

AGENDA

City of El Cajon

Successor Agency – Oversight Board

8:00 a.m., Wednesday, March 19, 2014

BOARD MEMBERS:

SAHAR ABUSHABAN

*Chancellor of the California
Community Colleges
Representative*

SCOTT BUXBAUM

*County Board of Education
Representative*

GLORIA CHADWICK

*Grossmont Healthcare District
Representative*

JIM GRIFFIN

*County Board of Supervisors
Representative*

MICHAEL GRIFFITHS

City of El Cajon

(vacant)

*(Former RDA/MMPEG
Employee) City of El Cajon*

DEBRA TURNER-EMERSON

*County Board of Supervisors
Representative*

OB LEGAL COUNSEL:

MEYERS NAVE

SUCCESSOR AGENCY

STAFF:

DOUGLAS WILLIFORD

*Executive Director/
City Manager*

MAJED AL-GHAFRY

*OB Secretary /
Assistant City Manager*

MORGAN FOLEY

General Counsel

JENNY FICACCI

Housing Manager

HOLLY REED-FALK

Financial Operations Manager

VICTORIA DANGANAN

Senior Accountant

RON LUIS VALLES

Administrative Secretary

Meeting Location: El Cajon Police Station

Community Room #161

100 Civic Center Way, El Cajon, CA 92020

I. CALL TO ORDER & PLEDGE OF ALLEGIANCE:

II. ROLL CALL:

III. AGENDA CHANGES:

IV. PUBLIC COMMENT: (This is the opportunity for a member of the public to address the Oversight Board on any item of business within the jurisdiction of the Board that is not on the agenda. Under State law no action can be taken on items brought forward under Public Comment, except to refer the item to the staff for administrative action or to place it on a future agenda.)

V. ACTION ITEMS:

1. Approval of Action Minutes – February 19, 2014, meeting
2. Approval to execute an agreement with Commercial Properties Group and Retail Insite for representation in the sale of select Successor Agency properties
3. Approval of Second Amendment to Affordable Housing Agreement – James C. Miller and Marcia M. Miller, dba Bay Kitchen and Bath Remodelers

VI. OTHER ITEMS FOR CONSIDERATION:

VII. STAFF COMMUNICATIONS:

1. Amended Long Range Property Management Plan – DOF approval February 21, 2014
2. Upcoming work program

VIII. BOARD REPORTS/COMMENTS:

IX. ADJOURNMENT:

We endeavor to be in total compliance with the Americans with Disabilities Act. If you require assistance or auxiliary aids in order to participate at Oversight Board meetings, please contact staff at (619) 441-1741 as far in advance of the meeting as possible.



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SUMMARY MINUTES

Successor Agency to the El Cajon Redevelopment Agency Oversight Board

**Meeting - Wednesday, February 19, 2014
El Cajon Police Station Community Room #161
100 Civic Center Way, El Cajon, CA 92020**

BOARD PRESENT: Sahar Abushaban, Scott Buxbaum, Jim Griffin, Michael Griffiths, Manjeet Ranu and Debra Turner-Emerson (Chair)

BOARD ABSENT: Gloria Chadwick

OB LEGAL COUNSEL: George Eiser III, representing law firm of Meyers Nave

STAFF PRESENT: Assistant City Manager Majed Al-Ghafry, Housing Manager Jenny Ficacci, Financial Operations Manager Holly Reed-Falk, Senior Accountant Victoria Danganan, and Administrative Secretary Ron Luis Valles

CALL TO ORDER AND PLEDGE OF ALLEGIANCE:

The meeting was called to order at 8:00 a.m. by TURNER-EMERSON.

PUBLIC COMMENT:

No public comment.

ACTION ITEM NO. 1: APPROVAL OF ACTION MINUTES – January 15, 2014

GRIFFIN made a motion, seconded by GRIFFITHS, to approve the minutes of the regularly-scheduled meeting. **Motion carried 4-0 (ABUSHABAN and BUXBAUM, abstained due to absence at meeting, CHADWICK, absent).**

ACTION ITEM NO. 2: APPROVAL OF RETAINER AGREEMENT FOR LEGAL SERVICES WITH MCDUGAL LOVE ECKIS BOEHMER & FOLEY

REED-FALK summarized the staff report.

GRIFFIN made a motion, seconded by BUXBAUM, that adopted the Resolution OB-08-14 as presented by staff, approving a retainer agreement for legal services substantially in the form as presented, between the Successor Agency and McDougal Love Eckis Boehmer & Foley (“MLEBF”), in the amount of \$30,000 for one year, with a one-year extension upon written agreement by both parties, for legal counsel services relating to

the dissolution activities of the former El Cajon Redevelopment Agency; and, find that the Legal Agreement with McDougal Love Eckis Boehmer & Foley is an enforceable obligation and legal costs associated with Successor Agency activities shall be placed on the next and each successive Recognized Obligation Payment Schedule ("ROPS"); and approve execution of the Legal Agreement by the City Manager of the City of El Cajon, or such person designated by the City Manager, acting in the capacity of the chief executive officer for the Successor Agency.

Motion carried 6-0. (CHADWICK, absent)

ACTION ITEM NO. 3: APPROVAL OF APPRAISAL FIRM OF MARK A. SMITH, DBA ANDREW A. SMITH COMPANY

FICACCI summarized the staff report.

GRIFFIN made a motion, seconded by GRIFFITHS, that adopted Resolution OB-09-14 as presented by staff, approving the appraisal firm of Mark A. Smith, dba, Andrew A. Smith Company, to perform valuation services pursuant to Health and Safety Code Section 34180(f) on behalf of the Successor Agency.

Motion carried 6-0. (CHADWICK, absent)

ACTION ITEM NO. 4: APPROVAL OF THE SUCCESSOR AGENCY FISCAL YEAR 2014-2015 BUDGET, INCLUDING THE ADMINISTRATION BUDGET

FICACCI summarized the staff report.

GRIFFITHS made a motion, seconded by GRIFFIN, that adopted Resolution OB-10-14 as presented by staff, approving the Successor Agency Fiscal Year 2014-2015 Budget in the amount of \$12,522,620, which includes the Successor Agency Administration Budget; approving the Successor Agency Administration Budget – Fiscal Year 2014-2015 in the amount of \$250,000; authorizing the chair to submit the approved Budgets to the County Auditor Controller ("CAC"), the state Department of Finance ("DOF"), the County Administrative Officer ("CAO"), the State Controller's Office ("SCO"), and to post on the Successor Agency website upon approval by the Oversight Board; and authorizing the Successor Agency staff to carry out activities outlined in the Cooperation Agreement approved by the Oversight Board on April 26, 2012, which are necessary to meet approved obligations outlined in the Budgets, including re-entering into third party service agreements for continuation of projects pursuant to City of El Cajon adopted policies, procedures and practices, in place.

Motion carried 6-0. (CHADWICK, absent)

ACTION ITEM NO. 5: APPROVAL OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE ("ROPS 14-15A") FOR THE PERIOD JULY 1, 2014, TO DECEMBER 31, 2014

FICACCI summarized the staff report.

BUXBAUM made a motion, seconded by GRIFFIN, that adopted Resolution OB-11-14 as presented by staff, approving the Recognized Obligation Payment Schedule ("ROPS 14-15A") for the period of July 1, 2014, to December 31, 2014, totaling \$9,987,489 from all sources, including \$5,339,226 from Bond Proceeds, \$75,000 from Reserve Balance, \$39,185 from Other Funds, and \$4,534,078 from Redevelopment Property Tax Trust Funds; authorizing the Chair to execute the approved ROPS 14-15A for submission to the County Auditor Controller ("CAC"), the State Department of Finance ("DOF"), the County Administrative Officer ("CAO"), the State Controller's Office ("SCO"), and to post on the Successor Agency website not later than March 1, 2014; and Authorizing the Successor Agency staff to carry out activities outlined in the Cooperation Agreement for Reimbursement of Costs and City/Successor Agency Loan ("Cooperation Agreement") approved by the Oversight Board on April 26, 2012, which are necessary to meet approved obligations outlined in the ROPS 14-15A, including re-entering into third party service agreements for continuation of projects pursuant to City of El Cajon adopted policies procedures and practices, in place.

Motion carried 6-0. (CHADWICK, absent)

STAFF COMMUNICATIONS:

FICACCI summarized Staff Communications – "Successor Agency Oversight Board Request," noting that the four DDA Terminations that were approved at the January 15, 2014, Oversight Board meeting, including their corresponding resolutions and ordinance do not contain unmet conditions of approval or restricted land uses. She emphasized that no action is recommended to the governing planning documents.

She also noted that we will be having a meeting at 8:00 a.m., March 19, 2014, to approve a revised brokerage firm to represent the Successor Agency in the sale of select properties outlined in the Long Range Property Management Plan. Kerry Schimpf, a principal of the brokerage firm that was approved on August 21, 2013, of Cassidy Turley San Diego – Retail Insight, has changed companies and will be resubmitting revised materials for Oversight Board consideration and approval.

BOARD REPORTS/COMMENTS:

RANU noted that he will be leaving the City the end of the month. Board and staff wished him success. The City of El Cajon Mayor will appoint a replacement before the next meeting.

ADJOURNMENT:

GRIFFIN made a motion, seconded by ABUSHABAN, to adjourn the meeting of the El Cajon Successor Agency Oversight Board at 8:25 a.m. this 19th day of February 2014, to 8:00 a.m., to March 19, 2014, in the Police Station's Community Room, 100 Civic Center Way, El Cajon, California.

Motion carried 6-0. (CHADWICK, absent)

APPROVED:

Debra Turner-Emerson, Chairperson

ATTEST:

Majed Al-Ghafry, Oversight Board Secretary

AGENDA REPORT
CITY OF EL CAJON SUCCESSOR AGENCY OVERSIGHT BOARD
March 19, 2014, Meeting

SUBJECT: APPROVAL TO EXECUTE AN AGREEMENT WITH COMMERCIAL PROPERTIES GROUP AND RETAIL INSITE FOR REPRESENTATION IN THE SALE OF SELECT SUCCESSOR AGENCY PROPERTIES.

RECOMMENDED ACTION: That the Oversight Board adopt the proposed Resolution No. OB-12-14 to:

1. Approve execution of an agreement, as recommended by the City Manager, between the Successor Agency and Commercial Properties Group and Retail Insite, for representation in the sale of select Successor Agency properties identified in the Long Range Property Management Plan, in a form substantially as presented with such changes approved by the City Manager; and
2. Approve execution of an agreement by the City Manager of the City of El Cajon, or such person designated by the City Manager, acting in the capacity of the chief executive officer for the Successor Agency.

BACKGROUND: At their regularly scheduled meeting held on August 21, 2013, the Oversight Board approved execution of an agreement between Cassidy Turley San Diego and Retail Insite and the City of El Cajon, in its capacity as Successor Agency, for the representation in the sale of select Successor Agency properties identified in the Long Range Property Management Plan.

The principals of the two firms included Kerry Schimpf of Cassidy Turley and Don Moser of Retail Insight. However, staff has recently been advised that Kerry Schimpf has moved to a new company, Commercial Properties Group, and new authorization to enter into an agreement by the Successor Agency, its Oversight Board and the DOF is required.

Staff compared the Commercial Properties Group proposal against the prior team response and found that no change exists other than the change from Cassidy Turley San Diego to Commercial Properties Group. Therefore, staff remains confident that the team of Kerry Schimpf of Commercial Properties Group and Don Moser of Retail Insite, will represent the best interests of the affected taxing entities and the public by bringing buyers who will acquire and develop Successor Agency properties to their fullest potential, resulting in increased property taxes, sales tax, new jobs, and economic prosperity to El Cajon.

A separate report to the City Council, acting in its capacity as Successor Agency, for authorization to enter into an agreement with Commercial Properties Group has also been requested at a joint meeting of the City Council, Successor Agency and Housing Authority meeting, to be held on March 11, 2014.

FISCAL IMPACT: There is no impact to the Successor Agency at this time. The requested action will approve execution of an agreement for representation in the sale of select Successor Agency properties, upon approval by the Department of Finance. All approved costs associated with the sale Successor Agency properties, including broker fees, commissions, studies, reports, etc., will be paid through close of escrow.

