

DATE ISSUED: January 27, 2010

ATTENTION: Honorable Chair and Members of the Redevelopment Agency  
Docket of February 2, 2010

ORIGINATING DEPT.: Centre City Development Corporation

SUBJECT: First Amendment to Agreement for Legal Services with Daley &  
Heft for Legal Counsel Services -- Centre City Redevelopment  
Project

COUNCIL DISTRICTS: Two and Eight

REFERENCE: None

STAFF CONTACT: David N. Allsbrook, Vice President,  
Contracting and Public Works, (619) 533-7112

**REQUESTED ACTION:** That the Redevelopment Agency of the City of San Diego (“Agency”) authorize the Executive Director, or designee, to take such actions necessary to execute a First Amendment to the Agreement with Daley & Heft for legal services in the amount not to exceed \$200,000, for a total compensation under the Agreement not to exceed \$450,000.

**STAFF RECOMMENDATION:** That the Agency:

- Approve the First Amendment to the Agreement with Daley & Heft for legal services in the amount of \$200,000, for a total compensation under the Agreement not to exceed \$450,000, provided the Comptroller first furnishes a certificate that funds are, or will be, on deposit in the City Treasury;
- Authorize the Executive Director or designee to execute said First Amendment to the Agreement; and
- Authorize the Executive Director of the Agency, or designee, to administer the Agency’s obligations, responsibilities, and duties to be performed under the First Amendment to the Agreement.

**SUMMARY:** Since 2006, the law firm of Daley & Heft has provided the Agency through the Corporation with legal services to assist with the acquisition of property under the current agreement. Daley and Heft is one of four firms on the City of San Diego’s (“City”) approved list of legal firms available to assist with property acquisition.

Since the original agreement was approved, Daley & Heft has assisted Corporation staff with the acquisition of seven parcels of property for the proposed St. Joseph and East Village Green West Block park sites. This included acquisition of land and improvements, fixtures and equipment and assistance with claims for loss of business goodwill and relocation of six businesses and one residential tenant. The Agency approved the First Amendment on September 8, 2009, however wording in the resolution and staff report were incorrect, therefore, the Agency must reapprove the First Amendment.

FISCAL CONSIDERATIONS: Agency funds in the amount of \$200,000 are available in the Centre City Redevelopment Project Budget for Fiscal Year 2009 for legal services.

CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION: On March 18, 2009, the Corporation Board recommended approval of the proposed First Amendment to the Agreement with Daley & Heft.

BACKGROUND

The following provides a summary of the financial status of the Agreement:

|   |                   |
|---|-------------------|
| Original Agreement (May 2006)                 | \$ 250,000        |
| Paid to Date (Through February 2009)          | (\$246,059)       |
| Remaining Balance                             | \$ 3,941          |
| Proposed First Amendment                      | \$200,000         |
| Amount Available Subsequent to this Amendment | <b>\$ 203,941</b> |

|  |           |                  |
|--|-----------|------------------|
| Firm Name: Daley & Heft                                    |           |                  |
| PRINCIPALS AND<br>PRIMARY STAFF<br>ASSIGNED TO<br>CONTRACT | TITLE     | PRIMARY CONTACTS |
| Dennis Daley   | Principal | Dennis Daley     |
| Scott Noya   | Partner   | Scott Noya       |

EQUAL OPPORTUNITY

This agreement is subject to the City’s Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2708) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

DISCUSSION

Project Budget and Financing – Agency funds in the amount of \$200,000 are available in the Centre City Redevelopment Project Budget for Fiscal Year 2009 for legal services.

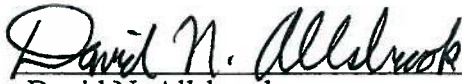
Environmental Impact – This activity is not a “project” under the definition set forth in CEQA Guidelines Section 15378. Therefore, pursuant to CEQA Guidelines Section 15060(c)(3), the activity is not subject to CEQA.

CONCLUSION

Approval of the proposed First Amendment to Agreement would allow Daley & Heft, one of the four firms on the City’s approved list of legal firms, to continue to assist Corporation staff with property acquisition. Therefore, staff recommends that the Agency approve the First Amendment to Agreement with Daley & Heft.

Respectfully submitted,

Concurred by:

  
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David N. Allsbrook  
Vice President, Public Works,  
Acquisitions and Property Management

  
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Frank J. Alessi  
Executive Vice President & Chief Financial  
Officer

Attachment: A – First Amendment to Agreement