

STEIN & LUBIN LLP

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Proposal To Serve as Legal Counsel to the Santa Monica Redevelopment Successor Agency Oversight Board

May 9, 2012

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Introduction

Stein & Lubin LLP is pleased to present this proposal to serve as legal counsel to the Santa Monica Redevelopment Successor Agency Oversight Board (the “Oversight Board”) to represent and advise the Oversight Board with regard to its duties under ABx1 26, codified, in part, in California Health and Safety Code Sections 34170 et seq. (“AB 26”) and any subsequent legislation, and all matters before the Oversight Board, including whether items on the “ROPS” constitute enforceable obligations, as further described in the “Scope of Services” Section of the Oversight Board’s Request for Proposal.

Stein & Lubin is a San Francisco-based law firm of 33 attorneys, founded in 1982. Since its founding, Stein & Lubin has developed a notable reputation as one of California’s leading mid-sized firms. We offer an extensive complement of transactional real estate, finance, business and litigation services to a broad spectrum of clients (ranging from Fortune 50 multinational corporations to individuals and partnerships). At Stein & Lubin, we stay abreast of new developments in the law; in particular, we have developed an expertise with regard to AB 26 and are currently providing legal services and advice to another large Oversight Board in the state of California.

We thank the Santa Monica Redevelopment Successor Agency Oversight Board for its consideration of this proposal and welcome the opportunity to discuss it further with you.

Experience and Capabilities of Stein & Lubin

The Real Estate Group at Stein & Lubin provides a wide range of transactional real estate services. We also collaborate with the firm's Finance and Workout Group to assist our clients in financing, loan restructuring and workouts. A Firm Overview and summary of our Real Estate and Finance and Workout practices follows on pages 4-7 of this Proposal. Of particular importance to this Proposal, Stein & Lubin has experience and expertise in local public sector law, redevelopment law, affordable housing law and AB 26.

Among our clients are virtually every type and form of real property owner and their investment advisors as well as real estate lenders and borrowers. Each client at Stein & Lubin is served by the breadth and depth of our expertise at more economical rates than larger firms charge. We are big enough to handle major complex transactions, but nimble enough to move efficiently and quickly.

We do not hire lawyers right out of law school. Even our most junior attorneys have had at least three years experience – almost always at a large law firm. As a result, we staff matters efficiently and, consequently, are able to service our clients' needs quickly and most importantly, economically.

We find that working closely with our clients to understand their business needs and strategies enhances the professional relationship. We have received high marks from clients, not only

because our work is prompt, cost effective and precise, but also because we are proactive. Matters do not languish on our credenzas; we actively pursue opposing counsel and, where appropriate, our own client representatives, to help move projects to completion. Busy clients with many large real estate transactions find our proactive and diligent approach very supportive. This proactive approach to project completion will serve the Oversight Board well too given the challenging deadlines set by AB 26.



FIRM OVERVIEW

Since its founding in 1982, Stein & Lubin LLP has developed a reputation as one of California's leading mid-size law firms. We offer an extensive complement of legal services to businesses and individuals facing challenges in litigation, real estate, finance and business transactions and bankruptcy and creditor's rights matters. Our clients range from individuals and small and medium sized companies to Fortune 500 multinational corporations in a broad array of businesses, including real estate investment, finance, development and brokerage, financial services, manufacturing, retail, technology, construction, multimedia, hospitality, food and beverage, advertising and professional services.

At Stein & Lubin LLP, we combine the depth and resourcefulness of a large firm with the agility of a small one. We bring a practical, results-oriented approach to every engagement. Our lawyers carefully consider the legal, financial and business implications of each matter and calibrate our legal strategies to address them. Because so much of our business is relationship driven, we are sensitive to the issues facing our clients in today's ever-changing business landscape. We pride ourselves on the efficiency, responsiveness and unyielding integrity that are the hallmarks of our practice.

Real Estate

Stein & Lubin LLP's Real Estate Practice Group has been one of the cornerstones of the firm since its inception in 1982. The practice is broad-based and comprehensive. We regularly represent parties on every side of significant real estate transactions involving property of all types including office, retail, industrial, life/science, mixed-use, multi-family and residential. Our clients include institutional and entrepreneurial investors and developers, banks, brokerages, retailers, insurers, financial institutions and other local, regional and national companies.

