

**COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE**

**RESOLUTION NO. 6-2017**

*Adopted February 21, 2017*

**AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A FIRST AMENDMENT TO THE LEGAL SERVICES CONTRACT WITH CURLS BARTLING, P.C., A PROFESSIONAL LAW CORPORATION, FOR DISCLOSURE COUNSEL SERVICES, TO INCREASE THE FEE RELATED TO THE ISSUANCE OF THE 2016D BONDS BY \$15,500, FROM \$29,500 TO \$45,000**

- WHEREAS, In FY15-16, the Office of Community Investment and Infrastructure, in its capacity as the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (“OCII”) planned to issue five series of bonds: two refunding bonds, (one in Mission Bay North and one in Mission Bay South), one new money bond to fund infrastructure in Mission Bay South, one subordinate new money bond to fund infrastructure in Mission Bay South, and one new money bond to fund affordable housing under the authority of Section 9 of Senate Bill No. 107 (Stats. 2015, ch. 325) (codified at Cal. Health & Safety Code Section 34177.7 (“SB 107”); and,
- WHEREAS, On April 7, 2015, OCII Commission passed Resolution 21-2015 authorizing a legal services contract with Curls Bartling, P.C., a Professional Law Corporation (“Curls Bartling”), for disclosure counsel services in an amount not to exceed \$196,000 (“Contract”) for services related to the bonds listed above; and,
- WHEREAS, In 2016, OCII issued four of the five series of bonds contemplated in the Contract: 2016A, a refunding bond for Mission Bay North; 2016C, a refunding bond for Mission Bay South; 2016B, a new money bond to fund infrastructure in Mission Bay South; and 2016D, a subordinate new money bond to fund infrastructure in Mission Bay South; and,
- WHEREAS, OCII deferred issuance of the affordable housing bond authorized by SB107, leaving unused value in the Contract; and,
- WHEREAS, Due to their subordinate status, OCII originally intended to issue the 2016D bonds as a private placement with a single buyer. In the course of structuring the 2016D bonds, the financing team determined that there was stronger than expected interest for the 2016D bonds and lower interest rates might be realized by marketing the bonds to a broader market than originally planned. Marketing the 2016D bonds to a broader audience required more extensive legal documentation than contemplated by the Contract; and
- WHEREAS, Curls Bartling satisfactorily provided the expanded scope of services for the 2016D bonds in good faith and completed the expanded scope satisfactorily, resulting in the timely issuance of the 2016D bonds under very favorable terms; and,

WHEREAS, OCII wishes to amend the Contract to compensate Curls Bartling for the expanded scope of services performed by increasing the fee for the 2016D bonds by \$15,500, from \$29,500 to \$45,000, to reflect the additional hours required to complete the expanded scope of work; and

WHEREAS, The \$15,500 fee increase can be accommodated by reallocating unused budget for services related to the deferred SB107 bonds and therefore does not increase the \$196,000 budget authority of the Contract; and,

WHEREAS, The fee for the 2016D bonds will be paid from proceeds of the 2016D bonds; and,

WHEREAS, Staff recommends approval of the amendment to the Contract to increase the fee for an expanded scope of service related to the issuance of the 2016D bonds by \$15,500, from \$29,500 to \$45,000, without increasing the contract not-to-exceed amount beyond the original \$196,000; and,

WHEREAS, Contracting for services related to the sale and issuance of the 2016D bonds is a Successor Agency fiscal activity that does not constitute a "Project" as defined by the California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(4), will not independently result in a physical change in the environment, and is not subject to environmental review under CEQA; now therefore, be it

RESOLVED, That the Executive Director of the Office of Community Investment and Infrastructure is authorized to execute the First Amendment to the legal services contract with Curls Bartling, P.C., a professional law corporation, for disclosure counsel services, to increase the fee for the 2016D bonds by \$15,500, from \$29,500 to \$45,000.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of February 21, 2017.

  
Interim Commission Secretary

Attachment A: First Amendment to the legal services contract with Curls Bartling, a professional law corporation, for disclosure counsel services

OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE/  
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND  
COUNTY OF SAN FRANCISCO

LEGAL SERVICES CONTRACT

This FIRST AMMENDMENT TO THE LEGAL SERVICES CONTRACT WITH CURLS BARTLING, P.C., A PROFESSIONAL LAW CORPORATION, FOR DISCLOSURE COUNSEL SERVICES (“First Amendment”) is entered into as of February 21, 2017 by and between the OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE/SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic (“OCII”), and Curls Bartling, P.C., a Professional Law Corporation (“Counsel”).

