Proposal to Provide Legal Services to the Santa Monica Redevelopment Successor Agency Oversight Board

May 9, 2012

Submitted by

Renne Sloan Holtzman Sakai LLP
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TABLE OF CONTENTS

I. APPROACH TO LEGAL SERVICES AND FIRM OVERVIEW ........................................ 1

II. PROPOSED LEGAL COUNSEL FOR OVERSIGHT BOARD .................................. 2
    A. Legal Training and Bar Admission ................................................................. 2
    B. Public Entity Experience ............................................................................. 3
    C. Redevelopment and Related Experience ..................................................... 3

III. PROPOSED FEES .................................................................................................. 5

IV. REFERENCES ...................................................................................................... 6

V. CONFLICT OF INTEREST ..................................................................................... 7

VI. INSURANCE REQUIREMENTS ............................................................................ 7

Attachment A: Resume of David Kahn
I. APPROACH TO LEGAL SERVICES AND FIRM OVERVIEW

Renne Sloan Holtzman Sakai LLP Public Law Group™ is pleased to submit this proposal to provide legal services to the Oversight Board of the Successor Agency to the Redevelopment Agency for the City of Santa Monica.

We founded Renne Sloan Holtzman Sakai to provide effective, efficient, and creative legal services to meet the distinctive needs of local governments. Our philosophy is to provide advice and representation that allows policy makers and boards to achieve their goals while minimizing legal risk. We represent public agencies, including the State of California, the University of California, California State University, and numerous cities, counties, and special districts, as well as school and community college districts. We have extensive experience advising and representing public agencies on all areas of California Community Redevelopment Law, public contracts, affordable housing and real property law. The firm maintains offices in San Francisco and Sacramento, with satellite offices in Albany and Los Angeles.

Attorneys on our General Government Team have decades of high-level experience representing public entities. Louise Renne served as San Francisco’s City Attorney for 16 years, overseeing a 200-lawyer public law office and pioneering novel approaches to public law matters. Jonathan Holtzman worked for the City and County of San Francisco for fifteen (15) years in a variety of roles including Chief Deputy City Attorney and director of Policy and Labor for Mayor Willie L. Brown Jr. David Kahn served as the City Attorney and Redevelopment Agency General Counsel for the City of Sunnyvale for seven (7) years, and prior to that served as Senior Deputy County Counsel for Santa Clara County for five (5) years, with redevelopment assignments. Randy Riddle served as the City Attorney for the City of Richmond and General Counsel to the Richmond Redevelopment Agency, and previously served as lead attorney for the San Francisco Department of Elections, Chief of the San Francisco City Attorney’s Government Litigation Group and Chief Counsel to the California Secretary of State. Teresa Stricker possesses extensive public law experience, and previously served as a San Francisco Deputy City Attorney specializing in general government law counseling and litigation, constitutional law, and appellate advocacy. Scott Dickey served as the Chief Deputy City Attorney for the City of Richmond, and previously served as a San Francisco Deputy City Attorney specializing in general government law counseling, litigation, administrative law and appellate advocacy.

Our General Government Team brings together:

- Extensive experience in the practice of municipal law;
- Significant experience in land use and redevelopment law;
• Expertise in litigation, writ practice and appellate advocacy in state and federal courts;

• Extensive experience appearing before and advising administrative bodies;

• First rate reputations within the legal community at local, state and federal levels;

• Extensive experience providing legal advice to all municipal departments, including City Clerk, City Manager/Chief Administrative Officer, Community Development, Community Resources, Finance, Fire Administration, Housing, Personnel, Police Administration, Recreation and Parks, Public Works and Redevelopment;

• Proven ability to develop and maintain critical relationships with political bodies, including city councils, boards of supervisors, other boards and commissions; and

• Proven ability to proactively solve legal issues for city departments prior to reaching the litigation stage, and to communicate changes in the law effectively to city departments and officials.

II. PROPOSED LEGAL COUNSEL FOR OVERSIGHT BOARD

Although we work as a team, providing a network of legal support for our public sector clients across all of our practice areas, we are pleased to propose David Kahn as the primary provider of legal counsel services for the Oversight Board for the City of Santa Monica. David brings extensive experience in the California Community Redevelopment Law, ABx1 26, public contracts, affordable housing, and real property law. He joined the Public Law Group™ in 2012 immediately after 7 years as a Redevelopment Agency General Counsel and representing a Successor Agency and Oversight Board as counsel in 2012 to commence implementation of ABx1 26.