Our practice encompasses four principal areas:

Purchase and Sale Transactions

We negotiate and document purchase and sale agreements, letters of intent, option agreements and financing agreements, assist with property inspections, environmental, title and other due diligence, review and modify leases and subleases, refine brokerage agreements and coordinate closings.

Leasing

We represent both landlords and tenants in all aspects of commercial leasing, including the leasing of office, retail space, shopping centers, life/science, industrial, and manufacturing buildings and mixed-use developments. We also have extensive experience representing clients in ground-lease transactions, both for new developments and existing buildings. We assist our leasing clients by negotiating and preparing work letters, takeover agreements and reciprocal lease agreements and by negotiating and refining brokerage agreements.

Development

We represent local, regional, national and international developers in connection with their development of new projects by assisting them in obtaining entitlements and by negotiating and preparing architect, construction and project management contracts. We also assist our clients in forming, structuring, capitalizing and documenting their ownership entities.

Financing and Workouts

We also collaborate with the firm's Finance and Workout Practice Group to assist our clients in financing their deals through acquisition, construction, mezzanine, bridge and permanent loans. We review and negotiate loan agreements, guaranties, intercreditor agreements and SNDAs and handle all facets of loan restructuring, ranging from forbearance agreements, loan modifications, judicial and non-judicial enforcement proceedings, deed-in-lieu agreements.

For more information, contact Leon Tuan.

Attorneys

- > Elizabeth S. Anderson
- > Patricia A. Ashley
- > Daniel J. Barry
- > Richard B. Caine
- > Paula S. Crow
- > Jonathan A. Funk
- > Gilbert J. Garcia
- > Seagrump L. Gilbert
- > Wende W. Guastamachio
- > Laurie N. Gustafson
- > Jeffrey Kirchmann

Real Estate

- > Jennifer Leung
- > Cara K. Lowe
- > Mark D. Lubin
- > Michael P. Muzzy
- > Paul J. Niewiadomski
- > Charles R. Olson
- > K. Bradley Rogerson
- > Robert S. Stein
- > Sean T. Torres
- > Leon Y. Tuan
- > Dana M. Waller
- > David E. Webster
- > Jo Ann Woodsum

Finance and Workouts

Stein & Lubin LLP's Finance and Workouts Practice Group is an inter-disciplinary collaboration of lawyers from our real estate, business, litigation and bankruptcy practices. We provide a broad range of services to both lenders and borrowers relating to a variety of asset-based loans, including acquisition, construction, mezzanine, bridge and permanent financings, as well as credit-enhanced bond transactions, loan participations and syndications. We also assist our clients in connection with their efforts to purchase discounted distressed loans and realize the value of collateral.

Our lender clients include banks, finance companies, mortgage funds and private lenders in real estate and commercial finance transactions.

Our borrower clients include real estate developers and investors, as well as corporate clients in a variety of industries.

We also represent clients in a broad spectrum of loan workout matters, ranging from straightforward extension and forbearance agreements to complex loan restructurings or workouts involving recapitalizations and debt subordination. When necessary, we collaborate with our colleagues in the Bankruptcy and Creditors' Rights Group to protect our clients' interests as creditors in the bankruptcy and state and federal courts.

For more information, contact Mark D. Lubin.

Attorneys

- > Richard B. Caine
- > Eugene K. Chang
- > Paula S. Crow
- > Michael F. Donner
- > Theodore A. Griffinger
- > Jennifer Leung
- > Mark D. Lubin
- > Manuel A. Martinez
- > Dennis D. Miller
- > Michael P. Muzzy
- > Paul J. Niewiadomski
- > K. Bradley Rogerson
- > Robert S. Stein
- > Leon Y. Tuan

Stein & Lubin's Expertise in Redevelopment Law and AB 26

All attorneys with Stein & Lubin started practice elsewhere and chose the firm for the opportunities it offers and the excellence of its services and reputation. Included in this Proposal at pages 11-16 are the resumes of the Stein & Lubin attorneys who have relevant experience in real estate, finance, workouts, redevelopment law, affordable housing and AB 26 – all of which would benefit the Oversight Board in completing its duties under AB 26.

