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Mission Statement:
The Sacramento City Attorney’s Office strives to provide the highest quality legal services to the City of Sacramento.

Message from the City Attorney

It’s my privilege to present our FY 2014-2015 Annual Report. On a day to day basis our 30 attorneys represent the City on a vast array of civil litigation, legislative and legal issues. I’m proud to acknowledge my team of well-trained advocates and advisors for the City.

This has been a busy year, providing our office with numerous challenges and opportunities. The recovering economy has led to an increasing number of development projects and related litigation. Special projects such as the Railyards, Golden 1 Center (Entertainment and Sports Center), ongoing drought and levee issues, elections and requests for the disclosure of public records have all demanded significant attention. This trend will likely continue.

Another positive of the economic turnaround is an enhanced opportunity for the City to reinvest in code enforcement efforts to assist challenged areas of our City. Our reinvigorated Justice For Neighbors (JFN) program has aided some of these challenged areas.

Citywide personnel and labor legal needs necessitated an internal CAO reorganization to create a new Human Resources and Special Projects unit, which is headed by Supervising Deputy City Attorney Brett Witter. This unit will focus on personnel and labor issues for the City, along with special litigation, such as writs related to personnel and labor.

Despite the diverse and complex challenges, we have effectively met our goal of providing services consistent with our mission; to provide the highest quality legal services to our City. Services provided by the CAO support the City’s fiscal stability in numerous ways, including:

1. Our legal advisors research the options available to the City and proactively advise on risk mitigation and future liability exposure.
2. Our in-house litigators are committed to the aggressive defense of the City by focusing on early resolution with pretrial motions and rejecting the concept of nuisance settlements.
3. Our Public Safety and Land Use attorneys provide code enforcement services that assist the JFN mission of creating neighborhood stability and economic vitality.
4. All in-house services are provided at a significant hourly cost savings ($125+/attorney hour) to the City when compared to outside legal services. Over an annual period these in-house service savings approximate $5,625,000 (average attorney annual work hours of 1500 with 30 in-house attorneys equates to 45,000 hours, at $125/hour savings).
Roles of the City Attorney’s Office:
- City’s Legal Counsel
- City’s Code Prosecutor

Units within the City Attorney’s Office:
- Administration
- Advisory
- Litigation
- Public Safety and Land Use
- Human Resources and Special Projects
Administration

The administration and general support functions of the office are performed under the direction of the City Attorney. The structure of the administration team is City Attorney James Sanchez; Assistant City Attorneys Sandra G. Talbott and Matthew D. Ruyak; Supervising Deputy City Attorneys Gustavo L. Martinez, Brett M. Witter, and Jerry Hicks; Law Office Administrator Angela Kolak; and Special Assistant to the City Attorney Kathy Montgomery.

The Administration Team strives to maintain a work environment that inspires excellence and creativity while rewarding productivity.

We promote career enhancement with ongoing training and staff development. The office provides staff the opportunity to obtain needed credits for Mandatory Continuing Legal Education (MCLE), as well as other professional-association seminars.

We prioritize the establishment and maintenance of relationships and trust with our valuable City departments and officers.

Budget

- Operating Budget for FY 14-15: $6,663,089; only a 2% increase from previous year.

Sources:
- General Fund: 56%
- Interdepartmental Funds: 39%
- Non-General Fund: 3%
- Revenue: 2%

Savings:
Efficient operation has saved $214,869 in expenditures and produced $122,945 in revenue.

Expenses:
Expenses remained consistent with prior years. Budgeted positions remained steady at 46 full-time employees. The City Manager authorized a budget augmentation of $49,000 at the midyear to provide modest increases for attorneys to resolve equity issues from years of salary stagnation due to the economic downturn.
**Advisory**

**Summary - FY 14-15**

This unit provides legal advice and support to the City Council and staff in implementing City policy. Advisory attorneys serve all legal aspects of City operations, including ordinance and resolution drafting, contract negotiations, drafting and review, research, and advice to boards and commissions.

