



SUCCESSOR AGENCY TO THE INDUSTRY URBAN-DEVELOPMENT AGENCY

SPECIAL MEETING AGENDA JULY 14, 2016 9:00 A.M.

Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California

Addressing the Agency:

- ▶ **Agenda Items:** *Members of the public may address the Successor Agency on any matter listed on the Agenda. In order to conduct a timely meeting, there will be a three-minute time limit per person for any matter listed on the Agenda. Anyone wishing to speak to the Successor Agency is asked to complete a Speaker's Card which can be found at the back of the room and at each podium. The completed card should be submitted to the Secretary prior to the Agenda item being called and prior to the individual being heard by the Successor Agency.*
- ▶ **Public Comments (Agenda Items Only):** *During oral communications, if you wish to address the Agency Board during this Special Meeting, under Government Code Section 54954.3(a), you may only address the Agency Board concerning any item that has been described in the notice for the Special Meeting.*

Americans with Disabilities Act:

- ▶ *In compliance with the ADA, if you need special assistance to participate in any meeting (including assisted listening devices), please contact the Office of the Secretary to the Successor Agency (626) 333-2211. Notification of at least 72 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.*

Agendas and other writings:

- ▶ *In compliance with Government Code Section 54957.5(b), staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the Secretary of the Successor Agency during regular business hours, Monday through Friday, 9:00 a.m. to 5:00 p.m.*

-
1. Call to Order
 2. Flag Salute
 3. Roll Call
 4. Public Comments
-

5. **BOARD MATTERS**

- 5.1 Consideration of a Conflict Waiver for Casso & Sparks, LLP, regarding Skyscraper Brewing Company, Inc. v. The Successor Agency to the Industry Urban-Development Agency, et al. (LASC KC068505).

RECOMMENDED ACTION: Approve the Conflict Waiver.

6. **CLOSED SESSION**

- 6.1 Conference with real property negotiators pursuant to Government Code Section 54956.8

Property: 17201-17301 Gale Avenue, City of Industry
Agency Negotiators: Paul J. Philips, Executive Director
James M. Casso, Agency Counsel
Negotiating Parties: Successor Agency to the Industry Urban-
Development Agency, City of Industry and
R.Y. Properties, Inc.
Under Negotiation: Price and Terms

7. Adjournment. Next regular Success Agency meeting will be on Thursday, July 28, 2016.

SUCCESSOR AGENCY

ITEM NO. 5.1



CITY OF INDUSTRY

P.O. Box 3366 • 15625 E. Stafford St. • City of Industry, CA 91744-0366 • (626) 333-2211 • FAX (626) 961-6795

MEMORANDUM

To: City Council and Successor Agency Board
From: Paul J. Philips, City Manager *Paul J. Philips*
Date: July 14, 2016
SUBJECT: Conflict Waiver for Casso & Sparks, LLP

Background:

On June 10, 2015, the Industry City Council appointed James M. Casso of Casso & Sparks, LLP, as the City Attorney. Casso & Sparks was also appointed to serve as General Counsel for the Successor Agency to the Industry Urban-Development Agency ("Successor Agency").

As the Council and Successor Agency Board are aware, on June 13, 2016, the City and Successor Agency were served with a lawsuit by Skyscraper Brewing Company. The suit alleges breach of contract, breach of the covenant of good faith and fair dealing, promissory estoppel, forcible entry, forcible detainer, illegal seizure of property without notice, misappropriation of trade secrets, inverse condemnation, violation of due process and wrongful eviction. Skyscraper is asking the court for damages in excess of \$32 million.

Given that the City and Successor Agency are separate legal entities, it is advisable that both the City and Successor Agency approve a conflict waiver to allow the City Attorney/Successor Agency General Counsel to represent both parties.

Discussion:

The attached letter from Mr. Casso explains the rules and how the conflict waiver works for both the City and the Successor Agency.

Budget Impact:

The cost of services provided by Casso & Sparks for these projects is included in the City's 2015-2016 budget.

Recommendation:

It is recommended that the City Council and Successor Agency Board approve the Conflict Waiver for Casso & Sparks, LLP.

Attachment "A": July 14, 2016, Letter from Casso & Sparks, LLP

James M. Casso
Principal
jcasso@cassosparks.com
www.cassosparks.com

CS Casso & Sparks, LLP

ATTORNEYS AT LAW
13200 Crossroads Parkway North, Suite 345
City of Industry, CA 91746
Telephone: 626.269.2980

July 14, 2016

The Honorable Mark Radecki
Mayor, City of Industry
15625 E. Stafford Street, Suite 100
City of Industry, CA 91744

The Honorable Mark Radecki
Chairperson, Successor Agency to the
Industry Urban-Development Agency
15625 E. Stafford Street, Suite 100
City of Industry, CA 91744

RE: Conflict of Interest Waiver-*Skyscraper Brewing Company, Inc. v. The Successor Agency to the Industry Urban Development Agency, et al.* (LASC KC068505)

Dear Mayor/Chairperson Radecki:

As you are aware, I serve as the City Attorney for the City of Industry ("City") and as General Counsel to the Successor Agency to the Industry Urban-Development Agency ("Successor Agency"). Both the City and the Successor Agency were named as defendants in the above referenced lawsuit, by Skyscraper Brewing Company. My office has been requested to represent both the City and Successor Agency in this matter, and given that the City and Successor Agency are separate legal entities, under the Rules of Professional Conduct of the State Bar of California (the "Rules"), prior to engaging in this work, it is necessary for me to obtain a conflict waiver from both the City and the Successor Agency.

This letter will confirm that I have informed you about the potential conflict of interest inherent in any representation of both entities. It is important that you understand that since I would be representing both the City and Successor Agency, each entity would be my client. As a result, matters which one of you might discuss with me would not be protected by the attorney/client privilege from disclosure to the other of you. The Rules prohibit me from agreeing with either entity to withhold information from the other. Of course, anything either the City or Successor Agency discusses with me is privileged from disclosure to third parties. If the two entities have a difference of opinion concerning the litigation, I can point out the pros and cons of such differing opinions.

The Rules prohibit me, as the lawyer for both of you, from advocating one of your positions over the other.

Although it is unlikely to occur, if conflicts do arise between the two of you of such nature that it is impossible in my judgment to perform my obligations to each of you in accordance with this letter, it would become necessary for me to withdraw as your joint attorney and to advise one or both entities to obtain independent counsel.

Please sign and return the enclosed copy of this letter. By signing and returning the letter you are acknowledging that you have read and understand this letter and wish me to proceed with your representation.

Very truly yours,

James M. Casso

We have read the foregoing letter and understand its contents. We consent to having you represent both the City and Successor Agency on the terms and conditions set forth therein. We understand the discussion of conflicts set forth above and agree that between the City and Successor Agency, with respect to information either of us provides you, there shall be no confidential communications.

Date: _____

Date: _____

Agreed and accepted:

Agreed and accepted:

By: _____

Mark D. Radecki, Mayor
City of Industry

By: _____

Mark D. Radecki, Chairperson
Successor Agency to the Industry
Urban-Development Agency