



Common  
Rep.  
36

# APPROVED SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

SACRAMENTO HOUSING AUTHORITY  
CITY OF SACRAMENTO

November 9, 1982

Housing Authority of the  
City of Sacramento  
Redevelopment Agency of the  
City of Sacramento  
Sacramento, California

APPROVED RECEIVED  
CITY MANAGER'S OFFICE  
SACRAMENTO REDEVELOPMENT AGENCY  
CITY OF SACRAMENTO  
NOV 17 1982

Honorable Members in Session: **NOV 23 1982**

SUBJECT: Alternatives for Agency Legal Representation

## SUMMARY

This report presents alternatives for resolving the Agency's legal staffing needs as a result of the recent resignation of the Agency's General Counsel.

The three alternatives are: (1) an in-house legal staff; (2) an in-house legal staff supplemented by contract representation; and (3) total contract representation. This report recommends the adoption of Alternative No. 2 (in-house legal staff supplemented by contract representation).

## BACKGROUND

As you recall, Brent Bleier, General Counsel for the Agency resigned effective October 12, 1982. Mr. Bleier was the only attorney on staff at the Agency. Therefore, the Agency executed a transition contract with Mr. Bleier to provide legal services on an interim basis for a cost not to exceed \$10,000. The alternatives for the Agency's legal services on an on-going basis were to be considered in the context of the Preliminary 1983 Agency Budget. However, it is now our opinion that in the best interests of the Agency, the matter of the Agency's legal staffing requirements should be considered as soon as possible.

In addition to the resignation of the General Counsel, the Agency's Legal Department has also been altered by the resignation of one Typist Clerk II and termination of the current legal assistants. These actions result in one Legal Secretary as the only Legal Department staff member.

11-23-82  
All Districts

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority and Redevelopment Agency  
of the City of Sacramento  
Page Two

November 9, 1982

## ALTERNATIVE NO. 1 - IN-HOUSE LEGAL STAFF

The first alternative would be to simply recruit to replace the Agency General Counsel and continue on with the current department policy. The Agency historically has had its own in-house Legal Department. During the last two years the staffing and, therefore, the cost of the Legal Department has substantially decreased by reducing the staff from three attorneys to one. However, even at this reduced level, the Preliminary Budget for the present staffing of the Legal Department is projected to be near \$200,000 for 1983.

The major advantage of the in-house Legal Department is the assurance of accessibility which the legislative bodies and other staff members would have to the Agency's attorney. The major disadvantage of the present system is its cost and lack of flexibility in relating the expenditures to the level of work. Another disadvantage is that the legal work of the Agency has rather marked differences in the degree of sophistication required, ranging from quite elementary to quite sophisticated. The system forces us to consider a lawyer with the most sophisticated legal capability, but utilizing that capability only a small percentage of the time.

## ALTERNATIVE NO. 2 - LEGAL STAFF WITH SUPPLEMENTAL CONTRACT

A second alternative over the long term would be to retain an in-house staff with a single in-house lawyer and one secretary with the goal of handling the more routine matters of the Agency and in addition retaining counsel by contract to handle more sophisticated matters requiring such attention. Because there is a certain minimum cost to running a Legal Department and because the precise allocations between in-house counsel and outside counsel cannot be projected with accuracy, it is difficult to determine whether there would be increased or decreased costs to the Agency by such a plan. The major advantage of such a plan would be to insure the continued accessibility of an attorney to the staff at all times while allowing the Agency to operate with less than a complete Legal Department.

## ALTERNATIVE NO. 3 - TOTAL CONTRACT

A third alternative over the longer term is to contract entirely for legal services for the Agency. An attorney on full-time retainer for a year would cost approximately \$150,000. Of course, there is the additional advantage of flexibility of workload. If a contract were initiated and some conscious

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority and Redevelopment Agency  
of the City of Sacramento  
Page Three

November 9, 1982

decisions were made as to the matters that would be referred to the attorney with any appreciation of the cost of those services, many of the matters currently handled by the Legal Department would be handled by the originating departments with equal skill and the cost of legal services could thereby decline additionally. Based upon the rates in the current interim contract, it is quite reasonable that the Agency would expend perhaps \$100,000 per year for legal services. The major disadvantage to the system is at least a perceived and possibly an actual diminution of accessibility of Agency staff to the attorney. The attorney would obviously be physically located outside the Agency building and the degree of accessibility would turn upon the priority given to those tasks by the individual attorney.

## FINANCIAL DATA

The budget for the Legal Department in 1982 was \$182,670. If the same staffing pattern would continue for the 1983 budget, it would be approximately \$190,000.

The estimated costs for the three described alternatives are:

<u>ALTERNATIVE</u>	<u>ESTIMATED COSTS</u>	<u>COMMENTS</u>
In-House Legal Staff	\$188,000	General Counsel \$ 65,700 Legal Secretary 35,600 Typist Clerk II 19,000 Legal Interns 42,700 Services/Supplies 25,000 <hr/> \$188,000
In-House Legal Staff w/ supplemental contract	\$153,600	Attorney II \$ 48,000 Legal Secretary 35,600 Services/Supplies 20,000 Supplemental contract repre- sentation 50,000 <hr/> \$153,600
Total Contract Representation	\$170,000	Typist Clerk II \$ 18,000 Services/Supplies 2,000 Contract for representation 150,000 <hr/> \$170,000

Approval of either Alternative No. 2 or 3 would necessitate an amendment to the 1982 Agency Budget for the Legal Department.

