

No. S194861

SUPREME COURT  
**FILED**

**IN THE SUPREME COURT OF  
THE STATE OF CALIFORNIA**

OCT - 3 2011

CALIFORNIA REDEVELOPMENT ASSOCIATION, LEAGUE  
OF CALIFORNIA CITIES, CITY OF UNION CITY, CITY OF  
SAN JOSE, AND JOHN F. SHIREY,  
Petitioners,

Frederick K. Ohlrich Clerk  
Deputy

v.

ANA MATOSANTOS, in her official capacity as Director of  
Finance, JOHN CHANG, in his official capacity as the  
Controller of the State of California, PATRICK O'CONNELL,  
in his official capacity as the Auditor-Controller of the  
County of Alameda and as representative of the class of  
county auditors-controllers,  
Respondents.

APPLICATION FOR LEAVE TO FILE  
AMICUS CURIAE BRIEF  
AND AMICUS CURIAE BRIEF  
IN SUPPORT OF RESPONDENTS

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Attorney for Affordable Housing  
Advocates, Amicus Curiae

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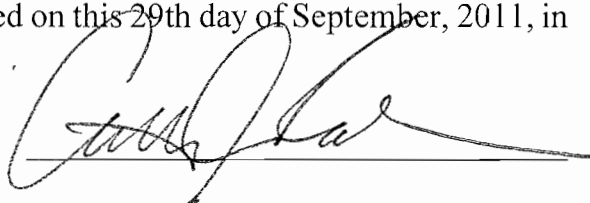
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## APPLICATION FOR LEAVE TO FILE AMICUS CURIAE BRIEF

I, Catherine A. Rodman, declare as follows:

1. I am the Director of Affordable Housing Advocates (“AHA”), a 501(c)(3) nonprofit, public benefit corporation and a qualified legal services project. We provide free legal services to low income tenants in impact cases to enforce their right to decent and affordable housing.
2. Because redevelopment agencies’ Low and Moderate Income Housing Funds (“Housing Fund”) represent the largest source of revenue to address the affordable housing crisis, and further because State Community Redevelopment Law (“CRL”) requires the development of replacement and inclusionary housing, we specialize in monitoring and enforcing CRL’s affordable housing obligations.
3. I am familiar with the pleadings submitted by the parties in this case. No party to this litigation has addressed the impacts of failing to ensure full compliance with all historic, unmet affordable housing development obligations before allowing an agency to dissolve under ABX1 26. Because the Court must, if possible, construe ABX1 26 to be constitutional, the Court must be apprised of these obligations, and include compliance with them in its interpretation of ABX1 26. This brief will assist the Court with these issues.
4. No party or counsel to any party in this litigation has authored any part of this brief, or made or pledged to make any monetary contribution intended to fund its preparation or submission.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on this 29th day of September, 2011, in San Diego, California.



## INTRODUCTION

In an effort to right our fiscal ship of state, the Legislature passed ABX1 26 and ABX1 27. The former, dissolves all state redevelopment agencies, and turns over to their successors all resources as well as the responsibility to pay all debts and fulfill all legal obligations.

While ABX1 26 and the legislation enacted to implement it mention “legal obligations”, those obligations are not detailed. Instead, attention was understandably paid to agencies’ financial obligations. However, agencies have legal obligations, regarding affordable housing, which must be fulfilled before they can dissolve. In order to be constitutional, ABX1 26 must be interpreted, and its enabling legislation amended, to require compliance with agencies’ historic, unmet:

1. Targeting requirements per Health and Safety Code Section 33334.4<sup>1</sup>;
2. Replacement requirements pursuant to subdivision (a) of Section 33413;
3. Inclusionary requirements pursuant to subdivision (b) of Section 33413; and
4. Obligation to develop affordable housing on land purchased with Housing Funds, in accordance with Section 33334.16.

## ARGUMENT

### I.

#### **REDEVELOPMENT AGENCIES ONLY HAVE THE POWERS GRANTED THEM BY STATE LAW.**

Though they act on the local level, redevelopment agencies are creatures of the state. They were created and are governed by State

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<sup>1</sup> All future references are to the Health and Safety Code, unless otherwise noted.



