

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

376



**FROM:** Successor Agency to the Redevelopment Agency

**SUBMITTAL DATE:**  
July 30, 2013

**SUBJECT:** Financial and Legal Services Agreements Related to Redevelopment Dissolution  
[\$345,000]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve and authorize the Chairman to execute the First Amendment to Consulting Services Agreement for Fiscal and Continuing Disclosure Reporting Services between Urban Analytics LLC and the Successor Agency, adding \$77,000 to the original agreement, for a total amount of \$140,000;

*Christopher M. Hans*

Christopher M. Hans  
Chief Deputy County Executive Officer

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 345,000	In Current Year Budget:	YES
	Current F.Y. Net County Cost:	\$	Budget Adjustment:	NO
	Annual Net County Cost:	\$	For Fiscal Year:	2013/14

<b>SOURCE OF FUNDS:</b> Redevelopment Property Tax Trust Fund (RPTTF)	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

BY: *Ed Corser*  
Ed Corser

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL  
BY: ANITA C. WELLS  
DATE: 7-18-13

Policy  
 Consent  
 Policy  
 Consent

**MINUTES OF THE BOARD OF SUPERVISORS OF THE SUCCESSOR AGENCY TO  
THE REDEVELOPMENT AGENCY**

On motion of Supervisor Stone, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley  
Nays: None  
Absent: None  
Date: July 30, 2013

Kecia Harper-Ihem  
Clerk of the Board  
By: *Kecia Harper-Ihem*  
Deputy

5012 XOF 53 WDA, FDA

PREV. AGH. REF. COMM.

District: ALL | Agenda Number:

4-1

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

2. Approve and authorize the Chairman to execute the First Amendment to Consulting Services Agreement for Financial Advisory Services between C.M. deCrisis & Company, Inc. and the Successor Agency, adding \$80,000 to the original agreement, for a total amount of \$155,000; and,
3. Approve and authorize the Chairman to execute the Legal Services Agreement with Jones Hall, a Professional Law Corporation in the amount of \$50,000 for the provision of on-call legal services related to bond indenture requirements of redevelopment dissolution.

**BACKGROUND:**

On February 1, 2011, the Redevelopment Agency for the County of Riverside (RDA) signed three-year contracts with Urban Analytics LLC (Urban Analytics) for \$63,000 for Continuing Disclosure Services and C.M. deCrisis & Company, Inc. (deCrisis) for \$75,000 for Financial Advisory Services. These agreements were approved by the Deputy Executive Director of the Redevelopment Agency, pursuant to Board of Directors approved RDA By-Laws which provided for delegated authority. Additionally, Jones Hall, A Professional Law Corporation (Jones Hall), served as Bond Counsel for the RDA bond issues from 2004 through 2011. The Successor Agency wishes to continue and expand the existing contracts with Urban Analytics and deCrisis, and formally retain Jones Hall for on-call bond counsel services related to redevelopment dissolution.

The costs for the aforementioned services is included and has been approved in the current Recognized Obligation Payment Schedule (ROPS) budget.

The Successor Agency wishes to amend the original agreement with Urban Analytics to include disclosure services for the Successor Agency through 2016. In addition, Urban Analytics will prepare revenue projections for each former redevelopment project area by incorporating the assumptions used by the County in preparing revenue projections for the County budget. These revenue projections will assist the Successor Agency in providing information regarding project area growth scenarios and debt service coverage projections to bond investors. The extension of the time frame of the agreement and the additional scope of work will add \$77,000 to the original contract amount, for a total contract amount of \$140,000.

The Successor Agency wishes to amend the deCrisis agreement with a time extension to 2016, in order to ensure service coverage during the critical time period of the wind-down activity. As the redevelopment wind-down process continues, successor agencies continue to encounter financial questions from investors and the financial community relating to bond ratings, taxing entity subordination and passthrough payment questions, and satisfactory implementation of the Dissolution Act. The scope of work for the

original deCrisis contract will be expanded to include the confirmation of available revenues, preparation of cash flow projections that detail the priority of payments, make recommendations regarding the use of funds to assure timely payment of bond debt service, provide assistance to the Successor Agency in making required disclosures to rating agencies, and other services required in connection with the Dissolution Act. The extension of time and the additional scope of work will add an additional \$80,000 to the original contract amount, for a total contract amount of \$155,000.

In addition, the Successor Agency wishes to retain Jones Hall to provide legal and technical assistance on an as-needed, on-call basis for analyzing the financial impacts and consequences of Department of Finance requirements related to bonds. Jones Hall served as bond counsel for many of the Agency's bond issues, and possesses hands-on knowledge of the specifics of each bond issue, indentures, and covenants. The proposed agreement amount for Jones Hall is \$50,000, and the proposed term of the agreement is through Fiscal Year 2015/16.

The cost breakdown for the contracts is as follows:

	<u>Approved FY</u> <u>11/12 and 12/13</u> <u>Cost</u>	<u>FY</u>	<u>Proposed</u> <u>New Annual</u> <u>Cost</u>	<u>Total Contract</u> <u>Amount</u>
Urban Analytics	\$77,000	2013/14	\$34,000	\$140,000
		2014/15	\$21,000	
		2015/16	\$22,000	
deCrisis	\$80,000	2013/14	\$35,000	\$155,000
		2014/15	\$35,000	
		2015/16	\$10,000	
Jones Hall	\$0	2013/14	\$25,000	\$50,000
		2014/15	\$20,000	
		2015/16	\$5,000	

There is no general fund cost associated with these agreements. All costs are included in the current, approved ROPS budget.

1                   **FIRST AMENDMENT TO CONSULTING SERVICES AGREEMENT**  
2                   **FOR CONTINUING DISCLOSURE AND FISCAL SERVICES**  
3                   **BY AND BETWEEN**  
4                   **THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE**  
5                   **COUNTY OF RIVERSIDE AND URBAN ANALYTICS LLC**

6           This Agreement, is made and entered into this 30<sup>th</sup> day of July, 2013, by  
7 and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR  
8 THE COUNTY OF RIVERSIDE (hereinafter "AGENCY"), and Urban Analytics LLC,  
9 (hereinafter "CONSULTANT").

10           WHEREAS, AGENCY is successor in interest to the Redevelopment  
11 agency for the County of Riverside pursuant to the provisions of Section 34173 of the  
12 California Health and Safety Code, acting in its capacity as Successor Agency;

13           WHEREAS, the Redevelopment Agency for the County of Riverside  
14 (Former RDA) was a redevelopment agency duly created, established and authorized  
15 to transact business and exercise its powers, all under and pursuant to the provisions  
16 of the Community Redevelopment Law which is Part 1 of Division 24 of the California  
17 Health and Safety Code (commencing with Section 33000 et seq.); the Former RDA  
18 was terminated as of February 1, 2012 pursuant to Section 34172;;

19           WHEREAS pursuant to sections 34177-34181 of the Health and Safety  
20 Code, the AGENCY is authorized to make and execute contracts and other instruments  
21 necessary or convenient in compliance with the Enforceable Obligation Payment  
22 Schedule (EOPS) as superseded by the Recognized Obligation Payment Schedule  
23 (ROPS) as adopted by the AGENCY and Oversight Board;

24           WHEREAS, the proposed services provided in this Agreement are  
25 necessary in performance of an obligation of the former RDA pursuant to the EOPS or  
26 as later superseded by the ROPS;

27           WHEREAS, pursuant to CRL 33020(a) of the California Community  
28 Redevelopment Law, "redevelopment" means to conduct planning, development, and  
replanning of all or part of a survey area as may be appropriate and necessary in the

