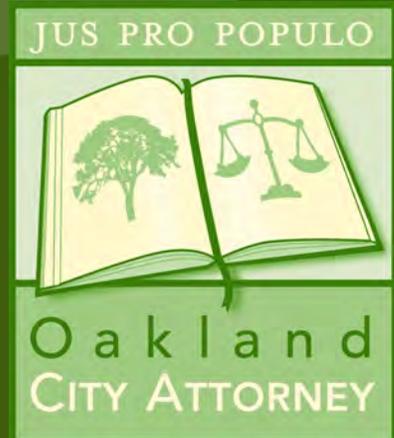
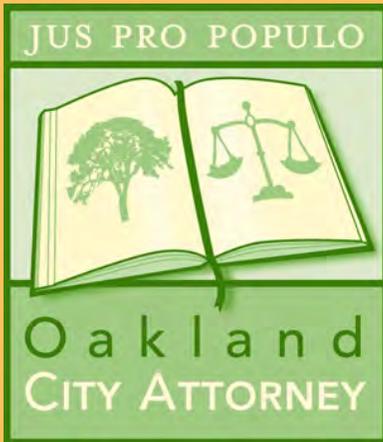


● law in the service of the public
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Community Report Card
Fiscal Year 2005-2006





philosophy 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, 2005 to June 30, 2006.

jus pro populo law in service of the public

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.

NEIGHBORHOOD LAW CORPS

Our innovative, award-winning community lawyering program responds to residents and solves neighborhood problems. The Neighborhood Law Corps works to empower the community to tackle problem liquor outlets, drug houses, blight and inhumane housing conditions. Funded by a nonprofit, we use an array of legal and community-based tools improve neighborhoods in Oakland block by block. Neighborhood Law Corps accomplishments for the year include:

- Abating 12 drug nuisance locations/properties;
- Prosecuting 33 alcohol-related nuisance suits;
- Prosecuting two landlords for substandard housing;
- Abating two problem hotels, 16 blighted properties and three general public nuisance cases.

In 2005, the Neighborhood Law Corps received the equivalent of a ‘Pulitzer Prize’ for public service – the Helen Putnam Award for Excellence from the League of California Cities. This year we are proud to announce that the Neighborhood Law Corps is a finalist for the National League of Cities Award for Municipal Excellence.

The best lawsuit is the one that's never filed

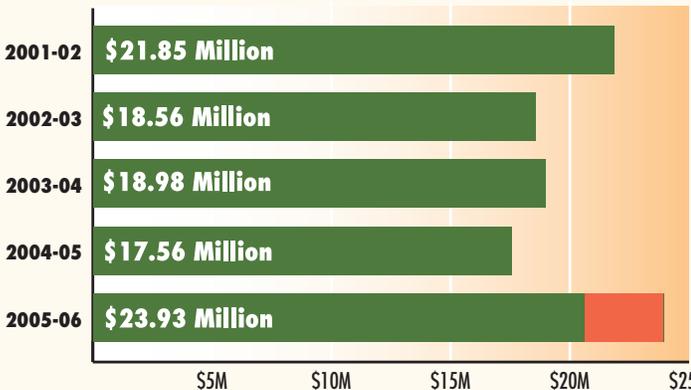
COST OF LEGAL SERVICES

In FY05-06, the cost to provide legal services to the City of Oakland was \$23.93 million, a 36% increase (\$6.37 million) from the prior fiscal year (see *Chart 1*).

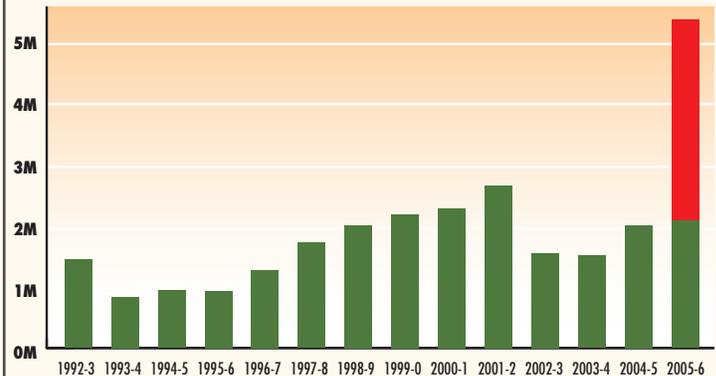
FISCAL YEAR 2005-06

Operating Costs (salaries, equipment, overhead).....	\$12.95 million
Litigation Expenses (expert witnesses, depositions, exhibits).....	\$1.31 million
Outside Counsel Costs.....	\$5.3 million
Payouts of Claims and Lawsuits.....	\$4.37 million
Total.....	\$17.56 million

Operating expenses exceeded budget because of increases in personnel costs due to city-wide cost of living increases and increases in the cost of benefits. These increases affected all City departments and were beyond the control of individual departments such as the Office of the City Attorney. While up for this year, payouts are still more than \$1 million lower than the five-year average. The increase in outside counsel costs is attributable (97%) to one case: Pacific Renaissance – a breach of contract lawsuit.



