



Office of the Los Angeles City Attorney
Hydee Feldstein Soto

REPORT NO.: R25-0048
Feb 18, 2025

REVISED REPORT RE:

**PROPOSED LEGAL SERVICES AGREEMENT WITH JOEL SELIK, ESQ. TO
PROVIDE LEGAL SERVICES RELATED TO *PEOPLE v. POLYMER80, INC., ET AL.*;
LASC CASE NO. 21STCV06257**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Honorable Members:

By this report, the Office of the City Attorney seeks approval to retain outside counsel for collections work concerning an unpaid settlement and judgment in an Unfair Competition Law (Bus. & Prof. Code § 17200, et seq.) matter our Office filed on behalf of the People of the State of California (the “People”) against multiple out-of-state defendants: *People v. Polymer80, Inc., et al.*, Los Angeles Superior Court Case No. 21STCV06257.

CASE BACKGROUND

The People sued Polymer80, Inc. (“Polymer80”) and its two founders, Loran Kelley and David Borges, on February 17, 2021. At that time, Polymer80 was the nation’s largest manufacturer and dealer of “ghost gun” kits and components. The People’s complaint alleged that the defendants violated federal gun laws, and aided and abetted California residents in the manufacture of firearms in violation of state law. After significant litigation, the People reached a settlement under which Polymer80 is required to pay \$4 million in civil penalties, and Kelley and Borges are jointly and

severally liable for \$1 million in civil penalties. Additionally, the settlement included an injunction prohibiting defendants from selling their ghost gun kits into California, among other terms. The settlement was memorialized in a stipulated judgment entered by the Court.

The stipulated judgment established a payment schedule for the civil penalties, and included an acceleration clause under which the entire \$5 million in civil penalties was immediately due and payable if Defendants defaulted on any penalty payment. Defendants have made no settlement payments, have exhausted all cure rights and grace periods, and have not demonstrated any intent to pay the judgment or any portion of it. We have therefore given notice to Defendants of the People's exercise of the acceleration clause, and that the full \$5 million of civil penalties is presently owed.

Polymer80 and Kelley are both located in Nevada. While the Defendants have some assets, our collection efforts are not likely to result in the recovery of the outstanding \$5 million debt given various disruptions to Polymer80's operations, and other outstanding judgments against it. Nonetheless, collection efforts are an important continuation of our law enforcement efforts.

We propose to retain Joel Selik, Esq. to represent the People in connection with the judgment enforcement and collections work. It is imperative to have local counsel in Nevada to best advance the People's interests. Mr. Selik has significant experience with Nevada-based judgment enforcement and collections work. We propose to retain Mr. Selik on a contingency fee plus costs basis, which is the most economical arrangement given Defendants' assets. We previously sought and obtained Council approval to retain a different law firm in connection with the same Nevada-based enforcement and collections work. However, after receiving such approval, the other law firm declined to move forward with the representation.

RECOMMENDATION

We recommend that the City Council approve a contract with Joel Selik, Esq. of San Marcos, CA¹ on a contingency fee plus costs basis.

¹ Mr. Selik is licensed and practices in both Nevada and California.

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of the City of Los Angeles
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If you have any questions regarding this matter, please contact the undersigned at (213) 978-1867. He or another member of this Office will be available when you consider this matter to answer any questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

By 
MICHAEL J. BOSTROM
Assistant City Attorney

MJB:dm