

Southeastern
Economic
Development
Corporation

Memorandum

DATE ISSUED: May 8, 2007 Report No. SEDC 07-001

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Docket of May 15, 2007

SUBJECT: Approval of Agreements with Robinson and Pearman, LLP and Hawkins
Delafield & Wood LLP, for Bond/Disclosure Counsels

REFERENCE: None

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REQUESTED ACTION

Should the Redevelopment Agency (Agency) approve agreements with Robinson and Pearman, LLP and Hawkins Delafield & Wood LLP for a period of three (3) years, to serve as bond/disclosure counsels relating to the sale of tax allocation bonds in the Central Imperial and Southcrest redevelopment project areas?

STAFF RECOMMENDATION TO THE REDEVELOPMENT AGENCY

That the Redevelopment Agency approve agreements with Robinson and Pearman, LLP and Hawkins Delafield & Wood LLP, for Bond/Disclosure Counsels.

SUMMARY

BACKGROUND

On August 8, 2006, in accordance with the adopted SEDC Board policy and in conjunction with the City Attorney's Office, a Request for Proposals (RFP) was issued seeking consultants interested in providing bond counsel services for a three year period beginning in FY 2006/07. Five (5) firms responded to the RFP and four (4) firms were short-listed for interviews which were held September 6, 2006.

The selection committee consisted of the following members: Deputy City Attorney Huston Carlyle; Deputy City Attorney Carol Leone; Accountant Susan Schade of the Centre City Development Corporation (CCDC); and SEDC's Director of Finance Dante Dayacap and Senior Accountant Chota Oum. The selection committee members ranked both firms very closely and agreed that either was qualified to serve as a bond counsel or as a disclosure counsel for a particular bond issuance.

The two (2) firms selected are Robinson & Pearman LLP and Hawkins Delafield & Wood LLP. Staff will designate the firm(s) to provide either bond or disclosure services for each bond financing.



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EXECUTIVE SUMMARY SHEET

DATE ISSUED: May 8, 2007 Report No. SEDC 07-001
ATTENTION: Honorable Chair and Members of the Redevelopment Agency
ORIGINATING DEPARTMENT: Southeastern Economic Development Corporation
SUBJECT: Approval of Agreements with Robinson and Pearman, LLP and
Hawkins Delafield & Wood LLP, for Bond/Disclosure Counsels
COUNCIL DISTRICT(S): Fourth and Eight
SEDC Contact: Carolyn Y. Smith, President
(619) 527-7345

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F 619.262.9845
www.sedcinc.com

REQUESTED ACTION:

Redevelopment Agency (Agency) approval of the agreements with Robinson and Pearman, LLP and Hawkins Delafield & Wood LLP for a period of three (3) years, to serve as bond/disclosure counsels relating to the sale of tax allocation bonds in the Central Imperial and Southcrest redevelopment project areas.

STAFF RECOMMENDATION TO THE REDEVELOPMENT AGENCY:

Approve agreements with Robinson and Pearman, LLP and Hawkins Delafield & Wood LLP, for Bond/Disclosure Counsels for SEDC's FY 2007 Bond Issuance.

EXECUTIVE SUMMARY:

BACKGROUND

On August 8, 2006, in accordance with the adopted SEDC Board policy and in conjunction with the City Attorney's Office, a Request for Proposals (RFP) was issued seeking consultants interested in providing bond counsel services for a three year period beginning in FY 2006/07. Five (5) firms responded to the RFP and four (4) firms were short-listed for interviews which were held September 6, 2006.

The selection committee members ranked both firms very closely and agreed that either were qualified to serve as a bond counsel or as a disclosure counsel for a particular bond issuance.

The two (2) firms selected are Robinson & Pearman LLP and Hawkins Delafield & Wood LLP. Staff will designate the firm(s) to provide either bond or disclosure services for each bond financing.

Hawkins Delafield & Wood, LLP

Hawkins Delafield & Wood, LLP (Hawkins) was founded in 1854 and has been a nationally recognized Bond Counsel firm for more than a century. The firm is among the largest public finance law firms in the nation and is consistently ranked among the top public finance firms nationally.

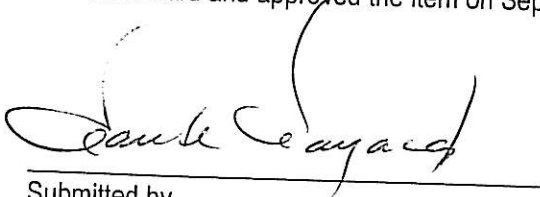
Hawkins has served as Bond Counsel, Special Tax Counsel, Disclosure Counsel and Underwriter's Counsel in connection with all types of tax-exempt and taxable municipal financings. Recent redevelopment financings completed by Hawkins includes Centre City Development Corporation, the City of San Jose Redevelopment Agency, Murrieta Redevelopment Agency, as well as the City of Los Angeles.

PREVIOUS COUNCIL ACTIONS

None

COMMUNITY PARTICIPATION 7 PUBLIC OUTREACH EFFORTS

The public outreach is conducted through the SEDC Board of Directors meetings. The SEDC Board of Directors heard and approved the item on September 27, 2006.