As highlighted in Chart 1, \$3.26 million was spent on outside counsel and the related expenses for the Pacific Renaissance lawsuit for FY05-06. The Office of the City Attorney and the City Council differed in the legal strategy for the Pacific Renaissance lawsuit; nevertheless, the Office has faithfully followed the Council's direction. The outside counsel expense for FY05-06 has exceeded any year in the past fourteen years (see *Chart 2*). The broken line indicates how much was spent for FY05-06 on outside counsel excluding the Pacific Renaissance lawsuit (\$2.04 million). This lawsuit is the most expensive lawsuit in the City's history in terms of attorney's fees. The Council's strategy may yet result in repayment to the City of these outside counsel fees.

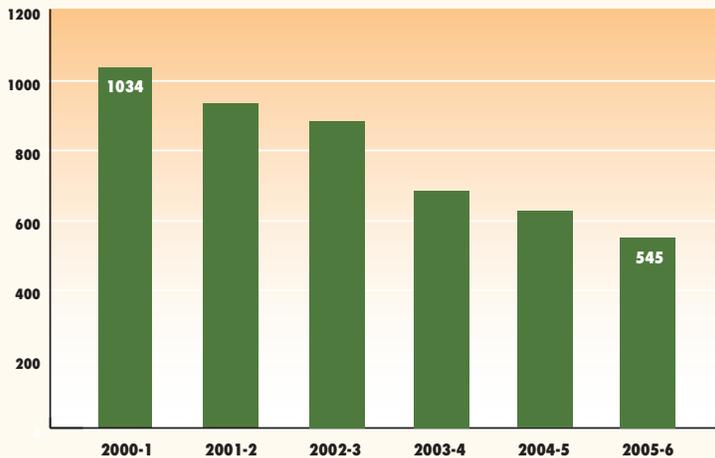


*Every dollar spent on claims and lawsuits
is a dollar not available
for other community services.
We aggressively manage claims and lawsuits
in order to save Oakland money.*

claims and litigation

CLAIMS

In the last fiscal year, 545 claims were filed against the City of Oakland, a 12% decrease from the previous year. Claims fall into three primary categories: municipal infrastructure (streets, sewers and sidewalks), police matters (conduct, vehicle towing, jail and property damage) and accidents involving City vehicles.



As shown in Chart 3, claims filed against the City have dropped for the fifth consecutive year. Of the claims resolved in the last year:

- 65% of the claims were denied with **no payment of money**;
- Only 6% resulted in payouts of more than \$5,000.

We manage potential liability at the claims stage to reduce the number of cases that evolve into lawsuits, thereby avoiding the costs involved in litigating a case, such as expert witnesses, depositions, research, court costs and attorney time. The majority (85%) of denied claims never become lawsuits, underscoring the effectiveness of our strategy to adjust claims in a fair, timely and aggressive manner.

LAWSUITS

Lawsuits brought against the City arise primarily in four categories:

- Municipal Infrastructure
- Police Matters
- Employment Issues
- City Vehicle Accidents

For the past four years, lawsuits against the City have declined significantly. Increased risk-management efforts, the Police Department's improved management and training, as well as our litigation team's skill have proven an effective formula in protecting taxpayer dollars (*see Chart 4*).

Of the lawsuits resolved in 2005-06:

- 110 lawsuits resulted in **no payment of money**;
- Of the remaining lawsuits, one out of three resulted in payment between \$1- \$5,000;
- Only 6 lawsuits resulted in a payout of more than \$100,000.



CALTRANS LETTER OF AGREEMENT

In December 2005, Caltrans officials, President De La Fuente and the City Attorney's Office signed a Letter of Understanding outlining regular maintenance of Caltrans' properties in Oakland. The agreement ended the City of Oakland's public nuisance lawsuit in Alameda Superior Court. The Letter of Understanding between the City and Caltrans states the following:

- Caltrans will submit monthly maintenance records of its work in Oakland;
- Caltrans will supply records of money spent on maintenance in Oakland and the top 25 populated cities in District 4;
- A semi-annual public hearing will be held before the City Council to take public comment and report on maintenance of Caltrans' properties;
- Caltrans will meet monthly with Public Works and City staff to target "hot spots" and other maintenance issues;
- Caltrans agrees to provide a comprehensive listing of all properties in Oakland so the information can be integrated into the City's computerized mapping system;
- Caltrans will permit the City of Oakland to hold leasees of its properties accountable to the agreement.