- **Total Assignments:** 5571
  - Advice: 2808 assignments
  - Contracts: 1855 reviewed and approved
  - Ordinances: 15 drafted
  - Public Records Act: 125 requests reviewed and responded
  - Staff Reports: 880 approved as to form for various City departments
  - Subpoenas: 28 reviewed and responded

**Notable Achievements - FY 14-15**

- **Golden 1 Center:** The City Council approved the definitive agreements for the Entertainment and Sports Center (now known as the Golden 1 Center) on May 20, 2014. In FY 14-15, our office assisted staff with the implementation and modification of the agreements as necessary to further the project’s progress. Our office also negotiated and drafted the Amended and Restated Cross Easement Agreement, the Amended and Restated Construction Operation and Maintenance Agreement, and the Amended and Restated Parking Operation and Maintenance Agreement – all of which relate to the access and use of the plaza and parking garages adjacent to the Golden 1 Center. Our office worked on issues related to easements through and across the plaza, as well as an exchange with AT&T of easements within Kayak Alley. In early 2015, we helped the City resolve the eminent domain matter related to the property underlying the Golden 1 Center. And as FY14-15 came to a close, our office assisted the City Treasurer in preparing for the City’s financing of its share of the project in the summer of 2015.

- **Solid Waste Rate Increase:** Our office prepared an ordinance amending the City’s Solid Waste Utility Service rates to increase the rates by 2 to 3% per year. The City has not increased its rates for solid waste services since 2010. The expenditures for services has exceeded revenues, requiring the Solid Waste Division to use its reserve, maintained for emergency purposes, to cover expenses. On the current trajectory, the “modest” 90-day reserve would have diminished to 9 days in a few years.
Radio Replacement Project: Our office assisted on the Citywide Radio Replacement Project to purchase radios and related equipment from Motorola Solutions, Inc. for $5.1 million. City emergency responders use the Sacramento Regional Radio Communication System. The system is migrating from analog to digital. The City obtained a 45% discount, saving the City $2.4 million to purchase the necessary new equipment to begin the process of migration.

Microsoft 365: Utilizing a cooperative purchase agreement, the City acquired Microsoft licenses and assurances from ComputCom Systems, Inc., a Microsoft 365 distributor, for $3.5 million. In November, the City will be migrating from its current Microsoft operating system, housed in City servers, to the new cloud-based infrastructure of Microsoft 365.

Citywide Maintenance CFD: Our office assisted Public Finance staff in implementing an innovative approach to fund public maintenance services on a citywide basis based on a recent change to the Mello-Roos law. The new citywide community facilities district will create a streamlined process that is less costly, supports both smaller and infill projects, and provides the mechanism to fund maintenance and repair of public amenities, facilities, and improvements for project areas annexed to the district. It provides flexibility to customize special tax rates for annexing projects based on the specific cost of services provided. The unanimous approval requirement for the process will allow future development projects to be annexed into the district administratively, without the multiple agenda items otherwise required for each annexation, and allow rates to be set at levels appropriate to the services provided to each project.

Library services: Based on the quality of existing legal services and the proposal the office submitted to the Sacramento Public Library Authority, the City Attorney’s Office was unanimously selected by the Authority staff from seven competing firms to continue providing legal services on a contract basis.

Bank of New York: After thoroughly analyzing the City’s options in consultation with the City Treasurer’s Office, the office negotiated a resolution of the City’s protracted legal dispute with the Bank of New York regarding investment losses incurred in the Great Recession, enabling the Treasurer’s Office to proceed with a process to select a new fiscal agent for the City.

Entertainment and Sports Center Artwork Purchase: Our office assisted the City in purchasing a $7.5 million sculpture by world-renowned artist Jeff Koons. The transaction involved six different agreements and seven different parties. The City received $3 million in donations towards the purchase, along with an additional $1 million to be set aside for regionally-produced artwork for the ESC.

