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Office of the City Attorney
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January 6, 2004

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Honorable City Council
Oakland, California

City Council President Ignacio de la Fuente and Members of the City Council:

Subject: REPORT AND RESOLUTION WAIVING "CONFLICT OF INTEREST" OF LAW FIRM OF COX, CASTLE AND NICHOLSON, AND PERMITTING THE FIRM TO REPRESENT MacARTHUR BOULEVARD ASSOCIATES REGARDING THE REDEVELOPMENT OF THE FOOTHILL SQUARE PLAZA IN THE CENTRAL CITY EAST REDEVELOPMENT PROJECT AREA

SUMMARY

The purpose of this report is to request that the Redevelopment Agency waive the potential "conflict of interest" of Cox, Castle & Nichol森, the Redevelopment Agency's outside counsel for environmental law matters, to allow the law firm to represent MacArthur Boulevard Associates ("MBA"), the proposed redevelopers of the Foothill Square Shopping Center in the Central City East Redevelopment Project Area.

BACKGROUND

No present adversity exists between MBA and the Redevelopment Agency. As the project moves forward, however, a potential conflict of interest may result because MBA may negotiate with the Agency on a number of issues regarding the project's redevelopment.

Mr. Robert Doty, the firm's attorney who currently represents the Agency on toxics issues, would not participate in the firm's work on behalf of MBA. None of the partners or associates, who would represent MBA, has assisted Mr. Doty in representing the Agency in toxics matters. If environmental issues arise in any MBA-Agency negotiations, another attorney in the firm's environmental group would represent MBA.

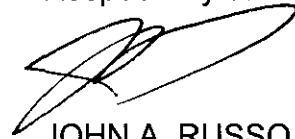
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The law firm is experienced in redevelopment law, and could help facilitate redevelopment of the Foothill Square area by representing MBA. Mr. Doty would not represent MBA.

RECOMMENDATION

The City Attorney's Office recommends that the Agency waive the conflict.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "JOHN A. RUSSO". The signature is stylized with overlapping loops and a long horizontal stroke at the end.

JOHN A. RUSSO
City Attorney

Attorney Assigned:
Dianne M. Millner

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND

Resolution No. _____ C.M.S.

L. Nicholson

**RESOLUTION WAIVING "CONFLICT OF INTEREST" OF LAW
FIRM OF COX, CASTLE AND NICHOLSON, AND PERMITTING
THE FIRM TO REPRESENT MacARTHUR BOULEVARD
ASSOCIATES REGARDING THE REDEVELOPMENT OF THE
FOOTHILL SQUARE PLAZA IN THE CENTRAL CITY EAST
REDEVELOPMENT PROJECT AREA**

WHEREAS, Robert Doty, a partner in the law firm of Cox, Castle & Nicholson (the "Firm"), represents the Redevelopment Agency as outside counsel in toxics and environmental matters; and

WHEREAS, MacArthur Boulevard Associates ("MBA") plans to redevelop the Foothill Square Plaza ("Plaza") located in the Central City East Redevelopment Project Area; and

WHEREAS, MBA wants the Firm to represent it in matters regarding the development of the Plaza that may include negotiating with the Agency; and

WHEREAS, because Mr. Doty represent the Agency, the Firm's representation of MBA potentially raises a conflict of interest; and

WHEREAS, Mr. Doty would not represent MBA regarding redevelopment of the Plaza; other attorneys in the Firm would represent MBA; and

WHEREAS, MBA desires to engage the Firm because it is experienced in redevelopment law; and

WHEREAS, the Firm's representation of MBA could facilitate redevelopment of the Plaza and help eradicate blight in the Project Area; now, therefore, be it

RESOLVED: That the Agency waives the Firm's conflict of interest and allow the Firm to represent MBA regarding the redevelopment of the Plaza ; and be it

FURTHER RESOLVED: That, by waiving the conflict of interest, the Agency is not in any way committing itself to negotiate with or provide assistance to MBA regarding redevelopment of the Plaza.

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ORA/COUNCIL
JAN 6 2004

IN AGENCY, OAKLAND, CALIFORNIA, JANUARY 6, 2004

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, AND
 CHAIRPERSON DE LA FUENTE BRUNNER,

NOES-

ABSENT-

ABSTENTION-

Attest: _____

Ceda Floyd
SECRETARY OF THE REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND

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ORA/COUNCIL
JAN 6 2004