

RESOLUTION NUMBER R- 311376

DATE OF FINAL PASSAGE OCT 25 2017

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO  
(i) AUTHORIZING THE RETENTION OF THE LAW FIRM COLANTUONO & LEVIN, PC AS OUTSIDE COUNSEL AND TO MAKE RELATED EXPENDITURES; (ii) AUTHORIZING THE CITY TO ENTER INTO A FEE-SHARING AGREEMENT TO APPORTION THE PAYMENT OF COLANTUONO & LEVIN, PC'S ATTORNEYS' FEES AND EXPENSES

WHEREAS, AB X1 26 and AB 1484 mandate the distribution of the Redevelopment Property Tax Trust Fund (RPTTF), formerly known as tax increment, to the local taxing entities, including cities, counties, school districts and special districts, pursuant to a framework established by statute; and

WHEREAS, the San Diego County Office of Education and other school districts in San Diego County (Schools) initiated a lawsuit against the County and numerous redevelopment agency successor agencies in the County, including the City of San Diego Successor Agency, (collectively, the City Successor Agencies) on identical claims and causes of action relating to the County's method of distribution of post-redevelopment funds from the RPTTF to taxing entities (Schools Litigation); and

WHEREAS, the City of San Diego (City) is named as a real party in interest along with numerous other cities and dozens of other taxing entities in San Diego County (Real Parties);

WHEREAS, several Real Parties and City Successor Agencies located within the County wish to band together to present a unified and joint defense in this Schools Litigation based on their common interests; and

WHEREAS, the Real Parties and City Successor Agencies are in agreement that Colantuono Highsmith & Whatley PC (Law Firm) can best represent the joint interest of the City Successor Agencies in the Schools Litigation because the Law Firm has expertise in the subject matter of the Schools Litigation; and

WHEREAS, the Law Firm possesses the specialized knowledge and experience sufficient to represent the Real Parties and the City Successor Agencies, including the City and the City's Successor Agency, in the Schools Litigation, and the City and the City Successor Agency desire to retain the Law Firm to provide legal representation to the City (Services) in connection with the Claims; and

WHEREAS, the agreement for legal services (Legal Services Agreement) accompanying this Resolution, between the City and the Law Firm is for an amount not to exceed \$300,000; and

WHEREAS, the Real Parties and the City Successor Agencies have agreed to equitably apportion the Law Firm's attorney's fees and costs among themselves; and

WHEREAS, pursuant to the Agreement Regarding Apportionment of Legal Fees and Costs Related to the Schools Litigation (Fee-Sharing Agreement), accompanying this resolution, several Real Parties and City Successor Agencies will agree to a fee-sharing arrangement to apportion the payment of the Law Firm's attorneys' fees and expenses among the Real Parties and City Successor Agencies in an equitable fashion; and

WHEREAS, it is in the best interest of the City and the City's Successor Agency to join the other Real Parties and City Successor Agencies as a party to the Fee-Sharing Agreement; and

WHEREAS, the funding for the Legal Services Agreement and the Fee-Sharing Agreement shall be borne by the General Fund; NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, as follows:

1. The City Council hereby authorizes the retention of the Law Firm to provide the Services to the City and the City Successor Agency to defend against claims brought by the Schools against the County and other taxing entities (including the City and the City Successor Agency) relating to the County's calculation method for the amount of passthrough distributed to the Schools from the RPTTF created for each applicable successor agency.
2. The Legal Services Agreement between the City and the Law Firm included accompanying this Resolution is hereby approved.
3. The Mayor or designee is authorized and directed to execute, on the City and City Successor Agency's behalf, the legal services agreement with the Law Firm in the form accompanying the resolution (Legal Services Agreement) related to the law Firm's provision of the Legal Services in connection with the Schools Litigation.
4. The Fee-Sharing Agreement accompanying this Resolution is hereby approved.
5. The Mayor or designee is authorized and directed to execute, on the City and City Successor Agency's behalf, the fee-sharing agreement in the form accompanying the resolution (Fee-Sharing Agreement), pursuant to which several San Diego County City Successor Agencies and agree to a fee-sharing arrangement to apportion the payment of the Law Firm's attorneys' fees and expenses among themselves in an equitable fashion.
6. The Chief Financial Officer or designee is authorized and directed to expend an amount not to exceed \$300,000 in accordance with the Legal Services Agreement and the Fee-Sharing Agreement, utilizing the City's General Fund, contingent upon the Chief Financial

Officer first furnishing one or more certificates that the funds necessary are, or will be, on deposit with the City Treasurer. The City's payment to the Law Firm in accordance with this agreement is contingent upon the adoption of the Annual Appropriation Ordinance for the current and subsequent fiscal years.

APPROVED: MARA W. ELLIOTT, City Attorney

By Kevin Reusch / for  
Meghan Ashley Wharton  
Chief Deputy City Attorney

MAW:cbs  
October 23, 2017  
Or.Dept: City Attorney  
Doc. No.: 1597597

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of OCT 24 2017

ELIZABETH S. MALAND  
City Clerk

By Linda Bruin  
Deputy City Clerk

Kevin L. Faulconer  
Kevin L. Faulconer, Mayor

Approved: 10/25/17  
(date)

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
Kevin L. Faulconer, Mayor

Passed by the Council of The City of San Diego on OCT 24 2017, by the following vote:

| Councilmembers  | Yeas                                | Nays                     | Not Present              | Recused                  |
|-----------------|-------------------------------------|--------------------------|--------------------------|--------------------------|
| Barbara Bry     | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Lorie Zapf      | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Chris Ward      | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Myrtle Cole     | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Mark Kersey     | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Chris Cate      | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Scott Sherman   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| David Alvarez   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Georgette Gomez | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Date of final passage OCT 25 2017

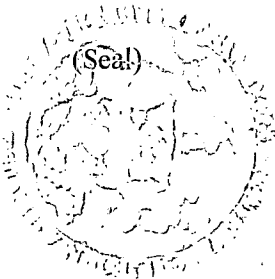
(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER  
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND  
City Clerk of The City of San Diego, California.

By Linda Bruin, Deputy



Office of the City Clerk, San Diego, California  
Resolution Number R- 311376