Plastic Bag Ban: Our office drafted an ordinance banning the distribution of plastic bags in certain stores in the City and mandating a minimum ten-cent charge on all paper bags in an effort to encourage the use of reusable bags.
Environmental Clean-up (Dellar Landfill): The Regional Water Quality Control Board brought this clean-up action involving a landfill previously used by the City. During the closure activities, both the City and the current owner of the property filed cost-recovery actions against each other. Those lawsuits were settled with the City and the current owner agreeing to share costs of the clean-up.

Drought Response: California and the Sacramento region continue to experience unprecedented drought conditions that have jeopardized water supplies for residents, businesses, and the environment. Our office provided legal support and assistance with a wide variety of critical drought response actions, including: strategies to secure City water rights, preparation of City code amendments and a water shortage resolution. Legal advice and assistance was also provided to implement and enforce the City’s enhanced outdoor water use regulations, and the filing of diversion curtailment and water use reporting forms with the State Water Resources Control Board. Our office provided legal input on comments submitted to the State Board and others assistance with various procurement actions to mitigate potential water shortage impacts, and participation in bi-weekly meetings of the City’s emergency drought response team. Our office will continue to provide legal support for the City’s ongoing drought response efforts.

Army Depot: The office assisted the Economic Development Department in the sale of the former 200-acre Army Depot. The City received over $9 million from this sale.

Sports Basement: The office assisted in the sale of 730 I Street to Sports Basement. Sports Basement purchased the property through a “pass through” sale of the County-owned property at a price of $5.4 million. The County sold the property to the City and the City immediately transferred the property to Sports Basement. Sports Basement anticipates spending approximately $5 million in renovations to the property in preparation for a Fall 2015 opening. Sports Basement is a sporting goods retailer with six locations in the San Francisco Bay Area. Formed in 1998, it is a provider of quality sporting goods as well as an active partner in the community it occupies. The Economic Development Department anticipates the following benefits from the presence of Sports Basement: 60 new jobs downtown and 70 construction jobs for the renovation; a new business to Sacramento; approximately $12 million in new investments to the City; an estimated $600,000 in annual sales tax (approximately $70,000 for the City); and reinforcement of Downtown as a retail center.
Litigation

Litigation unit attorneys represent the City, City Council, and staff in litigation, including civil rights, personal and property damage cases, construction defect, environmental claims, breach of contract, and other civil litigation except for Human Resource or CEQA matters.

Summary - FY 14-15

- Successful efforts to keep the majority of cases in-house results in a savings of over $125.00 per hour
- Total Cases: 136 opened
  - Civil Rights: 8 cases
  - Collection: 8 cases
  - Contract: 3 cases
  - Labor/Employment: 18 cases
  - Litigation Advise/Review: 24 cases
  - Property/Physical Nuisance: 10 cases
  - Subpoena: 6 cases
  - Third Party Interest: 2 cases
  - TRO/Injunction: 9 cases
  - Tort/Appeal/Writ: 48 cases
- 35 cases resolved via dispositive motion or defense verdict
- Total Payouts: $1,601,420
- Resolved 56% of damage lawsuits without the payment of money

Notable Achievements - FY 14-15

- **Civil Rights**: The City successfully argued a motion for summary judgment in a case in which the plaintiff alleged excessive force and sought hundreds of thousands of dollars in connection with an officer-involved shooting. Based upon the City’s motion, the case was dismissed in its entirety.

- **Civil Rights**: Seven plaintiffs alleged excessive force associated with their arrest utilizing police canines. The plaintiffs were allowed by the court to take their collective cases to trial at the same time, resulting in a complex, three week trial. After trial, the jury found for the City and its police officers in all seven cases, resulting in defense verdicts avoiding a million dollar liability.

- **CEQA**: Attorneys from the City Attorney’s Office oversaw the CEQA litigation pertaining to the Golden 1 Center. The court denied the petitioner’s request to enjoin the construction of the project, and the case proceeded all the way to the California Supreme Court. At each level, the court found for the City, and the project has continued.
- **Civil Rights:** The plaintiff alleged that paramedics from the City of Sacramento Fire Department failed to provide him with appropriate care when responding to a call for service. Attorneys from the CAO filed a demurrer and motion to dismiss the matter, which resulted in a judgment in favor of the City and the five department employees before expending time, money and resources into discovery.