1 interest of general welfare, including recreational and other facilities incidental or  
2 appurtenant to them;

3 WHEREAS, the parties entered into the original Agreement  
4 ("AGREEMENT") between the Redevelopment Agency for the County of Riverside and  
5 CONSULTANT on February 1, 2011, for Continuing Disclosure Services, for a period of  
6 performance of three (3) years, ending February 1, 2014;

7 WHEREAS, the AGREEMENT amount over three (3) years is sixty three  
8 thousand dollars (\$63,000);

9 WHEREAS, additional fiscal services related to the passage of ABx1 26  
10 and AB 1484 are required for winding down redevelopment activities, as shown in  
11 "Exhibit A";

12 WHEREAS, CONSULTANT is listed on ROPS 13-14A (July 1, 2013  
13 through December 31, 2013), line number 19, for an amount of fifty five thousand  
14 dollars (\$55,000) per year;

15 WHEREAS, the Department of Finance (DOF) and the Oversight Board  
16 have approved this enforceable obligation; and

17 WHEREAS, CONSULTANT has agreed to provide such services to  
18 AGENCY,

19 NOW THEREFORE, in consideration of the mutual covenants contained  
20 herein, the parties hereto agree to amend the agreement as follows:

21 ///

22 ///

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1 **AMENDMENT**

2 A. Exhibit A – Scope of Work of the AGREEMENT is hereby deleted in its entirety and  
3 substituted therefor is the new Exhibit A – Scope of Work which is attached hereto and  
4 incorporated herein by this reference.

5 B. Section 2 of the AGREEMENT is hereby amended in its entirety to read as follows:

6 2. **PERIOD OF PERFORMANCE:** CONSULTANT shall commence  
7 performance upon February 1, 2011 and complete performance within five (5) years  
8 from said date. CONSULTANT will diligently and responsibly pursue the performance  
9 of the services required of it by the AGREEMENT unless the work is terminated as  
10 specified in Section 9. All applicable indemnification provisions in the AGREEMENT  
11 shall remain in effect following the termination of the AGREEMENT.

12 C. Section 3 of the AGREEMENT is hereby amended in its entirety to read as follows:

13 3. **COMPENSATION:** The AGENCY shall pay CONSULTANT for services  
14 performed and expenses incurred in accordance with the terms of this AGREEMENT.  
15 CONSULTANT shall be paid an amount not to exceed sixty three thousand dollars  
16 (\$63,000) for the period February 1, 2011 through December 31, 2013; an amount not-  
17 to-exceed fourteen thousand dollars (\$14,000) for the preparation of tax increment  
18 projections within former redevelopment project areas; an amount not-to-exceed twenty  
19 thousand dollars (\$20,000) for the period January 1, 2014 through December 31, 2014;  
20 an amount not-to-exceed twenty-one thousand dollars (\$21,000) for the period January  
21 1, 2015 through December 31, 2015; an amount not-to-exceed twenty-two thousand  
22 dollars (\$22,000) for the period January 1, 2016 through December 31, 2016 for a total  
23 NOT TO EXCEED AMOUNT of ONE HUNDRED and FORTY THOUSAND DOLLARS  
24 (\$140,000) for the term of this AGREEMENT. CONSULTANT shall submit invoices for  
25 payments to the Agency in accordance with Section 3.1 below. The AGENCY shall  
26 pay the CONSULTANT for services performed and expenses incurred in accordance  
27 with the terms of this AGREEMENT.

28 3.1 Said compensation shall be paid in accordance with an invoice

1 submitted to AGENCY by CONSULTANT within fifteen (15) days from the last day of  
2 each calendar month, and AGENCY shall pay the invoice within thirty (30) working  
3 days from the date of receipt of the invoice.

4 D. Section 11 of the AGREEMENT is hereby amended in its entirety to read as  
5 follows:

6 11. **DESIGNATED REPRESENTATIVES:** The following individuals are  
7 designated as representatives of the AGENCY and CONSULTANT respectively to act  
8 as liaison between the parties:

9  
10 **AGENCY**

11 Christopher Hans, Chief Deputy CEO  
12 Successor Agency to the Redevelopment  
13 Agency for the County of Riverside  
14 4080 Lemon Street, 4<sup>th</sup> Floor  
Riverside, CA 92501  
(951) 955-1110  
(951) 955-1008 - fax

**CONSULTANT**

David Mealy, Principal  
Urban Analytics LLC  
582 Market Street, Suite 1002  
San Francisco, CA 94104  
(415) 781-2800  
(650) 878-2440 – fax

15 Any change in designated representatives shall be promptly reported to the  
16 other party in order to ensure proper coordination.

17 E. Section 22 of the AGREEMENT is hereby amended in its entirety to read as follows:

18 22. **NOTICES:** All correspondence and notices required or contemplated by  
19 this Agreement shall be delivered to the respective parties at the addresses set forth  
20 below and are deemed submitted one (1) day after their deposit in the United States

21 Mail, postage prepaid:

22 **AGENCY**

23 Christopher Hans, Chief Deputy CEO  
24 Successor Agency to the Redevelopment  
25 Agency for the County of Riverside  
26 4080 Lemon Street, 4<sup>th</sup> Floor  
Riverside, CA 92501  
(951) 955-1110  
(951) 955-1008 - fax

**CONSULTANT**

David Mealy, Principal  
Urban Analytics LLC  
582 Market Street, Suite 1002  
San Francisco, CA 94104  
(415) 781-2800  
(650) 878-2440 – fax

27  
28 ///

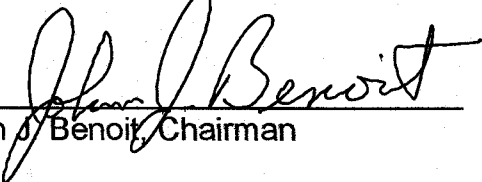
1 F. Except as set forth herein, all other terms of the AGREEMENT shall remain in full  
2 force and effect.

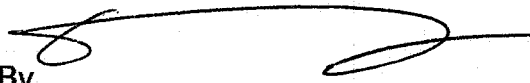
3  
4 IN WITNESS WHEREOF, the parties hereto have caused their duly  
5 representatives to execute this Agreement.  
6

7  
8 DATED: JUL 30 2013

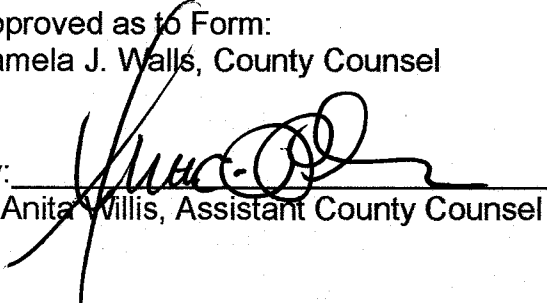
9  
10 Successor Agency to the Redevelopment  
11 Agency for the County of Riverside

Urban Analytics LLC

12 By:   
13 John J. Benoit, Chairman


14 By:   
15 David Mealy, Principal

16 Approved as to Form:  
17 Pamela J. Willis, County Counsel

18 By:   
19 Anita Willis, Assistant County Counsel

20  
21 G:\TRANSFER\RDACOM-RDA\_ADMNSuccessor Agency Contracts\Urban Analytics\Urban Analytics - 2013.doc

22  
23 Shared\Draft\Agreement-Template-007.doc

24 ATTEST:  
25 KECIA HARPER-IHEM, Clerk  
26 By:   
27 DEPUTY  
28



# **EXHIBIT A**

January 19, 2011

Rohini Dasika  
Principal Development Specialist  
Riverside County Economic Development Agency  
3403 10th St., Ste. 300  
Riverside, CA 92501

Dear Ms. Dasika:

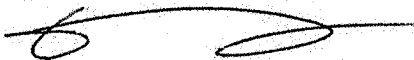
Urban Analytics is pleased to submit the following proposal for Continuing Disclosure Services to the Agency on its outstanding tax allocation and housing bond issues. The firm will draw on its experience with the Agency, the bond issues and prior continuing disclosure reports in conducting its work.