Community Redevelopment Law (Health and Saf. Code §§ 33000 *et seq.*), to eliminate blight. As this Court observed,

To accomplish this goal, these agencies utilize tax-increment financing, authorized by article XVI, section 16, of the Constitution. Under this scheme, the agency borrows funds and issues bonds to finance a project. The intent is that on completion of the project the property values in the area -- and hence property tax revenues -- will increase. These increased revenues are allocated between the agency and the taxing entity, the agency receiving only those revenues necessary to pay the costs of redevelopment, including repayment on the bonds. (*Huntington Park Redevelopment Agency v. Martin*, (1985) 38 Cal.3d 100, 104, citing *Redevelopment Agency v. County of San Bernardino*, (1978) 21 Cal.3d 255, 257, 266.)

In theory, agencies receive only those revenues attributable to their efforts to alleviate blight and needed to pay the associated costs. The impacts of the lost revenue on all other taxing entities: including counties, that provide basic medical care to the poor; cities, that maintain roads and sewers and provide police and fire protection; school districts, responsible for education; water districts, charged with meeting the most critical of all human needs, and others, were thought to be justified since without redevelopment the property tax revenues upon which they depend would continue to decline.

In practice, project areas may not be predominantly urbanized or blighted. Many were established as simply to keep property taxes in the hands of local government. One jurisdiction in San Diego County was unabashed about its reasons for declaring project areas "blighted".

Another brochure written by the City to explain the

redevelopment process contains the following statements:

"Redevelopment Project Areas allow cities such as San Marcos to financially solve their problems of street repair and improvement, flooding, drainage, revitalization, etc.

"This Occurs Because a Redevelopment Agency Can Keep New Property Tax Revenue in San Marcos Instead of Sending the Revenue Away From the Community...

"Redevelopment simply channels property tax increment to San Marcos programs instead of channeling revenue to programs of little interest to citizens of San Marcos.

"This accomplished without increasing your property taxes. It adheres to Proposition 13 principles of protecting your property tax rate and only utilizes property tax increment for improving the quality of life in San Marcos." (*Leach v. City of San Marcos*, (1989) 213 Cal.App.3d 648, 658-659.)

Agencies take all increases in tax increment, whether they had anything to do with generating them and even if they far exceed their minimum annual debt payments. While they like to paint a different picture of themselves, agencies use most of their revenues to support normal municipal functions, large corporate chains<sup>2</sup> and sport franchises<sup>3</sup>.

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Petitioner California Redevelopment Association's website helps to connect big-box retail, hotel and entertainment developers, with its members statewide, providing industries with the annual budget of each agency as well as the name and link to key staff. See for e.g. <http://www.calredevelop.org/Retail-Development-Big-Box>

3

As is commonly known, numerous ballparks and stadiums have been funded by redevelopment tax increment financing in the past, including downtown San Diego's Petco Park, on land zoned for 4,500 housing units. Owner Jeff Moorad awaits the

Having given them life, the State Legislature may also end them. This Court's recognition of the State's power in education is an apt analogy.

[T]he local-district system of school administration, though recognized by the Constitution and deeply rooted in tradition, is not a constitutional mandate, but a legislative choice. . . (cites omitted) The Constitution has always vested "plenary" power over education not in the districts, but in the State, through its Legislature, which may create, dissolve, combine, modify, and regulate local districts at pleasure. (*Butt v. State of California*, (1992) 4 Cal. 4th 668, 688.)

The issue is not whether the State may put an end to redevelopment, but whether it has been mindful of all the prerequisites for doing so. It has not, and this Court must bridge that gap.

## II.

### **REDEVELOPMENT AGENCIES HAVE YET TO FULFILL THEIR LONG TERM AFFORDABLE HOUSING OBLIGATIONS.**

A fundamental purposes of redevelopment is to expand the community's supply of affordable housing. (Section 33071.) Although redevelopment started in the early 1950s, it was not until a quarter century later that the Legislature quantified minimum affordable housing requirements. It did so at the behest of advocates who represented those most victimized by redevelopment. To the extent that redevelopment occurred in blighted areas, the poor were displaced and their housing demolished to make way for better and higher uses. And so in 1976, the Legislature imposed minimum

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outcome of this suit to see whether he can tap \$50 million in redevelopment funds to build a ballpark for his AAA Team in San Diego's North County community of Escondido.

requirements for the replacement and inclusion of affordable housing.

Since then, agencies must replace, 1 for 1, within 4 years, every unit last occupied by a low- or moderate-income person or family that is destroyed in the name of redevelopment. (Subdivision (a) of section 33413.) Since agencies tore down SROs (single room occupancy hotels) or apartments and replaced them with moderate income townhomes, the Legislature twice amended the law to require first that at least 75% and then all replacement units serve those at or below the income level of those displaced. (Subdivision (b) of section 33413.)