Laurie Gustafson, Paula Crow and Charles Olson recently co-authored an article entitled, *“The Death of Redevelopment; Making Sure the “Estate” Pays all of the Debts of the Deceased,”* due to be published in The View, a quarterly publication of the San Francisco Commercial Real Estate Women (CREW SF). A copy of the article is included at pages 17-18 of this Proposal. The article is meant, not as a scholarly treatise on the subject, but as a short practical overview for those parties who claim to have “enforceable obligations” under AB 26. Preparation of the article drew on our full study and understanding of AB 26 and its implications for all parties involved.

Stein & Lubin has recently been engaged to represent the Emeryville Redevelopment Successor Agency Oversight Board

and is now putting its research and analysis of AB 26 to practical use for Emeryville. Both Ms. Crow and Ms. Gustafson are currently advising the Emeryville Oversight Board on all of the same matters for which the Santa Monica Oversight Board seeks legal assistance.

In addition, prior to joining Stein & Lubin, Ms. Crow was a partner at the law firm of Goldfarb & Lipman. Goldfarb & Lipman was one of the first California law firms to specialize in redevelopment starting in the early 1970's. At Stein & Lubin, Ms. Crow's practice has continued to include some redevelopment work, and both Ms. Crow and Ms. Gustafson have substantial experience in real estate transactions, finance and workouts, all of which are important for the real property and assets dispositions with which the Oversight Board will be tasked.

Finally, both Mr. Olson and Beth Anderson have substantial experience in affordable housing matters, as well as general real estate transactional experience, and Paul Niewaidomski previously served as Deputy County Counsel for the County of Santa Clara, California.

In short, the team at Stein & Lubin is very knowledgeable about AB 26; we have the skills and experience that the Oversight Board will need to fulfill its fiduciary duties under

AB 26, and we have the capacity to service the Oversight Board in a prompt and timely manner.

PRACTICE AREAS

- > Real Estate
- > Finance and Workouts

EDUCATION

Undergraduate

- > University of California at Berkeley (A.B. 1977)

Law School

- > University of California at Berkeley, Boalt Hall (J.D. 1980)

ADMISSIONS

Bar Admissions

- > California



Of Counsel

EMAIL pcrow@steinlubin.com

TEL (415) 981-0550

FAX (415) 981-4343

Paula S. Crow is Of Counsel in Stein & Lubin's Real Estate and Finance and Workouts Practice Groups. She specializes in the areas of real estate acquisition, financing and leasing. She also represents clients in redevelopment and affordable housing transactions, and cross-border transactions.

Prior to joining Stein & Lubin, Ms. Crow was a partner with Goldfarb & Lipman in San Francisco.

PRACTICE AREAS

- > Real Estate

EDUCATION

Undergraduate

- > University of California at Berkeley (B.A., Phi Beta Kappa, 1973)

Graduate

- > Southern University, Baton Rouge (M.Ed 1974)

Law School

- > University of California, Davis (J.D. 1984)

ADMISSIONS

Bar Admissions

- > California
- > Washington
- > Alaska

MEMBERSHIPS & ASSOCIATIONS

Legal

- > CREW SF
 - > Education Committee (2011-present)
- > CREW East Bay
 - > Programs Committee (2009-2010)



Of Counsel

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TEL (415) 981-0550

FAX (415) 981-4343

Laurie N. Gustafson is Of Counsel in Stein & Lubin's Real Estate Practice Group. She specializes in commercial real estate, including real property acquisitions and dispositions, leasing, financing and development.

Ms. Gustafson has experience in complex multi-state and international real estate and finance transactions, including office, retail, restaurant, shopping centers, industrial, rural, infrastructure and mixed use projects.

Prior to joining Stein & Lubin, Ms. Gustafson was a partner at Dorsey & Whitney, LLP and practiced with Perkins Coie, LLP in Seattle. Ms. Gustafson is admitted to practice in California, Washington and Alaska.

