

STEIN & LUBIN LLP

ATTORNEYS

TRANSAMERICA PYRAMID 600 MONTGOMERY ST, 14TH FLR SAN FRANCISCO, CA 94111
TEL 415 981 0550 FAX 415 981 4343 WEB steinlubin.com

MEMORANDUM

DATE: February 22, 2013
TO: Oakland Oversight Board
FROM: Laurie Gustafson, Board Counsel
RE: Report on Legal Activities and Fees through February 22, 2013 – Item #8

Our legal fees for January 2013 were \$13,452. As of February 22, 2013, our legal fees for February 2013 are approximately \$12,000.

The work in February through the 22nd relates to the following matters: complete review of the All Other Funds Due Diligence Review and prepare memorandum for the Board and alternative resolutions regarding the Due Diligence Review; analysis regarding the proposed amendment to the Owner Participation Agreement with SKS Broadway LLC to extend development deadlines for the mixed-use project at 1100 Broadway and correspondence and conferences with Successor Agency counsel regarding the proposed Amendment; analysis of the Successor Agency reports and underlying documents regarding proposed transfers to the City of various properties being used for a governmental purpose and properties that are subject to enforceable obligations; review and analyze ROPS 4 and the proposed Administrative Budget; prepare for and attend the February 4, 2013 Board meeting, prepare for the February 25, 2013 Board meeting.

After consultation with Successor Agency staff, we anticipate the following work in March of 2013:

1. Review and analyze alternative proposals from SKS regarding the Amendment to the Owner Participation Agreement;
2. Review and analyze the draft Long Rang Property Management Plan; and
3. Prepare for and attend the March 4 and March 18 Oversight Board meetings.

To date, our fees have totaled approximately \$78,000; the Administrative Budget for the year July 2012 through June 2013 is currently \$60,000 for Oversight Board legal counsel. After consultation with Successor Agency staff, we propose that the Administrative Budget for the

period of July 2012 through June 2013 be adjusted to increase the allocation for fees for Oversight Board legal counsel by \$40,000, for a total of \$100,000. Although much of the heavy work is behind us now (the Due Diligence Reviews, the property transfers, etc.), we still have more work to do. Staff informs us that there is room in the Administrative Budget to move those funds from another category without increasing the total amount in the Administrative Budget. If this is acceptable to the Board, we will provide a Resolution for the Board at the next meeting. Of course, as always, we will look for all ways to keep the costs as low as possible while still providing the information and advice the Board needs to fulfill its fiduciary duties.