

**REDEVELOPMENT AGENCY  
OF THE TOWN OF  
APPLE VALLEY, CALIFORNIA  
AGENDA MATTER**

**Subject Item:**

**PROFESSIONAL SERVICES AGREEMENT FOR DEVELOPMENT PRO-FORMA ANALYSIS**

**SUMMARY STATEMENT**

In June of 2007, as part of the Project Area 2 tax allocation bonds, the Town issued 4.5 million dollars in tax-exempt bonds for the express purpose of developing affordable housing, as mandated by various state requirements. Along with the public facilities financing, the Agency is required to expend these funds within a three year period of time from date of issuance of the bonds.

As a part of the implementation of the Town's Affordable Housing Strategy, there is a need to obtain the services of a consultant, with specific expertise in pro forma analysis as it relates to evaluating the cost reasonableness of proposed projects, to include the developers estimated construction costs and conformance to the California Tax Credit Allocation Committee (TCAC) 2008 Regulations implementing State and Federal low-income housing tax credits (LIHTC), conformance to other state and federal sources, as well as conformance to California Redevelopment law. This type of analysis is critical to properly determining the appropriate level of financial participation on the part of the Town.

Rosenow Spevacek Group (RSG) is skilled in formulating viable housing development projects designed to fulfill the community's affordable housing obligations under Community Redevelopment Law requirements and Housing Element objectives as defined by the SCAG-issued Regional Housing Needs Allocation (RHNA). The firm is well versed in all aspects of affordable housing development and evaluation of project costs and financing resources, including low income housing tax credits (LIHTC), and related state and federal financing sources, as well as the specific requirements and limitations related to the use of low and moderate income housing fund (LMIHF) monies. RSG has, in the past, prepared the Town's Redevelopment Implementation Plans for both the Victor Valley Economic Development Authority's (VVEDA) Project Area 1 as well as Apple Valley's Redevelopment Project Area 2. In addition, RSG most recently participated in preparing the underwriting review for redevelopment bonds issued in 2007. As such, RSG possesses the relevant expertise and knowledge of the Town's redevelopment program to assist us.

The total cost of providing these services is a not-to-exceed cost of \$8,000. A copy of the consultant's Statement of Qualifications is attached for your information.

**Recommended Action:**

That the Redevelopment Agency approve an agreement between the Agency and Rosenow Spevacek Group, Inc., for professional services relating to the review and analysis of development pro formas; and authorize the Executive Director to execute the agreement on behalf of the Town.

**Proposed by:** Executive Director **Item Number** \_\_\_\_\_

**T. M. Approval:** \_\_\_\_\_ **Budgeted Item**  **Yes**  **No**  **N/A**

Town of Apple Valley  
Economic Development and Redevelopment Agency  
14955 Dale Evens Parkway  
Apple Valley, CA 92307

## STATEMENT OF QUALIFICATIONS

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Real Estate Economics & Housing Development Consulting Services





### **FIRM PROFILE**

For over twenty seven years, RSG has specialized in providing a broad range of real estate economics consulting services for public agencies and private developers and investors. Formulating innovative solutions, attention to detail, and adherence to schedules are hallmarks of the firm's consulting services. Our service delivery is enhanced by its aggressive integration of computer applications into the firm's program management, project scheduling, tax increment projections, market assessments, financial pro forma analyses, project development evaluations, and developer negotiations activities. RSG's highly experienced professionals create customized solutions, emerging from an understanding of each community's unique set of challenges. We focus in the following areas of consulting services to our public agency clients:

- Redevelopment Planning
- Real Estate Economics
- Affordable Housing
- Fiscal and Financial Analyses
- Real Estate Acquisitions and Dispositions
- Economic Development
- Government Services

The firm's four principals and twenty three highly experienced staff members are focused, committed and passionate about the work we do. We are currently working with over 125 local government agencies to provide a wide range of services which include: redevelopment project formation; financial feasibility testing and pro forma analyses; real estate market assessments; project management services; disposition and development negotiations; affordable housing programs and projects development, development implementation and compliance monitoring; redevelopment agency staffing assignments; bond fiscal reporting consulting services; and, preparation of economic development strategies.



#### **QUALIFICATIONS & SCOPE OF SERVICES**

RSG's is qualified and prepared to provide the Town of Apple Valley with all real estate economic and housing development consultant services that may be requested by the City and Agency. We possess the requisite real estate knowledge and appropriate project experience, as well as a full understanding of the legal constraints under California Redevelopment Law and related state and federal regulations. Our broad experience enables us to better understand and capitalize on the unique opportunities associated with bringing redevelopment programs and projects to fruition.

The firm's qualifications and responsiveness in serving our clients is demonstrated by our established long-term continuing consulting relationships with a large number of public agencies throughout the state. The following details our scope of services including, real estate economics, housing development, financial evaluations, and related redevelopment consulting services.

#### **REAL ESTATE ECONOMICS AND FINANCIAL PRO FORMA ANALYSES**

RSG brings a consultant team comprised of former real estate investors, developers and public sector officials that know how to analyze and evaluate real estate transactions. Financial feasibility testing through detailed pro forma analyses of development alternatives is conducted based on current construction costs which are derived through first hand investigations of data resources including, but not limited to Marshall and Swift Valuation Services and corroborated by recent comparable project evaluations performed by the firm. Similarly, market evaluations are performed using third party data bases and first hand field investigations to identify recent local experience and trends. RSG's ongoing consulting services to communities located statewide provides the firm with a large number of comparable developments from which current data related to development programming, construction costs, project financing and developer return requirements may be measured. The firm is experienced in performing property valuations, as well as reuse valuations pursuant to CRL Section 33433, as may be needed in the disposition of Agency-owned properties.

#### **HOUSING DEVELOPMENT PROGRAMS AND PROJECTS**

RSG is skilled in formulating viable housing rehabilitation programs and innovative housing development projects designed to fulfill the community's affordable housing obligations under Community Redevelopment Law (CRL) requirements and its Housing Element objectives as defined by its Regional Housing Needs Allocation (RHNA). The firm is well versed in all aspects of affordable housing development and evaluation of project costs and financing resources, including low income housing tax credits (LIHTC), and related state and federal financing sources, as well as the specific requirements and limitations related to the use of low and moderate income housing fund (LMIHF) monies. RSG has prepared numerous affordable housing strategies for communities located throughout the state, and coordinated the implementation of the programs and projects identified therein. Inclusionary housing requirements and draft ordinances and in-lieu fee payment options have been promulgated for jurisdictions by the firm pursuant to its strategy recommendations to codify affordable housing requirements in Redevelopment Project Areas and/or Citywide. Its housing development project experience includes small-scale infill housing developments and larger scale residential mixed-use projects comprised of either rental or ownership housing units. The firm also conducts homebuyer assistance loan programs, housing finance bonds underwriting reviews, and ongoing affordable housing compliance monitoring activities for local jurisdictions.