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority and Redevelopment Agency  
of the City of Sacramento  
Page Four

November 9, 1982

## POLICY IMPLICATIONS

The proposed action has a policy implication should Alternative No. 3 be approved because it is a deviation from the current and past practice of the Agency in securing legal representation.

## CONCLUSION/RECOMMENDATION

Based on review and analysis of the alternatives outlined above, the Agency's legal representation needs could best be met by Alternative No. 2, an in-house legal staff with supplemental contract assistance. This conclusion is based on the fact that a great deal of the Agency's legal work, due to its nature (i.e., unlawful detainers, contracts, resolutions, etc.) necessitates accessibility and short response times. In addition, the recommended alternative could be the least costly of the three alternatives depending upon the amount of supplemental contract costs.

## VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of November 15, 1982, the Sacramento Housing and Redevelopment Commission recommended approval of the above recommendation. The votes were as follows:

AYES: Dickinson, Kneprath, Luevano, A. Miller, Walton

NOES: None

ABSENT: Angelides, B. Miller, Teramoto

## RECOMMENDATION

The staff recommends adoption of the attached resolutions: (1) approving Alternative No. 2 to meet the Agency's legal representation needs; (2) amending the 1982 Agency Budget for the Legal Department to delete the General Counsel position, add an Attorney II position, retain one Legal Secretary position and delete one Typist Clerk II and two Legal Assistant positions; (3) authorizing the Executive Director to recruit and select to fill the Attorney II position; (4) authorizing the Executive Director to contract

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Housing Authority and Redevelopment Agency  
of the City of Sacramento  
Page Five

November 9, 1982

for supplemental legal representation on a case-by-case basis;  
and (5) authorizing the Executive Director to execute an ex-  
tension to the current agreement for legal services using  
salary savings from the 1982 Legal Department Budget unit  
(estimated to be \$24,500) until the Attorney II is employed  
by the Agency.

Respectfully submitted,

*William H. Edgar*  
WILLIAM H. EDGAR  
Executive Director

TRANSMITTAL TO COUNCIL:

*Walter J. Slipe*  
\_\_\_\_\_  
WALTER J. SLIPE, City Manager

RESOLUTION NO. 82-054

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO  
ON DATE OF

November 23, 1982

RESOLUTION AMENDING THE 1982 AGENCY BUDGET  
LEGAL DEPARTMENT BUDGET UNIT  
(ORGANIZATION 1400)

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE  
CITY OF SACRAMENTO:

Section 1. The 1982 Agency Budget - Legal Department  
Budget Unit (Organization 1400) is hereby amended by:

- a. Deleting one General Counsel position; one  
Typist Clerk II position; and two Legal  
Assistant positions.
- b. Adding an Attorney II position.

Section 2. The Executive Director is hereby authorized  
to proceed with the recruitment and selection process in order to  
fill the authorized Attorney II position.

Section 3. The Executive Director is hereby authorized  
to contract for supplemental legal representation on a case-by-  
case basis subject to available funding in the Legal Department  
budget unit.

Section 4. The Executive Director is hereby authorized  
to execute an extension to the current contract for legal services  
using salary savings from the 1982 Legal Department Budget unit  
until the Attorney II is employed by the Agency.

ATTEST:

---

CHAIRPERSON  
**FILED**  
 SACRAMENTO HOUSING AUTHORITY  
 CITY OF SACRAMENTO

---

SECRETARY

NOV 23 1982

• • • • •

• • • • •

1952  
S. 1000

# RESOLUTION NO. 82-089

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

November 23, 1982

RESOLUTION AMENDING THE 1982 AGENCY BUDGET  
LEGAL DEPARTMENT BUDGET UNIT  
(ORGANIZATION 1400)

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE  
CITY OF SACRAMENTO:

Section 1. The 1982 Agency Budget - Legal Department  
Budget Unit (Organization 1400) is hereby amended by:

- a. Deleting one General Counsel position; one  
Typist Clerk II position; and two Legal  
Assistant positions.
- b. Adding an Attorney II position.

Section 2. The Executive Director is hereby authorized  
to proceed with the recruitment and selection process in order to  
fill the authorized Attorney II position.

Section 3. The Executive Director is hereby authorized  
to contract for supplemental legal representation on a case-by-  
case basis subject to available funding in the Legal Department  
budget unit.

Section 4. The Executive Director is hereby authorized  
to execute an extension to the current contract for legal services  
using salary savings from the 1982 Legal Department Budget unit  
until the Attorney II is employed by the Agency.

CHAIRPERSON

**APPROVED**  
SACRAMENTO REDEVELOPMENT AGENCY -  
CITY OF SACRAMENTO

ATTEST:

\_\_\_\_\_  
SECRETARY

NOV 23 1982