



BENJAMIN S.

**CROCKER**  
SYMPOSIUM 2010



# Off the Beaten Track: Innovative Ways to Make Money in Real Estate

Pamela Westhoff, Sheppard Mullin Richter & Hampton LLP  
(Moderator)

Sophie Akins, Best Best & Krieger LLP

Ellen Berkowitz, Manatt, Phelps & Phillips

Kim Westhoff, Office of the Los Angeles City Attorney



## A. Generate Power; Save on Energy Costs and Gain Revenue

1. Utility Solar Leases
2. Power Purchase Agreements
3. New Developments in Feed-in Tariffs / Net-Metering

## B. What's Happening at the City?

1. The latest on the signage wars
2. The future of marijuana dispensaries
3. Trends and cutting edge issues



## C. Tackling Land Use Challenges

1. Signage and Creative Advertising: Development Agreements and other Entitlements
2. Solar Panels: State Law and Municipal Approvals
3. Cell Towers: Federal Law and Municipal Approvals
4. Backfill and Pop-Up Retail: Land Use Considerations
5. New/Creative Uses for Space: Land Use Considerations



## D. Representing Owners in Documenting Unique Uses

1. Rooftop rights
2. Cell towers
3. Data centers
4. Advertising and Signage
5. Film Location Agreements
6. Electric carports
7. Leasing/licensing to uses (and users) that are "off the beaten track"



# **Solar Projects Generate Revenue from Otherwise Passive Property**

- “Passive” Property Types: Roofs, Empty Land, and Parking Lots
- Three Potential New Sources of Revenue:
  - Lease Payments
  - Energy Cost Savings
  - New Feed-in Tariffs & Surplus Net-Metering Laws



# Utility Leases

- Renewable Portfolio Standard Mandate
  - 33% by 2020
- Lease Roof Space
  - Leased by Utility
  - Leased by Solar Company under Contract with Utility
- Receive Lease Payments
  - No Energy Cost Savings
  - LEED Points





# Power Purchase Agreements (“PPAs”)

Lease / license ground or roof space to Solar Company

- Company Constructs/Owns/Maintains Solar Project
- Company receives federal tax credit (cash grant), State rebate and depreciates equipment

No Lease Payments

Receive Energy Cost Savings

Purchase all electricity from  
solar project at reduced, fixed rate

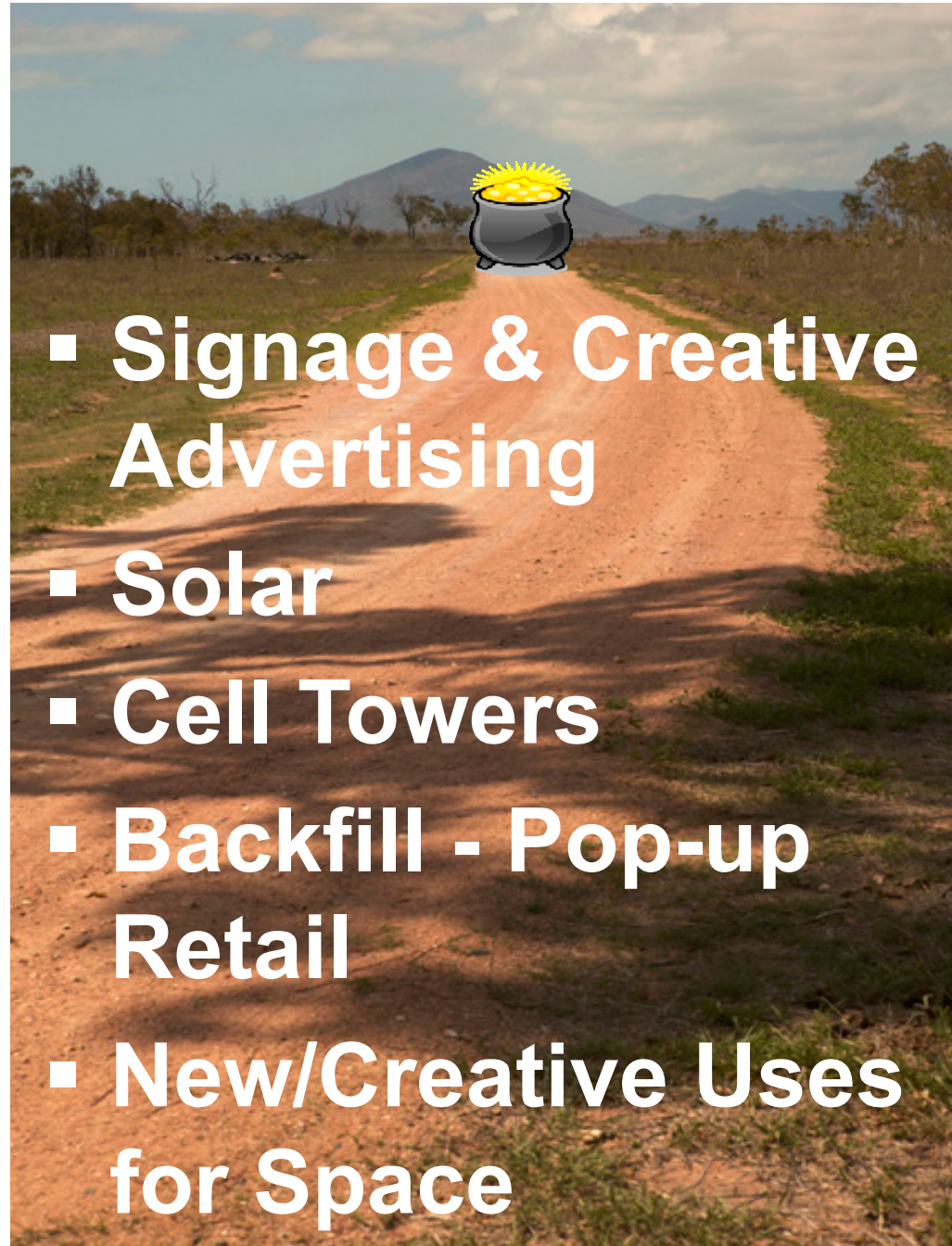
- 20 or 25 year term





# Feed-In Tariffs / Net-Metering Laws

- New laws require utilities to pay for “surplus” energy
  - Senate Bill 32 – Feed-in Tariff
  - Assembly Bill 920 – Net-Metering