#### **MARKET EVALUATIONS**

RSG's real estate advisory services and brokerage background provides our clients with sophisticated tools and insight on real estate trends and opportunities. Rather than simply rely on theoretical models and third party data bases that overlook local influences, we perform first hand investigations to identify niche market opportunities and assess local community demand and acceptability. RSG fully understands the nuisances involved in assessing current market conditions, identifying emerging opportunities, and evaluating long-term economic viability.

#### **PROGRAM AND PROJECT STRUCTURING & FINANCING**

Our clients trust RSG to advise on crafting appropriate programs and development projects including funding assistance strategies that balance the developer and community's interests. Development programming evaluations are preformed to identify financially feasible opportunities and examine alternatives that will result projects having long-term economic viability while fulfilling the development goals and objectives of the community. Programming alternatives are identified based on the firm's solid understanding of site planning and entitlement issues, and its project development experience. Funding resources and financing options, including but not limited to, bond financing and tax credit assistance, conventional financing sources and additional state or federal funding programs are analyzed to determine the best practical means for implementing a project using highly leveraged financing structures which require the least amount of local funding assistance.

#### **DEVELOPER SOLICITATIONS & PROPOSAL EVALUATIONS**

Driven to help our clients achieve their community development goals and objectives, RSG understands how to effectively stimulate interest from capable developers. Solicitations of developer qualifications and proposals are prepared to effectively out-reach to the best

qualified individuals and firms having demonstrated experience in area of the public-private developments. Evaluation of development proposals requires due diligence review of the developer's financial condition, equity funding capacity and institutional or private financing relationships, as well as review of their project experience in terms of project size and complexity in relation to the proposed program. RSG has prepared a long list of developer solicitations and proposal evaluations for projects varying in size from neighborhood retail centers, single user offices and industrial buildings, and small multi-unit residential developments to million plus square feet big box retail centers, high rise offices and planned community developments, including mix-use residential, retail and office developments.

#### **DEVELOPMENT AGREEMENT NEGOTIATIONS AND ADMINISTRATION**

Nothing substitutes for knowledge, creativity and experience when negotiating disposition and development agreements on behalf of public agencies. In depth knowledge of applicable laws and regulations, including requirements under the California Health and Safety Code Section 33000 et seq (California Redevelopment Law) and the Government Code, as well as state and federal real estate regulations coupled with broad experience in preparing development agreements are essential to bringing creative solutions to the negotiations table with property owners, developers and real estate investors. The principals and key staff at RSG possess the requisite knowledge and extensive experience necessary to bring complex public-private transactions to fruition. Once the principal business terms have been established, RSG's development insights enable our clients to confront and overcome issues that arise as the deal is refined. In addition, RSG has in-house capabilities for the preparation of construction bid proposals, development scheduling and contract administration to ensure the timely implementation of development projects in accordance with the approved development agreement's scope of development, method of financing and schedule of performance.

#### **ECONOMIC AND FISCAL IMPACT ANALYSES**

Today, it's just not enough to know how much a project will cost and how much revenue it will generate. When public agencies and developers want to know the ongoing municipal, employment, and secondary impacts of projects, they look to RSG. Fiscal impact analyses involving complex tax increment projections and retail sales tax calculations are a specialized area of service performed by the firm for a large number of jurisdictions throughout California. In addition, highest and best use analyses and reuse valuations are performed by the firm in order to determine that reasonable property values being achieved on proposed projects. Components of these analyses may be brought to bear in the negotiation of disposition and development agreements to substantiate a local agency's funding assistance or to verify a development's propensity for achieving the community's economic development objectives.

#### **STRATEGIC PLANNING, FUNDING EVALUATION & OTHER RESOURCE REVIEWS**

Starting from a community's competitive market attributes, RSG is able to identify expansion and diversification opportunities that foster sustainable private sector employment and expand municipal revenues. RSG assist clients in identifying economic development initiatives and redevelopment programming alternatives, including preparing assessments of potential constraints and recommendations for overcoming obstacles that need to be

addressed, determinations of viability and feasibility, and formulation of appropriate measurements of success. RSG helps clients identify and procure financial, capital, and organizational resources to implement economic development initiatives, redevelopment programs and market-driven development projects. We also prepare resource utilization schedules that complement implementation priorities.

**PROGRAMS AND PROJECTS IMPLEMENTATION AND REPORTING**

Many of our clients retain RSG as contract staff to manage the day-to-day activities of economic development and redevelopment programs and projects, including new construction and rehabilitation projects, economic development and business improvement projects, site selection and property acquisitions, and project financing. The firm prepares redevelopment plans and amendments, five-year implementation plans and housing compliance plans, mid-term reviews, as well as statement of indebtedness, financial officer reports and HCD housing reports.





## **RELEVANT PROJECT EXPERIENCE & REFERENCES**

### **FISCAL CONSULTING, REAL ESTATE ECONOMICS & HOUSING DEVELOPMENT SERVICES - LA QUINTA**

Since 1988, RSG has provided fiscal and real estate economics consulting services for the City and Agency. Assignments have included preparation of build-out analyses of the City General Fund and Redevelopment Agency revenues, wherein RSG analyzed the fiscal implications of full build-out under the City's General Plan. This annual monitoring and forecast projection has become an integral tool in creating long-term economic development strategies, while underscoring the need to diversity and expands this currently strong economy.

RSG has also participated in numerous bond issues for the Agency over the past 12 years, and is an integral member of the Agency's Cash Flow Management Team, which is responsible for intermediate and long-range strategic financial planning. In addition, the firm continues to provide comprehensive redevelopment implementation, adoption/amendment, adjunct staffing and affordable housing planning, implementation and monitoring services to the Agency, and in fact serves as the Agency's staff, providing all support for the Agency's activities.

*Contact: Thomas P. Genovese, Executive Director  
(760) 777-7100*

### **FISCAL CONSULTING & HOUSING DEVELOPMENT SERVICES - IRVINE**

RSG provides ongoing fiscal analysis and affordable housing development services to the City and Agency. The firm's work includes preparation of tax increment projections and recommendation for City-Agency loan agreements to permit the Agency to encumber tax increment monies for Great Park planning and implementation expenditures. Another major component of the firm's work encompasses financial analysis of affordable housing initiatives and projects proposed by private developers and non-profit developers using LITHCs, housing bond financing and Agency funding assistance (LMIHF monies and inclusionary housing in-lieu fee deposits). RSG also evaluates development programs and



projects, and prepares development programming and feasibility analyses for developing City-owned properties and solicitation of development requests for proposals. RSG assisted in preparing a State HELP Funds loan application and is currently preparing an evaluation of affordable housing development programming alternatives for a 20-acre site to be comprised of three projects including, a 9% LIHTC project and a 4% LIHTC project and moderate-income condominium project, which is anticipated to be constructed through a developer RFQ/P process under RSG's lead. The project is also slated for inclusion under the City's newly formed Irvine Community Land Trust as a means for extending the period of the affordable housing restrictions.