PRACTICE AREAS

- > Real Estate
- > Business
- > Finance and Workouts

EDUCATION

Undergraduate

- > Western Michigan University (B.B.A., Magna Cum Laude, 1992)
 - > Presidential Scholar of Economics

Law School

- > University of Michigan (J.D. 1995)

ADMISSIONS

Bar Admissions

- > California
- > Alaska

MEMBERSHIPS & ASSOCIATIONS

Legal

- > California Bar Association
 - > Real Property and Taxation Sections
- > San Francisco Bar Association
- > Santa Clara County Bar Association



Partner

EMAIL pniewiadomski@steinlubin.com

TEL (415) 981-0550

FAX (415) 981-4343

Paul J. Niewiadomski is a Partner in Stein & Lubin's Real Estate, Business and Finance and Workouts Practice Groups. He represents clients in a broad range of real estate and business transactions. His practice encompasses acquisitions, dispositions, financing, leasing, entity formation, development and construction.

Prior to joining Stein & Lubin, Mr. Niewiadomski practiced with Skjerven Morrill MacPherson LLP in its Silicon Valley and San Francisco offices. He was also a Deputy County Counsel with the County of Santa Clara, where he was involved with in excess of \$500 million in capital improvement and public-private development projects.

Mr. Niewiadomski has served on the boards of several non-profit and civic organizations and is a member of the Urban Land Institute (San Francisco) and NAIOP (Silicon Valley Chapter). He has spoken at a wide range of seminars and conferences on real estate and business issues for the California County Counsels' Association, California Mortgage Association, and other organizations.

PRACTICE AREAS

- > Real Estate
- > Litigation

EDUCATION

Undergraduate

- > Harvard University (A.B., Cum Laude, 1974)

Law School

- > University of California, Hastings College of Law (J.D., Cum Laude, 1987)

ADMISSIONS

Bar Admissions

- > California

Court Admissions

- > U.S. Ninth Circuit Court of Appeals
- > U.S. District Court, Northern District of California
- > U.S. District Court, Central District of California
- > U.S. District Court, Eastern District of California
- > U.S. District Court, Southern District of California



Partner

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TEL (415) 981-0550

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MEMBERSHIPS & ASSOCIATIONS

Legal

- > California Bar Association
 - > Real Property and Environmental Law Sections
- > American Bar Association
 - > Affordable Housing Forum
- > Lambda Alpha Land Economics Society
- > San Francisco Architectural Heritage
 - > Director (December 2011-)
 - > President (June 2007-December 2011)
- > The Crucible
 - > Board of Directors (2012-)

Charles R. Olson is a Partner in Stein & Lubin's Real Estate and Litigation Practice Groups. He specializes in real estate transactions, land use and land use litigation, and affordable housing.

In the land use and entitlement area, Mr. Olson represents developers, institutions, corporations and other property owners in obtaining entitlements and permits for use of their property. He has represented clients in complex development projects in San Francisco and throughout the Bay Area and Northern California, as well as smaller developers and property owners. Mr. Olson has extensive experience guiding clients through compliance with the California Environment Quality Act (CEQA) and the National Environmental Policy Act (NEPA). He also has extensive experience guiding clients through the full entitlement process, including compliance with general plans, the Subdivision Map Act, and local planning codes and zoning ordinances.

In the real estate area, Mr. Olson represents property owners, developers and investors in all aspects of real estate, including acquisitions and sales, leasing, financing and construction, and architect and contractor agreements. Mr. Olson also has extensive experience in affordable housing transactions and has counseled clients in the acquisition, financing and development of thousands of affordable housing units. He has substantial experience with the use of tax-exempt bond and low-income housing tax credit financing for

affordable housing transactions, as well as United States Department of Housing and Urban Development financing.

In the litigation area, Mr. Olson has successfully represented numerous clients throughout California in land use and CEQA cases at both the Superior Court and Court of Appeal levels.

PRACTICE AREAS

- > Real Estate

EDUCATION

Undergraduate

- > Brown University (B.A.)

Graduate

- > Brown University (M.F.A.)

Law School

- > University of Virginia (J.D. 2005)

ADMISSIONS

Bar Admissions

- > California
- > Virginia (Inactive)



Associate

EMAIL banderson@steinlubin.com

TEL (415) 981-0550

FAX (415) 981-4343

Elizabeth S. Anderson is an Associate in Stein & Lubin's Real Estate Practice Group. She specializes in commercial real estate transactions.