ATTACHMENTS:

1. Proposed Resolution No. OB-12-14
2. Commercial Properties Group/Retail Insite - Revised Proposal for Property Services, March 4, 2014
3. Draft- Exclusive Right to Represent Owner for Sale of Real Property
4. Cassidy Turley San Diego/Retail Insite - Proposal for Property Services, June 15, 2012
5. Property Services RFQ – Response Summary, Amended March 4, 2014

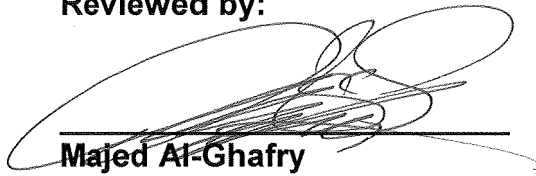
Oversight Board Agenda Report
Authorization to execute an Agreement with
Commercial Properties Group and Retail Insite
March 19, 2014, Agenda

Prepared by:



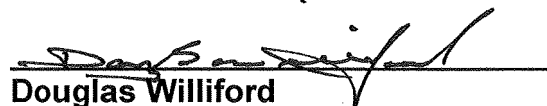
Jenny Ficacci
Housing Manager

Reviewed by:



Majed Al-Ghafry
Secretary / Assistant City Manager

Approved by:



Douglas Williford
Executive Director / City Manager

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RESOLUTION NO. OB-12-14

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER CITY OF EL CAJON REDEVELOPMENT AGENCY APPROVING THE EXECUTION OF AN AGREEMENT BETWEEN COMMERCIAL PROPERTIES GROUP, RETAIL INSITE AND THE CITY OF EL CAJON, IN ITS CAPACITY AS SUCCESSOR AGENCY, FOR REPRESENTATION IN THE SALE OF SELECT SUCCESSOR AGENCY PROPERTIES.

WHEREAS, the Oversight Board approved the Long Range Property Management Plan ("LRPMP") on November 21, 2012, as Resolution No. OB-09-12 which was then submitted to the California Department of Finance ("DOF") on November 21, 2012, December 4, 2012, and again on April 11, 2013, upon receipt of a Finding of Completion; and

WHEREAS, following DOF's review of the LRPMP and a "meet and consult" conference with DOF staff representatives, the Successor Agency proposed amendments to the Oversight Board, resulting in the City of El Cajon Successor Agency Amended and Restated Long Range Property Management Plan (the "Amended Plan"), which was approved on January 15, 2014, as Resolution No. OB-07-14, and submitted to the DOF; and

WHEREAS, each property profile in Amended Plan dictates the strategy for sale of each of the 15 former redevelopment agency properties, which may include the sale of property in the open market through an approved broker; and

WHEREAS, the Oversight Board approved execution of an agreement between Cassidy Turley San Diego and Retail Insight and the City of El Cajon as Successor Agency, on August 21, 2013, as Resolution No. OB-10-13 for the representation in the sale of select Successor Agency properties identified in the LRPMP, with Kerry Schimpf of Cassidy Turley and Don and Matt Moser of Retail Insight being the principals of the two firms; and

WHEREAS, Kerry Schimpf, a principal of Cassidy Turley San Diego, has moved to a new company, Commercial Properties Group, which requires new authorization to enter into an agreement by the Successor Agency, its Oversight Board and the DOF; and

WHEREAS, the DOF approved the Amended Plan on February 21, 2014, and action to select a broker to represent the Successor Agency in the sale of its properties is necessary; and

WHEREAS, staff has received and a revised proposal for property services from Kerry Schimpf of Commercial Properties Group and Don Moser of Retail Insite on March 4, 2014, and compared it against the prior team response and found no change

other than the change from Cassidy Turley San Diego to Commercial Properties Group; and

WHEREAS, staff remains confident that the revised team of Kerry Schimpf of Commercial Properties Group and Don Moser of Retail Insite, will represent the best interests of the affected taxing entities and the public by bringing buyers who will acquire and develop Successor Agency properties to their fullest potential, resulting in increased property taxes, sales tax, new jobs, and economic prosperity to El Cajon.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER CITY OF EL CAJON REDEVELOPMENT AGENCY, AS FOLLOWS:

- A. The Oversight Board finds that:
1. The recitals above are true and correct and have been incorporated herein by reference.
 2. Approval to execute an Agreement is exempt from the California Environmental Quality Act (CEQA) under Section 15061 (b) (3) (General Rule) of the CEQA Guidelines because the proposed agreements will not cause a significant adverse physical change to the environment either directly or indirectly.
 3. The proposed Agreement and broker team of Commercial Properties Group and Retail Insite would be in the best interest of the affected taxing entities and the public by bringing buyers who will acquire and develop Successor Agency properties to their fullest potential, resulting in increased property taxes, sale tax, new jobs, and economic prosperity to El Cajon.
- B. The Oversight Board hereby APPROVES execution of an agreement, as recommended by the City Manager, between the Successor Agency and Commercial Properties Group and Retail Insight, for representation in the sale of select Successor Agency properties identified in the Amended Long Range Property Management Plan, in a form substantially as presented with such changes approved by the City Manager; and
- C. The Oversight Board hereby APPROVES execution of an agreement by the City Manager of the City of El Cajon, or such person designated by the City Manager, acting in the capacity of the chief executive officer for the Successor Agency.

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PASSED AND ADOPTED by the Oversight Board of the Successor Agency of the former El Cajon Redevelopment Agency at a regularly scheduled meeting held this 19th day of March 2014, by the following vote to wit:

AYES :
NOES :
ABSENT :

Debra Turner-Emerson, Chairperson

ATTEST:

Majed Al-Ghafry, Oversight Board Secretary

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March 4, 2014

Jenny Ficacci
Housing Manager
City of El Cajon
Community Development Dept - Housing Division
200 Civic Center Way
El Cajon, CA 92020

RE: *REVISED* CD-01 for Property Services

Jenny:

Pursuant to your request, **Commercial Properties Group and Retail Insite** are honored to provide you with this letter *noting changes* to our **Proposal dated June 15, 2012** previously submitted in response to the City of El Cajon's Property Services CD-01 Request for Qualifications (RFQ). *To best serve the City*, we are still providing *an approach unique to the commercial real estate industry; a collaboration of effort between two brokerage companies*.

Kerry Schimpf recently left Cassidy Turley to start a new commercial real estate firm, **Commercial Properties Group** allowing for the continued formation of *best in class brokerage teams* to better serve clients.

Don and Kerry bring a brokerage team that provides the City with the most active, historically successful, creative and resourceful professionals in the East County marketplace. Our team delivers El Cajon specific experience with services including opportunity assessment, property valuation, "highest and best use" determination, financial analysis, "best practices" implementation as well as direct marketing focus to owner users, developers and tenants. We will combine our different specialties to ensure that all real estate decisions and commitments contribute to the fulfillment of the City's long-term business objectives for each property as well as bringing opportunity to achieve the *highest possible sales price/lease rate*.

We feel the collaboration of Kerry Schimpf (**Commercial Properties Group**) and Don Moser (**Retail Insite**) *STILL uniquely offers the City* the best service and support as highlighted by our team's attributes below:

- **Significant El Cajon Presence & Unparalleled Local Experience**– Kerry Schimpf 27 years of experience in the El Cajon commercial real estate market combined with Don Moser 36 years of retail focused real estate brokerage in Southern California provides unparalleled valuation knowledge and market data across all property product types.



Kerry Schimpf
Broker

Commercial Properties Group
2295 Fletcher Parkway, Suite 200, El Cajon, CA 92020
T 619.462.3100 C 619.920.0311 F 619.462.7100
kerry@cpgsd.com
cpgsd.com
CA Lic. 00955075

Areas of Specialization

- Listing, sales and leasing of industrial/office buildings, vacant land and build-to-suit properties in San Diego's East County and the 215 Fwy/10 Fwy corridors in Riverside County.
- Tenant and buyer representation throughout the Southwestern US.
- Commercial real estate professional since 1985.

Experience

2014 – Present	Commercial Properties Group, San Diego, CA <i>Broker</i>
2007 – 2014	Cassidy Turley, San Diego, CA <i>Sr. Vice President</i>
1987 – 2007	East County Properties, El Cajon, CA <i>Principal/Broker</i>
1985 – 1987	Trammell Crow Company, San Diego, CA <i>Leasing Agent</i>
1983 – 1985	Amrecorp Real Estate Funds/IRE Financial Corporation, San Diego, CA <i>Investment Wholesaler</i>
1982 – 1983	Reilly Securities, San Diego, CA <i>Registered Representative/Financial Planner</i>
1979 – 1982	Great West Life Insurance Co., Santa Ana, CA <i>Representative, Group Accounts</i>

Education

- 1979 – Stanford University, Palo Alto, CA – B.A.
- California Real Estate Broker's License

Previous Licenses Held

- Registered Representative (Series 7, 22, 63) and Insurance Agents License

Community Involvement

- Christian Unified Schools board member
- Shadow Mountain Community Church
- Family Discipleship Ministries board member

Clients Served (partial list)

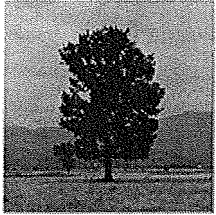
Advanced Electro Magnetics, Inc.
American Property Enterprises
Ameron International
ARB, Inc.
Astro Mechanical
Atomic Investments
Bond Ranch
Brewer Crane
Cal Cummins Pacific
Calvary Chapel El Cajon
Cameron Bros. Investments
Cass Construction
Caster Family Enterprises
CED
Chemtronics
Chula Vista Electric
City of El Cajon
City of Perris
COIT
Crossroads Church
CSI Scaffolding
Dentt Properties
Diamond Development
Ditch-Witch
Diversified Properties
EDCO Waste
Enniss Properties
FEH Income Properties
Ferguson Enterprises
First Transit, Inc.
Foster Oseran Investments
Hamann Properties
House Properties
Hydroscape
Iberia Bank
Layfield Group
Literacy First Charter Schools
Metropolitan Transit System
Meyer Management
Mossy Automotive Group
MV Transportation
National Oilwell Varco
Nelson Properties
Oldcastle, Inc.
Pool Corp.
SAIA Transportation
SC Johnson & Company
ScubaPro
SEA Management
Shadow Mountain Community Church
Sundt Construction, Inc.
Superior Pool Products
TA Associates Realty
Target Stores
Union-Tribune
University Mechanical
Veolia Transportation
ViaSat, Inc.
Wal-Mart
Waste Management



RETAIL INSITE

Providing intelligent results to meet your goals

Professional Profiles



t: 858.523.2090

Don Moser



Retail Insite Principal & Co-Founder 1996
Broker License # 00821359

Don is the co-founder of Retail Insite and has more than 30 years' experience in retail real estate brokerage in Southern California. Don started his career with CB Richard Ellis; he fulfilled 14 years as a retail specialist earning the title of Senior Vice President and was ranked in the Top 10 Nationwide for CBRE retail brokers. Don has completed over 1,700 retail transactions with total consideration in excess of \$1 Billion.

Don has had the privilege of being involved in the expansion of a number of major retailers including Lowe's (14 stores), Fresh & Easy Neighborhood Markets (40 stores), TJX Companies (9 stores), CarMax (2 facilities), Bed Bath & Beyond (4 stores), Chick-fil-A (25 stores), Wells Fargo Bank (200 acquisitions and dispositions), and others.

In addition to actively representing retailers, Don has been the leader of a retail team in San Diego County marketing over 4 million square feet of retail space in 65 different shopping centers. These shopping centers include many ground-up projects where he has used his expertise in assisting long-term land owners to position their sites to maximize value to the developer and tenant community. Landlord representation has included The Summit Sierra in Reno (650,000 SF) anchored by Dillard's, Grossmont Center (1,000,000 SF), Encinitas Ranch Town Center (650,000 SF), Palomar Commons (185,000 SF), and Escondido Promenade (700,000 SF).

Don has served on the Board of Directors for ChainLinks Retail Advisors, Santa Fe Christian Schools, Impact Driven America, and on the leadership for the Anchor Council and Western Region of ChainLinks. Don has also engaged in the strategic positioning of the ChainLinks organization nationally. He has been a panelist for ICSC and NAIOP on emerging trends in the retail industry. He is a graduate of the University of San Diego with a degree in Business Administration. Don and his wife, Terese, are active in their local church and have 4 children.

dmoser@retailinsite.net | 858.523.2087 | [Download Don's vCard](#)

Retail Insite • 12264 El Camino Real • Suite 202 • San Diego, CA 92130 • T: 858.523.2090 • F: 858.523.2095

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[meet the team](#)

< Don Moser

Ron Pepper

Jeff Drew

Greg Spounias

Matt Moser

Chris Hodgman

Carie Starke

Angela Muncie

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DRAFT
**EXCLUSIVE RIGHT TO REPRESENT OWNER
FOR SALE OR LEASE OF REAL PROPERTY**

(Non-Residential)

AIR COMMERCIAL REAL ESTATE ASSOCIATION

1. BASIC PROVISIONS ("BASIC PROVISIONS").

1.1 Parties: This agency Agreement ("Agreement"), dated for reference purposes only July 25, 2013, is made by and between City of El Cajon, whose address is 200 Civic Center Way, El Cajon, CA 92020, telephone number (619) 441-1718, Fax No. (619) 441-1770 ("Owner"), and Commercial Properties Group & Retail Insite, whose address is 2295 Fletcher Pkwy, 200, El Cajon, CA 92020 & 12264 El Camino Real, 202, San Diego, CA 92130 telephone number (619) 462-4550 & 858-523-2090, Fax No. (619) 462-7100 & 858-523-2095, ("Agent").