The attached proposal will provide the Agency with all tables required for the Annual Report of the Continuing Disclosure Certificates: historic valuation, largest taxpayers, projected tax revenue and projected debt service coverage. The firm will also prepare the sufficiency test calculation showing the total amount of tax increment remaining relative to the Agency's future obligations required under several of the bond indentures. Urban Analytics will post required tables to the MSRB website on the Agency's behalf.

The scope also includes a top ten list with the APN, situs address and land use of each owner under separate cover; a table listing current appeals for the major property owners and a summary of all appeals.

I appreciate the opportunity to propose these services. Please let me know if there are any questions regarding this proposal.

Sincerely,



David Mealy  
Principal

## SCOPE OF SERVICES

### Introduction

The following scope of services is focused on providing updates of the specific tables required under the Continuing Disclosure Certificates for the 2004, 2005, 2006, 2007 and 2010 tax allocation and housing bonds; providing the tax increment sufficiency test required in the bond indentures; and providing certain related material concerning appeals. The proposal covers the reporting requirements for the years 2011, 2012 and 2013.

Urban Analytics (the Consultant) has provided the Agency with similar services for the bonds since 1999, and has prepared fiscal consultant reports for the Agency's bond issues since 2001. The firm will draw on its experience with redevelopment tax increment matters in Riverside County in executing the services described below. The firm will obtain and utilize county tax roll data in this assignment and will make data available through the Urbics website to Agency staff and, if desired, to other interested parties.

The proposed scope covers five years. Urban Analytics recognizes that there is substantial overlap in the areas covered by the bonds. The scope and fees presented here reflect this overlap.

### Task 1: Project Initiation

Urban Analytics will obtain from Agency staff any relevant information in the project areas, including the annual report from the Auditor-Controller of assessed valuation by sub-area. Consultant will obtain and utilize the July secured and unsecured tax roll data from the County along with the utility roll and current tax rate area codings from the State Board of Equalization. Consultant will also obtain from the County current assessment appeals information.

### Task 2: Prepare Continuing Disclosure Tables - 2004, 2005, 2006, 2007 and 2010 (80%) TABs

For each Project Area subject to the particular bond issue, Consultant will prepare tables showing current and historic assessed valuation and tax increment; the top ten taxpayers; and debt service coverage projections. The tables will be presented for each bond issue as required by Section 4(b)(i) of the respective Continuing Disclosure Certificates.

Task 3: Prepare Continuing Disclosure Tables - 2004, 2005 and 2010 Housing Bonds

Consultant will prepare tables showing current and historic assessed valuation and tax increment; the top ten taxpayers; and debt service coverage projections for all project areas subject to the particular bond issue. The tables will be presented for each bond issue as required by Section 4(b)(i) of the respective Continuing Disclosure Certificates.

Task 4: Sufficiency Test

Consultant will perform the tax increment cap test calculation required under the indentures for each of the outstanding tax allocation and housing bond issues requiring them. This sufficiency calculation will ascertain the total amount of tax increment revenue remaining available to be received by the Agency under the plan limits in each of the next three years, compared in each year with the sum of future cumulative annual debt service of parity debt plus senior obligations plus subordinate obligations. The annual amount remaining under the cap in each of the next three years will be expressed as a percentage of the outstanding obligations in each year; the indenture requires that the Agency take certain steps to ensure payment of outstanding parity and senior debt in the event this percentage falls below 95%.

Task 5: Additional Material - Top Ten Taxpayers

Consultant will prepare extended versions of the top ten taxpayers list for each Project Area showing land use, parcel number and location.

Task 6: Additional Material - Taxpayer Appeals

Using material obtained from the Assessor's office, Consultant will identify resolved and pending appeals filed by major property owners, along with a summary of all appeals filed, in each Project Area. This material will be presented to the Agency in tabular form.

Task 7: Compilation and Submission

By November 15 of each year covered by this scope, Consultant will provide to the Agency a set of tables and descriptive material from Tasks 2 through 6. The material will be submitted to the Agency both in unbound printed form and emailed as a PDF file. Upon Agency approval, Consultant will post the documents to the EMMA website of the MSRB.

### TIMING AND FEES

Urban Analytics will submit the annual material to the Agency by November 15 of each year covered by this Scope: 2011, 2012 and 2013.

The annual fee for all tasks in the Scope for 2011 will be the same amount charged in 2010. The fee for each subsequent year will be increased by an inflationary adjustment of 5% or less, as follows:

- 2011: \$20,000
- 2012: \$21,000
- 2013: \$22,000

Total contract amount over three years is \$63,000. This fee includes all expenses, data and materials necessary for the completion of the services described in Tasks 1 through 7 above.

David Mealy, principal of Urban Analytics, will provide all services in this Scope. The firm and its principal have no known conflicts of interest.

The fees do not anticipate travel or meetings. Should the Agency desire meetings related to this Scope in Riverside County, Urban Analytics will negotiate a reasonable additional fee with the Agency.

Urban Analytics may provide additional services on a time-and-materials basis, as mutually agreed by the Agency and Urban Analytics. The hourly rate for such additional services is \$225 in 2011, increasing by 5% in each subsequent year.

May 22, 2013

Rohini Dasika  
Principal Development Specialist  
Successor Agency, Riverside County Economic Development Agency  
3403 10th St., Ste. 300  
Riverside, CA 92501

Dear Ms. Dasika:

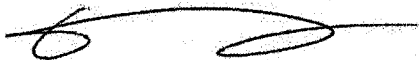
Urban Analytics is pleased to submit the following proposal for Continuing Disclosure and Fiscal Services to the Agency related to its outstanding bond issues and fiscal matters. The firm will draw on its experience with the Agency, the bond issues and prior continuing disclosure reports in conducting its work.

The attached proposal will provide the Agency with all tables required for the Annual Report of the Continuing Disclosure Certificates: historic valuation, largest taxpayers, projected tax revenue and projected debt service coverage. The firm will also prepare the sufficiency test calculation showing the total amount of tax increment remaining relative to the Agency's future obligations required under several of the bond indentures. Urban Analytics will provide the tables for posting to the MSRB website.

The scope includes other fiscal services required by the Agency, including revenue projections by project area.

I appreciate the opportunity to propose these services. Please let me know if there are any questions regarding this proposal.

Sincerely,



David Mealy  
Principal

## SCOPE OF SERVICES

### Introduction

The following scope of services is focused on providing updates of the specific tables required under the Continuing Disclosure Certificates for the 2004, 2005, 2006, 2007 and 2010 tax allocation and housing bonds; providing the tax increment sufficiency test required in the bond indentures; and providing certain related material concerning appeals. The proposal covers the reporting requirements for the calendar years 2014, 2015 and 2016.

In addition, the scope covers additional fiscal services required by the Agency including a projection of tax increment in each of the Agency's project areas tied to the projections used in the County budget.

Urban Analytics (the Consultant) has provided the Agency with similar services since 1999, and has prepared fiscal consultant reports for the Agency's bond issues since 2001. The firm will draw on its experience with redevelopment tax increment matters in Riverside County in executing the services described below. The firm will obtain and utilize county tax roll data in this assignment and will make data available through the Urbics website to Agency staff and, if desired, to other interested parties.