Ms. Anderson has a broad range of experience representing owners and developers in matters pertaining to the acquisition and sale, financing and leasing of commercial properties. She also has experience with affordable housing and condominium projects. Prior to joining Stein & Lubin, Ms. Anderson was an Associate with Cox, Castle & Nicholson LLP in San Francisco.



The Death of Redevelopment Making Sure the “Estate” Pays all the Debts of the Deceased

© 2012 Laurie N.Gustafson, Paula S. Crow and Charles R. Olson

As Governor Brown would say, the “funeral” is over. The initial shock has worn off. It’s time to move on. If you were doing business with a redevelopment agency (RDA) before it dissolved as a developer, service provider or otherwise, where do you stand now? Below we offer a brief review of what to be aware of to protect your interests. Bottom line – Is your contract with the former RDA an “enforceable obligation” as defined in California Assembly Bill No. 26 (AB 26) which dissolved the RDAs? You’ll need to be prepared to make your case that it is, not just once, but at continuing six month intervals for the foreseeable future.

The intent of the California legislature, emphatically expressed in AB 26, is to preserve all assets of each former RDA for use by the local government for core services such as police, fire and schools. According to AB 26, former RDAs collected approximately 12% of all property taxes in California, for a total of \$5 billion in fiscal year 2011-2012. Although AB 26 states that AB 26 should not be construed to interfere with a former RDA’s payment obligations, it also states, more than once, that efforts should be made to terminate

or renegotiate agreements to reduce obligations, allowing more funds for core services.

AB 26 establishes layers of checks and balances to achieve the goal of asset preservation. First, a successor agency (SA) must be established for each dissolved RDA. In most cases this role has been undertaken by the jurisdiction that formed the RDA. For example, the City and County of San Francisco is the SA to the former San Francisco RDA. (The City of Los Angeles, which declined the successor agency role, is a notable exception.) The SA’s job is to, as expeditiously as possible, wind up the affairs of the former RDA; however, in the process keep paying all “enforceable obligations”.

The next level is the local Oversight Board (OB), each comprised of seven members – its job is to check that the SA complies with the law. In San Francisco, the Mayor has appointed four members to the OB. The other three were appointed by BART (the largest special district receiving property tax dollars), the City Superintendent of Schools and the Community College District. The

OB is thus comprised of stakeholders interested in ensuring that former RDA funds are redistributed to taxing entities for non-redevelopment purposes. With the OB’s veto power over the SA’s decisions, the SA cannot simply act as a continuation, unchecked, of the former RDA.

Finally, at the state level, the Controller and the Department of Finance (DOF) each has the right to check and overturn SA and OB decisions.

The identification of “enforceable obligations” began before the former RDAs were dissolved. Each RDA prepared
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a list of “enforceable obligations.” Generally speaking, parties with a fully executed, properly adopted contract with a former RDA were likely to be included on the list. After adopting the enforceable obligations list, each former RDA prepared a draft “Recognized Obligation Payment Schedule” (ROPS) listing enforceable obligations and payments due from January 1 – June 30, 2012, for consideration by the SA.

Following dissolution of the RDA, each SA adopted its own ROPS for OB approval. Under AB 26, the OB has a fiduciary duty to both the holders of enforceable obligations and the taxing entities that stand to benefit from the redirected RDA funds. In San Francisco, significant battles between the SA and OB are not likely given that the city and county are the same entity; in contrast, Oakland and San Jose are each just one of multiple jurisdictions within their respective counties, all of which will fight for a portion of the remaining funds.

Finally, after the OB has approved the ROPS, the SA must have, no later than April 15, 2012, submitted the ROPS to the DOF and Controller for approval.

As the dust begins to settle on the dissolution of the RDAs, in many instances, the state level is where the challenges to “enforceable obligations” will occur. If more local tax dollars are available for schools, less burden is on the state to provide those funds. The state has the most to gain if local property tax funds are redirected from former RDA contracts. To perform their audit and oversight functions, the DOF and Controller must have the necessary resources. AB 26 allows the state to use former RDA funds for this purpose. Thus, the state has a motive to vigorously challenge “enforceable obligations” and an expense account to mount the fight. The Governor however, will likely direct that the state select its challenges carefully so that tax increment funds be used only to fight battles with the greatest likelihood of success and reward.