MEGAN'S LAW OFFICE HOURS

Through a cooperative effort with the Oakland Police Department and the Oakland Unified School District, the City Attorney's Office instituted Megan's Law Office Hours on the sixth floor of City Hall, Monday through Friday from 8:30 am – 4:30 pm. Bilingual City Attorney staff is available to assist Spanish-, Vietnamese- and Mandarin-speaking members of the public navigate the State Attorney General's website to get information about the identity and location of registered sex offenders.

LEAD PAINT CLASS ACTION LAWSUIT

In October 2000, the City of Oakland joined with other California counties and government entities in a class action lawsuit against makers of lead paint. The lawsuit alleges that lead paint makers knowingly sold lead-based paint products that polluted the environment and poisoned people, especially children. The public entities demanded to be reimbursed for the millions of dollars spent treating those harmed by ingesting lead and removing the toxic substance from public buildings.

In February 2006, a jury in Providence, Rhode Island found that three former lead paint makers created a public nuisance that continues today to poison children. The verdict meant that companies could be held responsible for millions of dollars in cleanup and mitigation costs. Two weeks after the Providence decision, a California Court of Appeal reversed a lower court decision dismissing the lawsuit. We are hopeful this decision will result in Oakland receiving money to deal with the problem of lead paint in municipal buildings.

GLOBAL WARMING LITIGATION

Actively working to reduce the causes of global warming, the City of Oakland has joined environmental organizations in the lawsuit by Friends of the Earth, Inc. and Greenpeace Inc., against the Overseas Private Investment Corporation and the Export-Import Bank of the United States.

The lawsuit alleges that OPIC and Ex-Im have provided assistance to projects that contribute to climate changes associated with the effects of global warming without complying with the requirements of the National Environmental Policy Act of 1969 and the Administrative Procedure Act.

Recently, Oakland and the other plaintiffs made history by surviving the defendants' motion for summary judgment, making this the first and only lawsuit on climate change to pass the legal standing challenge. The case will now move forward on the merits.

awards & achievements

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

- **2006 Finalist for the Municipal Excellence Awards 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**, *John Russo 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*

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

TO REPORT A HATE CRIME

In Oakland, we take pride in our diversity and will not tolerate hate or violence.

If you have witnessed or been the victim of a hate crime,

call: **1-866-4-NO-HATE**

(1-866-466-4283)

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:

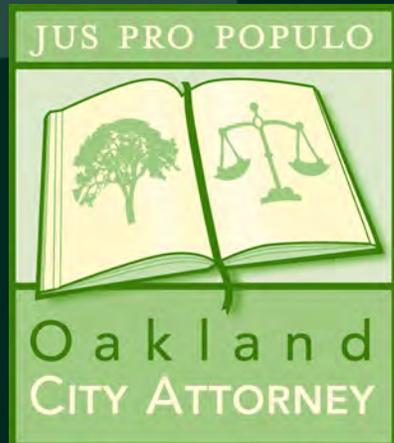
(510) 238-6500

Visit us:

