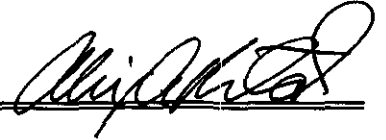


05 MAY -4 PM 4:30

OAKLAND CITY COUNCIL

79894
RESOLUTION NO. _____ C.M.S.



A RESOLUTION APPROVING A WAIVER OF ANY CONFLICT OF INTEREST THAT THE LAW FIRM OF SHEPPARD MULLIN RICHTER & HAMPTON LLP MAY HAVE AS A RESULT OF PROVIDING ADVICE TO THE FULTON PROJECT DEVELOPMENT GROUP IN MATTERS RELATED TO THE DEVELOPMENT OF APPROXIMATELY 70 ACRES OF THE FORMER OAKLAND ARMY BASE

WHEREAS, Sheppard Mullin Richter & Hampton LLP represented the City of Oakland ("City") in the appeal of a dispute between the City and Pacific Gas & Electric regarding a business tax appeal (Pacific Gas and Electric Company v. City of Oakland, Alameda County Superior Court Nos. 7926699-3 and 808136-4); and

WHEREAS, Sheppard Mullin's representation of the City has concluded with the final settlement of the case on February 9, 2006; and

WHEREAS, Sheppard Mullin intends to represent the Fulton Project Development Group and related entities ("Fulton") in the possible development of approximately 70 acres of property located at the former Oakland Army Base, for use as a mixed-use entertainment, retail, housing and film/television production studio ("Fulton Project"); and

WHEREAS, Fulton is adverse to the Oakland Redevelopment Agency ("ORA") in these negotiations because the 70-acre parcel in question will be owned by ORA after August 2006; and

WHEREAS, Sheppard Mullin has stated that it will not represent Fulton in litigation or other dispute resolution proceedings involving the Fulton Project without the further written informed consent of both parties; and

WHEREAS, Sheppard Mullin has represented that no attorney in the firm who represented the City will be involved in the representation of Fulton; and

WHEREAS, Sheppard Mullin has confirmed that it does not believe it has obtained confidential information from the City related to the Fulton Project; and

WHEREAS, Sheppard Mullin has stated that its files and confidential information of the City or its affiliates obtained in the course of representing the City or its affiliates shall not be subject to disclosure to Fulton or its affiliates; and

WHEREAS, Sheppard Mullin has requested that the City waive any conflict of interest that might arise in the course of its representation of Fulton in the possible development of the Fulton Project;

NOW, THEREFORE, BE IT

RESOLVED, That the City Council hereby waives any conflict of interest that the law firm of Sheppard Mullin Richter & Hampton LLP may have by virtue of serving as legal counsel to the Fulton Project Development Group and its affiliate entities in the possible development of approximately 70 acres of property located at the former Oakland Army Base, for use as a mixed-use entertainment, retail, housing and film/television production studio.

IN SESSION, OAKLAND, CALIFORNIA, May 16, 2006

PASSED BY THE FOLLOWING VOTE:

AYES - BRUNNER, KERNIGHAN, NADEL, QUAN, BROOKS, REID, CHANG AND PRESIDENT DE LA FUENTE - 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST:



LATONDA SIMMONS
City Clerk and Clerk of the
Redevelopment Agency of
the City of Oakland