1.2 Property/Premises: The real property, or a portion thereof, which is the subject of this Agreement is commonly known by the street address of 100 Fletcher Pkwy., 531-555 Raleigh Ave., NE corner of N. Magnolia & Civic Center Way, SW corner of N. Johnson Ave. & I-8 Freeway, 155 Rea Ave., 141 N. Magnolia Ave., 118-130 Rea Ave., and North side of Rea Ave. adjacent to City Hall located in the City of El Cajon, County of San Diego, State of California, and generally described as (describe briefly the nature of the property): 8 separate commercial properties totally approximately 8.29 acres with the following APNs 483-071-52-00, 482-250-36-00, 488-072-38-00, 482-250-34-00, 488-083-03-00, 488-082-18-00, 482-082-12-00, and 488-072-40-00 ("Property"). (See also Paragraph 3).

1.3 Term of Agreement: The term of this Agreement shall commence on March 15, 2014 and expire at 5:00 p.m. on March 14, 2015, except as it may be extended ("Term"). (See also paragraph 4)

1.4 Transaction: The nature of the transaction concerning the Property for which Agent is employed ("Transaction") is (check the appropriate box(es)):

- (a) A sale for the following sale price and terms: all terms and conditions as acceptable to owner

and other additional standard terms reasonably similar to those contained in the "STANDARD OFFER, AGREEMENT AND ESCROW INSTRUCTIONS FOR THE PURCHASE OF REAL ESTATE" published by the AIR Commercial Real Estate Association ("AIR"), or for such other price and terms agreeable to Owner;

- (b) A lease or other tenancy for the following rent and terms: all terms and conditions as acceptable to owner

and other additional standard terms reasonably similar to those contained in the appropriate AIR lease form or for such other rent and terms agreeable to Owner.

2. EXCLUSIVE EMPLOYMENT AND RIGHTS.

2.1 Owner hereby employs Agent as Owner's sole and exclusive agent to represent Owner in the Transaction and to find buyers or lessees/tenants ("lessees"), as the case may be, for the Property. Agent shall use reasonably diligent efforts to find such buyers or lessees. All negotiations and discussions for a Transaction shall be conducted by Agent on behalf of Owner. Owner shall promptly disclose and refer to Agent all written or oral inquiries or contacts received by Owner from any source regarding a possible Transaction.

2.2 Owner authorizes Agent to:

- (a) Place advertising signs on the Property;
- (b) Place a lock box on the Property if vacant;
- (c) Accept deposits from potential buyers or lessees; and
- (d) Distribute information regarding the Property to participants in THE MULTIPLE ("MULTIPLE") of the AIR and/or any other appropriate local commercial multiple listing service, to other brokers, and to potential buyers or lessees of the Property. Owner shall identify as "confidential" any information provided to Agent that Owner considers confidential and does not want disclosed. All other information provided by Owner may be disclosed as Agent may deem appropriate or necessary. After consummation of a Transaction, Agent may publicize the terms of such Transaction.

2.3 Agent shall comply with the Rules of Professional Conduct of the AIR, if a member or if not, the Rules of Professional Conduct of the Society of Industrial and Office Realtors, and shall submit the Property to the MULTIPLE. Agent shall cooperate with participants in the MULTIPLE and may, at Agent's election, cooperate with other real estate brokers (collectively "Cooperating Broker"). A Cooperating Broker may, as a third-party beneficiary hereof, enforce the terms of this Agreement against Owner or Agent.

2.4 If the Transaction is a sale and Agent finds a prospective buyer for the Property, or if the Transaction is a lease and Agent finds a prospective lessee for the Property, Owner hereby authorizes Agent also to represent and act as the agent for such buyer or lessee, and Owner consents to such dual agency. If a Cooperating Broker finds such a buyer or lessee, then Agent shall act as agent for Owner only, the Cooperating Broker shall act as agent for the buyer or lessee only, and the Cooperating Broker shall not be Owner's agent, even though the Cooperating Broker may share in the commission paid by Owner to Agent. A Cooperating Broker shall not be an agent or subagent of Owner or Agent.

2.5 Owner agrees that Agent may, during the ordinary and normal course of marketing the Property, respond to inquiries on the Property by showing and providing information on the Property, as well as on other competing properties, to prospective buyers and lessees and that such activities may result in the payment of a commission to Agent by a third party.

3. PROPERTY.

3.1 The term "Property" shall include all of the following which are currently located on the Property and owned by Owner: permanent improvements, electrical distribution systems (power panels, buss ducting, conduits, disconnects, lighting fixtures, etc.), telephone distribution systems

INITIALS

INITIALS

(lines, jacks and connections), space heaters, air conditioning equipment, air lines, carpets, window coverings, wall coverings, partitions, doors, suspended ceilings, built-ins such as cabinets, and _____

(if there are no additional items write "NONE"). If the Transaction is a sale, the term "Property" shall additionally include, to the extent owned by Owner, oil and mineral rights, leases and other agreements which will continue in effect after Owner's transfer of title to the Property.

- 3.2 Within five business days after the commencement of the Term hereof, Owner shall provide Agent with the following:
- (a) A duly completed and fully executed Property Information Sheet on the most current form published by the AIR;
 - (b) Copies of all leases, subleases, rental agreements, option rights, rights of first refusal, rights of first offer, or other documents containing any other limitations on Owner's right, ability and capacity to consummate a Transaction, and
 - (c) If available to Owner, copies of building plans, and if the Transaction is a sale, title reports, boundary surveys, and existing notes and trust deeds which will continue to affect the Property after consummation of a sale.
- 3.3 Agent shall have no responsibility for maintenance, repair, replacement, operation, or security of the Property, all of which shall be Owner's sole responsibility. Unless caused by Agent's gross negligence, Agent shall not be liable for any loss, damage, or injury to the person or property of Owner, any lessees of the Property, any buyer, prospective buyer, lessee, or prospective lessee, including, but not limited to, those which may occur as a result of Agent's use of a lock box.

4. EXTENSION OF TERM. If the Transaction is a sale, and a sale is not consummated for any reason after Owner accepts an offer to purchase the Property ("Sale Agreement"), then the expiration date of the Term of this Agreement shall be extended by the number of days that elapsed between the date Owner entered into the Sale Agreement and the later of the date on which the Sale Agreement is terminated or the date Owner is able to convey title to a new buyer free and clear of any claims by the prior buyer of the Property; provided, however, in no event shall the Term be so extended beyond one year from the date the Term would have otherwise expired.

Upon expiration of the Listing Period as described above, this Listing shall automatically renew and continue in full force and effect for successive thirty-day periods without further written agreement unless either party provides written notice to the other that the Listing shall terminate at the expiration of thirty (30) days; provided, however, that the Listing Period shall automatically terminate one (1) year after the end of the Listing Period described above unless prior to termination both parties mutually execute a written agreement extending the Listing Period to another date.

5. COMMISSION.

5.1 Owner shall pay Agent a commission in the amount of See Added Section 5.3 in accordance with the commission schedule attached hereto ("Agreed Commission"), for a Transaction, whether such Transaction is consummated as a result of the efforts of Agent, Owner, or some other person or entity. Agent shall also be entitled to the Agreed Commission if any of the Owner's representations and warranties described in paragraph 8 are shown to be false. Such Agreed Commission is payable:

- (a) If the Transaction is a sale, (i) a buyer is procured who is ready, willing and able to buy the Property at the price and on the terms stated herein, or on any other price and terms agreeable to Owner; (ii) Owner breaches or repudiates any Sale Agreement, escrow instructions or other documents executed by Owner regarding the sale of the Property; (iii) the Property or any interest therein is voluntarily or involuntarily sold, conveyed, contributed or transferred; (iv) the Property or any interest therein is taken under the power of Eminent Domain or sold under threat of condemnation, or (v) if Owner is a partnership, joint venture, limited liability company, corporation, trust or other entity, and any interest in Owner is voluntarily or involuntarily sold, contributed, conveyed or transferred to another person or entity that, as of the date hereof, does not have any ownership interest in Owner;
- (b) If the Transaction is a lease, (i) a lease of the Property, or a portion thereof is executed; or (ii) a lessee is procured who is ready, willing and able to lease the Property on the terms stated herein, or on any other rent and/or terms agreeable to Owner; or
- (c) If Owner (i) removes or withdraws the Property from a Transaction or the market; (ii) acts as if the Property is not available for a Transaction; (iii) treats the Property as not available for a Transaction; (iv) breaches, terminates, cancels or repudiates this Agreement; (v) renders the Property unmarketable; or (vi) changes the status of the Property's title, leases, agreements, physical condition or other aspects thereof, which such change adversely impacts the value, use, desirability or marketability of the Property.

5.2 If the Transaction is a sale, the purchase agreement and/or escrow instructions to be entered into by and between Owner and a buyer of the Property shall provide that:

- (a) Owner irrevocably instructs the escrow holder to pay from Owner's proceeds accruing to the account of Owner at the close of escrow the Agreed Commission to Agent;
- (b) A contingency to the consummation of the sale shall be the payment of the Agreed Commission to Agent at or prior to close of the escrow; and
- (c) No change shall be made by Owner or buyer with respect to the time of, amount of, or the conditions to payment of the Agreed Commission, without Agent's written consent.

5.3

LEASE COMMISSIONS

Net Lease	Graduated...Flat Schedule	R A T E	Gross Lease	Graduated...Flat Schedule
1st Year	7% of the rent		1st Year	6% of the rent
2nd Year	7% of the rent		2nd Year	6% of the rent
3rd Year	6% of the rent		3rd Year	5% of the rent
4th Year	5% of the rent		4th Year	4% of the rent
5th Year	5% of the rent		5th Year	4% of the rent
6th - 10th Year	3.5% of the rent		6th-10th Year	3% of the rent
11th year-expiration	2.5% of the rent		11th year-expiration	2% of the rent

A. Net Lease for a Term of up to 30 Years:

1st yr	7% of the rent
2nd yr	7% of the rent
3rd yr	6% of the rent
4th yr	5% of the rent
5th yr	5% of the rent
6th-10th yr	3½% of the rent
11th-30th year	2½% of the rent

B. Gross Lease for a Term of up to 30 Years:

1st yr	6% of the rent
2nd yr	6% of the rent
3rd yr	5% of the rent
4th yr	4% of the rent
5th yr	4% of the rent
6th-10th yr	3% of the rent
11-30th yr	2% of the rent

INDUSTRIAL SCHEDULE OF COMMISSIONS
LEASE COMMISSIONS

Net Lease

1st Year	5% of the rent
2nd Year	5% of the rent
3rd Year	5% of the rent
4th Year	5% of the rent
5th Year	5% of the rent
6th Year-10th Year	2.5% of the rent

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1. **Extension of Lease or Additional Space Taken:** Should the term of the lease be extended or the Tenant occupy additional space, then a leasing commission shall be paid when said extended term commences or said additional space is occupied. The leasing commission shall be computed in accordance with the provisions of this Schedule and by using the rates applicable as if the initial term of the lease had included said extension period or the premises initially demised had included said additional space.

2. **Minimum Commission/Shorter Lease:** For any lease term 12-months or less, the commission shall be the greatest of 50% of the first month's rent or 5%/6% of the contract rent payable upon occupancy by the Tenant. In the event a month to month Tenant subsequently executes a lease, either directly with Owner, Lessor, and Sublessor or through Broker, the Broker shall receive a leasing commission in accordance with provisions of this Schedule, due upon execution of the lease.

3. **Option to Purchase:** Should Lessee, his successor or assignee purchase the leased property, or any part thereof, during the term of the lease, any extensions thereof or within 90 days after expiration thereof, then a sales commission shall be paid at such time as the purchase is effected. Said sales commission shall be computed as set forth herein below, less the amount of any pro-rated and previously paid lease commissions relating to that portion of the lease extending beyond the close of escrow date of said purchase, provided, however, that there shall be no rebate in the event the sales commission be less than the paid up lease commission relating to that portion of the lease extending beyond the effective date of said purchase.

4. **Minimum Commission:** In no event shall any commission be less than \$500.00.

