency will have insufficient revenues to make debt service payments on an approved enforceable obligation; and

WHEREAS, commencing with the 2013-2014 fiscal year, amounts borrowed from or owing to the low and moderate income housing fund of the former Agency constitute “enforceable obligations,” provided that the Oversight Board approves a repayment plan therefor, and the Successor Agency anticipates requesting such repayment when sufficient real property tax trust funds (“RPTTF”) become available in subsequent ROPS periods; and

WHEREAS, on April 26, 2013, the State Department of Finance issued the Successor Agency a Finding of Completion, thereby permitting the Successor Agency to commence repayment of certain loans from the City of Pico Rivera to the Agency, provided that the Oversight Board makes a finding that such loans were for legitimate redevelopment purposes, and the Successor Agency anticipates requesting such repayment when sufficient RPTTF become available in subsequent ROPS periods.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board of the Successor Agency to the Pico Rivera Redevelopment Agency, California as follows:

SECTION 1. The Oversight Board approves the recognized obligation payment schedule covering the July 1 through December 31, 2014 payment period, as such is attached hereto in Attachment A (“ROPS 14-15A”), subject to the approval of the State Department of Finance.

SECTION 2. The Oversight Board approves the carryover of all unexpended funds from ROPS 13-14B (currently estimated to be approximately \$211,243) to be used in ROPS 14-15A for the debt service payment of the 2001 tax allocation bond as shown on ROPS 14-15A.

SECTION 3. Successor Agency staff is directed to post ROPS 14-15A on its website and submit the ROPS 14-15A to those entities as required by law.

SECTION 4. The Oversight Board approves the Successor Agency’s Administrative Budget for the 2014-2015 fiscal year, as such is attached hereto as Attachment B and as such is included in ROPS 14-15A, subject to the approval of the State Department of Finance.

SECTION 5. The City Clerk of the City of Pico Rivera shall attest to the passage of this Resolution and it shall immediately be in full force and effect.

APPROVED AND ADOPTED this ____ day of _____ 2014.

ATTEST:

OVERSIGHT BOARD

Anna Jerome, Assistant City Clerk

Belinda Faustinos, Chairperson

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED AS TO FORM:

Edward Z. Kotkin, Law Offices of Edward Z. Kotkin
Board Counsel

Recognized Obligation Payment Schedule (ROPS 14-15A) - Summary

Filed for the July 1, 2014 through December 31, 2014 Period

Name of Successor Agency: Pico Rivera
 Name of County: Los Angeles

Current Period Requested Funding for Outstanding Debt or Obligation	Six-Month Total
A Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding Sources (B+C+D):	\$ 211,243
B Bond Proceeds Funding (ROPS Detail)	-
C Reserve Balance Funding (ROPS Detail)	211,243
D Other Funding (ROPS Detail)	-
E Enforceable Obligations Funded with RPTTF Funding (F+G):	\$ 2,346,232
F Non-Administrative Costs (ROPS Detail)	2,096,232
G Administrative Costs (ROPS Detail)	250,000
H Current Period Enforceable Obligations (A+E):	\$ 2,557,475

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
I Enforceable Obligations funded with RPTTF (E):	2,346,232
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column S)	-
K Adjusted Current Period RPTTF Requested Funding (I-J)	\$ 2,346,232

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding	
L Enforceable Obligations funded with RPTTF (E):	2,346,232
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AA)	-
N Adjusted Current Period RPTTF Requested Funding (L-M)	2,346,232

Certification of Oversight Board Chairman:
 Pursuant to Section 34177(m) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named agency.

Belinda Faustinos Chairperson
 Name Title
 /s/ _____
 Signature Date

Reported Obligations Payment Schedule (ROPS) 13-14A - Report of Prior Period Adjustments
 Reported for the ROPS 13-14A (July 1, 2013 through December 31, 2013) Pursuant to Health and Safety Code (HSC) section 34186 (a)
 (Report amounts in Whole Dollars)

Item #	Project Name / Debt Designation	Reserve Balance			Other Funds			Non-Admin			Admin			Non-Admin CAC			Admin CAC			Net Difference (M-F)	SA Comments
		Actual	Authorized	Actual	Actual	Authorized	Actual	Available (ROPS 13-14A)	Net Level of Available	Difference	Net Level of Available	Difference	Net Level of Available	Difference	Net Level of Available	Difference					
1	2001 Tax Assessor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Los Altos	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Los Altos	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	City Loan Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	City Loan Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Administrative	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	Administrative	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Administrative	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	Insurance and	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Insurance and	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Contract of	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Contract of	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Contract of	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ROPS 13-14A CAC PPA: To be completed by the CAC upon submittal of the ROPS 14-15A by the SA to Finance and the CAC. The amount of Refundable Property Tax Trust Fund (RPTTF) approved for the ROPS 13-14A (July through December 2013) period. The amount of Refundable Property Tax Trust Fund (RPTTF) approved for the ROPS 14-15A (July through December 2014) period will be offset by the SAs self-reported ROPS 13-14A prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.

Recognized Obligation Payment Schedule 14-15A - Notes

July 1, 2014 through December 31, 2014

Item #	Notes/Comments
1	Payment of the bond debt service includes using \$211,243 of RPTTF carried over from the ROPS period immediately preceeding this current reported period.
3	Item 3 is also part of the SERAF loan. The OB has adopted a separate resolution approving the repayment schedule for the SERAF loans, line items #2 and #3. The SA has received a Finding of Completion from DOF for the City Loans, and the OB has made a finding that the loans were for a legitimate redevelopment purpose. The total outstanding obligation balances have been reduced to show only the principal plus interest recalculated using the LAIF rate at the request of 4 & 5 DOF. The City believes the balances should include the loan rate as stated in the agreement. Contract end date shown as ROPS period end date.
9	Insurance and Maintenance - Agency Property has been retired from the ROPS Detail tab as a separate line item. Costs associated with this will be covered under the Administrative Budget going forward. Contract end date shown as ROPS period end date.
10	The SA is currently waiting confirmation from the County that the balance on this item is \$0, however until that has been received, \$10,000 is shown on the ROPS. Property Management Plan has been retired from the ROPS Detail tab as a separate line item. Remaining costs associated with this will be covered under the
12	Administrative Budget going forward.
13	Oversight Board Attorney has been retired from the ROPS Detail tab as a separate line item. Costs associated with this will be covered under the Administrative Budget going forward.

Attachment B

**PICO RIVERA SUCCESSOR AGENCY
ADMINISTRATIVE BUDGET FY 2014-15
FOR JULY 1, 2014 TO DECEMBER 31, 2014**

Expense Category	Proposed Budget
Salaries and Wages	
Salaries	\$80,000
Benefits and payroll taxes	\$30,000
TOTAL	\$110,000
Maintenance and Operation	
Postage	-
Departmental Supplies	-
Printing and Duplicating	-
Special Department Expense	-
Contracted Services	\$60,000
Legal Services	\$80,000
TOTAL	\$140,000
TOTAL EXPENDITURES	\$250,000