*Contact: Mark Asturias, Housing Manager  
(949) 724-7448*

**REAL ESTATE ECONOMICS & HOUSING CONSULTING SERVICES - WESTMINSTER**

Since 2005, RSG has provided economic development and redevelopment implementation services to the Westminster Redevelopment Agency. RSG's current activities include preparation of Agency tax increment projections and cash flow projections, site review and analysis, and affordable housing implementation assistance. RSG is also working on a Comprehensive Affordable Housing Strategy and Economic Development Strategy

*Contact: Ray Silver, Executive Director  
Don Anderson, Community Development Director  
(714) 898-3311*

**AFFORDABLE HOUSING DEVELOPMENT CONSULTING SERVICES - AGOURA HILLS**

RSG prepared a Comprehensive Affordable Housing Policy Guidelines and Implementation Strategy (May 2007) for the Agoura Hills Redevelopment Agency to assist the City in establishing priorities for the expenditure of LMIHF monies and the production of affordable housing units to fulfill the Agency's and City's production needs. RSG was responsible management of all aspects of the assignment, including preparation of affordability gap analyses and formulation of implementation strategy and LMIHF expenditure recommendations in conjunction with Agency staff. RSG is currently providing assistance to Agency staff in implementing the Housing Strategy through developer negotiations and evaluation project opportunities and possible site acquisitions.

*Contact: Mike Kamino, Community Development Director  
(818) 597-7321  
Allison Cook, Senior Planner  
(818) 597-7310*

**REDEVELOPMENT AND INCLUSIONARY HOUSING CONSULTING - SAN JACINTO**

RSG prepared a Comprehensive Affordable Housing Strategy (December 2006) and Inclusionary Housing Ordinance (May 2007) for the San Jacinto Redevelopment Agency to assist the production of affordable housing units to fulfill the Agency's and City's housing production needs and to identify priorities for the expenditure of LMIHF monies and inclusionary in-lieu fees. RSG managed all aspects of the assignment in conjunction with Agency staff, including preparation of implementation strategy recommendations, housing

market evaluation and detailed affordability gap analyses, identification of inclusionary requirements and calculation in-lieu fees alternatives, and nexus analysis. In addition, RSG previously prepared the Agency's five-year implementation plan and is currently preparing its mid-term review.

Contact: Steven Pasarow, *Redevelopment Operations Manager*  
(951) 487-7320

#### **REDEVELOPMENT AND HOUSING DEVELOPMENT CONSULTING - VICTORVILLE**

RSG has assisted both the City and the Victor Valley Economic Development Authority (administered by the City) in preparing their respective Redevelopment Plans, Fiscal Analyses, Plan Amendments and Implementation Plans. The firm is currently preparing an amended Implementation Plan to incorporate substantive changes occurring since the Plan adoption.

In addition, RSG prepared an Affordable Housing Policy Guidelines and Implementation Strategy (Draft October 2006) that is currently being updated to address both a substantial added area and a LMIHF Bond issuance for the Victorville Redevelopment Agency. The assignment is to assist the Agency in identifying viable affordable housing programs and projects to fulfill its housing production requirement and identify priorities for expenditures of LMIHF monies and bond proceeds. RSG manages all aspects of the assignment in conjunction with Agency staff, including preparation of implementation strategy recommendations, detailed affordability gap analyses, identification of affordable housing production requirements and budget expenditure projections.

Contact: Mr. Keith Metzler, *Director of Economic Development*  
(760) 955-5032  
Ms. Sophie Gates, *Redevelopment Manager*  
(760) 955-5033

#### **REAL ESTATE ECONOMICS CONSULTING SERVICES - CYPRESS**

Since 2000, RSG has provided redevelopment consulting services to the Cypress Redevelopment Agency. Implementation activities have included interim Community Development Director Services and the solicitation of developer proposals, negotiations and approval of an implementation agreement for Wicker Drive, a market rate residential development. RSG also assisted with actions leading to development of the Costco on the corner of Walker and Katella Avenues. RSG prepared documentation necessary for eminent domain amendments covering three Project Areas in 2001 and the merger of the three Areas plus an amendment to add territory in June 2005.

RSG was also retained to analyze the fiscal impact pertaining to a range of land use options for future development of the Los Alamitos Race Track ("LART") properties. The assignment includes the preparation of a fiscal impact model that compares a variety of land use options and their impacts on city revenues and costs at the build-out time horizon. The first phase of the assignment entailed developing a fiscal impact model for the city and the analysis of two scenarios that reflect extreme residential and commercial land use scenarios, which identified future costs and revenues of these hypothetical development

scenarios for preparation of an comparison analysis regarding the continuation of the current LART operation. The second phase, which is still underway, entails reviewing more realistic current market-driven land use mixes on the LART properties.

In addition, RSG prepared an Affordable Housing Strategy for the Agency that detailed programs and specific projects to meet the affordable housing needs of the community. RSG continues to assist Cypress with various implementation activities and qualification of low and moderate income households for new affordable housing units provided by the Cypress Agency.

*Contact: Ted Commerdinger, Interim Community Development Director  
(714) 229-6722  
Steven Clarke, Redevelopment Program Manager  
(714) 229-6728*

**ECONOMIC DEVELOPMENT PLANNING & REAL ESTATE ECONOMICS - SAN CARLOS**

RSG was hired to prepare the City's first economic development strategic plan. Areas being studied in this process include maintenance and rejuvenation of downtown, coordinated reuse of industrial uses, and diversification of the economic base in consideration of current infrastructure constraints and opportunities. A significant component of the plan is "salon-style" workshops for the public to consider various ideas and issues facing the City's economic development strategy. RSG continues to assist the City in evaluating developer proposals and structuring project financing alternatives.

*Contact: Mark Weiss, City Manager  
(650) 802-4100*

**REDEVELOPMENT PROGRAMMING AND IMPLEMENTATION SERVICES - EL CAJON**

Since 1986, RSG has assisted the City of El Cajon Redevelopment Agency create and implement a redevelopment program in the Downtown and surrounding properties. During these past 21 years, RSG has designed and continues to implement a downtown redevelopment effort; designed and continues to implement an industrial redevelopment effort; and evaluates commercial, industrial, and residential real estate proposals. Most recently, RSG prepared an Economic Development Implementation Strategy, which included older retail corridors and the City's primary industrial district. This involved preparation of a detailed market assessment of the land use potential and land use plan recommendations to properly revitalize and develop properties. To date, RSG has facilitated land assembly and site redevelopment efforts; the structuring and development of affordable housing; the structuring and development of auto dealership facilities; and the rehabilitation and/or redevelopment of commercial centers.