David will have the ability to draw on internal Public Law Group™ resources for additional expertise in a variety of areas, including conflicts, and ethics matters. We have included as Appendix A David’s professional resume along with the resumes of Louise Renne and Randy Riddle, both of whom also have years of experience serving as city attorneys. Following is a brief description of David’s qualifications and experience.

A. Legal Training and Bar Admission

David earned his J.D. from Boalt Hall Law School, University of California in 1980. He was admitted to the Bars for the States of California and Washington in 1981 and 1988, respectively. In 1998, David was admitted to the Bar of the United States Supreme Court.
B. Public Entity Experience

David has over 26 years of experience in representing public agencies at both the city and county level. Most recently, he served as Sunnyvale (population 140,000) City Attorney and Redevelopment Agency General Counsel from 2005 to 2012. Both the City Council and Redevelopment Agency are Brown Act boards and David advised at over 200 meetings of these boards. David provided Brown Act instruction to the Leadership Sunnyvale class of prospective public officials for seven years. As City Attorney, David advised the City Council, City Manager and all City departments.

From 2000 to 2005, David was Senior Deputy County Counsel in Santa Clara County (population 1,787,694). In addition to substantial redevelopment work, David’s clients included the sheriff, Superior Court, airports, finance, tax collector and grand jury. David successfully advised the Census 2000 Redistricting Committee through the politically sensitive redrawing of district boundaries.

From 1995 to 2000, David was City Attorney of Mercer Island, Washington. He advised and represented the City Council and Planning Commission, both subject to the Washington Open Meetings Law (the Brown Act equivalent in Washington). He provided legal advice to the Council and all City departments. From 1988 to 1995, David was Chief of Litigation for Bellevue, Washington, a major economic center for the Puget Sound region. In addition, he served as a Deputy City Attorney for the City and County of San Francisco from 1986 to 1988, representing the school district, Municipal Railway, police department and other city departments.

C. Redevelopment and Related Experience

David has the exceptional background of having substantively represented both a City and County in redevelopment matters and thus having a perspective on the legal and policy concerns of both a redevelopment agency and other taxing entity. David’s experience with the California Community Redevelopment Law began in 2000, when he was part of a team representing Santa Clara County in a long-standing dispute over property tax increment from multiple redevelopment areas in the largest city in the County. The issues included redevelopment area creation and expansion, statutory pass-through payments, definition of blight, and allocation of property tax increment received by the redevelopment agency. Consequently, he worked extensively with the Community Redevelopment Law and appeared on behalf of the County in contested redevelopment hearings.

As City Attorney for the City of Sunnyvale, David immediately became involved as Redevelopment Agency General Counsel with a major redevelopment project comprising the majority of the downtown area. At the time of his hire, the area was blighted with a closed
parking structure and a shuttered and empty mall. Although a developer was in place, it defaulted on the project and David successfully negotiated a revised Development and Owner Participation Agreement and transfer of the Project. The project is very complex, with future redevelopment tax increment funding public infrastructure and parking structures for the mixed use retail, commercial and residential project and public and private property ownership within the project area. After approximately $300 million was invested in the project, the 2008 financial collapse resulted in the lender filing for foreclosure, the appointment of a receiver, and another renegotiation of the Development and Owner Participation Agreement and the ability to market the project. David advised on all applicable aspects of the California Community Redevelopment Law during the seven years he served as General Counsel for the Redevelopment Agency on this project.

With the initial passage of ABx1 26 and 27, David advised on the potential impacts of the legislation and advised on the Redevelopment Agency’s adoption of the “opt in” payment which would have allowed the continued existence of redevelopment agencies. He monitored the filing and argument of the Matosantos case, in which the California Supreme Court affirmed ABx1 26 and found ABx1 27 unconstitutional, resulting in the dissolution of redevelopment agencies and the creation of Successor Agencies and Oversight Boards. Since January 2012, David has advised the Sunnyvale Successor Agency and Oversight Board in the many actions and deadlines with the County and State, and in reviewing enforceable obligations and the Recognized Obligations Payment Schedule (ROPS).

