



# CITY ATTORNEY JOHN RUSSO STATEMENT

**FOR IMMEDIATE RELEASE**

October 8, 2009

Contact: Alex Katz  
Office (510) 238-3148  
Cell (510) 599-6874

<http://www.oaklandcityattorney.org/>

OAKLAND, CA – City Attorney John Russo responded Thursday to an announcement by developer SunCal that it will seek \$500,000 to clean up the dilapidated Oak Knoll property.

## **Statement from City Attorney Russo:**

“Over the last year, the court-appointed bankruptcy trustee responsible for the SunCal Oak Knoll development has allowed the property to become a serious fire threat and health hazard for the people of Oakland.

Last week my office filed motions in bankruptcy court advising that it will take at least \$6.7 million to complete the job of removing 90-plus tinderbox buildings, abating hazardous materials, cleaning up the trash dump conditions and clearing overgrown, fire-prone vegetation at the SunCal site.

The City Attorney’s Office appreciates SunCal’s announcement today that it will seek to secure \$500,000 for maintenance and clean-up at Oak Knoll. While that’s a good start, it doesn’t come close to addressing the amount of work that needs to be done.

Like every other property owner, the trustee overseeing Oak Knoll is legally responsible for abating safety hazards and nuisance conditions. SunCal and its owner Lehman Brothers are clearly focused on protecting their assets in bankruptcy. However, these companies can’t ignore the law and their legal responsibilities in cities where they used to do business.

Today’s announcement is the first sign that SunCal and the bankruptcy trustee intend to comply with the Order to Abate served by the City in June. However, the bankruptcy court still must approve the payment, and the trustee has yet to file court documents asking for approval.

We look forward to working with SunCal and the bankruptcy trustee to complete the job and remove this real danger in the middle of our community.”

\*\*\*