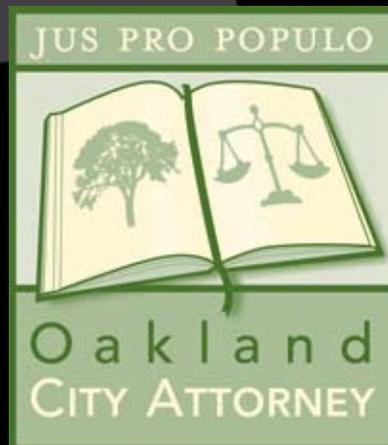


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**Community Report Card
Fiscal Year 2007-2008**



NEIGHBORHOOD LAW CORPS

Oakland's Neighborhood Law Corps puts attorneys in the streets to tackle prostitution, drug houses, slumlords, blight and other serious problems impacting the quality of life in our community. The program inspired by the Peace Corps has been recognized with the Award for Municipal Excellence from the National League of Cities.

This year, the Neighborhood Law Corps spearheaded the City Attorney's effort to assist homeowners facing foreclosure and protect the rights of tenants in foreclosed buildings.

Highlights:

- Intervened to stop unlawful evictions of at least 17 families in foreclosed buildings.
- Worked to restore utilities (water and/or power) for at least a dozen families in foreclosed housing.
- Sued one out-of-town bank agent for repeated violations of Oakland's eviction laws.
- Intervened in numerous cases to prevent banks, brokers or law firms from violating tenants' rights.

Cleaning Up Problem Liquor Stores & Bars

The City Attorney's Office continued to work aggressively this year with residents and the Oakland Police Department and to clean up or shut down nuisance liquor outlets that contribute to blight and violent crime.

Abatement of Problem Liquor Outlets FY07-08

| | |
|--------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Business Address Ended Liquor Sales Result | A&M Liquor Store 303 Oakland Avenue Yes Now a neighborhood convenience store |
| Business Address Ended Liquor Sales Result | Arrwa Liquor Store 8607 Bancroft Avenue Yes Surrendered liquor license |
| Business Address Ended Liquor Sales Result | Bonfare Liquor Store 10319 International Boulevard Yes Indefinite suspension of liquor sales |
| Business Address Ended Liquor Sales Result | Bookers Liquor Store 1944 90th Avenue No Hearing pending |
| Business Address Ended Liquor Sales Result | La Oficina Bar 4768 International Boulevard Yes In litigation – bar closed since February 2008 |
| Business Address Ended Liquor Sales Result | One Stop Liquor Store 6001 MacArthur Boulevard Yes Indefinite suspension of liquor sales |
| Business Address Ended Liquor Sales Result | Seven Seas Bar 4001 MacArthur Boulevard No In litigation – filed May 19, 2008 |

The best lawsuit is the one that's never filed

philosophy

Our philosophy – law in service of the public – guides how we provide legal services for the City of Oakland.

We consider Oakland residents and business owners as “shareholders” of this municipal corporation. Like any shareholder, you are entitled to know how your taxpayer dollars are spent for legal services.

This annual shareholder’s report provides an overview of how the Office of the City Attorney performed in the fiscal year July 1, 2007 to June 30, 2008.

We aggressively manage claims and lawsuits in order to save Oakland money.

COST OF LEGAL SERVICES

This year the cost to provide legal services to the City of Oakland was \$24.36 million, an increase of more than \$3 million from the previous fiscal year. One of the principal reasons for this year’s higher cost is the citywide increase in salaries and the dramatic rise in the cost of benefits.

| | |
|---------------------------------------------------------------------------|-----------------|
| Operating Costs (salaries, equipment, overhead) | \$15.41 million |
| Payouts of Claims and Lawsuits | \$6.15 million |
| Outside Counsel | \$1.74 million |
| Litigation Expenses (expert witnesses, depositions, exhibits) | \$1.07 million |

PAYOUTS OF CLAIMS AND LAWSUITS

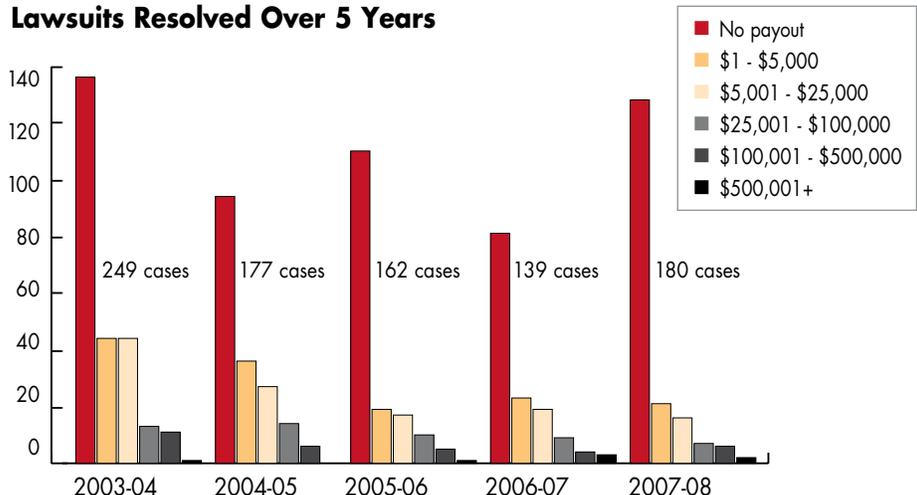
The City Attorney’s Office uses strategic litigation techniques to protect taxpayer dollars. This year almost 3 out of 4 claims and lawsuits (72%) were resolved with no payment of money.