5. **Commission Credit:** Should Tenant, his successor or assignee vacate the Premises at any time during the initial term of the lease, Agent agrees to market the Premises for a new tenant with any unearned leasing commission applied as a credit against the commission due as a result of the new tenant. Unearned leasing commission shall be defined as the portion of commission actually received by Agent; thus, if Agent co-ops the lease with another broker and splits the leasing commission 50/50, 50% of the commission paid by Owner for the lease would be used to determine the commission credit. Unearned leasing commission shall be determined by multiplying the leasing commission paid for the original tenant by the fraction obtained by dividing the number of months left on the lease term at the time the premises is vacated by the original tenant by the total number of months in the initial lease term.

SALE & EXCHANGE COMMISSIONS

1. **Unimproved Property** (acreage substantially lacking amenities necessary for urban development, such as utilities, roads and zoning): 6% of the gross sale price.

2. **Improved Property:** 6% of the gross sale price.

3. **Exchange:** Each party to the exchange shall pay a full commission based upon the type of property exchanged by it in accordance with this schedule. The commission shall be paid based upon the fair market value of the properties as set forth in the exchange documents or, if not, as established by Broker.

4. **Joint Venture:** If a joint venture is effected in lieu of a sale, a commission shall be paid based upon the fair market value of the Premises, money or other consideration furnished to the Owner. Unless otherwise established by Broker, fair market value of for purposes of this paragraph shall be presumed to be the value of the Property or Services as determined for purposes of the joint venture agreement.

5. **Broker Cooperation:** Agent procures a buyer/tenant for the Premises through another broker as noted

of interest or intent, and/or made an offer to buy or lease the Property. In addition, Excluded Persons may only be registered by a broker who previously had a valid listing agreement covering the Property, and such broker may only register individuals and entities actually procured by such listing broker.

8. OWNER'S REPRESENTATIONS.

Owner represents and warrants that:

- (a) Each person executing this Agreement on behalf of Owner has the full right, power and authority to execute this Agreement as or on behalf of Owner;
- (b) Owner owns the Property and/or has the full right, power and authority to execute this Agreement and to consummate a Transaction as provided herein, and to perform Owner's obligations hereunder;
- (c) Neither Owner nor the Property is the subject of a bankruptcy, insolvency, probate or conservatorship proceeding;
- (d) Owner has no notice or knowledge that any lessee or sublessee of the Property, if any, is the subject of a bankruptcy or insolvency proceeding;
- (e) There are no effective, valid or enforceable option rights, rights of first refusal, rights of first offer or any other restrictions, impediments or limitations on Owner's right, ability and capacity to consummate a Transaction, except as disclosed in writing pursuant to Paragraph 3.2(b).
- (f) That as of the date of this Agreement the asking sales price is not less than the total of all monetary encumbrances on the Property.

9. OWNER'S ACKNOWLEDGMENTS.

Owner acknowledges that it has been advised by Agent to consult and retain experts to advise and represent it concerning the legal and tax effects of this Agreement and consummation of a Transaction or Alternative Transaction, as well as the condition and/or legality of the Property, including, but not limited to, the Property's improvements, equipment, soil, tenancies, title and environmental aspects. Agent shall have no obligation to investigate any such matters unless expressly otherwise agreed to in writing by Owner and Agent. Owner further acknowledges that in determining the financial soundness of any prospective buyer, lessee or security offered, Owner will rely solely upon Owner's own investigation, notwithstanding Agent's assistance in gathering such information.

10. MISCELLANEOUS.

10.1 This Agreement shall not be construed either for or against Owner or Agent, but shall be interpreted, construed and enforced in accordance with the mutual intent of the parties ascertainable from the language of this Agreement.

10.2 All payments by Owner to Agent shall be made in lawful United States currency. If Owner fails to pay to Agent any amount when due under this Agreement, then such amount shall bear interest at the rate of 15% per annum or the maximum rate allowed by law, whichever is less.

10.3 In the event of litigation or arbitration between Owner and Agent arising under or relating to this Agreement or the Property, the prevailing party shall be paid its attorney's fees and costs by the losing party. The term, "Prevailing Party" shall include, without limitation, one who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other party of its claim or defense. The attorney's fees award shall not be computed in accordance with any court fee schedule, but shall be in an amount to fully reimburse all attorney's fees reasonably incurred in good faith.

10.4 Owner agrees to indemnify, defend (with counsel reasonably acceptable to Agent), and hold Agent harmless from and against any claim or liability asserted against Agent as a result of the failure of Owner to make a full and complete disclosure pursuant to law and paragraph 3.2(a) or as a result of the fact that any of the representations made by Owner (see paragraph 8) were not true at the time that this Agreement was signed.

10.5 Owner hereby releases and relieves Agent, and waives Owner's entire right of recovery against Agent, for direct or consequential loss or damage arising out of or incident to the perils covered by insurance carried by Owner, whether or not due to the negligence of Agent.

10.6 In the event that the Transaction is not an outright sale, Owner agrees that if Agent is not paid the Agreed Commission provided for herein within thirty days of the date due, that Agent shall have a lien in the amount of such commission, and may record a notice of such lien, against the Property.

10.7 Owner agrees that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to the services to be performed by Agent pursuant to this Agreement may be brought against Agent more than one year after the expiration of the Term of this Agreement (see paragraph 1.3) and that the liability (including court costs and attorney's fees) of Agent with respect to any such lawsuit and/or legal proceeding shall not exceed any fee received by Agent pursuant to this Agreement; provided, however, that the foregoing limitation on liability shall not be applicable to any gross negligence or willful misconduct of Agent.

11. ARBITRATION OF DISPUTES.

11.1 ANY CONTROVERSY ARISING UNDER OR RELATING TO THIS AGREEMENT SHALL BE DETERMINED BY BINDING ARBITRATION TO BE CONDUCTED BY: THE AMERICAN ARBITRATION ASSOCIATION OR USING THE COMMERCIAL RULES ESTABLISHED BY SUCH ORGANIZATION OR IF NONE THE AMERICAN ARBITRATION ASSOCIATION'S COMMERCIAL RULES. ARBITRATION HEARINGS SHALL BE HELD IN THE COUNTY WHERE THE PROPERTY IS LOCATED.

11.2 NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

11.3 WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO NEUTRAL ARBITRATION.

Owner's Initials

Agent's Initials

11.4 THE PROVISIONS OF THE ABOVE ARBITRATION CLAUSE SHALL NOT BE BINDING ON EITHER PARTY UNLESS BOTH PARTIES HAVE PLACED THEIR INITIALS UNDER PARAGRAPH 11.3.

12. **Additional Provisions:** Additional provisions of this Agreement are set forth in the following blank lines or in an addendum attached hereto and made a part hereof consisting of paragraphs _____ through _____ (if there are no additional provisions write "NONE"): NONE

13. **Disclosures Regarding The Nature of a Real Estate Agency Relationship.** When entering into an agreement with a real estate agent an Owner should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction.

(i) **Owner's Agent.** An Owner's agent may act as an agent for the Owner only. An Owner's agent or subagent has the following affirmative obligations: *To the Owner:* A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings. *To a potential buyer/lessee and the Owner:* a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) **Agent Representing Both Parties.** A real estate agent, either acting directly or through one or more associate licenses, can legally be the agent of both Parties in a transaction, but only with the knowledge and consent of the Parties. In a dual agency situation, the agent has the following affirmative obligations to both Parties: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Party. b. Other duties to the Owner as stated above in subparagraph (i). When representing both Parties, an agent may not without the express permission of the respective Party, disclose to the other Party that the Owner will accept rent/purchase price in an amount less than that indicated in the listing or that the buyer/lessee is willing to pay a higher rent/purchase price than that offered.

The above duties of the Agent do not relieve Owner from the responsibility to protect its own interests. Owner should carefully read all agreements to assure that they adequately express its understanding of the transaction.

"OWNER"

"AGENT"

City of El Cajon, Successor Agency

Commercial Properties Group

DRAFT

By:
Name Printed: Douglas Williford
Title: City Manager
Date:

By:
Name Printed: Kerry A. Schimpf
Title: Broker/Principal
Date:
Agent DRE License #: 00955075

Retail Insite

Don Moser, Principal & Co-Founder
DRE License No. 00821359

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017.

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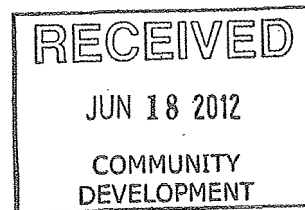
DRAFT

**Cassidy/
Turley/** Commercial
Real Estate Services

2295 Fletcher Parkway, Suite 200, El Cajon, CA 92020
T 619.462.4500 F 619.462.7100

June 15, 2012

Melissa Ayres
Community Development Director
City of El Cajon
200 Civic Center Way
El Cajon, CA 92020



RE: CD-01 for Property Services

Melissa:

Cassidy Turley San Diego and Retail Insite are honored to have the opportunity to submit our Proposal in response to the City of El Cajon's Property Services CD-01 Request for Qualifications (RFQ). *To better serve the City* we are presenting in the attached *an approach unique to the commercial real estate industry; a collaboration effort between two brokerage companies.*

We took careful consideration in assembling a brokerage team of the most successful, creative and resourceful professionals in the marketplace. From extensive experience with opportunity assessment, property valuation and "highest and best use" determination, to financial analysis, "best practices" implementation and direct marketing focus to owner users, developers and tenants. These team members combine varying specialties to ensure that all real estate decisions and commitments contribute to the fulfillment of the City's long-term business objectives for each property.

We feel the collaboration of Cassidy Turley and Retail Insite *uniquely offer you* the best service and support as highlighted by our team's attributes below:

- Significant El Cajon Presence & Unparalleled Local Experience— Cassidy Turley with 27 years of experience in the El Cajon commercial real estate market combined with Retail Insite's 36 years of retail focused real estate brokerage in Southern California provides unparalleled valuation knowledge and market data across all property product types.
- Established Expertise – Proven track record in providing solutions for property assessment, valuation and disposition.
- Political Transparency – Having represented public entities, our team members have the necessary experience and transparency required for effectively communicating project objectives in a public forum.
- Superior Support Platform – Our team has the talent, local resources and best-in-class processes to deliver solutions in land use assessment, strategy implementation, asset valuation, professional marketing and property disposition.

We are confident in our capability to meet the City's objectives as depicted in our attached Proposal.

Thank you for your consideration of Cassidy Turley San Diego and Retail Insite.

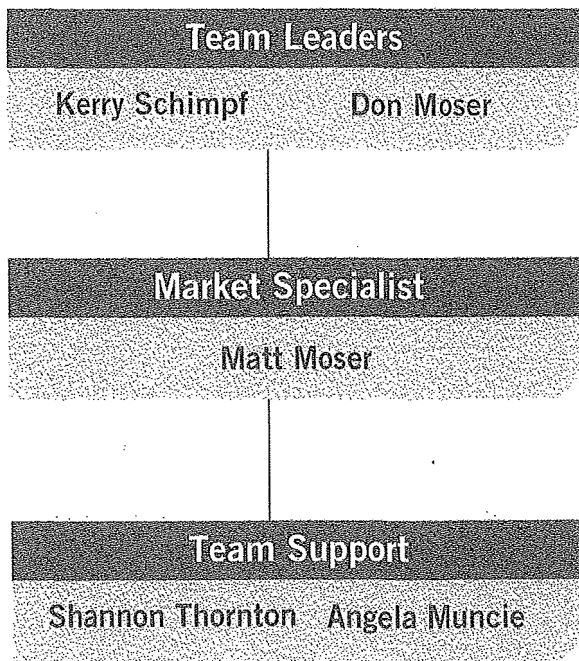
Sincerely,

Kerry Schimpt

Don Moser

Matt Moser

To best accomplish the City of El Cajon's objective to sell select commercial and/or industrial properties previously owned by the former City Redevelopment Agency, we are presenting in this Request for Qualifications (RFQ) an approach unique to the commercial real estate industry. Cassidy Turley, a national full service commercial real estate firm has joined forces with Retail Insite, a national retail property specialist, to provide a collaborative, focused effort to achieve not only the highest possible sales prices but the best tenant/buyer match relative to the City's plans for each property location. This RFQ will identify the strengths and experience of both Cassidy Turley San Diego and Retail Insite as well as state our fee schedule for commercial real estate brokerage services.