The proposed scope covers five years. Urban Analytics recognizes that there is substantial overlap in the areas covered by the bonds. The scope and fees presented here reflect this overlap.

### Task 1: Project Initiation

Urban Analytics will obtain from Agency staff any relevant information in the project areas, including the annual report from the Auditor-Controller of assessed valuation by sub-area. Consultant will obtain and utilize the July secured and unsecured tax roll data from the County along with the utility roll and current tax rate area codings from the State Board of Equalization. Consultant will also obtain from the County current assessment appeals information.

### Task 2: Prepare Continuing Disclosure Tables - 2004, 2005, 2006, 2007 and 2010 (80%) TABs

For each Project Area subject to the particular bond issue, Consultant will prepare tables showing current and historic assessed valuation and tax

increment; the top ten taxpayers; and debt service coverage projections. The tables will be presented for each bond issue as required by Section 4(b)(i) of the respective Continuing Disclosure Certificates.

*Task 3: Prepare Continuing Disclosure Tables - 2004, 2005 and 2010 Housing Bonds*

Consultant will prepare tables showing current and historic assessed valuation and tax increment; the top ten taxpayers; and debt service coverage projections for all project areas subject to the particular bond issue. The tables will be presented for each bond issue as required by Section 4(b)(i) of the respective Continuing Disclosure Certificates.

*Task 4: Sufficiency Test*

Consultant will perform the tax increment cap test calculation required under the indentures for each of the outstanding tax allocation and housing bond issues requiring them. This sufficiency calculation will ascertain the total amount of tax increment revenue remaining available to be received by the Agency under the plan limits in each of the next three years, compared in each year with the sum of future cumulative annual debt service of parity debt plus senior obligations plus subordinate obligations. The annual amount remaining under the cap in each of the next three years will be expressed as a percentage of the outstanding obligations in each year; the indenture requires that the Agency take certain steps to ensure payment of outstanding parity and senior debt in the event this percentage falls below 95%.

*Task 5: Additional Material - Top Ten Taxpayers*

Consultant will prepare extended versions of the top ten taxpayers list for each Project Area showing land use, parcel number and location.

*Task 6: Additional Material - Taxpayer Appeals*

Using material obtained from the Assessor's office, Consultant will identify resolved and pending appeals filed by major property owners, along with a summary of all appeals filed, in each Project Area. This material will be presented to the Agency in tabular form.



Task 7: Compilation and Submission

By November 15 of each year covered by this scope, Consultant will provide to the Agency a set of tables and descriptive material from Tasks 2 through 6. The material will be submitted to the Agency both in unbound printed form and emailed as a PDF file. Upon Agency approval, Consultant will post the documents to the EMMA website of the MSRB.

Task 8: Revenue Projections By Project Area

Consultant will prepare a set of revenue projections for each project area incorporating the assumptions used by the County in preparing revenue projections for the County's budget. The projections will calculate the tax increment generated in each project area as well as the passthrough payments and property tax administration fees. The projections will be provided to the Agency as a report summarizing the results, accompanied by tables detailing the projections for each project area.

Task 9: Additional Fiscal Services

Consultant will provide Agency with additional fiscal services as requested in writing by the Agency. Additional services will be charged on a time-and-materials basis, at the current hourly rate.

### TIMING AND FEES

Urban Analytics will submit the annual material to the Agency by November 15 of each year covered by this Scope: 2014, 2015 and 2016.

*Tasks 1 through 7 (Continuing Disclosure):* The annual fee for tasks 1 through 7 in the Scope for 2014 will be the same amount charged in 2013. The fee for each subsequent year will be increased by an inflationary adjustment of 5% or less, as follows:

- 2014: \$20,000
- 2015: \$21,000
- 2016: \$22,000

*Task 8 (Tax Increment Projections):* The fee for the tax increment projections prepared in Task 8 will be \$14,000.

*Task 9 (Additional Fiscal Services):* Additional services will be provided on a time-and-materials basis, as mutually agreed by the Agency and Urban Analytics. The hourly rate for such additional services is \$225 in 2013, increasing by 5% in each subsequent year.

Total contract amount over three years is \$77,000. This fee includes all expenses, data and materials necessary for the completion of the services described in Tasks 1 through 8 above.

David Mealy, principal of Urban Analytics, will provide all services in this Scope. The firm and its principal have no known conflicts of interest.

The fees do not anticipate travel or meetings. Should the Agency desire meetings related to this Scope in Riverside County, Urban Analytics will negotiate a reasonable additional fee with the Agency.

1                   **FIRST AMENDMENT TO CONSULTING SERVICES AGREEMENT**  
2                   **FOR FINANCIAL ADVISORY SERVICES**  
3                   **BY AND BETWEEN**  
4                   **THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE**  
5                   **COUNTY OF RIVERSIDE**  
6                   **AND C.M. deCRINIS & COMPANY, INC.**

7                   This Agreement, is made and entered into this 30<sup>th</sup> day of July, 2013, by  
8                   and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR  
9                   THE COUNTY OF RIVERSIDE, and C.M. deCRINIS & COMPANY, INC., (hereinafter  
10                  "CONSULTANT").

11                  WHEREAS, AGENCY is successor in interest to the Redevelopment  
12                  agency for the County of Riverside pursuant to the provisions of Section 34173 of the  
13                  California Health and Safety Code, acting in its capacity as Successor Agency;

14                  WHEREAS, the Redevelopment Agency for the County of Riverside  
15                  (Former RDA) was a redevelopment agency duly created, established and authorized  
16                  to transact business and exercise its powers, all under and pursuant to the provisions  
17                  of the Community Redevelopment Law which is Part 1 of Division 24 of the California  
18                  Health and Safety Code (commencing with Section 33000 et seq.); the Former RDA  
19                  was terminated as of February 1, 2012 pursuant to Section 34172;;

20                  WHEREAS pursuant to sections 34177-34181 of the Health and Safety  
21                  Code, the AGENCY is authorized to make and execute contracts and other instruments  
22                  necessary or convenient in compliance with the Enforceable Obligation Payment  
23                  Schedule (EOPS) as superseded by the Recognized Obligation Payment Schedule  
24                  (ROPS) as adopted by the AGENCY and Oversight Board;

25                  WHEREAS, the proposed services provided in this Agreement are  
26                  necessary in performance of an obligation of the former RDA pursuant to the EOPS or  
27                  as later superseded by the ROPS;

28                  WHEREAS, pursuant to CRL 33020(a) of the California Community  
                    Redevelopment Law, "redevelopment" means to conduct planning, development, and

1 replanning of all or part of a survey area as may be appropriate and necessary in the  
2 interest of general welfare, including recreational and other facilities incidental or  
3 appurtenant to them;

4 WHEREAS, the parties entered into the original Agreement  
5 ("AGREEMENT") between the Redevelopment Agency for the County of Riverside and  
6 CONSULTANT on February 1, 2011, for Financial Advisory Services, for a period of  
7 performance of three (3) years, ending February 1, 2014;

8 WHEREAS, the AGREEMENT detailed compensation for a fixed hourly  
9 rate of \$297 per hour for each Managing Director services, not to exceed seventy-five  
10 thousand dollars (\$75,000) for any hourly services;

11 WHEREAS, additional financial advisory services related to the passage  
12 of ABx1 26 and AB 1484 are required for winding down redevelopment activities, as  
13 shown in "Exhibit A-1";

14 WHEREAS, CONSULTANT is listed on ROPS 13-14A (July 1, 2013  
15 through December 31, 2013), line number 21, for an amount of forty thousand dollars  
16 (\$40,000) per year;

17 WHEREAS, the Department of Finance (DOF) and the Oversight Board  
18 have approved this enforceable obligation; and

19 WHEREAS, CONSULTANT has agreed to provide such services to  
20 AGENCY,

21 NOW THEREFORE, in consideration of the mutual covenants contained  
22 herein, the parties hereto agree to amend the agreement as follows:

23 ///

24 ///

25 ///

26 ///

27 ///

28 ///

1 **AMENDMENT**

2 **A. Exhibit A – Scope of Work of the AGREEMENT** is hereby deleted in its entirety  
3 and substituted therefor is the new Exhibit A – Scope of Work which is attached hereto  
4 and incorporated herein by this reference.