*Contact: David Cooksy, Redevelopment Manager  
(619) 441-1718*



### **STAFFING**

Kathy Rosenow, Principal-in-Charge, will direct the RSG consulting services throughout the course of this engagement. Ms. Rosenow has led many of RSG's assignments related to real estate economics, fiscal consulting and redevelopment implementation services. Ms. Rosenow serves on the Board of the California Redevelopment Association and currently leads a team of RSG professionals to assist the City of Irvine, the Irvine Redevelopment Agency and Orange County Great Park Corporation in bringing the 3,900-acre former El Toro Marine Air Base to development. The firm's assignments in Irvine include the provision of fiscal consulting and real estate advisory services, as well as implementation of citywide affordable housing programs and projects.

Other principals and senior staff of RSG may be called on to assist with individual assignments to ensure the highest level of professional response to the City's specific project services requests as they may arise. The RSG key staff to be assigned to this engagement include James Draughon, Walt Lauderdale, Tara Howard, Sherry Fuller, and Keri Bullock. Responsibilities of key personnel are identified below. Additional staff analysts and research assistants will be assigned to individual assignments as needed.

## **RESPONSIBILITIES OF KEY PERSONNEL**

### **KATHY ROSENOW, PRINCIPAL IN CHARGE**

Ms. Rosenow is a founding principal in RSG in charge of the firm's financial consulting activities. She will direct the entirety of this engagement. As lead consultant and primary contact with the Agency, she will coordinate RSG staff activities and oversee all research and analysis. Ms. Rosenow specializes in redevelopment project area formation, fiscal impact analysis, bond financing, economic development and commercial revitalization. She has directed the creation or amendment of over 50 redevelopment project areas, as well as conducted the preparation of Project Area financing plans and fiscal reports, Implementation Plans and affordable housing strategies. Ms. Rosenow is highly experienced in the preparation and filing of State and Federal reporting requirements, fulfilling regulatory mandates, structuring and monitoring tax increment pass-through agreements, verifying tax increment calculations, and in directing community outreach programs and conducting educational forums.

### **JAMES DRAUGHON, HOUSING MANAGER/DIRECTOR**

Mr. Draughon will serve as project manager for the firm in this engagement and coordinate the firm's day-to-day consulting activities with City staff. As RSG's Housing Manager, Mr. Draughon's primary focus is to provide RSG's clients with innovative solutions and pragmatic approaches for fulfilling their affordable housing production objectives. He also assists in real estate economics consulting assignments preparing market assessments, pro forma feasibility analyses, development programming evaluations, developer solicitations, and performing property acquisitions and disposition negotiations. He has a broad and diverse background in real estate including experience in the private sector development and public sector redevelopment and strategic asset development. His experience spans the residential and commercial development markets, including large master planned communities, residential mixed-use projects and high rise offices. Mr. Draughon is a licensed real estate broker with over 25 years experience in the public and private sectors where he has managed the development of in-fill housing projects, strategic planning and inclusionary housing programs, and urban mixed-use developments. Prior to joining RSG in June of 2006, Mr. Draughon served as Redevelopment Program Manger for nine years with the Tustin Redevelopment Agency with primary responsibility for all citywide affordable housing programs and projects.

### **WALTER LAUDERDALE, SENIOR ASSOCIATE**

Mr. Lauderdale will provide senior level support on this engagement. He has extensive experience in real estate review and analysis. He has been with RSG since February of 2002, serving as Project Manager and supporting consultant to clients such as Maywood, Cypress, Cathedral City, La Quinta, National City and Santa Clarita. Mr. Lauderdale's primary responsibilities include real estate development consulting services (i.e. evaluating market conditions, developing pro forma analysis, soliciting developer/user interest, analyzing real estate proposals, structuring implementation agreements, and managing site specific development and redevelopment projects), fiscal consulting services (cash flow analysis, bond capacity analysis, fiscal consultant reports), the formulation of public revenue projections, collection and evaluation of project related data, and field surveys.

**BECKY CAHA, ASSOCIATE**

Ms. Cahá will provide support on affordable housing related assignments. Ms. Cahá has been with RSG since 1989, undertaking progressively more responsible assignments. Ms. Cahá currently oversees the administration of low/mod housing and subsidy programs, including applicant eligibility review, document preparation, escrow coordination, and annual monitoring activities for the Coronado, Garden Grove, Huntington Beach, Irwindale, El Cajon, La Quinta, Lemon Grove, Palmdale and San Marcos Redevelopment Agencies. She also assists with organization and preparation of real estate acquisition documents, escrow and title coordination and coordination of property owner/tenant meetings. Ms. Cahá has worked in this capacity for the County of Orange and the Cities of Carson, Chino, Coronado, El Cajon, Irwindale, La Quinta, Lemon Grove and Orange.

**TARA HOWARD, ASSOCIATE**

Ms. Howard will provide support on this engagement. Ms. Howard, who joined RSG in 2004, provides a full range of consultant services for clients, including managing project information collection and examination, field surveys, database research and composition, property acquisition and relocation activities and budget analysis. Duties also include interfacing with clients, writing reports, spreadsheet development, data collection and analysis, document preparation and project management. Recent work includes preparation of an eminent domain amendment for the City of Camarillo and an amendment to add 30,000 acres to the Victor Valley Redevelopment Project (a military base closure project).

**SHERRY FULLER, ASSOCIATE**

Ms. Fuller will provide support on this engagement. Ms. Fuller will assist in analysis and assembly of required real estate market evaluations, economic assessments, financial analyses and related information and materials. Ms. Fuller's recent past related experience includes real estate market evaluations and housing affordability analyses for the City of Agoura Hills Affordable Housing Implementation Strategy and the Agua Caliente Band of Indians Workforce Housing Strategy. Other recent and current assignments include redevelopment plan amendment feasibility study for La Palma; redevelopment plan amendment for La Habra; implementation plans for Apple Valley, Hemet, and Los Angeles and a replacement housing plan for San Bernardino County Redevelopment Agency.

**KERI BULLOCK, ANALYST**

Ms. Bullock will provide support on this engagement. Ms. Bullock will primarily assist in data gathering and analysis and assembly of required real estate market evaluations, economic assessments, financial analyses, and related information and materials. Ms. Bullock's recent past related experience includes, preparation of a Five-Year Implementation Plans and Affordable Housing Compliance Plans for the Ridgecrest RDA and the Atwater RDA, an annexation feasibility study for the City of Westminster, bond financing in the City of Huron, a Redevelopment Plan Amendment for the City of Camarillo, and assisting in affordable housing implementation activities for the City of Agoura Hills.

Resumes for Ms. Rosenow and the firm's other key consulting staff available to this engagement are included in the following pages.