- Strategic Oversight of Process, Asset Positioning
- Specific Marketing / Negotiation Calls, Extracting Incremental Value
- Offering Material Production and Marketing Assistance
- Technical Support for Property Valuation
- Market Intelligence



- Capabilities & Qualifications
- Resumes
- Marketing Plan
- Experience
- Fee Schedule
- References



Cassidy Turley Firm Overview

National Key Statistics

Number of Employees

- 3,600 professionals
- 900 brokers

Office Locations

- 60 offices
- 65 international offices (in partnership with GVA)

Property Management

- 455 million SF under management

Corporate Services

- \$66 million in savings delivered for our clients
- 25,700 client locations served
- 5,600 transactions completed in 2010
- 300+ project-focused, non-brokerage professionals

2011 Transactions

- \$22 billion in gross transaction volume
 - Office: \$13.5 billion
 - Industrial: \$3.5 billion
 - Retail: \$2.5 billion
 - Multi-Family: \$0.4 billion
 - Land: \$0.5 billion
 - Other: \$1.6 billion
- \$10.3 billion* in Capital Markets gross transaction volume (Sales: \$8.8 billion; Finance: \$1.5 billion)
- 17,000 lease transactions closed
- 1,900 sale transactions closed

*Included in the total transaction volume of \$22 billion

Local Key Statistics

Number of Employees

- 171 professionals
- 117 licensed professionals; 67 staff

Ownership, State of Incorporation

- Privately-owned and operated
- Founded in 1986, California Corporation

Office Locations

- Carlsbad
- UTC
- El Cajon
- Downtown
- Otay Mesa

2011 Transactions

- \$1.27 billion in gross transaction volume
 - Office: \$619 million
 - Industrial: \$326 million
 - Retail: \$240 million
 - Multi-Family: \$83 million
- \$358 million in investment transaction volume*
- 1,333 completed transactions (sales & leases)

*Included in the total transaction volume of \$1.27 billion

Cassidy Turley Offices

Atlanta, GA ^a

Austin, TX ^b

Baltimore, MD

Baton Rouge, LA ^b

Bethesda, MD

Boston, MA

Burlingame, CA

Capitola, CA

Carlsbad, CA

Charlotte, NC

Chicago, IL (2) ^c

Cincinnati, OH

Columbia, MD

Columbus, OH

Dallas, TX (2) ^c

Dayton, OH

Detroit, MI ^b

Denver, CO

Denver Tech, CO

El Cajon, CA

Fort Collins, CO

Houston, TX (2) ^c

Indianapolis, IN

Kansas City, MO

Louisville, KY

Milwaukee, WI (2) ^c

Minneapolis, MN

Monterey, CA

Nashville, TN

New York, NY

Oakland, CA

Oklahoma City, OK ^b

Otay Mesa, CA

Palo Alto, CA

Parsippany, NJ

Phoenix, AZ

Pleasanton, CA

Raleigh, NC

Redwood City, CA

Rochester, NY ^b

Sacramento, CA

Salinas, CA

San Antonio, TX ^b

San Diego, CA (2)

San Francisco, CA

San Jose, CA

San Rafael, CA

Santa Clara, CA

Santa Rosa, CA

Somerset, NJ

St. Louis, MO

Stamford, CT

Tampa, FL

Teaneck, NJ

Tysons Corner, VA

Walnut Creek, CA

Washington, DC

^a Hotel AG - hotel investment affiliate

^b Limited service locations

Limited service at 1 of 2 locations



Cassidy Turley Firm Overview

SCOPE OF SERVICES

Investor Services

From finance and investment sales, to leasing and management services, our deep connections in the institutional and private sectors help our clients seize opportunities and maximize returns.

- Capital Markets
- Land Acquisition & Disposition
- Landlord Representation
- Owner Occupier Sales
- Project & Development Services
- Property Management

Occupier Services

Cassidy Turley has a proven track record of analyzing our clients' space needs and executing efficient and value-added strategies to meet them.

- Corporate Services
- Land Acquisition & Disposition
- Owner Occupier Sales
- Project & Development Services
- Tenant Representation

Corporate Services

Cassidy Turley currently manages more than 28,000 client locations and is responsible for more than 210 million square feet of corporate real estate for our clients throughout the United States and beyond. Delivered through a dedicated account team, we serve as a natural extension of our client's organization, supporting and enabling the achievement of their business objectives.

- Advisory Services
- Portfolio Administration
- Transaction Management
- Facilities Management
- Project Management

Specialty Services

Fully integrated into our core service offerings, Cassidy Turley has specialized capabilities to meet the evolving needs of our investor and occupier clients.

- Auction Services
- Financial Advisory Services
- Location Advisory & Incentives
- Sustainability Consulting

Practice Groups

Our practice groups are comprised of professionals with deep expertise unique to particular property types and within specific industries.

- Automotive
- Distressed Asset Services
- Food & Beverage Facilities
- Global Supply Chain
- Golf & Resort Properties
- Government Services
- Healthcare
- Higher Education
- Hospitality
- Law Firms
- Life Sciences
- Mission Critical
- Not-for-Profit



Retail Insite Firm Overview

Retail Insite was formed in 1996 to focus solely on providing retail solutions. Retail Insite is firmly committed to servicing retailers and retail landlords by intelligently and energetically working to meet the strategic objectives of their clients.

The founding partners (Don Moser and Ron Pepper) have extensive experience in major retailer representation, shopping center leasing development and repositioning retail properties to enhance their value. While leading brokers from the early 1980's to 1995 while at CB Richard Ellis, Don and Ron were consistently in the top 10 nationwide for all retail brokers. Don and Ron have completed over 2,500 transactions ranging from small shop deals to institutional investment sales.

In 2002, Retail Insite was selected to become a part of ChainLinks Retail Advisors. ChainLinks consists of the best independent brokerage companies in over 60 offices across North America. This association provides national marketing identity and national information sources of retail activity. Don Moser served on the Board of Directors of ChainLinks.

Retail Insite has had the privilege of working with many of the best retailers and developers in the industry and is committed to that standard of excellence in the future. As the name suggests, the Retail Insite Team uses their insight in an ever-changing retail environment to assist clients with beneficial long-term strategies and decisions.

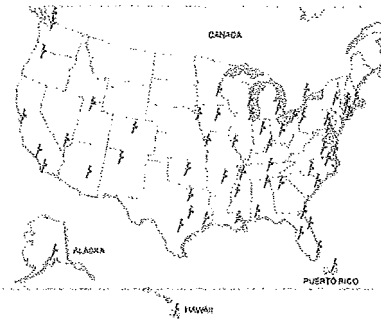
About ChainLinks Retail Advisors



Comprised of privately-owned, entrepreneurial companies in 60+ cities, our member offices offer services in tenant representation such as strategic planning, site selection, transaction negotiation, market overviews, mapping and demographic analysis and surplus property disposition; landlord representation such as project leasing, asset and property management, pre-development and re-development consulting, and income property sales; and hospitality real estate services. ChainLinks provides a framework for its 600+ retail broker specialists to service clients by combining their local market expertise with the information and relationships built over our national organization and coverage.

For our retailer clients, we leverage our extensive knowledge of your brand in each local market to pinpoint the ideal location for your business - whether it's across town, across the state, across North America or overseas. ChainLinks is also the trusted advisor of many of the world's leading retail landlords, developers and property investors. The well-positioned placement of ChainLinks member offices across North America results in extensive local market knowledge that is without parallel and allows ChainLinks the ability to provide a "hands-on approach" in analyzing the best strategy to create the preferred tenant mix of any retail center, maximizing the value of every asset and tailoring a custom solution for each property we services for our valued clients.

Year Founded: 1979
Number of retail brokers: 600+
Major North American Markets we serve: 60+
Retailers we represent: 1,500+
Landlords we represent: 300+
Real estate transactions completed in 2011: 11,000+
SF we leased or sold: 160,000,000+
Our commitment to your footprint: 100%



Best Brokerage Support Platform

Through a substantial investment in technology and resources the combination of Cassidy Turley San Diego and Retail Insite is structured with a platform for providing the best tools to our brokers. Focused on serving the needs of our clients, the firm has the people, resources and best-in-class processes to aid our sales professionals with a full spectrum of support services that include the following:

- Market Research
- Site Selection, Mapping & Demographics Analysis
- Financial Advisory Services
- Debt & Equity Placement
- Graphics, Web Design, Multi-Media & Publication
- Marketing & Business Development Services
- Information Systems, Finance & Administration

Market Research

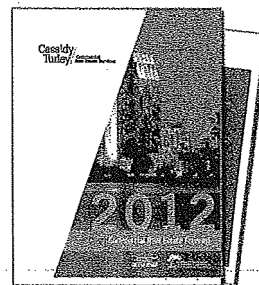
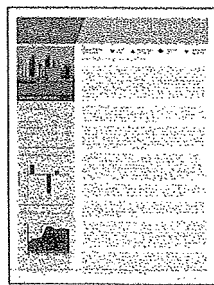
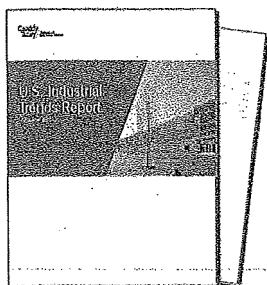
At Cassidy Turley San Diego and Retail Insite, the research capabilities at each firm builds on our local expertise in the markets that we serve. Our knowledge starts with our sales professionals whose familiarity with the people and the real estate in their submarkets yields a daily, in-the-trenches grasp of changing market conditions. Complementing our sales staff is our professional research personnel who utilize the latest technology to collect, organize, analyze and disseminate this market intelligence in an understandable and meaningful fashion. It is the combination of knowledge, insight, instinct, and credible, accurate market information that allows us to consistently maintain a competitive edge for our clients within the commercial real estate industry.

Cassidy Turley San Diego's Market Research Department is comprised of ten professionals that work hand-in-hand with our sales professionals to track up-to-the-minute lease comparables, absorption information, market trends and regional economic information. The Department compiles and publishes Trends Reports in a meaningful and easy to interpret fashion. Published reports include:

- Annual Global Forecasts & Forecasts by Region
- Monthly Economic Reports
- Local Semi-Annual/Quarterly Market Reports
- Annual Economic Report
- Weekly Market Updates

In addition to Forecasts and Trends Reports, Cassidy Turley San Diego's Market Research Department utilizes an all-inclusive combination of internal and third-party vendors to organize, analyze and disseminate market statistics and relevant information. Third-party Vendors and Databases include:

- AnySite
- Claritas
- CoStar Property®
- CoStar Comps®
- CoStar Tenant®
- InfoUSA
- Inside Prospect
- LoopNet
- Map Info
- Market Pointe Realty
- Metropolis
- Merlin
- Pierce Eislen
- Plain Vanilla Shell
- Powerfinder
- REA Network
- Real Capital Analytics
- Retail Lease Track
- Xceligent CDX
- Win2Data



Debt & Equity Placement

Cassidy Turley San Diego brings financing expertise and solid relationships in the debt and equity capital markets to ensure the success of each transaction. Just as property owners engage brokers to sell or lease their buildings, developers and investors utilize mortgage brokers to service the financing process to save them time and maximize project returns.

When it comes to financing the City's commercial real estate, our professionals are well positioned to identify, source and structure the financing of the City's assets. With over 130 transactions totaling \$695 million in debt, our team is able to source the right type of loans and terms to maximize return on investment and project objectives.

SCOPE OF SERVICES

- Determine specific long- and short-term objectives for the asset
- Generate pro-forma models that help determine the optimal financing solution
- Prepare & distribute comprehensive loan packages to probable lending sources
- Negotiate loan terms

LOAN TYPES

- | | | | |
|------------------------------------|--------------------|--------------------------|--------------|
| • Fixed Rate | • Preferred Equity | • Construction | • Tax-Exempt |
| • Credit Tenant Lease Transactions | • B-notes | • Forward | |
| • Floating and Adjustable Rate | • Mezzanine Debt | • Construction/Permanent | |

Graphics, Web Design, Multi-Media & Publication

With an in-house print lab, Cassidy Turley San Diego's and Retail Insite's ability to quickly generate high-quality multi-media marketing materials efficiently, translates into cost-saving benefits to our clients. Our on-site Creative Services Department is assembled with over a dozen top designers, copywriters and production specialists to generate marketing materials that provide a clear, concise overview of any project in just one glance.

