

September 4, 2024

Via Email

City of Glendale
Attn: Michael Garcia
City Attorney
613 East Broadway
Glendale, CA 91206

Re: Conflicts of Interest Letter

Dear Mr. Garcia:

Burke, Williams & Sorensen, LLP ("BWS") (specifically Susan Bloch in our Oakland office and Gregory Murphy in our Los Angeles office) has been asked to represent the Burbank-Glendale-Pasadena Regional Housing Trust ("Trust") with general counsel advice but also with preparation of grant agreements contracts and other documents pertinent to the financing of affordable housing activities within Glendale, including one or more agreements between the Trust and the City of Glendale (the "City"). As you know, attorneys of our firm currently represent the City on various unrelated matters.

In order for BWS to continue to represent the Trust as requested, and at the same time represent the City on these unrelated matters, both the Trust and the City must waive any potential or existing conflicts of interest. We believe that we will be able to provide competent and diligent representation to the Trust and the City concurrently.

The California Rules of Professional Conduct, which regulate the conduct of members of the State Bar, provide specific guidance as to actual and potential conflicts of interest. Rule 1.7 provides, in pertinent part (emphasis added):

- (a) A lawyer shall not, *without informed written consent* from each client and compliance with paragraph (d), represent a client if the representation is directly adverse to another client in the same or a separate matter.

Michael Garcia, City Attorney
September 4, 2024
Page 2

- (b) A lawyer shall not, *without informed written consent* from each affected client and compliance with paragraph (d), represent a client if there is a significant risk the lawyer's representation of the client will be materially limited by the lawyer's responsibilities to or relationships with another client, a former client or a third person, or by the lawyer's own interests.
- (c) Even when a significant risk requiring a lawyer to comply with paragraph (b) is not present, a lawyer shall not represent a client *without written disclosure* of the relationship to the client and compliance with paragraph (d) where:
 - (1) the lawyer has, or knows that another lawyer in the lawyer's firm has, a legal, business, financial, professional, or personal relationship with or responsibility to a party or witness in the same matter ...
- (d) Representation is permitted under this rule only if the lawyer complies with paragraphs (a), (b), and (c), and:
 - (1) the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;
 - (2) the representation is not prohibited by law; and
 - (3) the representation does not involve the assertion of a claim by one client against another client represented by the lawyer in the same litigation or other proceeding before a tribunal.

Existing Relationships

The City is a client of BWS and we greatly value our long-term relationship with you. We currently represent the City regarding *Casa Green v. City of Glendale, et al.*, and *238 Serrano Properties LLC v. State of California, et al.* We have not represented the City regarding any Trust business.

The Trust is a client of BWS. BWS was selected to represent the Trust because of our familiarity with regional housing trust work, including Susan Bloch's work for regional housing trusts in northern California but also because of our familiarity with and work with the City and

Michael Garcia, City Attorney
September 4, 2024
Page 3

the other two cities who have representatives on the Trust governing board. In BWS's previous work with regional housing trusts, all financial agreements were made between the trust and interested developers within the covered jurisdictions. Due to the special provisions of Senate Bill 1177 creating the Trust and special legislation providing the initial funding for the Trust, the City and the other two cities have the ability to seek funding directly from the Trust.

Conflict of Interest

City staff have informed Trust personnel that the City is considering seeking a grant from the Trust in the near term to help fund an affordable housing project. The grant requires documentation, and BWS has been asked by the Trust administrative team to work on the documentation. This requires drafting documentation but also negotiating with the grantee, in this case the City. Given the State funding for the Trust, it is possible that this is not the last agreement that the Trust could be asked to enter into directly with the City.

Our representation of the Trust in connection with negotiating and drafting the grant agreement and other potential agreements with the City (the "Work") could potentially create a conflict of interest for BWS related to, among other matters, information that we have regarding the City that could be relevant to the Work, but due to our duty of confidentiality and loyalty, we would be unable to disclose such information to the Trust. At this time, we do not believe that there is an actual conflict of interest for BWS in that our past and future work for the City was and is unrelated to the Work or any Trust activities, and we believe that we can competently represent the Trust in the Work and still maintain our independent judgment and duty of loyalty to each of you in unrelated matters. In addition, we do not believe that we have obtained any confidential information from the City which is material to our representation of the Trust.

However, if an actual conflict should arise related to the Work in which: (i) the interest of the Trust becomes adverse to the interest of the City, or the interest of the City becomes adverse to the interest of the Trust in a manner that would affect our independent judgment and our duty of loyalty to each of you in the unrelated matters; (ii) a dispute regarding one or more projects covered by the Work arises; or (iii) we have obtained any confidential information from the City that is material to our representation of the Trust, or any confidential information from the Trust that is material to our representation of the City, we would not represent the Trust in any adverse proceeding against the City and not represent the City in any adverse proceeding against the Trust and would instead work with Trust administration to find separate counsel to advise them on such adverse matter.

In this type of potential conflict where we are representing two current clients on unrelated matters, we acknowledge that there may be a perception that information might be shared from one set of our lawyers working for the City to another set of our lawyers working for

Michael Garcia, City Attorney
September 4, 2024
Page 4

the Trust. We assure you that we adhere to our California statutory obligation to maintain inviolate your City's confidential information. The City should be aware that information relating to our representation of any and all clients is protected as required by Business and Professions Code Section 6068(e).

The City may waive the conflicts of interest arising from our firm's representation of the Trust as described above by signing a copy of this letter and returning it to me via email. If you have any questions or wish to discuss the contents of this letter further, please contact me at 213-236-2835.

We greatly value our firm's relationship with the City of Glendale and appreciate your consideration of this request.

Very truly yours,

Burke, Williams & Sorensen, LLP



Gregory M. Murphy

The undersigned, on behalf of the City of Glendale, hereby waives the conflicts arising from BWS's representation of the Burbank-Glendale-Pasadena Regional Housing Trust on unrelated matters to the extent described above.

CITY OF GLENDALE

By: _____
Michael Garcia
City Attorney

Dated: _____, 2024