

**TO THE COUNCIL OF THE
CITY OF LOS ANGELES**

Your

BUDGET AND FINANCE

Committee

reports as follows:

BUDGET AND FINANCE COMMITTEE REPORT relative to authority to hire two law firms to represent the City in matters related to the former Community Redevelopment Agency of Los Angeles and approval of the related conflict waiver request.

Recommendation for Council action:

SUBMIT WITHOUT RECOMMENDATION the following recommendations of the City Administrative Officer (CAO):

1. AUTHORIZE the CAO, or designee, to enter into legal services contract agreements with the firm of Best, Best & Krieger and Byrne & Nixon, effective June 4, 2012, for advice and legal representation to the City of Los Angeles in matters (identified within the CAO report attached to the Council file) relating to the former Community Redevelopment Agency of Los Angeles (CRA/LA), now known as the CRA/LA Designated Local Agency (DLA) and the Oversight Board of the CRA/LA DLA, contracts; and to be administered through the Attorney Conflicts Panel program.
2. AUTHORIZE the CAO to fund the two contracts in the total amount of \$450,000 each, through the Attorney Conflicts Panel Fund No. 46T, Department 10, subject to the review and approval by the City Attorney as to form and legality; and approve the proposed rates as provided by each firm for their respective assignment as identified in the CAO report.
3. APPROVE the waiver of potential conflicts of interest from Best, Best & Krieger, attached to the Council file, and AUTHORIZE the CAO to execute the waiver on behalf of the City.
4. AUTHORIZE the CAO to prepare Controller's instructions for any technical adjustments, and AUTHORIZE the Controller to implement the instructions.

Fiscal Impact Statement: The CAO reports that the recommendations in this report will have no additional impact on the General Fund. Sufficient funding is available in the 2011-12 and 2012-13 Adopted Budgets for the Attorney Conflicts Panel under ACP Fund No. 46T, to fund the necessary expenses incurred this fiscal year and next.

Community Impact Statement: None submitted.

Summary:

At its meeting of June 11, 2012, the Budget and Finance Committee considered a CAO report relative to authority to hire two law firms to represent the City in matters related to the former Community Redevelopment Agency of Los Angeles and approval of the related conflict waiver request. The Mayor's Office, the Chief Legislative Analyst, the Housing Department, and the

CAO request Council authority to hire and enter into contract agreements with two law firms, Best, Best & Krieger (BB&K) and Byrne & Nixon, to represent the City of Los Angeles in matters relating to the former Community Redevelopment Agency of Los Angeles (CRA/LA), now known as the CRA/LA a Designated Local Agency (DLA) and the Oversight Board of the CRA/LA DLA. The proposed agreements are to be effective June 4, 2012, with funding up to \$450,000 per contract, and the billing rates based upon rates proposed by each law firm, as discussed in the CAO report attached to the Council file, for their respective assignments. Council approval is also requested relative to a waiver of potential conflicts of interest (see attachment to the CAO report) for the firm of BB&K concerning other unrelated matters.

During Committee consideration, a CAO representative provided an overview of the report recommendations and responded to related questions from Committee members. The CAO representative also stated that a technical correction to the report attachment (relative to a waiver of potential conflicts of interest for BB&K) was needed to correct the city reference from City of Covina to City of West Covina. After further consideration and having provided an opportunity for public comment, the Committee voted two to one to approve the CAO recommendations (Krekorian, Rosendahl – yes, Cardenas – no). Since a quorum of the entire Committee was not in agreement on the recommendations, the Committee report is submitted to full Council without recommendation.

Respectfully submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	ABSENT
CARDENAS:	NO
ROSENDAHL:	YES
KORETZ:	ABSENT

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