SCOPE OF SERVICES

Graphics/Marketing Materials

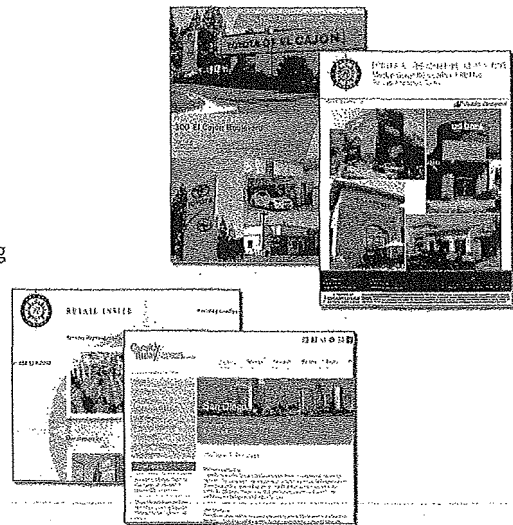
- Flyers, Brochures & Folders
- Tri-folds & Post Cards
- Newsletters
- Advertisements
- Posters & Signage
- Custom-Developed Branding/ Imaging Packages

Web & Multi-Media

- Website Design & Development
- Website Construction & Administration
- Web Host Consulting
- Domain Registration
- Flash Design & Development
- Flash Construction & Administration
- E-Newsletters Creation & Dissemination

On-Site Publication Capabilities

- Layout & Design
- Bindery
- Lamination
- Finishing
- Direct Mail
- Variable Data Output/ Personalization
- Document Scanning
- Digital Production Printing
- Prepress Production



Marketing & Business Development Services

Cassidy Turley San Diego's and Retail Insite's Marketing and Business Development Departments are committed to providing beneficial and time-saving services that enable our sales professionals to focus their efforts on those that ultimately determine our success: our clients. This department concentrates its efforts on four areas:

SCOPE OF SERVICES

Visibility

- Advertising and Public Relations
- Professional and Community Association Involvement
- Strategic Outreach

Relationship Management

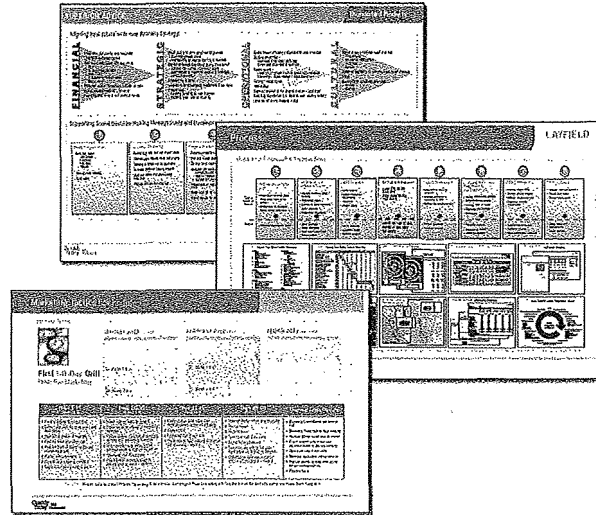
- Client Appreciation Events
- Contact Relationship Management
- Networking Opportunities

Winning Business

- Presentation Strategy
- Presentation Templates

Brand Integrity

- Multi-Media Corporate Communications
- Promotional Items





Kerry Schimpf
Industrial/Office Division
2295 Fletcher Parkway, Suite 200, El Cajon, CA 92020
T 619.462.3100 C 619.920.1311 F 619.462.7100
kerry.schimpf@cassidyturley.com cassidyturley.com/sandiego
CA License 00955075

Areas of Specialization

- Listing, sales and leasing of industrial/office buildings, vacant land and build-to-suit properties in San Diego's East County and the 215 Fwy/10 Fwy corridors in Riverside County.
- Tenant and buyer representation throughout the Southwestern US.
- Commercial real estate professional since 1985.

Experience

2007 - Present	Cassidy Turley San Diego, San Diego, CA <i>Industrial/Office Property Specialist</i>
1987 - 2007	East County Properties, El Cajon, CA <i>Principal/Broker</i>
1985 - 1987	Trammell Crow Company, San Diego, CA <i>Leasing Agent</i>
1983 - 1985	Amrecorp Real Estate Funds/IRE Financial Corporation, San Diego, CA <i>Investment Wholesaler</i>
1982 - 1983	Reilly securities, San Diego, CA <i>Registered Representative/Financial Planner</i>
1979 - 1982	Great West Life Insurance Co., Santa Ana, Ca <i>Marketing Representative, Group Accounts</i>

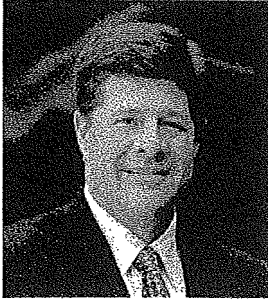
Education

1979 - Stanford University, Palo Alto, CA - B.A.
California Real Estate Brokers License

Previous Licenses Held

Registered Representative (Series 7, 22, 63) and Insurance Agents License





DON MOSER
Principal & Co-Founder
Lic #00821359

12264 El Camino Real
T 858.523.2087 F 858.523.2095
dmoser@retailinsite.net
www.retailinsite.net

Don is the co-founder of Retail Insite and has more than 30 years of experience in retail real estate brokerage in Southern California. Don started his career with CB Richard Ellis and fulfilled 14 years as a retail specialist where he earned the title of Senior Vice President and was ranked in the Top 10 Nationwide for CBRE retail brokers. Don has completed over 1700 retail transactions with total consideration in excess of \$1 Billion.

Don has had the privilege of being involved in the expansion of a number of major retailers including Lowe's (14 stores), Fresh & Easy Neighborhood Markets (40 stores), TJX Companies (9 stores), CarMax (2 facilities), Bed Bath & Beyond (4 stores), Chick-fil-A (25 stores), Wells Fargo Bank (200 acquisitions and dispositions) and others.

In addition to actively representing retailers Don has been the leader of a retail team in San Diego County marketing over 4 Million SF of retail space in 65 different shopping centers. These shopping centers included many ground-up projects where he uses his expertise in assisting long term land owners to position their sites to maximize value to the developer and tenant community. A Recent example of this is the 25-acre Derr National City Swap Meet property.

Don has served as Board of Director for Chainlinks Retail Advisors, Board of Director for Santa Fe Christian Schools, Board of Director for Impact Driven America and on the leadership for the Anchor Council of Chainlinks Retail Advisors and strategic positioning of the Chainlinks organization nationally. He has been a panelist for ICSC and NAIOP on emerging trends in the retail industry. He is a graduate of University of San Diego with a degree in Business Administration. Don and his wife, Terese, are active in their local church, Horizon Christian Fellowship, and have 4 children.





MATT MOSER

Broker

Lic #01772051

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mmoser@retailinsite.net
www.retailinsite.net

Matt specializes in landlord / tenant representation throughout the San Diego, Riverside and San Bernardino Counties. He is actively marketing retail centers in San Diego and is currently the leasing representative for landlords such as Regency Centers, Sudberry Properties, Federal Realty, Donahue Schriber and Euston Management, Sea Properties and Collins Development.

Matt has had the pleasure of playing an active role in the real estate strategy and expansions of T-Mobile (12 stores), Chick-fil-A (6 stores), HSBC (3 stores), Panera Bread (14 stores), ACE Cash Express (13 stores), Big Lots, Pei Wei, Yogurt Land, FreeBirds, LensCrafters, Sunglass Hut, Five Guys Burgers and Fries, Fresh & Easy Neighborhood Markets, Pinkberry, and Islands Restaurants.

Matt brings high energy and enthusiasm to every assignment and is active day to day in the retail marketplace uncovering new opportunities for his clients.

Matt graduated from Westmont College in 2006 with a Bachelor's Degree in Business Economics. He is a member of the International Council of Shopping Centers (ICSC) where he also serves on the ICSC Next Generation Committee promoting comradery and developing new opportunities for the San Diego region. Matt is a former collegiate soccer player and is still playing and following the sport in his free time.



Development of a Comprehensive Marketing Plan

Cassidy Turley San Diego's and Retail Insight's brokers market properties in a client driven and controlled manner, using a combination of local market expertise, capital markets acumen, leading edge web-based technology, superior in-house research and proven best practices.

For the analysis and procedures for the sale, lease and/or public/private partnerships of the City's real property assets, Cassidy Turley San Diego and Retail Insite proposes the following approach.

Marketing Goals

- Strategically identify Target Prospects (users/buyers/developers) that place value on the properties' location and specific attributes
- Create quality marketing materials and distribute to the most logical possible markets
- Outreach directly to Target Prospects in the Greater San Diego Region and nationwide utilizing our team's collaborative national network
- Maximize market awareness of the property with frequent and repeated exposure to Target Prospects and brokerage community
- Assist in meeting the City's goal of exceptional service, high value and timeliness

Strategic Approach to Marketing

Marketing

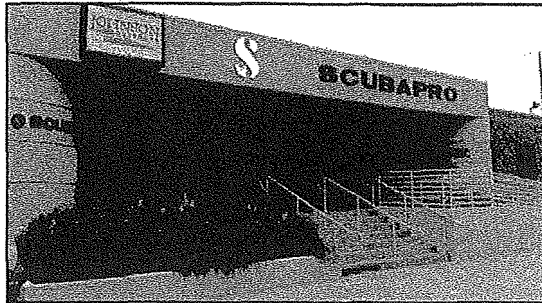
- Develop marketing strategy
- Develop property positioning and pricing
- Create Target Prospect specific marketing materials for direct/electronic mail (i.e., flyer, brochure, web site, HTML email, postcard)
- Install signage
- Initiate full exposure to all parties
- Broadcast email to all local brokers
- Implement web strategy for maximum coverage 24/7 by listing properties on the following sites:
 - CoStar
 - LoopNet
 - Direct Contact
 - Vertical Email
 - Cassidy Turley Corporate Website
 - G2
- Utilize Cassidy Turley's National Network and Retail Insite's Regional Network
- Identify/Contact/Target
- Create profile of Target Prospects (Users/Buyers/Developers) as to business type, size, credit and requirements
- Develop target list based on prospect profiles
- Strategic cold-calling of Target Prospects followed-up with industry/assignment specific marketing materials
- Follow-up with continued calling and direct mail
- Present to select target industry companies
- Report status

Broker Outreach

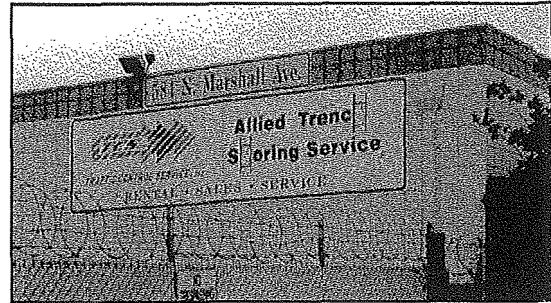
- Constant marketing to brokerage community through electronic marketing/direct-mail
- Monthly broker exchange of listings
- Immediate responsiveness to tours/proposals
- Incentive programs to increase traffic/awareness
- Broker promotional events
- Market through Cassidy Turley's and Retail Insite's National Network



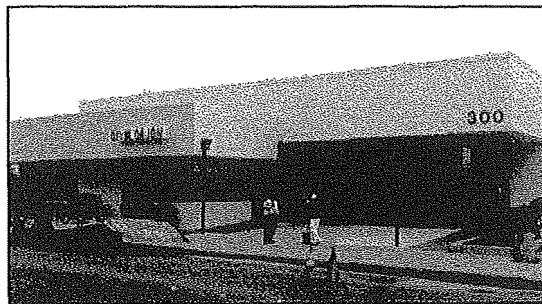
Kerry Schimpf Has Recently Brought to The City of El Cajon



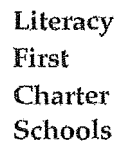
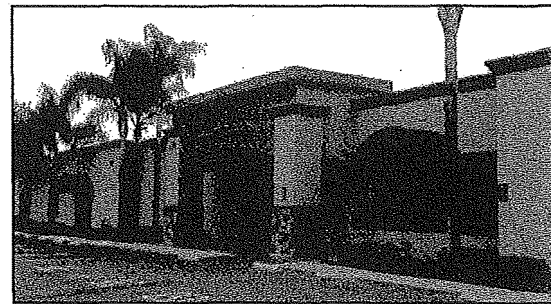
SCUBAPRO
1166 Fesler St.
Represented regarding a lease renewal with the intent of keeping them in the City of El Cajon (EC)



584 N. MARSHALL AVE.
Currently under contract with a name brand luxury car dealer. Confidentiality agreement prevents naming the manufacturer. The prospective long term tenant/buyer is currently meeting with City staff.



MOSSY VW
300 El Cajon Blvd.
New dealership scheduled to open early July 2012. Previous Toyota of El Cajon location. Recently approved Conditional Use Permit.



"The tree of knowledge begins with literacy."

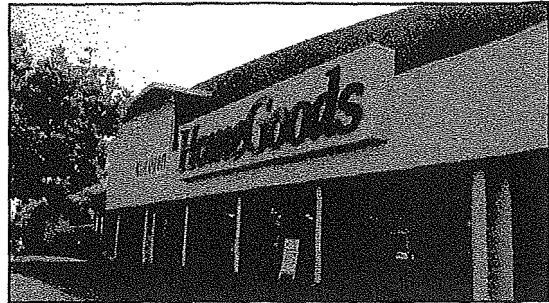
LITERACY FIRST
698 W. Main St.
Literacy First Charter School



Retailers Retail Insite Has Recently Brought to The City of El Cajon



DICK'S SPORTING GOODS
Westfield, Parkway Plaza



HOME GOODS
Westfield, Parkway Plaza



FIVE GUYS BURGERS & FRIES
ULTA BEAUTY
Westfield, Parkway Plaza



T-MOBILE
El Cajon Town & Country



FRESH & EASY
NEIGHBORHOOD MARKET
El Cajon Town & Country



KAISER LAND EXPANSION
Retail Insite was the local brokerage liaison on the Jones Lang LaSalle team and completed the acquisition of the land abutting Kaisers current El Cajon asset and also handled the recent purchase of land in Kearny Mesa for a new regional hospital site.