- **Torts:** Plaintiffs alleged that a City water play area at Shasta Park was a dangerous condition of public property. After extensive discovery, attorneys from the Litigation Unit filed a motion for summary judgment which was granted, resulting in the dismissal of plaintiffs’ case in its entirety.

- **Torts:** The plaintiff sued both the City of Sacramento and Regional Transit, alleging that a bus stop in midtown Sacramento had a tree well that created a dangerous condition of public property. After discovery, the City filed a motion for summary judgment. Rather than oppose the motion, the plaintiff agreed to dismiss the case.

- **Civil Rights:** Plaintiffs in this case alleged that City Fire and Police Department employees prevented them from removing an injured relative from the scene of a drive-by shooting. The relative subsequently died. The assigned attorney was able to gather videotape of the event which convinced the plaintiffs that the Police and Fire employees that responded to the scene quickly assisted the decedent. The plaintiffs dismissed the case upon review of the videotape evidence.

- **Torts:** Plaintiff alleged he was injured while riding his skateboard at a City-operated skate park. Plaintiff agreed to dismiss his claims after the handling attorney filed a motion for summary judgment.

- **Civil Rights:** This civil rights litigation involved allegations of excessive force in connection with an officer-involved shooting. The plaintiff in this case agreed to dismiss the matter in its entirety after attorneys from the CAO filed a motion for summary judgment.
Public Safety and Land Use (PSLU)

This unit provides legal advice to Community Development, Utilities and Police. The unit also advises on all land use issues. It partners with Code Enforcement and Police crime suppression units to prosecute and abate public nuisances.

Summary - FY 14-15

- Total PSLU Assignments: 2981
  - Advice: 877 assignments
  - Criminal Prosecution: 1504 misdemeanors and infractions
  - Physical Nuisance: 21 cases
  - Social Nuisance: 48 cases
  - Subpoenas: 158 reviewed and responded
  - Contracts: 99 reviewed and approved
  - Staff Reports: 218 approved as to form
  - Pitchess Motions: 31 cases
  - Weapons Cases: 25 cases

Notable Achievements - FY 14-15

- **Assembly Bill 2485**: After lobbying efforts by city staff and the CAO, on September 15, 2014 the Governor signed AB 2485 into law. We are one of only three city attorneys (Oakland, Sacramento, and Los Angeles) in the state authorized to prosecute drug evictions. The drug eviction law provides the authority for our office to force an eviction whenever illegal controlled substances are found in a rental property. We may demand that the landlord evict the entire household or particular occupants. If the landlord refuses to comply with our demand, we are authorized to sue the landlord and tenant to force a court ordered eviction. We are confident that this tool will further support our Justice for Neighbors (JFN) efforts to address quality-of-life crimes in our city neighborhoods.

- **1401 Arden Way (District 2)** (formerly known as “Clarion Inn”): In May 2014, the hotel’s 167 calls for police services, coupled with the excessive number of neighborhood complaints, prompted a comprehensive JFN legal action. Our office filed a public nuisance lawsuit and a separate lawsuit for payment of delinquent taxes. After further investigations revealed over 100 egregious fire code and building code violations, the defendants agreed to settle the case by ceasing operations, securing and vacating the premises, and paying $184,350 in delinquent taxes, interest, and penalties.
**2740 Rio Linda Boulevard (District 2):** This ten-unit apartment complex endured years of neglect and was recently sold. Site inspections in early May found numerous tenants living in squalid conditions. The property's plumbing was inoperable and some of the tenants resorted to dumping human waste in the side yard. After JFN intervention, the tenants were promptly relocated and the property was boarded and secured.