As City Attorney, David advised regularly on public contracts, affordable housing, public works, contracting and real property law. The City of Sunnyvale has an Office of Affordable Housing which partners with non-profit housing providers to fund and construct affordable housing. David initiated and successfully negotiated a partnership between the County of Santa Clara, the City of Sunnyvale and Mid-Pen Housing to resolve a redevelopment dispute and construct a new 120 unit senior affordable housing development.

David is prepared to undertake all legal duties for the Oversight Board, including:

- Serving as counsel at all Oversight Board meetings and responding to all Brown Act, conflict of interest, parliamentary procedure, and other legal issues.
- Providing legal advice and guidance on ABx1 26 obligations and responsibilities of the Oversight Board, as well as its fiduciary responsibilities.
- Providing legal advice and counsel on ABx1 26 issues and mandatory/discretionary actions before the Oversight Board.
- Providing legal advice on the Oversight Board’s relationship with the Successor Agency.
• Providing thorough legal opinions as requested by the Oversight Board.

• Responding promptly to requests for other duties within the scope of the Oversight Board.

David has experience in working with elected officials with divergent viewpoints and policy goals.

III. PROPOSED FEES

The Firm will bill the City of Santa Monica for professional services at our public agency discounted hourly billing rate.¹ David Kahn’s discounted hourly rate for this project will be $285/hour. Our associate rates depend on the associate’s years of labor and employment experience out of law school and the rates are $205 to $285 per hour. Paralegals are billed at $95 to $125 per hour. Billing is done is 1/10s of an hour increments.

In addition, the Firm charges separately for certain costs incurred in the representation, as well as for any disbursements to third parties made on a client’s behalf. Such costs and disbursements include, for example, the following: travel-related expenses, computer-assisted research, transcription, overnight delivery and messenger services. The Firm also bills for time spent traveling on a client’s behalf at our normal hourly rates. However, for the Oversight Board, travel time will be billed from LAX to the City of Santa Monica offices.

We will bill you on a monthly basis for services performed and costs incurred. Payment is due within 30 days of the date an invoice is rendered. Past due amounts will be shown on the invoice.

You may terminate our services at any time, subject to any applicable requirements for withdrawal of counsel imposed by a tribunal. The Firm reserves the right to withdraw from the representation for failure of the client to make timely payment of fees, costs, and disbursements in accordance with the fee arrangement described in this letter, or for any other reason permitted by the applicable Rules of Professional Conduct.

¹ These rates are reviewed and may be modified every year, generally in January.
IV. REFERENCES

