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 City of Stockton
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9 UNITED STATES BANKRUPTCY COURT
 10 EASTERN DISTRICT OF CALIFORNIA
 11 SACRAMENTO DIVISION
 12

13 In re:
 14 CITY OF STOCKTON, CALIFORNIA,
 15 Debtor.

Case No. 2012-32118
 D.C. No. JD-1
 Chapter 9

**DECLARATION OF GREENLAW
 GRUPE, JR., IN SUPPORT OF CITY
 OF STOCKTON'S OPPOSITION TO
 FRANKLIN'S MOTION FOR STAY
 PENDING APPEAL OF
 CONFIRMATION ORDER**

Date: December 10, 2014
 Time: 11:00 a.m.
 Dept: C, Courtroom 35
 Judge: Hon. Christopher M. Klein

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1 I, Greenlaw Grupe, Jr., hereby declare:

2 1. I am the founder and current Chairman of the Business Council of San Joaquin
3 County, an organization made up of over 100 CEOs and large business owners. I am the founder
4 and CEO of The Grupe Companies, a real estate development and management business based in
5 the City of Stockton, California (the “City” or “Stockton”). I am also the founder of the San
6 Joaquin Partnership, a private, non-profit economic development corporation serving Stockton
7 and all of the other cities located within San Joaquin County. I make this declaration in support
8 of the City’s Opposition To Franklin’s Motion For Stay Pending Appeal Of Confirmation Order.

9 2. My great-grandfather arrived in California before it became a state. Our family
10 has been in agriculture and real estate development for several generations. I have personally
11 been one of the largest developers in the state, creating multiple master planned communities. I
12 am currently involved in the redevelopment of 100 acres of land in Stockton, a redevelopment
13 that includes one million square feet of office space in mid-town Stockton. My family is one of
14 the largest farmers of permanent crops in San Joaquin County. This involvement, in addition to
15 my service with the Business Council of San Joaquin County and the San Joaquin Partnership,
16 has caused me to interact with not only companies currently located in Stockton, but also with
17 companies thinking of relocating here.

18 3. The City’s bankruptcy has caused much anxiety for existing businesses, as well as
19 for businesses thinking of coming to Stockton and San Joaquin County. When companies ask
20 about the opportunity of relocating to San Joaquin County, within or outside of the City, the first
21 question they ask is: “When will Stockton move beyond its bankruptcy case?” They want to
22 know that before they will make a commitment.

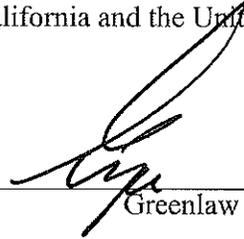
23 4. Currently, the market is good for expanding businesses; there is optimism and very
24 attractive financing available. It would be terrible if Stockton missed out on this current positive
25 business cycle. Business hates uncertainty—we need to get back to business.

26 5. Existing businesses are fearful that while Stockton is in bankruptcy, the City will
27 not be able to address police and crime issues or fulfill other civic responsibilities. As a result,
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1 there is a continuing threat of not only an inability to attract new business, but also the possibility
2 of losing some of what we already have if the City is not able to exit its bankruptcy case.

3 6. It would be a financial hardship on Stockton, on San Joaquin County, and on local
4 businesses if the City cannot emerge from bankruptcy for another year, or even two or three
5 years. In addition, such a delay could potentially destroy the credibility of the City and degrade
6 the recent uptick in confidence within the business community that was a result of the
7 confirmation of the City's plan of adjustment. It is hard to value the harm that such a delay
8 would cause, but I believe that the harm would be great.

9 Executed this 25th day of November 2014, at Stockton, California. I declare under
10 penalty of perjury under the laws of the State of California and the United States of America that
11 the foregoing is true and correct.



Greenlaw Grupe, Jr.

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