Under AB 26, the ROPS listing and approval process repeats itself every six months until all enforceable obligations are completed. Getting on the initial list does not assure protection from future challenge. AB 26 permits the OB and the SA to terminate or renegotiate enforceable obligations to reduce expenses. Revisiting the approval process every six months facilitates this goal by seemingly making this a continuing iterative process. Legislation is being proposed that would allow an SA to prepare the ROPS each twelve months. Although new legislation may streamline the process, any legislation that would substantially overhaul the process would likely be vetoed by the Governor.

As this unfolds, plenty remains to be seen, and enforceability battles will likely spawn lawsuits when the stakes are high. In San Francisco, perhaps the best chance of staying on the ROPS is to be under the umbrella of a large project that has been deemed an enforceable obligation and will likely remain on

each succeeding ROPS, such as Mission Bay, Hunters Point Shipyard and portions of Bay View Hunters Point and Transbay.

The bottom line is, if you have an unfinished contract with any former RDA, vigilance is key – you need to make sure your contract is on each ROPS going forward.

The content of this article is not intended to provide legal advice or to create an attorney-client relationship with the readers.



About the Authors

Laurie N. Gustafson, Paula S. Crow and Charles R. Olson are real estate attorneys

at Stein & Lubin LLP. Their many years of experience include work in all areas of real estate, from acquisitions and sales, to leasing, financing, construction and redevelopment. Their practice also includes more specialized areas such as affordable housing and land use/CEQA representation and related litigation. Laurie currently serves on the Board of Directors of CREW San Francisco. Paula currently serves as Board Counsel to the Emeryville Oversight Board.

CREW SF CONVERSATIONS:

CREW SF welcomed Jennifer Siebel Newsom on January 11 for a discussion of her film, Miss Representation, a documentary about the portrayal of women in media. Here are just two of the many responses to this discussion inspired by the preview of the film. Be sure to check out EVERYTHING EVENTS for a full listing regarding our upcoming screening.

WE'RE MISS REPRESENTED: SO NOW WHAT?

It is a fact that women are objectified and marginalized in the media. It is a fact that women are under-represented in positions of power and influence in America. It is a fact that our society is too slow at moving towards equality for women. These issues have all been true for a very, very long time. Through *Miss Representation*, Newsom illustrates well that women are indeed vastly mis-represented; however, the average person is fully aware that women don't fare well. The film left me boiling, freshly disappointed at the disparity, and overall feeling pretty helpless. I kept thinking: “So now what?”

Newsom should be commended for raising awareness to women's issues, yet the film needed to move beyond stating the obvious and explore a real call to action. The footage of young women discussing their loss of self-esteem, their anxieties, and their frustrations at the world before them, made me curious about the future from their eyes. Hearing testimonies from these young women made it clear that, as a society, we haven't done enough to support them. We haven't come up with realistic strategies for average women and girls to hold on to, find comfort in, and implement as they move through life. I kept thinking what an inspiring film it would have been if it focused on exploring, discovering, and finding solutions.

(continued on page 3)

Proposed Fees for Services, Costs and Expenses

We typically bill on a straight hourly basis. Because we are efficient and our billing rates are low compared to other law firms with our depth and breadth of experience, we believe that our standard billing structure will work well for our proposed representation of the Oversight Board. The current hourly billing rates for the attorneys to be assigned to this matter are: Ms. Crow and Ms. Gustafson, both at \$395 per hour. When appropriate, we may also seek the assistance of Ms. Anderson at \$335 per hour and/or our paralegals at \$110 per hour. Our rates are subject to periodic increases, generally on an annual basis. We will charge the Oversight Board for all time we spend providing all legal services, including, but not limited to, conferences and meetings, legal research, correspondence and legal documents, telephone calls and emails, as well as travel time. We will incur certain costs and expenses in performing legal services for the Oversight Board, and these would also be billed to the Oversight Board; examples include the following: fees for computerized legal research, messenger and other delivery fees, postage, travel expenses (such as air fare, meals and lodging), photocopying and other reproduction costs, clerical staff overtime when required to meet Oversight Board deadlines, and other similar items.