![Before](image1.png)  ![After](image2.png)

**19 Beecham Court (District 3):** This single family residence had 35 calls for police service in one year related to possession and/or sales of methamphetamine and gang activity. The property was a source of gang violence, including assaults, robberies, shootings, and use as a gang safe house where parolees and probationers congregated. After the JFN team filed a drug abatement action, the court declared the house a public nuisance and ordered the property owner, among other remedies, to install a drug and gang free zone sign. (See picture). After JFN pressure to comply with the court's order, the owner promptly sold the property. The neighbors expressed great relief at seeing the property transferred and the end of the threats and violence that emanated from the property.

**1218 Alhambra Boulevard (District 3):** This dilapidated and unoccupied commercial building, which formerly had been known as “Luis’s Restaurant,” had sat for years, creating blight in the neighborhood. The JFN team intervened and within six months the building was demolished by the property owner and immediately eliminated the blight.

**Cal Expo/Signature Health (District 3):** The City received a favorable ruling denying a CEQA challenge to Council approval of the Signature Health mental health hospital project.

**Senior Housing (District 3):** A favorable CEQA court decision was received in this lawsuit involving a senior housing facility. The lawsuit challenged Council’s approval of the facility based on the City’s use of a recent CEQA exemption for infill projects.
805 15th Street (District 4): This property, formerly known as Nex Nightclub, began to experience violent incidents, including multiple shootings and neighborhood disturbances. The JFN team intervened by revoking the entertainment permit. The nightclub is now permanently closed.

2230 U Street (District 4): The property owner died in 2012, leaving her property in the hands of several children and extended family members. The property turned into a location where heroin and methamphetamine were commonly used and sold. In a two year period, the property generated over 125 calls for police services, with numerous arrests involving drug possession and sales. Two heroin-overdose related deaths were traced back to the property.

In March 2014, the neighborhood and the Sacramento Police Department were unwilling to wait any longer for a probate of the property by the family. The JFN team initiated probate. In late 2014 probate was completed and the property is now under the control of a competent trustee who has repaired the property and removed the former occupants. The property has returned to being productive housing stock in the City.

4008 Temple Avenue (District 5): After a City inspector fell through the floor of this vacant property while inspecting it, the JFN team intervened. The owner did not have the necessary funds to repair the property and agreed to transfer it. The property was sold, repaired, and is now productive housing stock.

4345 4th Avenue (District 5): This dilapidated bank-owned property had fallen into disrepair. Transients and thieves had stolen much of the internal components of the house because the bank had failed to maintain control over the property. After the JFN team intervened, the bank agreed to promptly repair the property.

5 Elton Court (District 6): Neighbors complained of constant traffic in and out of the residence at all hours of the night. The activity started after the mother died and the son inherited the house. After illegal narcotics were found, the JFN team intervened by forcing the owner to evict the tenants through a drug eviction.

7521 Wainscott Way (District 8): The owner operated an unlawful nightclub out of her residence. In February 2015, during an entertainment event there were multiple shooting incidents with one fatality. The JFN team intervened and ordered the owner to halt entertainment activities. The owner complied.
In recent years, both City staff and the City Attorney’s Office recognized the need to have attorneys in the office specialize in the areas of Human Resources and Labor Relations. In addition, the recovering economy has led to an increasing number of development projects, which have lead to project-related CEQA litigation. Therefore, at the end of this fiscal year, the office formed a Human Resources and Special Projects unit. This unit will provide citywide personnel and labor legal needs, along with litigation support for special projects, including CEQA and all other personnel-related writ proceedings.

The Human Resources and Special Projects unit provides advisory and litigation support primarily to the varied divisions in the City’s Human Resources Department. On the litigation side, Human Resources and Special Projects attorneys handle civil discrimination lawsuits and administrative matters including discipline, union contract grievances, and charges of unfair labor practices against the City. Advisory services are provided to all of the divisions in the City’s Human Resources Department. Common assignments include:

- Preparation and review of contracts
- Participation in, and support for, bargaining with the City’s labor unions
- Review of the City’s policies and implementation of investigations into internal claims of harassment and discrimination
- Review implementation of the City’s policies regarding harassment, discrimination, and legally required interactive processes
- Advice on OSHA compliance
- Advice on disciplinary matters
- Advice on benefits and compliance with union contracts
Forthcoming Challenges
FY 15-16

