

DEPARTMENT OF INDUSTRIAL RELATIONS

Christine Baker, Director

Office of the Director

1515 Clay Street, 17th Floor

Oakland, CA 94612

Tel: (510) 286-7087 Fax: (510) 622-3265



To All Interested Parties:

Re: Public Works Case No. 2013-024
 South Gate Senior Villas
 City of South Gate

The Coverage Determination, dated November 13, 2013, and Decision on Administrative Appeal, dated October 22, 2014, in Public Works Case No. 2013-024, *South Gate Senior Villas, City of South Gate*, were reversed by the Los Angeles Superior Court on February 24, 2016, in *South Gate Senior Villas, L.P. v. Christine Baker, et al*, Case No. BS152917. The Court found that the project was not subject to prevailing wage requirements.

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July 7, 2017

Jeffrey Oderman
Rutan & Tucker, LLP
611 Anton Boulevard, Suite 1400
Costa Mesa, CA 92626-1931

Re: Public Works Case No. 2013-024
South Gate Senior Villas
City of South Gate

Dear Mr. Oderman:

On January 12, 2016, in the Los Angeles Superior Court, Department 82, Judge Mary H. Strobel heard South Gate Senior Villas, L.P.'s Petition for Peremptory Writ of Mandate to set aside the Director of Industrial Relations' Coverage Determination regarding coverage on the above-referenced project. On February 24, 2016, the Court issued a "Judgment on Petition for Writ of Mandate" (Court's Order), which is attached hereto as Exhibit 1. Pursuant to the Court's Order, the Coverage Determination that determined the city-subsidized construction of a 4-unit residential addition to a privately owned, mixed-use commercial and residential building (Project) was a public work and not exempt from the requirement to pay prevailing wages is hereby set aside. In accordance with the Court's Order, the Director finds that the Project does meet the exemption under Labor Code section 1720, subdivision (c)(1) because it is a private residential project built on private property and not built pursuant to an agreement with a state agency, redevelopment agency, or local public housing authority. Therefore, the Project is exempt from California Prevailing Wage Law.

Sincerely,

A handwritten signature in cursive script that reads "Christine Baker".

Christine Baker
Director

cc: Rick Navarrete
Alvarado Smith, APC
633 W. Fifth Street, Suite 1100
Los Angeles, CA 90071

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS

CORRECTION TO DECISION ON ADMINISTRATIVE APPEAL

RE: PUBLIC WORKS CASE NO. 2013-024
SOUTH GATE SENIOR VILLAS
CITY OF SOUTH GATE

CORRECTION

On August 29, 2014, the Director of the Department of Industrial Relations (“DIR”) issued a Decision on Administrative Appeal (“Decision”) to the public works coverage determination (“Determination”) dated November 13, 2013, in the above-referenced matter. In its reasoning, the Decision found that the construction of the South Gate Senior Villas in the City of South Gate (“Project”) was a public work subject to prevailing wage requirements. While the Introduction and Discussion portions of the Decision indicate that the Project was a public work that is not exempt to prevailing wage requirements, the Conclusion inadvertently stated that the Project is exempt. Based on the reasoning presented in the Discussion, the Conclusion of the Decision is hereby corrected to read that the Project is a public work that is not exempt from prevailing wages.

Dated: 10/22/2014



Christine Baker, Director