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

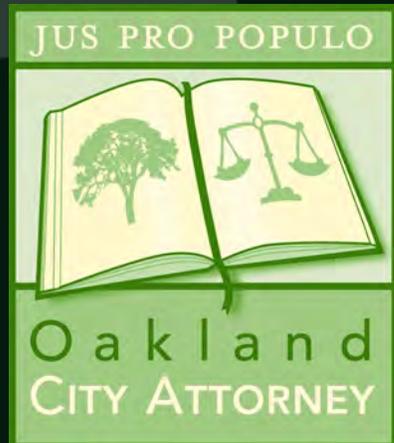
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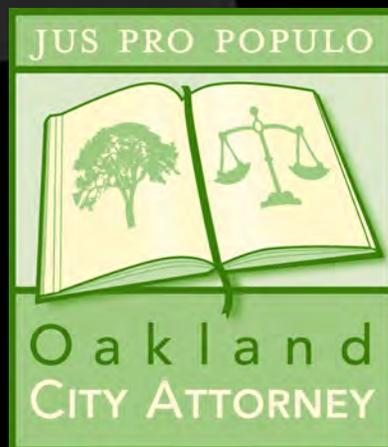
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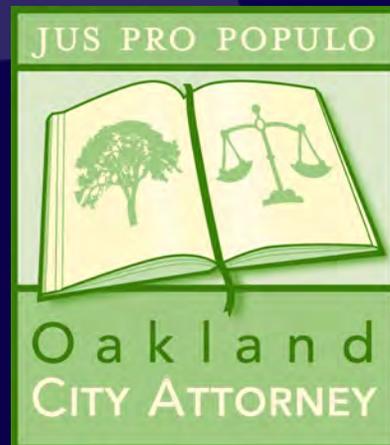
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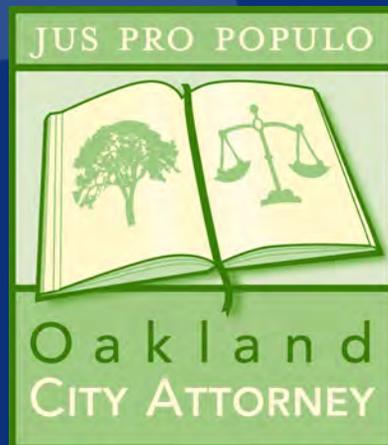
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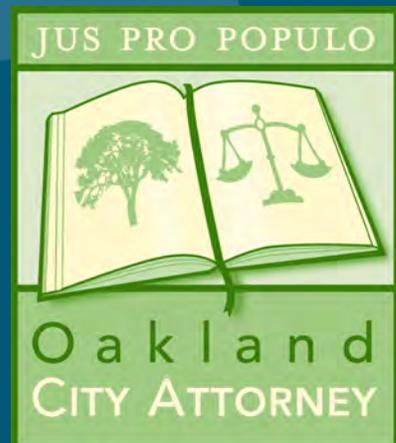
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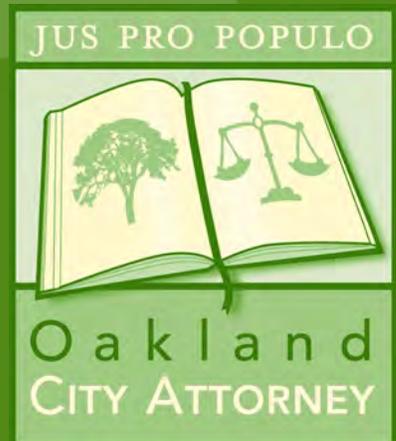
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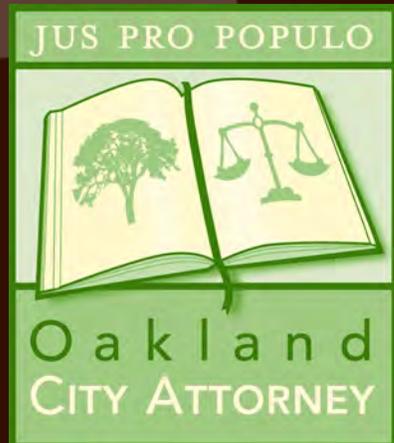
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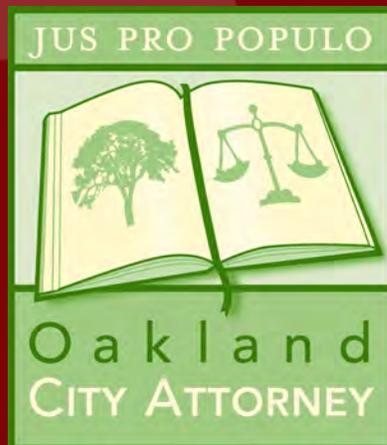
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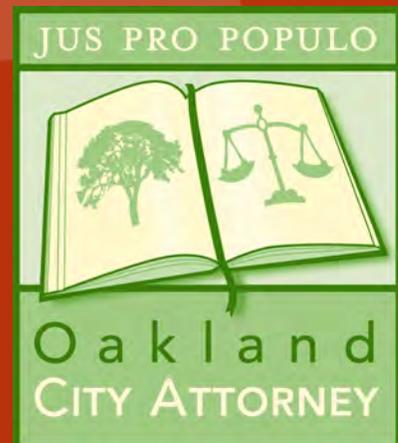
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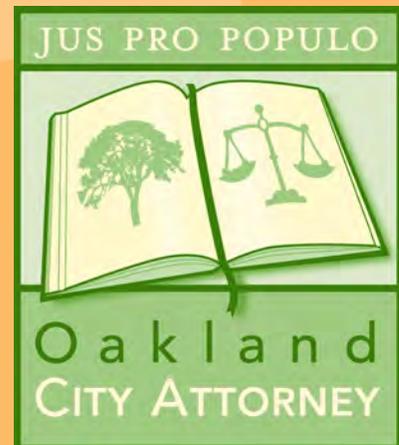
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