5 B. Section 2 of the AGREEMENT is hereby amended in its entirety to read as follows:

6 2. **PERIOD OF PERFORMANCE:** This AGREEMENT shall be effective as  
7 of February 1, 2011. CONSULTANT shall commence performance upon the effective  
8 date and complete performance within five (5) years from said date. CONSULTANT  
9 will diligently and responsibly pursue the performance of the services required of it by  
10 the AGREEMENT unless the work is terminated as specified in Section 9. All  
11 applicable indemnification provisions in the AGREEMENT shall remain in effect  
12 following the termination of the AGREEMENT.

13 C. Section 3 of the AGREEMENT is hereby amended in its entirety to read as follows:

14 3. **COMPENSATION:** Financial Advisory Services may be paid at a fixed  
15 hourly rate of \$297 per hour for each Managing Director services or on a contingent  
16 fixed fee basis for any services shown on "Exhibit A". CONSULTANT shall be paid an  
17 amount not to exceed seventy-five thousand dollars for the period February 1, 2011  
18 through June 30, 2013; an amount not-to-exceed thirty five thousand dollars (\$35,000)  
19 for the period July 1, 2013 through June 30, 2014; an amount not-to-exceed thirty five  
20 thousand dollars (\$35,000) for the period July 1, 2014 through June 30, 2015, and an  
21 amount not-to-exceed ten thousand dollars (\$10,000) for the period July 1, 2015  
22 through June 30, 2016, for a total NOT TO EXCEED AMOUNT of ONE HUNDRED and  
23 FIFTY FIVE THOUSAND DOLLARS (\$155,000) for the term of this AGREEMENT.  
24 CONSULTANT shall submit invoices for payments to the Agency in accordance with  
25 Section 3.1 below. The AGENCY shall pay the CONSULTANT for services performed  
26 and expenses incurred in accordance with the terms of this AGREEMENT.

27 3.1 Said compensation shall be paid in accordance with an invoice  
28 submitted to AGENCY by CONSULTANT within fifteen (15) days from the last day of

1 each calendar month, and AGENCY shall pay the invoice within thirty (30) working  
2 days from the date of receipt of the invoice.

3 D. Section 11 of the AGREEMENT is hereby amended in its entirety to read as  
4 follows:

5 11. DESIGNATED REPRESENTATIVES: The following individuals are  
6 designated as representatives of the AGENCY and CONSULTANT respectively to act  
7 as liaison between the parties:

8  
9 AGENCY

10 Christopher Hans, Chief Deputy CEO  
11 Successor Agency to the Redevelopment  
12 Agency for the County of Riverside  
13 4080 Lemon Street, 4<sup>th</sup> Floor  
Riverside, CA 92501  
(951) 955-1110  
(951) 955-1008 - fax

CONSULTANT

Curt M. deCrisis, Managing Director  
C.M. deCrisis & Company, Inc.  
100 N. Brand Blvd., Suite 605  
Glendale, CA 91203  
(818) 385-4900  
(818) 385-4904 – fax

14 Any change in designated representatives shall be promptly reported to the  
15 other party in order to ensure proper coordination.

16 E. Section 22 of the AGREEMENT is hereby amended in its entirety to read as follows:

17 22. NOTICES: All correspondence and notices required or contemplated by  
18 this Agreement shall be delivered to the respective parties at the addresses set forth  
19 below and are deemed submitted one (1) day after their deposit in the United States

20 Mail, postage prepaid:

21 AGENCY

22 Christopher Hans, Chief Deputy CEO  
23 Successor Agency to the Redevelopment  
24 Agency for the County of Riverside  
25 4080 Lemon Street, 4<sup>th</sup> Floor  
Riverside, CA 92501  
(951) 955-1110  
(951) 955-1008 - fax

CONSULTANT

Curt M. deCrisis, Managing Director  
C.M. deCrisis & Company, Inc.  
100 N. Brand Blvd., Suite 605  
Glendale, CA 91203  
(818) 385-4900  
(818) 385-4904 – fax

26  
27 F. Except as set forth herein, all other terms of the this AGREEMENT shall remain in  
28

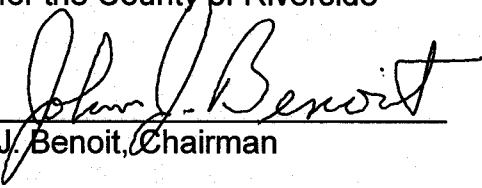
1 full force and effect.


2 IN WITNESS WHEREOF, the parties hereto have caused their duly  
3 representatives to execute this Agreement.  
4

5  
6 DATED: JUL 30 2013  
7

8 Successor Agency to the Redevelopment  
9 Agency for the County of Riverside

C.M. deCrisis & Company, Inc.

10 By:   
11 John J. Benoit, Chairman


By:   
Michael Williams, Managing Director

12  
13 Approved as to Form:  
14 Pamela J. Walls, County Counsel

15  
16 By:   
17 Anita Willis, Assistant County Counsel

18  
19 G:\TRANSFER\RDACOM-RDA\_ADMN\Successor Agency Contracts\CM deCrisis - 2013.doc

20  
21 Shared\Draft\Agreement-Template-007.doc

22 ATTEST:  
23 KECIA HARPER-JHEM, Clerk  
24 By:   
25 DEPUTY  
26  
27  
28

# **EXHIBIT A**



## EXHIBIT A

### 1.0 SCOPE OF SERVICE

1.1 CONTRACTOR shall comply with all conditions identified within this document:

- a) Must operate as a business within the State of California.
- b) Must be a financial advisement firm only and does not provide investment bank services.
- c) Must have significant experience in providing similar services to other California Public issuers.
- d) Must have and maintain the resources and commitment to complete all components of every project in a timely manner, including but not limited to, attending financing meetings, advising staff on matters specific to the financing, preparing and reviewing financing documents, and assisting with due diligence and disclosure processes.

1.2 CONTRACTOR shall provide qualified personnel for services, which can include, but may not be limited to, the following:

- a) Review proposed financing requirements.
- b) Review and confirm available revenues including alternative options. Review terms and conditions of existing bond debt
- c) Prepare analysis outlining bonding capacity and debt structuring options.
- d) Assist Agency in retaining qualified bond counsel, Fiscal Consultant and other financing team members.
- e) Review and evaluate proposed debt structure including recommended debt coverage, legal issues and terms; Work with Agency Staff, Consultants, and Board as necessary.
- f) Develop final Recommend Plan of Finance and Financing Calendar.
- g) Work with Agency Bond Counsel and Fiscal Consultant in the drafting of required legal documents, Fiscal Consultants Report, investor disclosure documents and bond sale documents and terms.
- h) Assist the Agency by managing the financing process; provide updated bond market information; provide advice on market conditions.
- i) Assist the Agency in Rating and Bond Insurance Applications, as advisable
- j) Assist the Agency in final term negotiations with Rating Agencies and Insurers.
- k) Recommend best method of sale based on expected bond market conditions on sale date; finalize competitive sale documents; develop RFP for underwriters if negotiated sale is recommended
- l) Advise and coordinate bond sale activities including bid openings and verifications; make recommendation on best bid or terms of sale. Verify interest costs; advise Agency on underwriter negotiations
- m) Assist the Agency and Bond Counsel in finalizing all bonds and closing documents.
- n) Coordinate closing of transaction.
- o) Provide investment advice as required to complete the transactions.
- p) Assist on other matters as requested.