RECITALS

A. In FY15-16, OCII planned to issue five series of bonds: two refunding bonds, one in Mission Bay North and one in Mission Bay South, one new money bond to fund infrastructure in Mission Bay South, one subordinate new money bond to fund infrastructure in Mission Bay South, and one new money bond to fund affordable housing under the authority of Section 9 of Senate Bill No. 107 (Stats. 2015, ch. 325) (codified at Cal. Health & Safety Code Section 34177.7 (“SB 107”).

B. On April 7, 2015, the Successor Agency Commission, commonly known as the Commission on Community Investment and Infrastructure (“CCII”) passed Resolution 21-2015 authorizing a legal services contract with Curls Bartling, P.C., a Professional Law Corporation (“Curls Bartling”), for disclosure counsel services in an amount not to exceed \$196,000 (“Contract”) for services related to the bonds listed above.

C. In 2016, OCII issued four of the five series of bonds contemplated in the Contract: 2016A, a refunding bond for Mission Bay North; 2016C, a refunding bond for Mission Bay South; 2016B, a new money bond to fund infrastructure in Mission Bay South; and 2016D, a subordinate new money bond to fund infrastructure in Mission Bay South. OCII deferred issuance of the affordable housing bond authorized by SB107. Under the scope of services and budget for the Contract, OCII paid counsel \$86,000, leaving \$110,000 in budget authority under the Contract, albeit for a scope of work not undertaken.

D. Due to their subordinate status, OCII originally intended to issue the 2016D bonds as a private placement with a single buyer. However, in the course of structuring the 2016D bonds, the financing team determined that there was stronger than expected interest for the 2016D bonds and lower interest rates might be realized by marketing the bonds to a broader market than originally planned.

E. Marketing the 2016D bonds to a broader audience required more extensive legal documentation than contemplated in the Contract. Curls Bartling satisfactorily provided the

expanded scope of services for the 2016D bonds in good faith and completed the expanded scope satisfactorily, resulting in the timely issuance of the 2016D bonds under very favorable terms.

F. OCII wishes to amend the Contract to compensate Curls Bartling for the additional work required to issue the 2016D bonds by \$15,500, from \$29,500 to \$45,000, to reflect the additional hours required to complete the expanded scope of work. The \$15,500 fee increase can be accommodated by reallocating unused budget for services related to the deferred SB107 bonds and therefore does not increase the contract budget total beyond the original \$196,000. With the additional expenditure of \$15,500, the total amount paid under the Contract to Counsel will be \$131,000.

G. The fee for the 2016D bonds will be paid from proceeds of the 2016D bonds.

### **AGREEMENT**

**ACCORDINGLY**, for good and valuable consideration, the amount and sufficiency of which is hereby acknowledged, the Agency and Contractor agree to amend the Contract as follows:

1. BUDGET

The Budget, “**Exhibit A**” is hereby deleted in its entirety and replaced with the attached “**Exhibit A**.”

This First Amendment constitutes a part of the Contract and any reference to the Contract, in any document, shall be deemed to include a reference to such Contract as amended hereby.

Except as otherwise amended hereby, all terms, covenants, conditions and provisions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF OCII and Contractor have executed this Contract as of the date first above written.

**SUCCESSOR AGENCY TO THE  
REDEVELOPMENT AGENCY OF THE  
CITY AND COUNTY OF SAN FRANCISCO,**  
a public body, corporate and politic

By: \_\_\_\_\_  
Nadia Sesay  
Interim Executive Director

**Curls Bartling, P.C., A Professional Corporation**

By: \_\_\_\_\_

Ericka Curls Bartling  
Principal  
Federal Tax Identification No. 26-0528819

APPROVED AS TO FORM:

By: \_\_\_\_\_

James B. Morales  
General Counsel and Deputy Director

Attachment: Exhibit A: Budget

Exhibit A: Budget

<b>Curls Bartling</b>						
	<b>Budget</b>	<b>Paid</b>	<b>Balance</b>	<b>Proposed</b>	<b>Re-Allocation</b>	
2016A	\$ 41,000	\$ 41,000	\$ -	\$ -	\$ -	-
2016B&2016C	\$ 45,000	\$ 45,000	\$ -	\$ -	\$ -	-
2016D	\$ 29,500	\$ -	\$ 29,500	\$ 45,000	\$ 15,500	
SB107	\$ 80,500	\$ -	\$ 80,500	\$ -	\$ (15,500)	
<b>Total</b>	<b>\$ 196,000</b>	<b>\$ 86,000</b>	<b>\$ 110,000</b>	<b>\$ 45,000</b>	<b>\$ -</b>	