Of the 585 claims resolved this year, **less than 3%** resulted in payments of more than \$5,000.

Of the 180 lawsuits resolved this year, **less than 5%** resulted in payments of more than \$100,000.

Payouts for police conduct cases fell significantly to \$0.8 million, while payouts for municipal infrastructure cases jumped to \$4.28 million.

Lawsuits Resolved Over 5 Years

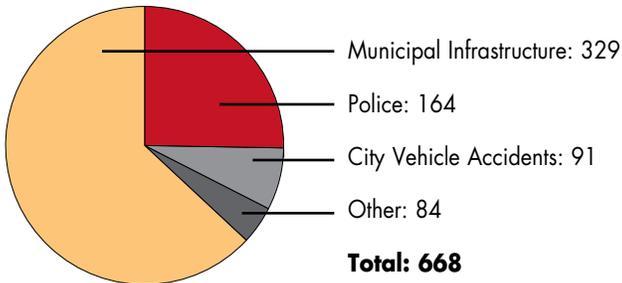


claims and litigation

CLAIMS

Claims fall into three main categories: municipal infrastructure (streets, sewers, sidewalks, etc.), police matters (conduct, towing, jail and property damage) and accidents involving city vehicles.

Claims Received Fiscal Year 2007-08

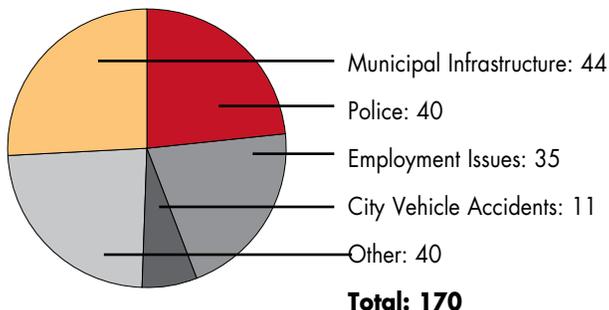


We aggressively manage liability at the claims stage to limit expensive lawsuits. The large majority of claims – about 90% – never become lawsuits, underscoring the effectiveness of this strategy. When liability is clear, we seek to settle claims early to avoid the higher cost of litigation.

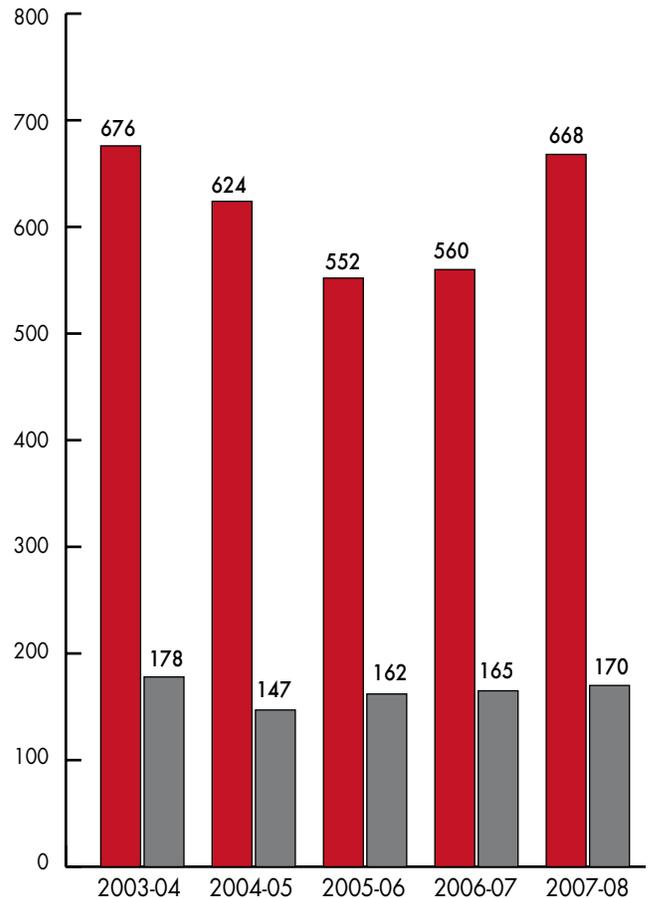
LAWSUITS

Lawsuits against the City of Oakland fall into four main categories: municipal infrastructure/dangerous conditions, police matters, employment issues and city vehicle accidents.