SALE COMMISSIONS

1. Commission Rate: 6% of the gross sale price.
2. Joint Venture: If a joint venture is effected in lieu of a sale, a commission shall be paid based upon the fair market value of the Premises, money or other consideration furnished to the Owner. Unless otherwise established by Broker, fair market value of for purposes of this paragraph shall be presumed to be the value of the Property or Services as determined for purposes of the joint venture agreement.

LEASE COMMISSIONS

A. Net Lease for a Term of up to 30 Years:

1st yr	7% of the rent
2nd yr	7% of the rent
3rd yr	6% of the rent
4th yr	5% of the rent
5th yr	5% of the rent
6th-10th yr	3½% of the rent
11th-30th year	2½% of the rent

B. Gross Lease for a Term of up to 30 Years:

1st yr	6% of the rent
2nd yr	6% of the rent
3rd yr	5% of the rent
4th yr	4% of the rent
5th yr	4% of the rent
6th-10th yr	3% of the rent
11th-30th yr	2% of the rent

PAYMENT OF COMMISSIONS

1. Lease Commission: Fifty percent (50%) of the commissions shall be due and payable within 24 hours of the execution of a lease by Property Owner and Tenant and the remaining fifty percent (50%) within 24 hours of lease commencement. Broker is hereby authorized to deduct its commission pursuant to the foregoing schedule from funds held in its trust account; the undersigned shall pay any differences in cash in accordance herewith.
2. Sale & Exchange Commission: Commissions shall be paid through Escrow upon the closing thereof; absent an escrow, commissions shall be paid upon recordation of a deed; in the event of a contract for deed, a commission shall be paid upon execution of the contract. If a joint venture agreement is effected in lieu of a sale, the commission shall be paid upon execution of the joint venture agreement.

BROKER COOPERATION

If Agent procures a buyer/tenant for the Premises through another broker, Agent agrees to split the sales/leasing commission received from Property Owner 50/50 with said other broker. The aforementioned commission split requires the other broker's mutual agreement to cooperate.



Team Member: *Don Moser and Matt Moser*

Mr. Ralph Czitrom
Regional Director of Real Estate
BED BATH & BEYOND
650 Liberty Avenue
Union, NJ 07083
908.688.0888, ext. 4567

Mr. John E. Featherston, Jr.
Senior Director, Real Estate
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Atlanta, GA 30349-2998
404.765.8910

Mr. Don Howells
Owner
DIAMOND DEVELOPMENT, LLC
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Solana Beach, CA 92075
858.259.4683

Mr. David Stanchak
Senior Vice President, Real Estate
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724.273.4220

Ms. Debra Broido
Vice President & Mgr Retail Negotiations
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Los Angeles, CA 90071
213.253.3265

Mr. Mike Skiles
Vice President, Real Estate Western Div.
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Carlsbad, CA 92008
760.918.0312

Mr. Dario DeLuca | Mr. Robert Colucci
Managing Members
PACIFICA ENTERPRISES
12780 High Bluff Drive, #160
San Diego, CA 92130
858.755.0216

Mr. Gregg Sadowsky
Regional Retail Officer
REGENCY CENTERS
265 Santa Helena, Suite 211
Solana Beach, CA 92075
858.350.1670

Mr. Frank Goldberg
Owner
SEA MANAGEMENT
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San Diego, CA 92108
619.297.3900

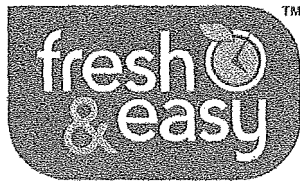
Mr. Tom Sudberry | Mr. Colton Sudberry
SUDBERRY PROPERTIES
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San Diego, CA 92121-4714
858.546.3000

Mr. Tony Eggs
Sr. VP of Real Estate
TESCO
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El Segundo, CA 90245
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Mr. Chris Kiehler
Regional Real Estate Director
THE TJX COMPANIES, INC.
17821 17th Street, Suite 210
Tustin, CA 92780
714.508.0303



Clients Represented



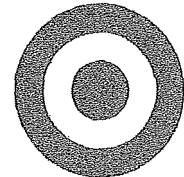
Neighborhood Market



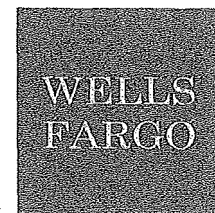
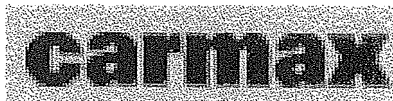
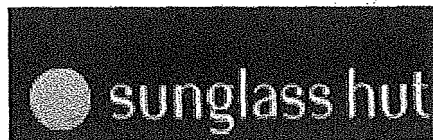
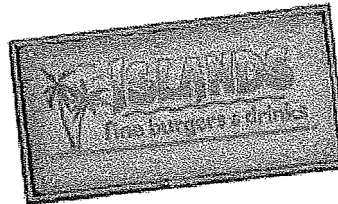
Beyond any store of its kind.



Improving Home Improvement



TARGET



PROPERTY SERVICES RFQ - RESPONSE SUMMARY

Amended March 4, 2014

FULL NAME	TITLE	COMPANY	FEE	EXPERIENCE	Property Interest	Current CBL
Mark Silverman	Executive Vice President	NAI	4%/6% <\$500,000 4%/5% \$500,000 - \$1,000,000 3%/4% >\$1,000,000 Single broker/Separate broker fee	25 years as Broker - SD area Multiple EC Industrial properties Clients: City of Santee, GUHSD, CA Bank & Trust	Commercial and Industrial	n/a
Mark Robak	Broker	Trinity Commercial	4% of gross sale amount 50:50 split with second broker	22 years - East County Broker Company opened in 2006 Clients: Lakeside Fire Protection Dist.	Commercial and Industrial	n/a
Bob Petrich	Managing Director	Keller Williams Commercial	6% of gross sale amt. First \$1,000,000 5% of gross sale amt. \$1,000,000 to \$5,000,000 2.5% of gross sale amt. \$5,000,001+ /50:50 split	3rd largest real estate franchise in US 10 offices in SD County J.Garzanelli lead broker with 41 years exp. in SD County	Commercial and Industrial	Yes
Kerry Schimpf Don Moser Matt Moser	Broker/Senior Vice President Principal/Co-Founder Broker	Cassidy Turley Retail Insite Retail Insite	6% of gross sales amt. 50:50 split with second broker	27/36 years exp. 60 offices 1,900 Cassidy Turley sales completed in 2011	Commercial and Industrial	No
Michael Habib	Senior Associate	Coldwell Banker Commercial	4% of gross sale amount 50:50 split with second broker	30+ years exp. 20 years experience in East County	Commercial and Industrial	n/a
Vince Provenzano	Director of Brokerage Services	Pacific Coast Commercial	2.9% <\$750,000 (seller commission only) 2.4% \$750,000 - \$1,000,000 1.9% \$1,000,001 - \$3,000,000 1.4 % \$3,000,001 - \$5,000,000 1.0% \$5,000,000+	Currently has 50 listings in El Cajon Completed over \$40,000,000 in sales in EC past 8 years.	Commercial and Industrial	n/a
Thomas Dechant	Senior Broker Associate	Pacific Coast Commercial	4%/6% negotiable based on price and time to sell 50:50 split with second broker	Top Brokers at ECP before joining Pacific Coast Commercial Specializes in East County	Commercial and Industrial	n/a
Scott Levitt	Managing Partner	Levitt Land	2.5%/4% 50:50 split of 4% with second broker Alternate: \$300/hour	General Counsel for mid-size, multi-unit corporation for more than 10 years Experience in real estate development and construction	Commercial and Industrial	n/a
Kyle Clark	Director	Cushman and Wakefield	4%/6% of purchase price Lower with multiple property representation	28 yrs exp. Previously involved in sales involving City San Diego's largest commercial real estate firm	Commercial	n/a
Kerry Schimpf Don Moser	Broker Principal/Co-Founder	Commercial Properties Group Retail Insite	6% of gross sales amt. 50:50 split with second broker	27/36 years experience National relationships 1,900 Cassidy Turley sales completed in 2011	Commercial and Industrial	No

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AGENDA REPORT
SUCCESSOR AGENCY OVERSIGHT BOARD
March 19, 2014, Meeting

SUBJECT: SECOND AMENDMENT TO AFFORDABLE HOUSING AGREEMENT – JAMES C. MILLER AND MARCIA M. MILLER, DBA BAY KITCHEN AND BATH REMODELERS

RECOMMENDED ACTION: That the Oversight Board:

Adopt RESOLUTION OB-13-14 approving a Second Amendment to the Affordable Housing Agreement (AHA) between the El Cajon Housing Authority, as successor in interest to the El Cajon Redevelopment Agency, and James C. Miller and Marcia M. Miller, dba Bay Kitchen and Bath Remodelers, substantially in a form as presented, with terms and conditions as set forth in this report.

BACKGROUND: On October 12, 2010, the former El Cajon Redevelopment Agency (“Agency”) Board authorized the Executive Director to enter into an Affordable Housing Agreement (“AHA”) with James C. Miller and Marcia M. Miller, dba Bay Kitchen and Bath Remodelers (“Borrower”) for the acquisition, rehabilitation and resale of properties under the Greenovation Program. The Agreement was assigned to the El Cajon Housing Authority (“Authority”) as part of the dissolution process in January 2012.

On January 22, 2013, the Housing Authority Board approved a First Amendment to expand the project scope to include, among other conditions, multi-family properties and to extend the AHA by one-year, as authorized under Section 1.5 of the AHA.

On May 10, 2013, the borrower closed escrow on the purchase of the vacant and substandard single-family home located at 812 Grossmont Avenue, which will be renovated and converted to a three-unit property. While the borrower has submitted plans to both the City Planning and Building Divisions, design and plan correction delays require the borrower and staff to request an extension to the AHA, along with other minor clarifying language.

Based on these conditions, staff is requesting an amendment to the AHA by one-year to expire on/before March 13, 2015, along with other minor clarifying language to allow modification of the Promissory Note by the Executive Director, concurrent with this Second Amendment.

As this AHA is an enforceable obligation and subject to review by the DOF, Oversight Board approval for the Second Amendment is requested. The Housing Authority Board will take similar action at their joint meeting with City Council, to be held on March 11, 2014.

FISCAL IMPACT: This activity is an enforceable obligation totaling \$550,000 and was identified on all previously approved Recognized Obligation Payment Schedules ("ROPS"), and the balance of the project will be funded with reserve funds held by the Successor Agency and Low and Moderate-Income Housing Asset Funds.

ATTACHMENTS:

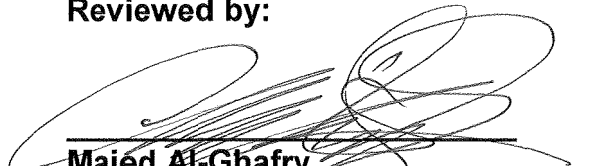
1. Proposed Resolution OB-13-14
2. Draft Second Amendment to Affordable Housing Agreement

Prepared by:




Jenny Ficacci
Housing Manager

Reviewed by:



Majed Al-Ghafry
Secretary / Assistant City Manager

Approved by:



Douglas Williford
Executive Director / City Manager

RESOLUTION NO. OB-13-14

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER EL CAJON REDEVELOPMENT AGENCY APPROVING THE SECOND AMENDMENT TO THE AFFORDABLE HOUSING AGREEMENT – JAMES C. MILLER AND MARCIA M. MILLER, dba BAY KITCHEN AND BATH REMODELERS.