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<thead>
<tr>
<th>City/County</th>
<th>Reference and description</th>
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<tbody>
<tr>
<td><strong>City of Sunnyvale</strong></td>
<td><strong>Gary Luebbers</strong>&lt;br&gt;City Manager&lt;br&gt;(408) 730-7242&lt;br&gt;<a href="mailto:gluebbers@ci.sunnyvale.ca.us">gluebbers@ci.sunnyvale.ca.us</a>&lt;br&gt;&lt;em&gt;Represented for four years in his capacity as City Manager; advised weekly on multiple finance, redevelopment and city legal issues.&lt;/em&gt;</td>
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<td>Sunnyvale City Hall</td>
<td>Grace Leung&lt;br&gt;Finance Director and Oversight Board Member&lt;br&gt;(408) 730-7398&lt;br&gt;<a href="mailto:gleung@ci.sunnyvale.ca.us">gleung@ci.sunnyvale.ca.us</a>&lt;br&gt;&lt;em&gt;Advised for three years as Assistant Finance Director and for four years as Finance Director on redevelopment, finance and legal issues; and have advised since January 2012 on RDA dissolution and oversight board issues.&lt;/em&gt;</td>
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<td>456 W. Olive Avenue</td>
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<td>Sunnyvale, CA 94086</td>
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<td>(408) 730-7500</td>
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<td><strong>County of Santa Clara</strong></td>
<td><strong>John Guthrie</strong>&lt;br&gt;RDA Consultant (Former Finance Director)&lt;br&gt;Finance Department&lt;br&gt;(408) 299-5200&lt;br&gt;<a href="mailto:John.Guthrie@fin.sccgov.org">John.Guthrie@fin.sccgov.org</a>&lt;br&gt;&lt;em&gt;Advised for four years when John was Finance Director for the County of Santa Clara on redevelopment, finance and related legal issues.&lt;/em&gt;</td>
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<td>70 W. Hedding Street</td>
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<td>San Jose, CA 95110</td>
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<td>(408) 615-2220</td>
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<td><strong>City of Richmond</strong></td>
<td><strong>Bill Lindsay</strong>&lt;br&gt;City Manager&lt;br&gt;(510) 620-6512&lt;br&gt;<a href="mailto:bill_lindsay@ci.richmond.ca.us">bill_lindsay@ci.richmond.ca.us</a>&lt;br&gt;&lt;em&gt;We served as City Attorney for the City of Richmond for five years and advised on a broad range of municipal law issues.&lt;/em&gt;</td>
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<td>450 Civic Center Plaza</td>
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<td>Richmond, CA 94804</td>
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<td>510-620-6500</td>
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<td><strong>San Francisco Redevelopment Agency</strong></td>
<td><strong>James Morales</strong>&lt;br&gt;General Counsel&lt;br&gt;(415) 749-2454&lt;br&gt;<a href="mailto:James.Morales@ci.sf.ca.us">James.Morales@ci.sf.ca.us</a>&lt;br&gt;&lt;em&gt;Advised for eight years on human resources matters including drafting HR policies; conducted employee investigations.&lt;/em&gt;</td>
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<td>Fifth Floor</td>
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<td>(415) 749-2400</td>
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V. CONFLICT OF INTEREST

We know of no current or potential conflicts of interest that would prevent us from providing legal services to the Santa Monica Redevelopment Successor Agency Oversight Board.

VI. INSURANCE REQUIREMENTS

The firm is able to meet the insurance requirements as outlined in Exhibit 2 of the RFP.
ATTACHMENT A
David Kahn
Partner

Experience

Mr. Kahn advises and represents both public agency and private clients on public agency law, redevelopment, and land use issues. Mr. Kahn brings to his clients over 30 years of public agency experience and creative solutions to complex public issues and public-private partnerships. He has represented both a City and a County on redevelopment issues and can bring that unique perspective to current redevelopment successor agency wind-down issues and oversight boards. As City Attorney for Sunnyvale, California and Mercer Island, Washington, Mr. Kahn represented and advised City Councils and City Managers, in addition to planning, human resources, police and fire, finance, and public works departments. Mr. Kahn’s experience as Senior Deputy County Counsel for Santa Clara County included representation of the sheriff’s department, Superior Court judges, grand jury, County airports, finance and tax collector. He has advised on Brown Act, California Public Records Act, and Conflict of Interest regulations. He has also been the legal advisor to citizen committees such as the Census 2000 County Redistricting Committee and Charter Review Committees. Mr. Kahn also has substantial appellate advocacy experience. Mr. Kahn received the 2003 County Counsel Litigation Award, and is rated AV-Preeminent by Martindale-Hubbell.

Some of the cases and issues Mr. Kahn has provided advice and representation on include:

- Complex $750 million redevelopment project of downtown. Representation included removal of defaulting developer, renegotiation of development agreement, environmental remediation and coordination with Regional Water Quality Control Board, and creative solutions to continue Project progress during 2008-09 economic downturn.
- Closure and re-use of military base in City.
- Advising City Councils for 12 years, including on controversial issues such as medical marijuana, group housing and campaign finance reform ordinances.
- Challenges under CEQA to City projects.
- Negotiations on behalf of City with County and Affordable Housing Agency leading to partnership and construction of senior affordable housing at County Clinic site.
- Representation of County in 2003 PGE bankruptcy litigation.
Representation of County in binding arbitration for airport operator lease payment dispute.

Trial and appellate counsel for County in Subdivision Map Act litigation.

Representation of City in litigation to preserve historical restaurant and tavern from nuisance challenge.

Representation of police officer at Inquest Hearing for first officer-involved shooting fatality in City.