- **Signage & Creative Advertising**
- **Solar**
- **Cell Towers**
- **Backfill - Pop-up Retail**
- **New/Creative Uses for Space**



# Signage

- Signage Development Agreements as a response to current budget problems



# Signage

- **Opportunities:**
  - Sign Districts
  - Creative and Unique Advertising
  - Showcasing Green Technology



# Signage

- New, Creative and Attractive Options in Signage:



<http://www.techeblog.com/index.php/tech-gadget/top-5-most-creative-billboards>



# Signage



<http://www.toxel.com/inspiration/2008/11/01/24-memorable-advertising-ideas/>



# Signage



<http://www.billboard-outdoor.com/2009/07/>



# Signage



<http://m.mediapost.com/publications/10/Target-b.jpg>



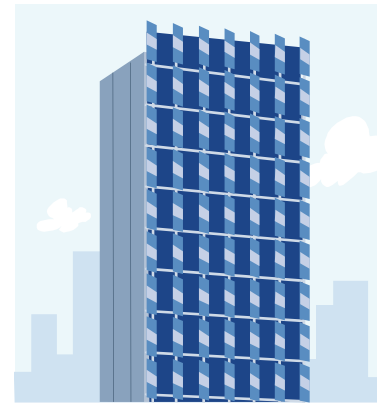
# Indoor Advertising

- Parking structures, elevators, etc.





# Solar





# Solar Rights Act

- Series of laws that protect a consumer's right to install and operate solar energy technology on a home or business, including access to sunlight, or solar access
- Limits on CC&Rs
- Limits local government restrictions on the installation of solar energy systems
- Solar Easements



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# Backfill





# Spirit Halloween Stories

- 700 Locations in 2009
- 5,000 to 10,000 square feet
- Open Labor Day to early November.
- Spirit Halloween seeks sites from January-August, finalizing leases in August.





# Backfill – Themed Attractions

- **Themed Attractions**
  - **Merlin Entertainment Group** - an example of a potential tenant **to backfill or redevelop vacant anchor spaces at quality malls.**
  - Four locations in the U.S. since 2008





# Backfill - Family Entertainment Centers

- The Xscape - Backfill for Vacant Mall Anchor Spaces
  - In 2008, “The Xscape” opened a 75,000-square-foot vacant anchor space at the waning Lafayette Mall in Indianapolis.
  - The Xscape calls itself a “family entertainment center/indoor theme park.”





# Stimulus Funds

- **The American Recovery & Reinvestment Act of 2009**
  - Solution for vacant retail space
  - Economic development loans

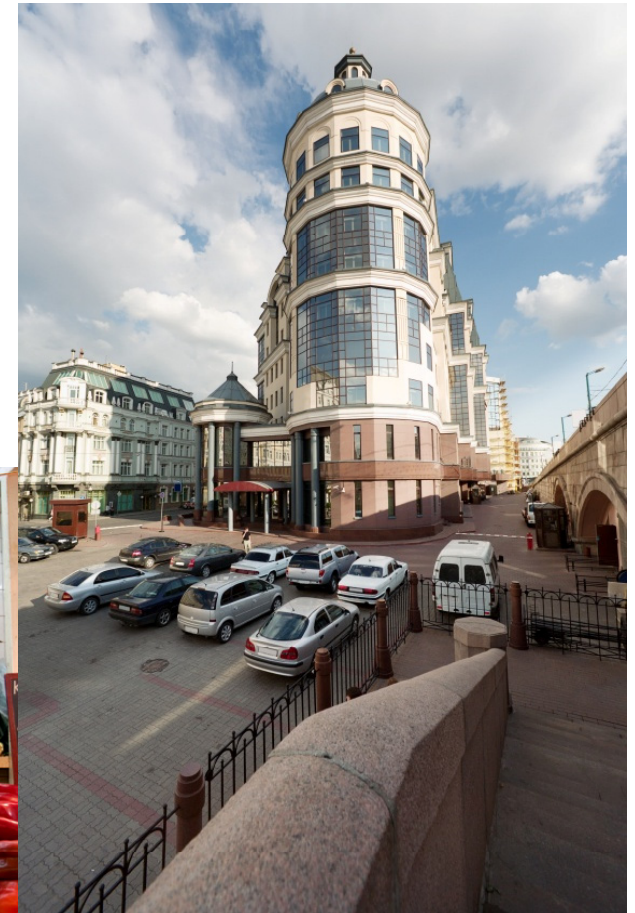


# Recovery-zone facility bonds

- Attract employers to vacant buildings
- Complete unfinished or stalled projects
- Available through the end of 2010



# New/Creative Uses for Space





# New/Creative Uses for Space

- Bike Storage Facilities
- Urban Gardens
- Farmers' Markets
- Parking and Vehicle Storage
- And many more...