## **KATHLEEN ROSENOW**

### **ROSENOW SPEVACEK GROUP INC. - PRINCIPAL**

Since incorporation of RSG in 1979, principal in charge of RSG's financial consulting activities. Specializes in redevelopment project area formation, plan implementation, bond financing, commercial revitalization, and economic development. Has directed the creation or amendment of over 60 redevelopment project areas including Orange County, Santa Ana, Whittier, West Hollywood, Corona, Cudahy, Buena Park, La Palma, Victorville, Compton, Bell Gardens, Coronado, Hercules, Pinole, Hemet, Poway, Irvine, San Diego, and San Marcos project area adoption assignments; Project Manager of the Orange County and San Marcos redevelopment plan implementation activities.

Project Manager of fiscal consulting services in support of over \$1 billion of tax increment bonds. Clients include cities of Santa Ana, Compton, Coronado, Cudahy, La Palma, Ontario, Bell, San Marcos, La Quinta, Maywood, Huntington Park, Orange, Ridgecrest, Riverside, Rohnert Park, Pinole, Whittier, Fontana, Pomona, Victorville, County of Riverside, County of Orange and the Victor Valley Economic Development Authority bond issues.

Redevelopment implementation experience includes solicitation of developers and owner participants; financial pro forma analysis; structuring financial terms and negotiation of Disposition and Development Agreements (DDAs); DDA documentation including Summary Reports; and monitoring DDA implementation schedules;

Other experience includes overseeing housing programs; filing state reporting requirements; structuring and monitoring increment pass-through agreements; verifying tax increment calculations; and directing community outreach programs and educational forums.

### **CULVER CITY REDEVELOPMENT AGENCY - PROJECT COORDINATOR**

Directed redevelopment projects including rehabilitation of existing structures, and the development of new commercial and industrial complexes. Responsibilities entailed coordinating land acquisition and disposition, owner/tenant negotiations, relocation, monitoring development schedules, and preparing the Agency's operating and capital improvement budgets.

#### **Education**

Masters, Business Administration-Finance/Accounting  
- University of California, Los Angeles  
Bachelor of Arts, Anthropology  
- Wheaton College

#### **Memberships & Professional Affiliations**

Former Commissioner, City of Santa Ana Community Redevelopment Commission ('83-'91)  
National Association of Housing and Redevelopment Officials  
California Redevelopment Association, Board Member

## **JAMES DRAUGHON**

### **ROSENOW SPEVACEK GROUP INC. - HOUSING MANAGER/DIRECTOR**

Manages the firm's housing related activities to assist public and private sector clients in the areas of affordable housing and urban infill development. Serves as project manager for clients in the preparation of affordable housing strategies, implementation of housing programs and projects, and negotiations of housing agreements in fulfillment of their affordable housing obligations under California Redevelopment Law.

### **TUSTIN REDEVELOPMENT AGENCY - REDEVELOPMENT PROGRAM MANAGER**

Management responsibilities for the Agency's redevelopment programs, including its affordable housing programs and projects, real estate functions, economic revitalization activities, and legal reporting compliance duties. Key responsibilities for negotiation of the Agency's property acquisitions and disposition and development agreements, and management of the Agency's administrative reporting and monitoring activities.

### **SAN JOSE REDEVELOPMENT AGENCY - SENIOR NEGOTIATIONS OFFICER**

Primary responsibility for public-private development negotiations and project management for the Downtown Redevelopment Project Area, including mixed-use residential & retail projects, high-rise office and hotel developments. Point person for establishing framework for Developer/Agency collaboration, identifying the Agency's financial participation, and negotiating Disposition and Development Agreements and Long-Term Ground Leases.

### **DRAUGHON ASSOCIATES - REAL ESTATE ASSET DEVELOPMENT CONSULTANT**

Consulting practice providing real estate advisory services, site acquisition, and strategic planning and development management for public agencies, private developers and institutional property owners/investors. Completed development planning, financial analysis and entitlement negotiations for a 32-story, 550,000 square feet mixed-use retail commercial and residential project in Los Angeles' Little Tokyo District, and project management, financial analysis, and disposition negotiations for a 3.2 million square feet mixed-use project comprised of three high-rise office towers, a 2,500-car public parking garage, and the Walt Disney Concert Hall for the County of Los Angeles in downtown Los Angeles.

### **Education**

Bachelor of Fine Arts Degree (Major- Environmental Design, Minor- Public Administration)

- California State University, Fullerton, CA

Graduate Studies Landscape Architecture

- California State Poly University, Pomona, CA

Post Graduate Studies - Over 500 hours course work in real estate, finance, economics, development and management.

### **Professional Affiliations**

California Licensed Real Estate Broker (No. 011326693)

California Community Redevelopment Association

## **WALTER LAUDERDALE**

### **ROSENOW SPEVACEK GROUP, INC. - SENIOR ASSOCIATE**

Primary responsibilities include project management, interfacing with clients, report writing, as well as preparing and coordinating redevelopment plan adoptions and amendments. Responsibilities also include real estate development consulting services (i.e. evaluating market conditions, development pro forma analysis, soliciting developer/user interest, analyzing real estate proposals, structuring implementation agreements, and managing site specific development and redevelopment projects), fiscal consulting services (cash flow analysis, bond capacity analysis, fiscal consultant reports), the formulation of public revenue projections, collection and evaluation of project related data, and field surveys. Assignments include preparation of redevelopment feasibility studies, real estate development land use programs, specific plans, implementation plans, economic development plans and financial analyses.

### **KEYSER MARSTON ASSOCIATES, INC. - ASSOCIATE**

Responsibilities included preparation of strategic plans, highest and best use reports, market studies and property reuse studies. Provided redevelopment and real estate development consulting services, as well as market and financial feasibility analyses. Conducted market research and land use surveys to identify market trends and conditions to determine development opportunities. Prepared development pro formas and public revenue projections.

#### **Education**

Bachelor of Science, Urban and Regional Planning  
- California Polytechnic University at Pomona

**BECKY CAHA**

**ROSENOW SPEVACEK GROUP INC. - ASSOCIATE**

Assists with organization and preparation of real estate acquisition documents, escrow and title coordination, and coordination of property owner/tenant meetings. Ms. Caha has worked in this capacity for the County of Orange and the Cities of Carson, Chino, Coronado, El Cajon, Irwindale, La Quinta, Lemon Grove, and Orange. Primary responsibility for the administration of low/mod housing and subsidy programs including applicant eligibility review, document preparation, escrow coordination, and annual monitoring activities for the Coronado, Garden Grove, Huntington Beach, Irwindale, El Cajon, La Quinta, Lemon Grove, Palmdale, and San Marcos Redevelopment Agencies.

**TRANS-NATIONAL ESCROW CORPORATION - ESCROW OFFICER**

Responsible for organization and compilation of all escrow documents for single family, multifamily, and large development transactions. Responsibilities included preparation of escrow documents, and coordination with title companies, lenders, real estate agents, developers, and property owners.