**Related Experience**

Immediately prior to joining Renne Sloan Holtzman Sakai, Mr. Kahn was City Attorney/Redevelopment Agency General Counsel for the City of Sunnyvale for seven years and handled the complete range of government law issues. From 2000-2005, Mr. Kahn was Senior Deputy County Counsel for the County of Santa Clara. From 1995 to 2005, Mr. Kahn served as City Attorney for the City of Mercer Island, Washington. Mr. Kahn was Deputy City Attorney/Chief of Litigation for Bellevue, Washington, from 1988-2007, where he litigated a number of high profile cases and provided appellate advocacy in both the Court of Appeals and Washington Supreme Court. Mr. Kahn began his city attorney experience with the City and County of San Francisco, where he was a team leader for a litigation team representing the police department, school district, MUNI and public works department. Mr. Kahn was also a Deputy Public Defender for Santa Clara County, where he tried both felony and misdemeanor matters.

During law school, Mr. Kahn was an extern to the Chief Justice of the Alaska Supreme Court, as well as a law clerk with DNA Legal Services on the Navajo Nation. Prior to law school, Mr. Kahn was a VISTA Volunteer with Community Legal Services in San Jose.

**Reported Appellate Cases**

- **IAFF v. City of Bellevue**, 119 Wash. 2d 373 (1992)

**Professional Activities**

- California League of Cities, City Attorney Division, Brown Act Committee (2011-present)
- California League of Cities, City Attorney Division, Nominating Committee (2011)
- California League of Cities Legal Advocacy Committee (2007-09)
- Santa Clara County Bar Association Judiciary Committee (2001-02)
- Washington State Bar Association, Trustee
- Member, United States District Court Magistrate Judge Selection Committee
- Chair, United States District Court Pro Bono Committee (1996-1998)
From: Elsa Trujillo
To: Elsa Trujillo
Subject: FW: Response to RFP for Outside Legal Counsel to the Oversight Board
Date: Tuesday, May 29, 2012 9:59:34 AM

From: Ernestine Tayabas-Kim [mailto:etayabaskim@publiclawgroup.com]
Sent: Wednesday, May 16, 2012 10:05 AM
To: Elsa Trujillo
Cc: David Kahn
Subject: RE: Response to RFP for Outside Legal Counsel to the Oversight Board

Dear Ms. Trujillo:

We are happy to propose a retainer fee arrangement to the Santa Monica Oversight Board. We propose that the City of Santa Monica pay a discounted flat rate fee of $4,000 for up to 15 hours per month of legal services, including time spent attending Oversight Board meetings. This monthly retainer does not include travel time that, per our proposal, will be billed from LAX to the City of Santa Monica. We will bill you separately for travel time. To protect the City of Santa Monica from possible monthly variations in its legal services needs, we will determine quarterly, rather than monthly, the City’s aggregate use of these services. If the City used more than a total of 45 hours of legal services during the prior three months, the City will pay the Firm a catch-up fee for the excess hours at our normal hourly rate of $285 per hour.

Please let me know if you have any questions.

Regards,
Ernestine Tayabas-Kim

Ernestine Tayabas-Kim | Firm Administrative Manager
Renne Sloan Holtzman Sakai LLP | Public Law Group™
350 Sansome Street, Suite 300 | San Francisco, CA 94104

Confidentiality Notice: This transmittal is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this transmittal is not the intended recipient or the employee or agent responsible for delivering the transmittal to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited.

From: Elsa Trujillo [mailto:Elsa.Trujillo@SMGOV.NET]
Sent: Tuesday, May 15, 2012 6:03 PM
To: Ernestine Tayabas-Kim
Cc: David Kahn
Subject: RE: Response to RFP for Outside Legal Counsel to the Oversight Board

Ms. Ernestine,
We are in the process of reviewing your firm’s proposal and would like to inquire regarding your proposed fees. Would your firm be willing to charge a monthly retainer fee for a given amount of hours each month and anything over that amount of hours could be billed separately and or
credited if not all hours were needed in a given month? If this is possible can you please e-mail me as soon as possible with this information and we will evaluate it as part of your proposal. –Thank you

Elsa Trujillo, Senior Development Analyst
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