**EXHIBIT B  
PAYMENT PROVISIONS**

Par Value/Each Series of Debt	Range	Base Fees
\$ 0 -		\$ 47,500
\$2,500,000	To	\$ 47,500
\$5,000,000	To	\$ 47,500
\$7,500,000	To	\$ 47,500
\$10,000,000	To	\$ 47,500
\$12,500,000	To	\$ 47,500
\$15,000,000	To	\$ 47,500
\$18,000,000	To	\$ 47,500
\$20,000,000	To	\$ 47,500
\$25,000,000	To	\$ 47,500
above \$100 million		

Personnel (Describe title)	Per Hour Rate
Curt de Crinis, Managing Director	\$ 297
Michael Williams, Managing Director	\$ 297
Paul McDonnell, Managing Director	\$ 297

**All rates are inclusive of any overhead expense, including but not limited to: travel, lodging, meals, copying costs, meetings, courier services, reports, any materials or related matter, official statements, postage, and out of pocket expenses. Base Fees are subject to adjustment based on scope of services and work performed. Adjustments must be approved in writing by the Agency prior to the issuance of debt and any payment being made. No other additional fees or expenses will be considered or reimbursed by the AGENCY unless otherwise agreed. Payment of debt related fees earned by CONTRACTOR shall be contingent on the closing of the debt, Hourly fees will be paid as provided herein.**

**EXHIBIT A-1**  
**SCOPE OF SERVICES**

**1.0 PURPOSE/BACKGROUND**

**1.1** The Successor Agency to the Redevelopment Agency for the County of Riverside (the Successor Agency) was designated January 10, 2012 following the passage of ABx1 26. The Successor Agency is responsible for meeting the ongoing obligations of the now dissolved county redevelopment agency and achieving compliance with ABx1 26 and AB 1484.

**1.2** The SUCCESSOR AGENCY is a subsidiary entity of the COUNTY and is organized under the state statutes governing redevelopment agencies.

**1.3** The CONSULTANT shall provide financial advisement on tax increment financings and general financial advisement as enumerated in the Assigned and Amended Contract.

**2.0 SCOPE OF SERVICE**

**2.1** CONSULTANT shall comply with all conditions identified within this document:

- a) Must operate as a business within the State of California.
- b) Must be a financial advisement firm only and does not provide investment bank services.
- c) Must have significant experience in providing similar services to other California Public issuers.
- d) Must have and maintain the resources and commitment to complete all components of every project in a timely manner, including but not limited to, attending financing meetings, advising staff on matters specific to the financing, preparing and reviewing financing documents, and assisting with due diligence and disclosure processes.

**2.2** CONSULTANT shall provide qualified personnel for services, which can include, but may not be limited to, the following services in connection with the dissolution of redevelopment:

- a) Review and confirm available revenues. Review terms and conditions of existing bond debt.
- b) Assist the Successor Agency in retaining qualified bond counsel, Fiscal Consultant and other consultants as needed.
- c) Analyze various interpretations of the application of AB1X 26 and AB1484.
- d) Provide cash flow projections showing priority of payments.
- e) Make recommendations regarding the use of funds in order to assure timely payment of bond debt service.
- f) Assist the Successor Agency in restructuring, refunding and/or redeeming bonds.
- g) Assist the Successor Agency in making required disclosures to bond investors.
- h) Provide investment advice regarding bond proceeds.
- i) Assist on other matters as requested.

**AGREEMENT WITH JONES HALL, A PROFESSIONAL LAW CORPORATION  
FOR PROFESSIONAL SERVICES**

THIS AGREEMENT is entered into as of the date written below, and is made by and between THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE (hereinafter referred to as "AGENCY") and JONES HALL, A PROFESSIONAL LAW CORPORATION (hereinafter referred to as "ATTORNEYS"). The Parties hereto agree as follows:

1. TERM. This AGREEMENT shall commence on execution and, unless terminated pursuant to Section 6, shall continue through the end of Fiscal Year 2015/2016, or completion of the last work assignment, whichever occurs first.

2. LEGAL SERVICES. ATTORNEYS shall provide on-call legal services relating to the dissolution of the Redevelopment Agency for the County of Riverside (the "Former RDA"), and other issues arising under ABx1 26 and AB 1484 (collectively, the "Dissolution Act"). This AGREEMENT is for transactional services only. Litigation services are not the subject of this AGREEMENT.

3. ASSIGNMENT OF PERSONNEL. The Supervising Attorney for this AGREEMENT shall be Stephen Melikian. The Supervising Attorney shall have full authority to act for ATTORNEYS on all matters encompassed by this AGREEMENT and shall be fully responsible for the quality of the work produced.

Upon execution of this AGREEMENT, the Supervising Attorney shall provide to AGENCY the names of other professionals (senior partners, junior partners, associates, paralegals, etc.) who will assist in the provision of services under this AGREEMENT. The Supervising Attorney shall also specify the functions to be performed by each professional and shall ensure that services are performed by the lowest level of personnel (e.g., junior attorneys, associates and paralegals) qualified to perform the service. Any change in personnel assignments shall be made only upon telephonic or written notice to, and written consent by, AGENCY. AGENCY retains the right to approve or disapprove any and all attorney assignments.

4. PRIOR APPROVALS. ATTORNEYS shall obtain the prior written approval of AGENCY before: (i) retaining any consultant; or (ii) commencing travel on behalf of AGENCY outside the AGENCY of Riverside.

5. PROFESSIONAL CONFLICT OF INTEREST. ATTORNEYS represent and warrant that no AGENCY employee whose position in AGENCY enables him/her to influence the award of this AGREEMENT or any competing agreement, and no spouse or economic dependent of such employee is, or shall be, employed in any capacity by ATTORNEYS, or shall have any direct or indirect financial interest in this AGREEMENT.

It is possible that some of ATTORNEYS' present or future clients will have disputes with AGENCY during the time that ATTORNEYS are representing the AGENCY. Should a situation arise where a client engages ATTORNEYS in any matter adverse to AGENCY, or in which AGENCY'S interest may be adversely affected, ATTORNEYS will notify AGENCY in writing.

Upon receipt of such notice, AGENCY may determine that the conflict can be waived or may determine that it is in the AGENCY'S best interest to terminate the services of ATTORNEYS. Should AGENCY determine that it is in AGENCY'S best interest to terminate the services of ATTORNEYS, AGENCY will notify ATTORNEYS in writing. ATTORNEYS may then submit any outstanding invoices for payment up to the date of termination.

6. CONFLICTS; PROSPECTIVE CONSENT. Attorneys represent many political subdivisions. It is possible that during the time that ATTORNEYS are representing the AGENCY, one or more of ATTORNEYS may be representing school districts or other taxing entities located in Riverside AGENCY in connection with bond financings that might have interests adverse to the AGENCY. However, ATTORNEYS do not believe such representation, if it occurs, will adversely affect ATTORNEYS' ability to represent AGENCY as provided in the AGREEMENT, either because such matters will be sufficiently different from the services provided hereunder so as to make such representations not adverse to our representation of AGENCY, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect to the services provided hereunder. Execution of this AGREEMENT will signify the AGENCY'S consent to ATTORNEYS' representation of other Clients consistent with the circumstances described in this paragraph.