We appreciate the Oversight Board's inquiry as to a retainer fee arrangement; however, we are concerned about a retainer fee if it were to contain a cap. At this point, we cannot know exactly how much legal work will be required in order to assist the Oversight

Board with all of its mandated duties. We also cannot know the extent of challenge that the Oversight Board may face from the Department of Finance with regard to the ROPS. We are willing to discuss our fee proposal with the Oversight Board should the Board be interested in retaining our services.

Client Reference List

Michael Gulasch
Global Real Estate Leader
Intuit, Inc.

2632 Marine Way
Mail Stop: MTV 09-002
Mountain View, California 94043
Telephone: 650.944.2803
Fax: 650.944.3600
Email: Michael_Gulasch@intuit.com

Ms. Crow and Ms. Gustafson have successfully worked together as a team on real estate matters for Intuit. Ms. Crow has worked with Intuit for 6 years on a variety of real estate matters, including leasing and purchase and sale transactions. Ms. Gustafson has worked with Intuit throughout the past year on leasing matters and in the negotiation, documentation and closing on the acquisition of multiple properties.

Frank Middleton
Director and Regional Development Director
Wood Partners

20 Sunnyvale Avenue
Mill Valley, California 94941
Telephone: 415.888.2432
Email: fbm@woodpartners.com

Wood Partners is a national multi-family housing developer. Ms. Crow and Ms. Gustafson both do work for Wood Partners on their California projects. Mr. Middleton can speak in particular to our work on a complex Wood Partners project with a challenging deadline in San Diego County in 2010.

Patrick D. O’Keefe
Emeryville City Manager and Staff to the
Emeryville Oversight Board
City Manager

1333 Park Avenue
Emeryville, California 94608
Telephone: 510.596.4371
Email: pokeefe@emeryville.org

Ms. Crow worked with Pat O’Keefe several years ago when he was Director of Redevelopment for the City of El Cerrito. Mr. O’Keefe recently contacted Ms. Crow to have Stein & Lubin represent the Emeryville Oversight Board in connection with its AB 26 duties.

Conflicts of Interest/Insurance

Conflicts of Interest: There exist no actual or potential conflicts of interest between any member of the Oversight Board, the County of Los Angeles, the California Redevelopment Association, the City of Santa Monica, or any entity that appointed a member of the Oversight Board, as listed on Exhibit B to the Oversight Board's Request for Proposal, and any other person or entity represented by Stein & Lubin.

Insurance Requirements and Verification: Stein & Lubin will procure and maintain for the duration of agreement between it and the Oversight Board the following insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the legal services provided by Stein & Lubin or its employees on behalf of the Oversight Board, and will provide to the Oversight Board, prior to commencing any legal services, other pertinent information reasonably requested by the Oversight Board regarding the insurance coverage, including but not limited to deductible amounts:

Professional Liability Insurance

Nautilus Insurance Co. – Best Rating A+ X (Superior)
Renewal: 05/01/12 – 05/01/13
Policy No. PLP 100128P3
Each Claim: \$5 Million
Aggregate: \$5 Million

Commercial General Liability

The Hartford
Renewal: 04/16/12 – 04/16/13
Policy No. 57SBANC.4243
Each Occurrence: \$1 Million

Umbrella Policy

The Hartford
Policy No. 57SBANC.4243
Each Occurrence: \$4 Million

Auto Policy

The Hartford
Policy No. 57SBANC.4243
Hired Autos or Non-Owned Autos
Combined Single Limit Included in the other Hartford Policies
No Firm Owned Autos

Worker's Compensation

The Hartford

Renewal: 04/11/12 – 04/11/13

Policy No. 57WECVV0201

Each Accident: \$1 Million

Disease Each Employee: \$1 Million

Disease Policy Limit: \$1 Million

Employment Practices Liability Insurance

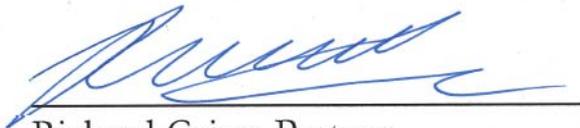
Monitor

Renewal: 05/01/12 – 05/01/13

Policy No. 41104656

Limit of Liability: \$1 Million per claim

\$1 Million in the Aggregate



Richard Caine, Partner

Stein & Lubin LLP

Our Commitment to Equal Opportunity, Diversity and Ethics

Equal opportunity has been a core value of our firm since its founding. As a result of our long standing commitment to equal opportunity, we have created a truly diverse law firm.