**Education**

Master of Arts, Organizational Leadership, BIOLA,  
- (in process - anticipated completion, June '08)  
Bachelor of Arts, Liberal Arts  
- University of Redlands  
Associate of Arts, History/Political Science  
- Coastline Community College

**Professional Affiliations**

California Redevelopment Association

## **TARA HOWARD**

### **ROSENOW SPEVACEK GROUP INC. - ASSOCIATE**

Primary responsibilities include the management of the compilation and examination of project information, field surveys, database research and composition, affordable housing placement, formulation and maintenance of property acquisition and relocation activities, and budget analysis. Duties also include interfacing with clients, writing reports, spreadsheet development, data collection, document preparation and project management. Assignments include bond analysis, revenue projections, housing and five-year implementation plans, redevelopment plan amendments, acquisition project management, data analysis, and demographic data analysis. Recent work includes preparation of an eminent domain amendment for the City of Camarillo and an amendment to add 30,000 acres to the Victor Valley Redevelopment Project (a military base closure project). Ms. Howard has also prepared Implementation Plans for the Cities of Atwater, Brisbane, Camarillo, Coronado, El Cajon and San Pablo and Fiscal Consultant Reports for tax allocation financings for the Cities of Atwater, Camarillo, Coronado, El Cajon, Huron and San Marcos.

### **PRIMERICA FINANCIAL SERVICES - FINANCIAL ANALYST**

Principal responsibilities included creation of a Financial Needs Analysis, financial solution preparation, and implementation of solutions. Duties also included data collection and input, document composition and staff training.

#### **Education**

Bachelor of Science, Earth Sciences  
- University of California, Santa Cruz  
Certificate, 40 Hour Hazwoper Training, OSHA  
License, Life Insurance Agent, Primerica Financial Services

#### **Professional Affiliations**

California Redevelopment Association  
San Diego County Redevelopment Professionals Alliance

## **SHERRY FULLER**

### **ROSENOW SPEVACEK GROUP INC. - ASSOCIATE**

Primary responsibilities consist of managing and assisting on a variety of projects including feasibility studies, redevelopment plan amendments, implementation plans, affordable and workforce housing strategies and replacement plans, and financial analyses. Duties also include interacting with clients; collecting, evaluating, and analyzing project-related data; writing reports and preparing documents; and coordinating analysts, interns, and sub-consultants. Recent and current assignments include projects with the cities of Agoura Hills, Apple Valley, Brea, Hemet, La Habra, La Palma, Los Angeles, Rohnert Park, and Shasta Lake; the County of San Bernardino; and the Agua Caliente Band of Cahuilla Indians.

### **CHAPMAN UNIVERSITY SCHOOL OF LAW - RESEARCH ASSISTANT**

Researched the interrelationship of land use, water rights, and water quality regulation for a recently-published book. Conducted comprehensive research on environmental justice, specifically emissions trading programs, corporate behavior, and social science perspectives.

### **SOUTHERN CALIFORNIA HOUSING RIGHTS CENTER - LEGAL FELLOW**

Researched and wrote on topics including reasonable accommodation and modification provisions of the Americans with Disabilities Act, liability of real estate brokers and agents in discriminatory practices, and the effect of conservatorship on liability for discriminatory practices.

### **RESEARCH DESIGN SPECIALISTS - SENIOR PROJECT MANAGER**

Prepared proposals for and negotiated contracts with automobile manufacturers and suppliers. Developed market research methodology, including sampling criteria, stimuli, questionnaires, and other data collection techniques. Organized project logistics, including site procurement, facility management, and vendors. Selected, trained, and managed planning, fielding, and data processing teams. Analyzed and reported research findings. Managed and reported on a variety of project budgets.

### **Education**

Juris Doctor Cum Laude, Emphasis in Environmental, Land Use, and Real Estate  
- Chapman University School of Law  
Master of Arts, Industrial and Organizational Psychology  
- California State University Long Beach  
Bachelor of Arts, Psychology,  
- California State University Long Beach

### **Professional Affiliations**

California Redevelopment Association



**KERI BULLOCK**

**ROSENOW SPEVACEK GROUP INC. - ANALYST**

Primary responsibilities include the collection and evaluation of project-related data, analysis of project information, and report writing. Responsibilities also include field surveys and document preparation. Current assignments include an implementation plan for the City of Ridgecrest, an annexation feasibility study for the City of Westminster, bond financing in the City of Huron, a Redevelopment Plan amendment for the City of Camarillo, and an Affordable Housing Strategy implementation for the City of Agoura Hills.

**LEAGUE OF CALIFORNIA CITIES, ORANGE COUNTY - DIVISION ANALYST II**

Worked with public officials, acted as a liaison for the cities, compiled data and maintain databases, coordinated monthly meetings, and assisted in preparing the budget by researching past expenditures and projecting future expenditures.

**CHILDREN'S HOSPITAL LOS ANGELES - RESEARCH ASSISTANT**

Assisted in gathering data and preparing an analysis of childhood obesity in Los Angeles. Responsibilities included data collection, input, and analysis.

**UNIVERSITY OF CALIFORNIA, LOS ANGELES - RESEARCH ASSISTANT**

Worked on an analysis of the effectiveness of Proposition 36 and its impact on the California prison population.

**Education**

Masters, Public Policy, Specialty - Local and Regional Policy & Economics, Pepperdine University

Bachelor of Arts, Economics, University of Southern California

**Professional Affiliations**

California Redevelopment Association



### **BILLING RATES**

We understand that the RFQ is to be for a two-year period to be undertaken as an "on call or as-needed basis". RSG will charge for its services rendered on a time-and-materials basis, in accordance with the following Fee Schedule:

Principal/Director	\$195
Senior Associate	\$160
Associate	\$140
Senior Analyst	\$110
Analyst	\$100
Research Assistant	\$ 90
Technician	\$ 70
Clerical	\$ 60
Reimbursable Expenses	Cost plus 10%

It is the policy of RSG, not to charge clients for mileage, parking, telephone/fax expenses, general postage or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. We also charge for copies of reports, documents, notices, and support material in excess of five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

RSG issues monthly invoices payable upon receipt, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended and the hourly rate.

## PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this 11<sup>th</sup> day of March, 2008, by and between THE REDEVELOPMENT AGENCY OF THE TOWN OF APPLE VALLEY (hereinafter referred to as "AGENCY") and ROSENOW SPEVACEK GROUP, INC., a California corporation (hereinafter referred to as "CONSULTANT").

WHEREAS, Agency, desires to retain Consultant for the purpose of the preparation of pro forma analysis reviews for individual housing proposals as a part of implementing the Town's Affordable Housing Strategy.; and

WHEREAS, Consultant has represented to Agency that Consultant has the knowledge, skills, resources and experience that qualify consultant to provide said services for the Agency, including related and accompanying studies, reports and all other matters described herein and any attachments hereto, including, but not limited to, the matters described in the proposal (including but not limited to the Scope of Services), contained in Exhibit A, attached hereto and incorporated herein by this reference; and

WHEREAS, based upon the representations of Consultant, Agency desires to retain the services of Consultant to perform the activities herein described in consideration for payment to Consultant of the fees herein described, contained in Exhibit A, attached hereto and incorporated herein by this reference and in consideration of the further covenants, conditions and provisions hereinafter set forth.