6. TERMINATION. Services performed under this AGREEMENT may be terminated by AGENCY, in whole or in part, at any time AGENCY deems termination to be in its best interest. AGENCY shall terminate services by delivering to ATTORNEYS a written Termination Notice executed by AGENCY and specifying the extent to which services are terminated and the effective termination date.

7. EFFECT OF TERMINATION. After receiving a Termination Notice, and unless otherwise directed by AGENCY, ATTORNEYS shall: (i) take all steps necessary to stop services on the date and to the extent specified in the Termination Notice; (ii) complete services not terminated by the Termination Notice; and (iii) submit final billing for terminated services within thirty (30) days from the effective termination date.

8. CLOSING REPORT UPON TERMINATION. ATTORNEYS shall deliver a Closing Report to AGENCY immediately after termination of services under Section 6 which shall include, but not be limited to: (i) a brief description of the status of all matters for which services have been provided; and (ii) a discussion of AGENCY's exposure and applicable law, if appropriate.

ATTORNEYS shall give AGENCY copies or originals, as appropriate, of all files and attorney work product relating to all matters for which services have been provided. This includes any computerized index, computer programs and document retrieval system created or used for these matters.

9. COMPENSATION. The total amount of compensation paid to ATTORNEYS under the terms of this AGREEMENT shall not exceed FIFTY THOUSAND DOLLARS (\$50,000). Additional services shall not be performed unless a written amendment to this AGREEMENT is executed by both parties prior to performance of any additional services. A written amendment shall be a condition precedent to any obligation for payment by AGENCY beyond the approved

compensation. ATTORNEYS shall notify AGENCY immediately in writing when ATTORNEYS have expended seventy-five percent (75%) of the total compensation.

10. FEES. AGENCY shall pay ATTORNEYS a fee equal to \$350 per hour for the services performed under this contract.

11. EXPENSES. AGENCY shall reimburse ATTORNEYS for actual out-of-pocket expenditures, such as travel to Riverside, copying, courier and mail charges. ATTORNEYS do not charge for mileage, and also do not charge for sending or receiving faxes.

AGENCY shall reimburse ATTORNEYS for their actual out-of-pocket expenses, but without any additional costs for having advanced the funds or for expenses generally considered as overhead already reflected in ATTORNEYS' hourly rates.

Reimbursable ordinary expenses shall include, but not be limited to: (i) postage; (ii) courier service; (iii) title reports; (iii) in-house document reproduction; and (iv) long distance phone calls. If any amount charged shall exceed \$250.00 in any one month, prior approval of the AGENCY shall be obtained.

Reimbursable extraordinary expenses shall include charges for which ATTORNEYS have obtained prior approval of AGENCY. Such expenses shall include, but not be limited to: (i) consultants; (ii) travel outside the AGENCY of Riverside; (iii) investigative services and (iv) any expense item exceeding Two Hundred Fifty Dollars (\$250.00).

Non-reimbursable expenses shall include, but not be limited to: (i) staff time or overtime for performing secretarial, clerical, or word processing functions; (ii) charges for time spent to provide necessary information for AGENCY'S audits or billing inquiries; (iii) charges for work performed which had not been authorized by AGENCY; and (iv) mileage or travel expenses from the regular office of ATTORNEYS to AGENCY.

12. PAYMENT. ATTORNEYS shall submit its billing statement monthly, in arrears, no later than the last day of the month following the month(s) for which services were rendered. The original billing statement(s) and one copy shall be submitted to:

Christopher Hans, Chief Deputy County Executive Officer  
Riverside County Executive Office  
4080 Lemon Street, 4<sup>th</sup> Floor  
Riverside, CA 92501

The Supervising Attorney shall certify that the work referenced in each billing statement was performed and each billing statement shall be itemized to include: (i) staffing level(s), hourly rates and specific activities for each professional; (ii) a listing of each activity as a line item in a time reporting format acceptable to AGENCY with a description of specific activities for each professional; (iii) total current period fees and total cumulative fees billed for each staffing level; and (iv) current period expenses and total cumulative expenses billed in itemized categories, including all invoices for disbursements paid to others.

ATTORNEYS shall have and maintain all backup documentation to support all entries included in the monthly billing statement. Such documentation shall be in a form subject to audit and in accordance with generally accepted accounting principles. ATTORNEYS shall make such documentation available to auditors upon request and at such reasonable times and locations as may be agreed to by AGENCY and ATTORNEYS.

AGENCY shall make payment(s) for services rendered under this AGREEMENT monthly in arrears based on the itemized billing statement(s) submitted by ATTORNEYS. Payment shall be made by AGENCY within thirty (30) days after receipt of billing from ATTORNEYS. AGENCY shall not pay interest or finance charges on any outstanding balance(s).

13. SUPERVISION OF AGREEMENT. The Chief Deputy CEO of AGENCY, or his/her designee, shall have full authority to act for AGENCY on all matters encompassed by this AGREEMENT.

14. CONFIDENTIALITY. ATTORNEYS shall maintain the confidentiality of all information that it may acquire, arising out of or connected with, its provision of services under this AGREEMENT. The maintenance of confidentiality shall be in accordance with all applicable Federal, State and local laws, regulations, ordinances and directives relating to confidentiality, including the Code of Professional Responsibility. ATTORNEYS shall inform all personnel providing services of the confidentiality provisions of this AGREEMENT. These confidentiality obligations shall survive the termination or expiration of this AGREEMENT.

15. COMMUNICATIONS WITH AGENCY. ATTORNEYS recognize that their relationship with AGENCY and its agents, employees, officers and/or representatives is subject to the attorney-client privilege and that any information acquired during the term of this AGREEMENT from or through AGENCY is confidential and privileged. ATTORNEYS warrant that they shall not disclose or use in any manner whatsoever any of the information obtained from AGENCY and its agents, employees, officers and/or representatives in connection with said relationships or proceedings. ATTORNEYS understand that the Office of AGENCY Counsel is the empowered legal representative of AGENCY and ATTORNEYS shall not without specific direction from the Office of AGENCY Counsel communicate with, advise or represent AGENCY'S legislative or appointive bodies.

16. INSURANCE. Without limiting or diminishing ATTORNEYS' obligation to indemnify or hold AGENCY harmless, ATTORNEYS shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage during the term of this AGREEMENT.

A. Workers' Compensation:

Statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California, if ATTORNEYS have employees as defined by the State. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of AGENCY, and, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of ATTORNEYS' performance of its obligations hereunder. Policy shall name AGENCY, its Board of Supervisors, Agencies, Districts, Special Districts, and Departments and their respective elected or appointed officials, directors, officers, employees, agents or representatives as Additional Insureds. The policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this AGREEMENT or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this AGREEMENT, then ATTORNEYS shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this AGREEMENT or be no less than two (2) times the occurrence limit. Policy shall name AGENCY, its Board of Supervisors, its Agencies, Districts, Special Districts, and Departments and their respective elected or appointed officials directors, officers, employees, agents or representatives as Additional Insureds.

D. Professional Liability:

ATTORNEYS shall maintain Professional Liability Insurance providing coverage for services included within this AGREEMENT, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If ATTORNEYS' Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this AGREEMENT. Upon termination of this AGREEMENT or the expiration or cancellation of the claims made insurance policy, ATTORNEYS shall purchase at its sole expense either: 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from a new insurer with a retroactive date back to the date of, or prior to, the inception of this AGREEMENT; or 3) demonstrate through Certificates of Insurance that ATTORNEYS have maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2) or 3) will continue for a period of five (5) years beyond the termination of this AGREEMENT.