WHEREAS, Section 34180 (a) of the California Health and Safety Code provides that Successor Agency actions to establish new repayment terms for outstanding loans, where the terms have not been specified prior to the effective date of Section 34180, are subject to Oversight Board review and approval; and

WHEREAS, Section 34181 (e) of the California Health and Safety Code provides that the Oversight Board shall direct the Successor Agency to determine whether any contracts, agreements, or other arrangements between the dissolved redevelopment agency and any private parties should be terminated or renegotiated to reduce liabilities and increase net revenues to the taxing entities; present proposed termination or amendment agreements to the Oversight Board for its approval; and approve any amendments to or early termination of those agreements if it finds that the amendments or early termination would be in the best interest of the taxing entities; and

WHEREAS, the El Cajon Redevelopment Agency (“Agency”) Board authorized the Executive Director to enter into an Affordable Housing Agreement (“AHA”) with James C. Miller and Marcia M. Miller, dba Bay Kitchen and Bath Remodelers (“Borrower”) in the amount of \$550,000 for the acquisition, rehabilitation and resale of properties under the Greenovation Program; and

WHEREAS, the AHA was assigned by the former El Cajon Redevelopment Agency to the El Cajon Housing Authority (“Authority”) on January 31, 2012, as the successor to the housing assets and functions of the former El Cajon Redevelopment Agency, and the AHA was further approved by the DOF on August 23, 2012, in Exhibit C of the El Cajon Housing Successor Agency Asset Report Form; and

WHEREAS, the Oversight Board (the “Oversight Board”) of the Successor Agency of the former El Cajon Redevelopment Agency (the “Successor Agency”) held a regularly scheduled meeting on February 20, 2013, at which time it considered a First Amendment under that certain Affordable Housing Agreement between the former El Cajon Redevelopment Agency and the borrower, James C. Miller and Marcia M. Miller, dba Bay Kitchen and Bath Remodelers (the “Borrower”), dated October 12, 2010, (the “AHA”), for the purpose of acquiring, substantially rehabilitating and reselling substandard properties to low and moderate-income households under the Greenovation Program; and

WHEREAS, the proposed amendment would extend the term of the AHA from March 14, 2014 through March 13, 2015, extend the due date of the Promissory Note to the earlier of twenty-four (24) months from the date of recordation of the Project Unit Deed of Trust or the expiration of the Term of the Agreement, and add other minor clarifying language to the terms of the AHA; and

WHEREAS, although completion of the project has been delayed due to unanticipated design and plan corrections, approval of the amendment would have minimal impact to the Successor Agency, the City of El Cajon, and all taxing entities sharing in the balance of the enforceable obligation to the Successor Agency; and

WHEREAS, the El Cajon Housing Authority is scheduled to take action on the Second Amendment, substantially in the form as presented in **Exhibit "A"**, on March 11, 2014.

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY OF THE FORMER CITY OF EL CAJON REDEVELOPMENT AGENCY AS FOLLOWS:

- A. The Oversight Board finds that:
 - 1. The recitals above are true and correct and have been incorporated herein by reference; and
 - 2. The proposed project is exempt from the California Environmental Quality Act (CEQA) under Section 15061 (b) (3) (General Rule) of the CEQA Guidelines because it will have no physical effect on the environment; and
 - 3. The proposed amendment would have a minimal impact to the taxing entities.
- B. The Oversight Board hereby APPROVES the proposed second amendment to the AHA, to extend the term expiration by one-year from March 14, 2014 through March 13, 2015, extending the due date of the Promissory Note to not earlier than twenty-four (24) months from the date of recordation of the Project Unit Deed of Trust or the expiration of the Term of the Agreement, and other minor clarifying language as presented in **Exhibit "A"**, with such changes as may be approved by the Authority Executive Director.
- C. The Executive Director of the Authority, or any person designated by the Executive Director, is hereby authorized to execute the Second Amendment.

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PASSED AND ADOPTED by the Oversight Board of the Successor Agency of the former El Cajon Redevelopment Agency at a regularly-scheduled meeting held this 19th day of March, 2014, by the following vote to wit:

AYES :
NOES :
ABSENT :
ABSTAIN :

Debra Turner-Emerson, Chairperson

ATTEST:

Majed Al-Ghafry, Oversight Board Secretary

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**SECOND AMENDMENT TO
AFFORDABLE HOUSING AGREEMENT
BETWEEN EL CAJON HOUSING AUTHORITY
AND JAMES C. MILLER AND MARCIA M. MILLER
dba BAY KITCHEN AND BATH REMODELERS**

THIS SECOND AMENDMENT is made and entered into effective this ____ day of _____ 2014, by and between James C. Miller and Marcia M. Miller, dba Bay Kitchen and Bath Remodelers (the “Borrower”), and the El Cajon Housing Authority Agency, a public body corporate and politic (the “Authority”), which has succeeded in the housing interests of the El Cajon Redevelopment Agency (the “Agency”).

RECITALS

1. Developer and Agency entered into that certain Affordable Housing Agreement dated March 14, 2011 (as amended from time to time, the “AHA”), for the purpose of participating in the Agency’s Greenovation Program (the “Program”) by establishing procedures for a loan of the Agency’s low- and moderate-income housing funds (the “Program Loan”) to Borrower in order to fund the acquisition, substantial rehabilitation, and ultimate sale of clean, safe and affordable single-family homes to persons and families of low-and moderate-incomes.

2. On February 1, 2012, the Agency was dissolved by operation of law as required by Assembly Bill 1X 26 (“AB 1X 26”) and the California Supreme Court decision in *California Redevelopment Agency v. Matosantos*, upholding AB 1X 26.

3. Prior to the dissolution of the Agency the City Council for the City of El Cajon (the “City Council”) established the El Cajon Housing Authority (the “Authority”) in order to transfer the affordable housing functions of the Agency, to the Authority.

4. Prior to the dissolution of the Agency, and as allowed by AB 1X 26, the City Council designated the Authority as the successor to the housing assets and functions of the Agency, including an assignment, on January 24, 2012, of all rights and obligations under the AHA. The AHA was further approved by the California Department of Finance (“DOF”) on August 23, 2012, in Exhibit C of the El Cajon Housing Successor Agency Asset Report Form.

5. As a result of the dissolution of the Agency the Authority has limited resources available in order to assist in the development of clean, safe and affordable housing under the Program, and has determined that in order to achieve such goals, the Program should be modified to allow such opportunities to include multi-family housing and also to provide a means to convey any multi-family housing to the Authority, at the sole discretion of the Executive Director, at a cost not to exceed the amount of the loan from the Authority to the Borrower.

6. On April 4, 2013, Authority and Borrower instituted that certain "First Amendment to Affordable Housing Agreement Between El Cajon Housing Authority and James C. Miller and Marcia M. Miller dba Bay Kitchen and Bath Remodelers" (the "First Amendment"), to extend the term of the AHA for one (1) additional year, for the period of March 14, 2013 through March 13, 2014, to acquire and rehabilitate multi-family affordable units, to reduce the amount of rehabilitation under the Program, and to require that any multi-family housing units, as defined, must first be offered to the Authority at a cost not to exceed the amount of the outstanding Program Loan from the Authority to the Borrower.

7. This Second Amendment to Affordable Housing Agreement (the "Second Amendment") is necessary to extend the term of the AHA from March 14, 2014 through March 13, 2015, to extend the due date of the Promissory Note, and add other minor clarifying language to the terms of the AHA.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

Section 1. Recital C is hereby amended to read as follows:

C. The Program Loan shall be used by the Borrower for such activities as:

Acquisition, rehabilitation and resale of single-family and multi-family residential properties located in the City of El Cajon boundaries that must be sold (in the case of single-family properties) to eligible first time homebuyers, and (in the case of multi-family projects) to the Authority, at the sole discretion of the Executive Director. Each unit that is acquired, rehabilitated and resold under the Program (the "Project Unit") will be encumbered with a Promissory Note, Deed of Trust and other security documents (the "Project Unit Loan"). The purchase of said real property shall be owner-occupied, vacant, foreclosed or substandard units (in the case of single-family properties), or vacant, foreclosed, substandard, or occupied by a portion of Low-Income households (in the case of multi-family properties), and either (1) offered for sale as owner-occupied units, under the Authority's California First-Time Homebuyer Program, or (2) sold to the Authority at a price not to exceed the amount of the Program Loan (the "Affordable Units"), at the sole discretion of the Executive Director. A portion of the Program Loan made be advanced to Borrower for earnest money deposits, not to exceed \$5,000, which will be incorporated into a Project Unit Loan or must be repaid to the Authority should acquisition of property not occur. It is the intent of Borrower to repay all outstanding Project Unit Loans at the

completion of the rehabilitation and at the sale of the units. As such, Authority funds may remain within the financial structure of the Project thereby requiring all such housing units to be affordable to and occupied by low- and moderate-income persons or families as defined in Section 50093 of California Health and Safety Code.

Section 2. Subsections (a) and (c)(2) of Section 1.1 are hereby amended to read as follows:

- (a) Project Unit Loan. The loan amount of each Project Unit shall be subject to approval by the Agency Executive Director or designee after a review of each Greenovation Project Budget. The loan amount will include funds advanced to Borrower for earnest money deposits, not to exceed \$5,000, which will be incorporated into a Project Unit Loan or must be repaid to the Authority should acquisition of property not occur. The Agency states that none of the funds loaned pursuant to this Agreement shall constitute Federal Funds within the meaning of Section 42 of the Internal Revenue Code.
- (c) Promissory Note.
 - (2) The Note shall bear interest at the annual rate of 3.25%. Principal and interest shall be due and payable on the earlier of twenty-four (24) months from the date of the recordation of the Project Unit Deed of Trust or the expiration of the Term of the Agreement. The Executive Director or designee may modify the Promissory Note and extend this period in the event a determination is made that the delay is outside the control of Borrower, but in no event shall the maturity date exceed the expiration of the Term of the Agreement. Principal and interest may be prepared in whole or in part at any time, and from time to time, without notice or penalty.

Section 3. Section 1.5 is hereby amended to read as follows:

Section 1.5 – Term of Agreement. Subject to provisions of Section 1.13 “Termination” of this Agreement, the term of this Agreement shall be for a period of four (4) years from the date of execution of this Agreement as first shown above. Such term may be extended upon written agreement of both parties to this Agreement. Such extension is contingent upon the availability of funds and continued authorization for

program activities and is subject to amendment or termination due to lack of funds, authorization, reduction in funds and/or change in regulations.

Section 4. Section 1.11 is hereby amended to read as follows:

Section 1.11 – Construction Observations. The Agency shall be and is hereby authorized to inspect and review the status of construction and development of the Project, as referenced in Section 1.16 of this Agreement without liability for said inspection and review.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to Affordable Housing Agreement effective the date and year first written above.

EL CAJON HOUSING AUTHORITY,
a public body, corporate and politic,
successor in interest to the
El Cajon Redevelopment Agency

Date _____

Douglas Williford, Executive Director

ATTEST:

Belinda A. Hawley, Secretary

JAMES C. MILLER AND MARCIA M. MILLER
dba BAY KITCHEN AND BATH REMODELERS

Date _____

James C. Miller, Owner

Marcia M. Miller, Owner

APPROVED AS TO FORM:

By: _____
Morgan L. Foley, General Counsel

APPROVED AS TO CONTENT:

By: _____
Jennifer L. Ficacci
City of El Cajon Housing Manager

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DEPARTMENT OF
FINANCE

EDMUND G. BROWN JR. • GOVERNOR
915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

February 21, 2014

Ms. Victoria Danganan, Senior Accountant
City of El Cajon
200 Civic Center Way
El Cajon, CA 92020

Dear Ms. Danganan:

Subject: Long-Range Property Management Plan

Pursuant to Health and Safety Code (HSC) section 34191.5 (b), the City of El Cajon Successor Agency (Agency) submitted a Long-Range Property Management Plan (LRPMP) to the California Department of Finance (Finance) on April 11, 2013. The Agency subsequently submitted a revised LRPMP to Finance on January 15, 2014. Finance has completed its review of the LRPMP, which may have included obtaining clarification for various items.

The Agency received a Finding of Completion on April 11, 2013. Further, based on our review and application of the law, we are approving the Agency's use or disposition of all the properties listed on the LRPMP.

In accordance with HSC section 34191.4, upon receiving a Finding of Completion from Finance and approval of a LRPMP, all real property and interests in real property shall be transferred to the Community Redevelopment Property Trust Fund of the Agency, unless that property is subject to the requirements of an existing enforceable obligation. Pursuant to HSC section 34191.3 the approved LRPMP shall govern, and supersede all other provisions relating to, the disposition and use of all the real property assets of the former redevelopment agency.

Agency actions taken pursuant to a Finance approved LRPMP are subject to oversight board (OB) approval per HSC section 34181 (f). Any subsequent OB actions addressing the Agency's implementation of the approved LRPMP should be submitted to Finance for approval.

Please direct inquiries to Wendy Griffe, Supervisor, or Medy Lamorena, Lead Analyst at (916) 445-1546.

Sincerely,

JUSTYN HOWARD
Assistant Program Budget Manager

cc: On the following page

cc: Ms. Holly Reed-Falk, Financial Operations Manager, City of El Cajon
Mr. Jon Baker, Senior Auditor and Controller Manager, San Diego County
Ms. Elizabeth Gonzalez, Bureau Chief, Local Government Audit Bureau, California State
Controller's Office
California State Controller's Office