

Office of the Los Angeles City Attorney Hydee Feldstein Soto

REPORT NO. R23-0296

August 11, 2023

REPORT RE:

REQUEST FOR WAIVER OF CONFLICT OF INTEREST FOR BURKE WILLIAMS AND SORENSON IN ITS REPRESENTATION OF THE COUNTY OF LOS ANGELES

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

Honorable Members:

In this Report we ask that the City Attorney be authorized to execute a conflict of interest waiver to allow Burke, Williams and Sorenson, currently retained to represent the City of Los Angeles (City) in *Howard Jarvis Taxpayers Association v. City of Los Angeles*, Case No. 22STCV39662, et al. (the "ULA Litigation"), to also represent the County of Los Angeles (County) in such matters.

The City previously retained Burke, Williams and Sorenson (BWS) to represent the City in the above-referenced litigation (Contract No. 142665). The County and the City entered a Memorandum of Understanding under which the County collects all of the City's Real Property Transfer Taxes (Municipal Code section 21.9.1 *et seq.*) This includes the ULA taxes (Municipal Code section 21.9.2.) Under this MOU the City agreed to defend the County from any actions addressing the County's collection of such taxes, specifically including the above-referenced litigation. (See Section 7.1 of the MOU.)¹ The County has now tendered its defense in these matters to the City, and under the MOU the City is obliged to defend the County.



¹Section 7.1 provides:

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To satisfy this obligation we recommend that BWS be authorized to represent the County in the above-referenced litigation. Neither BWS nor this office expects this representation to materially change either the scope of BWS's services or the progress of litigation. We do not anticipate any situation where the County and the City will not have identical positions in these matters. BWS does not anticipate any material change to its budget, its hourly rates, or the attorneys working on this matter. Should these expectations change, we will address a modification of contracted amounts at that time.

This will require the City to execute a conflict waiver to allow BWS to represent both the City and the County in these matters. The City Attorney recommends that the waiver be approved and that the City Attorney be authorized to execute a waiver with BWS.

If you have any questions regarding this matter, please contact the undersigned at (213) 247-7894. She or another member of this Office will be present when you consider this matter to answer any questions you may have.

Very truly yours,

HYDEE FELDSTEIN SOTO, City Attorney

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ANNE HALEY
Assistant City Attorney

Anne Haley

City shall indemnify, defend and hold harmless County, its trustees, elected and appointed officers, agents, employees, and volunteers from and against any and all liability, including, but not limited to, claims for injury or damages, demands, actions, pending or future legal challenges (including without limitation the actions entitled Newcastle Courtyards, LLC et al. v, City of Los Angeles, et al., Los Angeles County Superior Court Case No. 23STCV00352 and Newastle (*sic*) Courtyards, LLC et al. v. City of Los Angeles, et al. United States District Court Case No. 2:23-cv-00104), fees, loss, costs and expenses (including reasonable attorney and expert witness fees) arising out of, or incurred in connection with the performance of this MOU and the collection of any City DTT and/or additional fees which the County has agreed during the term of this MOU to collect on behalf of the City, but only in proportion to and to the extent such liability, loss, demands, actions, fees, costs and expenses are caused by, or result from, the negligent, or intentional acts or omissions of the City, its trustees, officers, agents, employees, or volunteers.