NOW, THEREFORE, Agency and Consultant mutually agree as follows:

1. The Agency hereby retains Consultant to provide the services herein described, and Consultant hereby agrees to perform and be responsible for the performance of the professional services as set forth in the scope of services in Exhibit A hereto.
2. This Agreement shall commence as of the day and year first above shown and shall remain in full force and effect for a period of six (6) months, unless terminated sooner as provided herein. Consultant acknowledges, and the parties specifically agree that time is of the essence in the performance of the services required to be performed under this Agreement. Consultant will complete the task requirements to meet the Estimated Timeline Schedule referenced in the proposal included in Exhibit A, subject to such schedule alterations by the Director of Economic and Community Development (hereinafter referred to as "Director") as are permitted herein.
3. Payment to Consultant by the Agency for the work described in the scope of services shall be billed on a monthly basis. The Agency will pay Consultant a fee not to exceed a maximum of Eight Thousand (\$8,000.00) Dollars. Payment requested for work not within the scope of this Agreement will not be honored or paid unless such extra work and payment is authorized in writing by the Director, subject to the provisions of Paragraph 6, hereof. Increases or decreases in task requirements, changes in product format or detail, or new task requirements shall be approved in advance in writing by the Director. The Agency, through the Director, reserves the right to direct any changes in the order of performance of any of the task requirements referenced or set forth in the proposal and/or scope of services; and where deemed to be in the best interests of the Agency, the Director may direct termination of the performance of any task, or any portion thereof; in the event of such termination, Consultant shall be paid only for the work performed prior to the effective date of said termination. The provision in this paragraph shall not be construed to authorize the Director to approve payments for extra work which result in exceeding the total sum authorized by this contract without the prior approval of the Agency.

4. Consultant shall invoice the Agency monthly in accordance with a work and payment schedule, approved in advance by the Director. Said monthly invoices shall include the work performed by task, rate, and a task progress status report in a form and with such additional information satisfactory to said Director. Payments to consultant for approved work and accepted submitted products shall not be unreasonably withheld and under no circumstance shall be delayed for work performed beyond 60 days from receipt of invoices without prior notification to Consultant of the reasons for withheld payments.
5. The Agency has an interest in the qualifications of and capability of the person and entities who will fulfill the duties and obligations imposed upon Consultant by this Agreement. No assignment of this Agreement or of any rights hereunder, and no delegation of any performance or obligation of performance hereunder shall be made, either in whole or in part, by Consultant without the prior written consent of the Agency. Consultant has or will provide all personnel required to perform services under this Agreement. All subcontractors or sub-consultants to be secured by Consultant must have the prior written approval of the Agency through the Director. All of the services will be performed by Consultant or under its supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized and permitted under State and local laws to perform such services, and shall be subject to the written acceptance of the Director.
6. Upon completion of each phase of work, Consultant shall submit to the Agency a status report on the services performed thus far. Consultant will also timely provide any “deliverables” completed during that phase.
7. Agency may request Consultant to perform additional services not contemplated by the scope of services. Prior to the commencement of such additional services, the exact nature of such services and the cost to the Agency thereof shall be set forth in a written agreement signed by the parties hereto.
8. Consultant shall complete the scope of services so as to allow for completion for the entire project. Consultant acknowledges, and the parties specifically agree that time is of the essence in the performance of the services required to be performed under this Agreement. Consultant will complete the task requirements to meet the schedule referenced in the proposal schedule, included in Exhibit A, attached hereto, subject to such schedule alterations by the Director as are permitted herein.
9. At the completion or termination of this Agreement, all data, studies, and any other information, work products, memoranda, documents or writings, created or generated in connection with the performance of this Agreement belong to and shall be delivered to the Agency for its keeping, by delivery of same to the Director. Consultant may retain copies of these materials for its use or purposes.
10. Consultant will perform the services set out in this Agreement or will cause performance of said services to occur, as contemplated herein, in accordance with the generally accepted standards for

performing similar professional services within the State. Agency has relied on Consultant's representations for quality and professional work as an inducement to enter into this Agreement.

11. In the event Consultant defaults in the performance of any of the terms of conditions of this Agreement, and said default is not cured within seven days after notice thereof by the Agency, then Agency at its option, shall have the right to terminate this Agreement, without waiving any other rights it may have against Consultant for damages or other relief as permitted by law.
12. The failure of the Agency to insist upon the strict performance of any of the provisions of this Agreement, or failure to exercise any other right, option or remedy hereby reserved or as permitted by law, shall not be construed as a waiver for the future of any such provisions, right, option, or remedy, or as a waiver of any subsequent breach thereof.
13. This Agreement may be terminated by the Agency by seven days written notice for any reason. If this Agreement is terminated by the Agency, and provided Consultant is not then in breach, Consultant shall be paid for services performed to the termination notice date.
14. Consultant, and each of its employees, agents, subcontractors and representatives, is and shall act hereunder as an independent contractor, and is not an employee of the Agency for any purpose.
15. All notices to be given hereunder shall be in writing and shall be deemed to have been given, if delivered in person, or two days after mailing if properly addressed and mailed, with full postage prepaid, by certified or registered mail with return receipt requested. Notice to the Agency shall be sufficient if sent to:

Director of Economic and Community Development  
Town of Apple Valley  
14955 Dale Evans Parkway  
Apple Valley, CA 92307

Notice to Consultant shall be sufficient if sent to:

Kathleen Rosenow, Principal  
Rosenow Spevacek Group Inc.  
309 West 4<sup>th</sup> Street  
Santa Ana, CA 92701-4502

Each party hereto may change the address at which it receives written notice by so notifying the other party in writing.

16. The Director, or representative, shall represent the Agency in all matters pertaining to the administration of this Agreement, including without limitation, attending all necessary meetings and conferences, and review and approval of all products submitted by Consultant, but not including the authority to enlarge the scope of work or increase the compensation due Consultant; although Consultant shall be responsible for attendance at all necessary meetings and hearings, and will prepare the public hearing notice and necessary staff report and resolution.