Submitted by
Dante Dayacap
Director of Finance



Approved
Carolyn Y. Smith
President

CYS:kk

Attachments: Robinson and Pearman, LLP Agreement
Hawkins Delafield & Wood, LLP Agreement

<u>Firm</u>	<u>Contact</u>	<u>Owned By</u>
Robinson & Pearman LLP Minority Business Enterprise (MBE)	Carl Robinson (Partner)	2 Partners
Hawkins Delafield & Wood LLP	Arto C. Becker (Partner)	7 Partners

CONCLUSION

The selection of Bond/Disclosure Counsel is extremely important. The process coordinated between the City Attorney's office and SEDC has been thorough and staff is recommending those firms whose experience and in the case of Robinson and Pearman, previous knowledge of the corporation's redevelopment activities will result in a bond issuance that meets all of the necessary requirements.

It should be noted that SEDC's entire bond process is being monitored as part of the City's Bond Disclosure Committee.

ALTERNATIVE

Do not approve the agreements. This alternative will not allow the Corporation to continue to implement the redevelopment activities in the SEDC Area of Influence.

FISCAL CONSIDERATIONS

Funds for these agreements will be secured from the proceeds of the sale of the bonds. The compensation for bond/disclosure counsel services, including reimbursable expenses, is contingent upon and payable at the time of a successful completion of a financing.* Compensation for services is structured as follows for each bond sale:

Robinson & Pearman LLP

Fee

- Single Series at a fixed interest rate
 - Additional Series
 - Option of requesting reduced hourly compensation if firm has expended considerable work and the financing is not priced or sold
- \$60,000 for two (2) project areas
Up to \$10,000 per project area

Hawkins Delafield & Wood LLP

Fee

- Fixed rate for the \$22,000,000 par value
 - Additional Series
- \$55,000
Up to \$10,000 per project area

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Hawkins Delafield & Wood, LLP (Hawkins) was founded in 1854 and has been a nationally recognized Bond Counsel firm for more than a century. The firm is among the largest public finance law firms in the nation and is consistently ranked among the top public finance firms nationally. Representation of state and local governments and public authorities is the core of their practice. Hawkins currently has over 100 attorneys engaged in state and local government finance and projects. Supporting Hawkins' public finance practice are 12 attorneys (including 7 partners) who specialize in tax law as it relates to public finance. In addition to their California offices in Los Angeles, San Francisco and Sacramento, the firm maintains offices in New York City, Washington, D.C., Newark Jersey and Hartford, Connecticut.

Hawkins has served as Bond Counsel, Special Tax Counsel, Disclosure Counsel and Underwriter's Counsel in connection with all types of tax-exempt and taxable municipal financings. Typical transactions in which the firm has participated, and continues to participate, include water and wastewater financings, certificates of participation financings for a full range of equipment and real estate projects, for various governmental purposes, such as highways, schools and governmental buildings, lease revenue financings, general obligation bond financings, education financings, transportation financings, housing financings, nonprofit healthcare financings, conduit financings, tax assessment financings, cash flow financings, solid waste disposal and resource recovery, public power, student loans, hospital, convention centers, commercial and industrial development, dock and wharf facilities and other exempt facilities.

Recent redevelopment financings completed by Hawkins includes:

- Centre City Development Corporation;
- Community Redevelopment Agency of the City of Los Angeles;
- City of San Jose Redevelopment Agency; and
- Murrieta Redevelopment Agency

Robinson & Pearman, LLP

Robinson & Pearman, LLP, is a nationally recognized bond counsel firm and has, during the past twenty years, participate in more than two hundred twenty municipal finance transaction in California involving more than \$22 billion dollars in aggregate principal amount. They have served as sole bond counsel in 71 of those transactions ranging in size up to \$190,170,000 and as co-bound counsel in more than hundred twenty additional transactions ranging in size up to \$2,000,000,000. They have served as underwriter's counsel in 46 transactions ranging in size up to \$444,830,000 and as special tax counsel in six additional transactions.

They have also served as disclosure counsel in a number of transactions. Approximately 55 of their financings have been for redevelopment agencies in the State of California including redevelopment agencies in the cities of San Diego, Los Angeles, San Francisco Stockton, Berkeley, Pasadena, Compton, Inglewood, Carson, Baldwin Park and Orange Cove.

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<u>Robinson & Pearman LLP</u>	<u>Fee</u>
• Single Series at a fixed interest rate	\$60,000 for two (2) project areas
• Additional Series	Up to \$10,000 per project area
<u>Hawkins Delafield & Wood LLP</u>	<u>Fee</u>
• Fixed rate for the \$22,000,000 par value	\$55,000
• Additional Series	Up to \$10,000 per project area

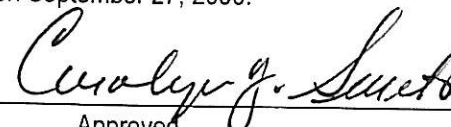
PREVIOUS COUNCIL ACTIONS:

None

COMMUNITY PARTICIPATION / PUBLIC OUTREACH EFFORTS:

The public outreach was conducted through the SEDC Board of Directors meeting which are open to the public. The SEDC Board of Directors heard and approved the item on September 27, 2006.


Submitted by
Dante Dayacap
Director of Finance


Approved
Carolyn Y. Smith
President