Stein & Lubin LLP's "Diversity Scorecard" topped the highest ranking law firms listed in the *Minority Law Journal's* 2010 diversity survey. Although the survey focused exclusively on the nation's 250 largest law firms (and therefore, Stein & Lubin LLP was not included in it), using the same methodology employed by the *Minority Law Journal*, Stein & Lubin LLP's 2010 Diversity Score stood at 49.81, which exceeded the Diversity Score of all law firms listed in the 2010 survey.

Stein & Lubin LLP's partnership consists of 27.27% ethnic minorities, which exceeds by over 8% the firm ranked highest in the percentage of ethnic minority partners in the 2010 *Minority Law Journal* diversity survey. Stein & Lubin LLP's minority percentage of all attorneys is 22.54%, resulting in its diversity score of 49.81. Stein & Lubin LLP also exceeds the Bar Association of San Francisco's 2010 Goals and Timetables for Minority Hiring and Advancement for minority partners by over 10%.

Although the *Minority Law Journal* does not include gay and lesbian lawyers in its Diversity Scorecard, it does report such data separately as another measure of diversity. Stein & Lubin LLP has 16.10% openly gay and lesbian lawyers. By this measure of diversity, Stein & Lubin LLP again surpassed the firm ranked highest in the *Minority Law Journal*'s 2010 survey in the percentage of LGBT lawyers by 8%. Stein & Lubin LLP's non-attorney staff also is highly diverse, with 47.74% of its staff consisting of ethnic minorities.

Stein & Lubin LLP's overall commitment to equal opportunity and diversity is further reflected in the gender of its attorneys and staff. Women constitute 18.18% of the firm's partners; 32.20% of the firm's attorneys; 56.42% of non-attorney staff; and 42.55% of Stein & Lubin LLP overall.

We reinforce our commitment to equal opportunity and diversity in numerous ways, including the following:

- We adopted and have consistently exceeded the San Francisco Bar Association's Goals and Timetables for Minority Hiring.
- We played a leadership role in the San Francisco Bar Association's "No Glass Ceiling" Task Force and helped implement guidelines to promote the development of women in the law.

- We support our employees with full benefits for domestic partners and their children.
- We maintain an active Diversity Committee that is dedicated to recruiting, retaining and developing employees of diverse backgrounds.
- We have actively participated in the San Francisco Bar Association and other programs aimed at increasing diversity in the legal profession, including the Diversity Pipeline Internship Program (which introduces students from inner-city high schools to the practice of law).

From: [Elsa Trujillo](#)
To: [Elsa Trujillo](#)
Subject: FW: Cover Letter
Date: Tuesday, May 29, 2012 9:53:47 AM

From: Gustafson, Laurie [mailto:LGustafson@steinlubin.com]
Sent: Tuesday, May 15, 2012 7:54 PM
To: Elsa Trujillo
Cc: Crow, Paula
Subject: RE: Cover Letter

Ms. Trujillo -

Thank you for your email. Yes, we would be willing to charge a monthly retainer fee for a given amount of hours each month, with any hours over that amount being charged in addition on a hourly basis. For any months when our hours are less than the retainer amount, the over payment would be credited to future months. Based on our experience with the Emeryville Oversight Board, we believe the work will be front-loaded and that \$20,000 per month (the equivalent of about 50 hours) would be an appropriate amount. If you believe there will be a greater need, we can adjust that amount upwards. We could also re-examine the amount as time goes on, and the workload lightens.

Please let me know if you would like to discuss this or have any further questions.

Thanks, Laurie

Laurie N. Gustafson | STEIN & LUBIN LLP

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From: Elsa Trujillo [mailto:Elsa.Trujillo@SMGOV.NET]
Sent: Tuesday, May 15, 2012 6:09 PM
To: Gustafson, Laurie
Subject: RE: Cover Letter

Ms. Gustafson,

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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