E. General Insurance Provisions - All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A:



VIII (A:8) unless such requirements are waived, in writing, by AGENCY'S Risk Manager. If AGENCY'S Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) ATTORNEYS' insurance carrier(s) must declare its insurance self-insured retentions. If such self-insured retentions exceed \$500,000 per occurrence such retentions shall have the prior written consent of AGENCY'S Risk Manager before the commencement of operations under this AGREEMENT. Upon notification of self-insured retention unacceptable to AGENCY, and at the election of AGENCY'S Risk Manager, ATTORNEYS' carriers shall either: 1) reduce or eliminate such self-insured retention as respects this AGREEMENT with AGENCY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) ATTORNEYS shall cause ATTORNEYS' insurance carrier(s) to furnish AGENCY with either: 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by AGENCY'S Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to AGENCY prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this AGREEMENT shall terminate forthwith, unless AGENCY receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverages set forth herein and that the insurance required herein is in full force and effect. ATTORNEYS shall not commence services until the AGENCY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

4) It is understood and agreed to by the parties hereto that ATTORNEYS' insurance shall be construed as primary insurance, and AGENCY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5) If, during the term of this AGREEMENT or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of services which will add additional exposures (such as the use of aircraft, watercraft, cranes, etc.); or, the term of this AGREEMENT, including any extensions thereof, exceeds five (5) years AGENCY reserves the right to adjust the types of insurance required under this

AGREEMENT and the monetary limits of liability for the insurance coverages currently required herein, if, in AGENCY Risk Manager's reasonable judgment, the amount or type of insurance carried by ATTORNEYS has become inadequate.

6) ATTORNEYS shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this AGREEMENT.

7) The insurance requirements contained in this AGREEMENT may be met with a program(s) of self-insurance acceptable to the AGENCY.

8) ATTORNEYS agree to notify AGENCY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this AGREEMENT.

17. INDEMNIFICATION.

*Personal Injury and Property Damage.* ATTORNEYS shall indemnify and hold harmless COUNTY, its Board of Supervisors, Agencies, Districts, Special Districts and Departments and their respective elected and appointed officials, directors, officers, employees, agents and representatives (hereinafter referred to as "Indemnified Parties") from any liability whatsoever including but not limited to, property damage, bodily injury, or death, based or asserted upon any services of ATTORNEYS, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this AGREEMENT. ATTORNEYS shall defend, at its sole expense, and pay all costs and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, on behalf of the Indemnified Parties in any claim or action based upon such liability.

*Professional Malpractice.* Attorneys shall indemnify and hold harmless the Client from and against any and all losses, claims, demands, damages, liabilities, actions, judgments and awards (collectively, "Claims") sustained by the Client that are determined in a final, binding judgment against Attorneys by a court of competent jurisdiction to have proximately resulted from professional negligence of Attorneys in connection with its performance of legal services under this Agreement. Nothing in this Section 17 shall obligate Attorneys to pay or reimburse the Client for any damages, legal costs or expenses incurred, including attorneys' fees, unless Attorneys are adjudicated liable for such damages, legal costs or expenses incurred, including attorneys' fees, in such a final judgment.

With respect to any action or claim subject to indemnification herein by ATTORNEYS, ATTORNEYS shall, at its sole cost, have the right to use counsel of its own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of AGENCY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes ATTORNEYS' indemnification to Indemnified Parties as set forth herein.

ATTORNEYS' obligation hereunder shall be satisfied when ATTORNEYS have provided to AGENCY the appropriate form of dismissal relieving AGENCY from any liability for the action or claim involved.

The specified insurance limits required in this AGREEMENT shall in no way limit or circumscribe ATTORNEYS' obligations to indemnify and hold harmless the Indemnified Parties herein from third party claims.

18. NOTICES. All notices and required reports shall be written and hand-delivered or mailed by first class, postage prepaid, addressed to AGENCY or ATTORNEYS at the addresses below, or at any other address AGENCY or ATTORNEYS shall provide in writing to each other:

If to AGENCY:

Christopher Hans, Chief Deputy CEO  
Riverside County Executive Office  
4080 Lemon Street, 4<sup>th</sup> Floor  
Riverside, CA 92501

If to ATTORNEYS:

Stephen Melikian, Vice President  
Jones Hall, A Professional Law Corporation  
650 California Street, 18th Floor  
San Francisco, CA 94108

19. ASSIGNMENT. No part of this AGREEMENT or any right or obligation arising from it is assignable without the written consent of AGENCY. Any attempt by ATTORNEYS to assign or subcontract services relating to this AGREEMENT without the consent of AGENCY shall constitute a material breach of this AGREEMENT. However, ATTORNEYS may retain consultants and experts as ATTORNEYS deem appropriate after receiving the written approval of AGENCY.

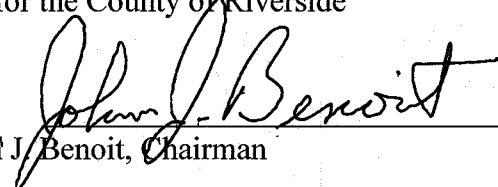
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20. COMPLETE AGREEMENT. This AGREEMENT shall constitute the complete and exclusive statement of understanding between AGENCY and ATTORNEYS which supersedes all previous written or oral agreements, and all prior communications between AGENCY and ATTORNEYS relating to the subject matter of this AGREEMENT.

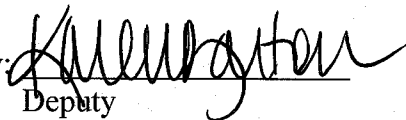
Dated: JUL 30 2013

Successor Agency to the Redevelopment  
Agency for the County of Riverside

ATTEST:

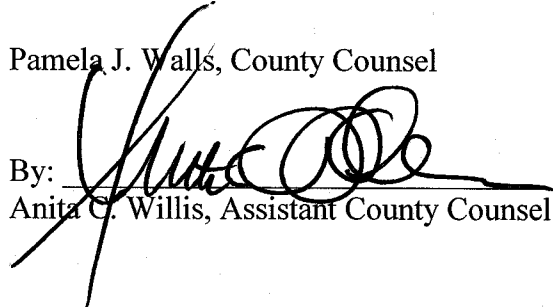
By:   
John J. Benoit, Chairman

Kecia Harper-Ihem, Clerk of the Board

By:   
Deputy

APPROVED AS TO FORM:

Pamela J. Walls, County Counsel

By:   
Anita C. Willis, Assistant County Counsel

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Dated: \_\_\_\_\_

Jones Hall, A Professional Law Corporation

By: Stephen Melikian  
Stephen Melikian, Vice President

**EXHIBIT A**

**Scope of Services**

ATTORNEYS shall perform such services as AGENCY may request in connection with the dissolution of the AGENCY and other issues arising under the Dissolution Act including, but not limited to the effect of the Dissolution Act on the use of bond proceeds and related matters. Additionally, ATTORNEYS shall also perform such services as AGENCY may request on other bond related matters not relating to the Dissolution Act, but such services shall be covered under this AGREEMENT only if expressly authorized by AGENCY. Additionally, ATTORNEYS and AGENCY acknowledge that AGENCY may also retain the services of other legal firms to perform services in connection with these matters, and there may be certain circumstances when ATTORNEYS will defer to such other firms to perform work or provide services requested by AGENCY.