



**Contra
Costa
County**

To: Board of Supervisors
From: Sharon L. Anderson, County Counsel
Date: January 10, 2012

Subject: CONSENT TO REPRESENTATION BY GOLDFARB & LIPMAN LLP

RECOMMENDATION(S):

CONSENT to Goldfarb and Lipman LLP providing joint representation to Contra Costa County and Affordable Housing Associates (AHA) in connection with a loan of approximately \$1.5 million of Neighborhood Stabilization Funds to AHA.

AUTHORIZE County Counsel or her designee to execute on behalf of the County the attached acknowledgment of potential conflicts of interest and consent to joint representation.

FISCAL IMPACT:

There is no fiscal impact for this action.

BACKGROUND:

Over the years, the County has entered into contracts with Goldfarb for specialized services in connection with redevelopment projects and certain affordable housing matters. Because Goldfarb's concentration of work is in affordable housing and redevelopment, it is

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **01/10/2012** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I
Supervisor
Mary N. Piepho, District III
Supervisor
Karen Mitchoff, District IV
Supervisor
Federal D. Glover, District V
Supervisor

ABSENT: Gayle B. Uilkema, District II
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 10, 2012

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Kathleen Andrus, (925)
335-1800

BACKGROUND: (CONT'D)

not uncommon for the firm to have an attorney-client relationship with more than one party to a complicated redevelopment or housing transaction.

Attached is a letter from Goldfarb that requests that the County acknowledge and waive the potential conflicts that exist in a transaction in which Goldfarb will represent the County, as lender, and Affordable Housing Associates (AHA), as borrower. The letter sets forth the attorney-client relationships that could affect the firm's representation of the County and makes it clear that different attorneys within Goldfarb will represent the two sides. The proposed consent to Goldfarb's dual role is attached to Goldfarb's letter.

In the proposed transaction, the County will loan approximately \$1.5 million of Neighborhood Stabilization Program (NSP) funds to AHA. Proceeds from the loan will be used by AHA to acquire and renovate a vacant bank-owned apartment complex in Concord. Once the renovation is complete, AHA will make all sixteen rental units available to the public as affordable housing. Goldfarb's role in representing the County will be to modify existing NSP loan documents - which are used by the County when making loans to developers who purchase, rehabilitate, and sell vacant bank-owned single-family homes - to be applicable to this transaction. The revised loan documents will be reviewed by the County Counsel's office and approved as to form.

Staff for the Conservation and Development Department has advised that they do not object to the potential conflict and recommend its waiver.

CONSEQUENCE OF NEGATIVE ACTION:

Goldfarb would not be able to continue to represent either the County or AHA in connection with the project. The result would likely be increased costs for the County and a delay in the completion of the transaction.

CHILDREN'S IMPACT STATEMENT:

Not applicable.

ATTACHMENTS

Letter from Goldfarb