Lawsuits Received Fiscal Year 2007-08



Claims & Lawsuits Against the City: 5-Year Timeline



Claims and lawsuits against the City increased in FY07/08. However, the number of claims and lawsuits is significantly lower than it was 10 years ago, when the city received an average of 232 lawsuits and 980 claims every year.

Note: Over the last five years, the number of lawsuits filed against the Police Department has declined by 20 percent. Police-related lawsuits have declined by 44 percent since fiscal year 2001-02.

noteworthy

noteworthy

OAKLAND FAIR LENDING COALITION

In FY07/08, the City Attorney's Office organized the Oakland Fair Lending Coalition to lobby for new laws in Sacramento, to help homeowners facing foreclosure and to protect the rights of tenants in foreclosed buildings. The City Attorney's Office also created and staffed a hotline – 510 BE ALERT – to refer homeowners, borrowers and renters to organizations providing appropriate counseling or legal services.

ANTI-MOTH SPRAYING COALITION

The City Attorney's Office organized a coalition of Bay Area cities and agencies to oppose the state's Apple Moth spray program. The state planned to drop tons of an untested chemical on Oakland and other cities to eradicate the moth, which is considered a threat to crops. The City Attorney's Office prepared a lawsuit to force a proper environmental review, but the state dropped its plan after favorable court rulings in other counties.

WASTE MANAGEMENT LAWSUIT

In summer 2007, Waste Management of Alameda County locked out garbage workers during a contract dispute. Garbage, food scraps and recycling piled up throughout Oakland, creating serious health concerns. The City Attorney's Office filed an injunction to compel Waste Management to perform its contractual duty to pick up garbage and recycling bins. The company ended the lockout and agreed to a settlement that included increased services and more than \$3 million in rebates to residential customers.

CEMEX POLLUTION CASE

The City Attorney's Office successfully enforced a major effort by the Oakland Fire Department and the Public Works Agency to clean up the CEMEX cement factory on 23rd Avenue. CEMEX had been illegally discharging cement sludge into the city's sewer system, resulting in major blockages. Following a demand letter from the City Attorney's Office, CEMEX agreed to completely clear sewer lines in a several-block radius of the facility. The company also agreed to other measures to protect creeks and the Estuary.

ANTI-TRUST & FRAUD LAWSUITS

In 2008, Oakland filed a federal anti-trust lawsuit against some of the nation's most powerful financial firms, including AIG, Bank of America, Bear Stearns, JPMorgan Chase and others. The lawsuit charges the companies with conspiring to gouge taxpayers through illegal price fixing and bid rigging in the municipal bond market. The City Attorney's Office also filed a separate fraud lawsuit against major bond insurance companies. The complaint accuses firms of charging California cities and public agencies millions of dollars to guarantee their debts, while at the same time covering up financial shenanigans that made it impossible for the firms to provide the services they were paid for.

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awards & achievements

During the past four years, the Office of the City Attorney earned recognition locally and nationally:

- **2008 Legal Service Award**, Bay Area Lawyers for Individual Freedom
- **2007 Winner of the Municipal Excellence Award for the Neighborhood Law Corps**, National League of Cities
- **2005 Grand Prize – Helen Putnam Award for Excellence for the Neighborhood Law Corps**, League of California Cities
- **2004 Law Firm Distinguished Service Award**
Alameda County Bar Association
- **2004 California Lawyer of the Year – Government/Public Policy**
California Lawyer Magazine
- **2004 Guy Rounsaville, Jr. In-House Diversity Award**
California Minority Counsel Program
- **2004 Honorable Mention – Best Law Firm Publication**
The National Burton Award
- **2004 Award of Excellence for Publication**, Legal Marketing Association
- **2003 Beacon Award**, California First Amendment Coalition

We fulfill our motto – law in service of the public – by defending Oakland’s progressive policies in court and initiating legal action when the community’s quality of life or economic interests are jeopardized. These initiatives are the cornerstone of our commitment to accountability, access to decision-making and enhanced legal services at the neighborhood level.

For more information about the work of the City Attorney’s Office, please go to www.oaklandcityattorney.org

awards & achievements

REQUEST PUBLIC RECORDS

To request public records, download a request form from our web site at www.oaklandcityattorney.org, then submit the completed form to the appropriate City Agency or Department.

If you need additional assistance, please contact:

Michelle Abney

Open Government Coordinator

510-238-2965

mmabney@oaklandcityattorney.org

GET FORECLOSURE HELP AVOID LOAN SCAMS

Call the City Attorney’s hotline
We’ll make sure you get help
from the right people

**510-BE-ALERT
(232-5378)**

TO FILE A CLAIM

If you are seeking money or damages from the City of Oakland, you must file a claim with the Office of the City Attorney.

A standard claim form can be picked up in person or by calling:

510-238-6337

FOR MORE INFORMATION

Visit our web site:

www.oaklandcityattorney.org

Call us:

510-238-3601

Fax us:

510-238-6500

E-mail us:

info@oaklandcityattorney.org

Visit us:

**One Frank H. Ogawa Plaza, 6th Floor
Oakland, CA 94612**