- Natomas/Sleep Train Arena Reuse
- Automatic Bids, Contracts, and Digital Signatures
- Infill development and infrastructure updates after completion of the Golden 1 Center
- Continuing response to the drought and water rights litigation
- Public Record Act responses
- Refunding of the 1997 Sleep Train Arena Bonds
- Negotiating amendment of Railyards Development Agreement
- Revising Railyards Specific Plan
- Recent and anticipated changes to State and Federal Laws regarding wages, benefits and the terms and conditions of employment for public employees will require extensive work
- Increasing development throughout the City will likely result in increased CEQA litigation
- Increasing number of more complicated civil actions requiring a defense. While we are capable and prepared to defend the City, the resource demand will be monitored for additional resources as required.
- Maintaining the re-invigoration of JFN with renewed assistance from the budgeted police officer and code officer positions
- Developing new methods of partnerships and collaborations with state, federal, and local law enforcement
- Addressing quality of life crimes through the coupling of innovative social services with community prosecution
- Avoiding unrealistic expectations from the public that JFN can solve all social decay and nuisances in City neighborhoods
Office Programs

Law Clerk Program
The law clerk program continues to thrive, thanks to all of the attorneys who are willing to work with and provide guidance to the law students. Although most of the applicants are students at the local law schools, McGeorge School of Law and UC Davis, we have had applicants from Berkeley, Pepperdine, and the University of Virginia, and this year we will host a post-bar clerk from William and Mary in Virginia. The City Attorney’s Office hosts students year-round, part-time during the school semesters and full-time during the summer. The law clerks are not paid but receive a wealth of experience as they work on issues from all four of the office’s units. They also accompany attorneys to meetings, ordinance-review sessions, arbitrations, mediations, depositions, hearings, and trials, all of which help them integrate what they have learned in school with a real work setting.

Law Day 2015: “Magna Carta – Symbol of Freedom under Law”
Every year, the American Bar Association sets the theme of Law Day. For its sixth annual event, the City Attorney’s Law Day program explored Magna Carta and the relevance of the 800-year-old document and its principles to our modern government. The speaker program consisted of many subject matter experts: Jerry Hicks, Supervising Deputy City Attorney with a historical overview of Magna Carta; Adrian Carpenter, Deputy City Attorney, delivering an interactive presentation about individual rights; Kathy Middleton, Assistant Director of Public Services with the Sacramento Library talking about the library’s resources designed to assist and empower individuals; Sgt. Lewis Pease, SPD, discussing the Justice for Neighbors Program; and Officers Linda Matthew and Randy Van Dusen demonstrating the tactical skills of their K-9 officers “Rollo” and “Bosko.”
Vendor participants included University of the Pacific – McGeorge School of Law; Sacramento Public Library; and the Sacramento Legal Secretaries’ Association.

Adopt-a-Family
This year our office again reached out to the community through Next Move and participated in their Adopt-a-Family Program. Our office adopted two families and we were able to fulfill their holiday wishes with gifts and monetary contributions.
**Contribution Campaign**

City Attorney staff have headed up the City of Sacramento Employee Giving Campaign, known also as the Charitable Contributions Campaign, since fall of 2012. Since that time, three events have been hosted in order to allow employees to meet representatives from charities who rely on their donations to support their efforts locally and worldwide. Two new charities have also been added to the campaign: Sacramento Front Street Animal Shelter Advocates and St. HOPE Public Schools. The City Attorney’s Office is proud to lead the campaign, to which city employees contribute nearly $175,000 annually through payroll deduction.

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**Summer at City Hall**

Our office has mentored high school students for the fifth year through the program “Summer at City Hall.” This year we hosted two high school students to learn skills needed to work in an office environment. They were given a variety of tasks to complete. Some of their tasks consisted of taking inventory of our office furniture, scanning documents, filing invoices, and making accounts payable files.
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