17. Consultant shall keep separate books of accounts in connection with the work to be performed under this Agreement. These books shall be subject to audit by the auditor, controller, accountant manager, or other financial officer of the Agency or that officer's designate. All such books and records shall be retained for such periods of time as required by law, provided, however, notwithstanding any shorter periods of retention, all books, records and supporting details shall be retained for a period of at least three years after the expiration of the term or of the termination of this Agreement.
18. No information, including photographs, public announcements or confirmation of same, or any part of the subject matter of this Agreement or any phase of any program hereunder shall be made public without prior approval of the Director.
19. It is agreed and understood that Consultant will not be engaged in private work projects in the project work area while Consultant is employed by the Agency. The "project work area" for purposes of this paragraph includes the area of the proposed project and the surrounding vicinity which may be significantly impacted by the proposed work hereunder. In any event, Consultant shall not engage in any private work which would constitute a conflict of interest with respect to the services performed under this Agreement.
20. Consultant shall defend (with attorneys approved by Agency), hold harmless and indemnify the Agency, its officers, employees and agents against liability (whether bodily injury, including death, and/or property damage and/or any other losses, claims, damages, actions or judgments) arising or alleged to arise out of the wrongful or negligent acts or omission of Consultant or its officers, agents, employees, subcontractors or representatives in the performance of this Agreement.
21. As a condition precedent to the effectiveness of this Agreement and in partial performance of Consultant's obligations hereunder, Consultant, at its expense, shall deliver to Agency for approval, certificates or policies of insurance as required in Exhibit B, attached hereto.

The Agency shall also be named as an additional insured under said policy or policies of liability insurance, which insurance shall be primary and not contributing with any other liability insurance available to the Agency. Consultant and its insurance carrier shall be required to inform the Agency in writing of any change, expiration, cancellation or renewal of any insurance policy or policies within 30 days prior to the effective date thereof, and where applicable, an appropriate rider or addition shall be made to said policy relating thereto acceptable to the Agency; and if any insurance required herein is cancelled or reduced in coverage, Consultant shall promptly provide replacement coverage acceptable to the Agency.

22. Should any section or any part of this Agreement be rendered void, invalid or unenforceable by any court of law, any such final determination shall not render void, invalid or unenforceable any other sections or portions of this Agreement unless the Agency determines in writing that its purpose cannot be accomplished by the remaining provisions not so invalidated.
23. This Agreement has been made and entered into in the State of California, and the laws of the State of California shall govern the validity and interpretation hereof and the performance hereunder.



24. This Agreement contains the entire understanding of the parties, and there are no further or other Agreements or understandings, written or oral, in effect between the parties hereto relating to the subject matter hereof, and any prior understanding or Agreement of the parties shall not be binding unless set forth herein, and, except to the extent expressly provided for herein, no amendments of this Agreement may be made without the written agreement signed by both parties hereto.
25. Should litigation or arbitration occur between the parties hereto relating to the provisions of this Agreement, all reasonable litigation or arbitration expenses and costs, including reasonable attorney's fees incurred by the prevailing party shall be paid by the non-prevailing party to the prevailing party.
26. Consultant represents that it has all personnel required in performing the services under this Agreement. All such personnel shall be fully qualified, and, where applicable, shall be licensed or otherwise authorized under State and local law to perform such services.
27. Consultant shall not be liable for delays in the performance of this Agreement caused solely by acts of God or similar events beyond the control of Consultant, unless said events could have been foreseen or said delay or any portion thereof could have been avoided.
28. Consultant shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age or national origin. Consultant shall take appropriate action to ensure that applicants are employed and that employees are treated during their employment without regard to their race, religion, color, sex, age or national origin. Such action shall include, but not be limited to, employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Consultant shall comply with all applicable Federal laws and Executive Orders and relevant orders of the Secretary of Labor, with all State and local laws and affirmative action compliance programs and other applicable rules and regulations of all government and administrative agencies relating to any and all performance under this Agreement.
29. This Agreement binds Consultant, and its successors and assigns, although this paragraph shall not be construed as permitting any assignment, subletting or transfer of any interest, rights or obligations of Consultant under this Agreement without the prior written consent of the Agency.
30. The Agency and Consultant shall act in a reasonable manner to ensure the timely and efficient completion of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement at Apple Valley, California, effective the day and year first above written.

REDEVELOPMENT AGENCY OF THE TOWN OF  
APPLE VALLEY, CALIFORNIA

BY: \_\_\_\_\_  
Kenneth J. Henderson, Executive Director

ATTEST:

\_\_\_\_\_  
Ms. La Vonda M. Pearson Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Mr. Neal Singer, Agency Counsel

CONSULTANT  
Rosenow Spevacek Group Inc.

\_\_\_\_\_  
, President

“Corporate Seal”

\_\_\_\_\_  
, Secretary

## Exhibit A

Consultant will review financial pro formas, including development construction cost budgets, proposed rental rates and expense schedules, project cash flow, tax credit calculations, and related materials for each project pro forma and summarize the Agency's financial position and justification for providing gap funding assistance for each project.

The findings will be presented in Letter Review format to address the salient issues and concerns arising from our review.

Consultant will evaluate project submissions for funding assistance and provide pro forma reviews on a time and materials basis.

### 2008 Fee Schedule & Billing Rates

Principal/Director	\$195
Senior Associate	\$160
Associate	\$140
Senior Analyst	\$110
Analyst	\$100
Research Assistant	\$ 90
Technician	\$ 70
Clerical	\$ 60
Reimbursable Expenses	Cost plus 10%

It is the policy of the Consultant not to charge for mileage, parking, telephone/fax expenses, general postage or incidental copies. However, Consultant will charge for messenger services, overnight shipping/express mail costs and teleconferencing services. Copies of reports, documents, notices, and support material in excess of five (5) copies are reimbursable at a rate of actual expense plus 10%.

## Exhibit B

### INSURANCE REQUIREMENTS FOR CONSULTANTS

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

#### **Minimum Scope of Insurance**

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (occurrence form CO 0001).
2. **Insurance Services Office form number CA 0001 (Ed. 1187) covering Automobile liability, code 1 (any auto).**
3. Workers' Compensation insurance as required by the State of California and Employer's Liability.
4. Errors and omissions liability insurance appropriate to the consultant's profession.

#### **Minimum Limits of Insurance**

Consultant shall maintain limits no less than:

1. **General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.**
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
4. Errors and omissions liability: \$1,000,000 per occurrence and \$2,000,000 annual aggregate.

#### **Deductibles and Self-Insured Retentions**

Any deductibles or self-insured retentions must be declared to and approved by the Town. Except with respect to professional liability coverage, at the option of the Town, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Town, its officers, officials,

employees and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

#### **Other Insurance Provisions**

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. **The Town, its officers, officials, employees and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Town, its officers, officials, employees or volunteers.**
2. For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the Town, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Town, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the Town, its officers, officials, employees or volunteers.
4. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail return receipt requested, has been given to the Town.

#### **Acceptability of Insurers**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the Town.

#### **Verification of Coverage**

Consultant shall furnish the Town with original endorsements effecting coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The endorsements are to be on forms provided by the Town. All endorsements are to be received and approved by the Town before work commences. As an alternative to the Town's forms, the Consultant's insurer may provide complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications, or endorsement/certificates approved by the Town.