Agencies must also ensure that a minimum amount of housing, both new construction and rehabilitation, developed by the agency and others, is affordable to the very low, low and moderate income. (Subdivision (b) of section 33413.) At least 30 percent of all agency developed housing must be affordable to the low- and moderate-income, with at least 50 percent of that amount serving the very low income. (Paragraph (1) of subdivision (b) of Section 33413.) At least 15 percent of all housing developed by others is required to be affordable, with 40 percent of those units to serve the very low income. (Paragraph (2) of subdivision (b) of Section 33413.) These minimum requirements are applied independently to units developed before 1994. From 1994, on, AB 1290 based the minimum requirement on all new construction and “substantial rehabilitation”, combining the two for purposes of calculating the requirement.

The inclusionary requirement does not apply on a project by project basis, but instead in the aggregate. At first agencies had the entire life of the redevelopment plan to meet their inclusionary requirements under subdivision (b). Since 1994, CRL requires they be met every ten (10) years.

The replacement and inclusionary requirements of CRL are wholly

independent. (Section 33413, subd. (b)(3).) And all such units must be affordable to and occupied by people or families with the targeted income levels, i.e. very low, low or moderate, for the longest feasible time, i.e. in perpetuity, but no less than, at first, the life of the redevelopment plan, and later at least 55 years for rentals and 45 for ownership units. (Subdivision (c) of Section 33413.) These requirements must be included in deed restrictions, which are recorded, annually monitored and enforced. (Sections 33413, subd. (c) and 33418.)

To ensure that agencies have the necessary resources to provide the requisite replacement and inclusionary housing, in 1977, the Legislature established the Low and Moderate Income Housing Fund. At least 20 percent of all taxes allocated to an agency from a project area for which a plan was adopted on or after January 1, 1977, must be set-aside for and spent on the development of affordable housing for low- and moderate-income persons and families. (Section 33334.2). This set-aside requirement was applied to merged project areas in 1981 (Section 33487), and to older project areas in 1986 (Section 33334.6). Throughout the 60 years of state redevelopment, this remains the only set-aside prescribed by the Legislature for the use of tax increment revenues.

To address the disconnect between residents' housing needs and agencies use of Housing Funds, the Legislature established two targeting requirements. First, the Funds must assist very low and low income households in proportion to their unmet need among income-eligible populations, i.e very low, low and moderate. (Section 33334.4, subd. (a).) Second, the Funds must assist seniors and families with children in proportion to their needs as reflected in the most recent Housing Element. (Section 33334.4, subd. (b).)

Lastly, one of the things the Housing Fund may be used for is the purchase of real property intended for the development of affordable housing. (Sections 33334.2, subd. (e)(1) and 33487, subd. (a).) The land need not be developed right away, allowing agencies to “land bank”. If it is not developed within five (5) years of purchase, the agency may extend their holding one time for up to another five (5) years. (Section 33334.16.) The most recent information available indicates that at the end of fiscal year 2009-10, 140 of the state’s 425 agencies reportedly held 698 pieces of property, totaling just under 1207 acres<sup>4</sup>, valued at \$541,476,654<sup>5</sup>.

Agencies’ Implementation Plans periodically quantify the historic, unmet targeting, replacement and inclusionary requirements. (Section 33490.) This data must be updated based on the agencies’ most recent annual monitoring, required by (Section 33418.)

**A. The Statutes Which Give Rise to These Obligations Create Implied Contractual Rights Which Cannot Be Impaired.**

For over a century, California courts have implied contractual obligations from the text and context of various statutes. (*California Teachers Association v. Cory*, (1984) 155 Cal.App.3d 494, 504-505<sup>6</sup>, citing *inter alia County of San Luis Obispo v. Gage* (1903) 139 Cal. 398.) Once an implied contract of the state is demonstrated it is of equal dignity with an express contract for purposes of the prohibitions against impairment. (*California*

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<sup>4</sup>

State Department of Housing and Community Development’s (State HCD’s), 2009-10 Housing Activities of California Redevelopment Agencies, Exh. L, p.28.

<sup>5</sup> State HCD Report, 2009-10, Exhibit C-2, p. 17.

<sup>6</sup>

This court has endorsed the holding in *California Teacher’s Association v. Cory*. (*White v. Davis*, (2003) 30 Cal.4th 528, 566.)

*Teachers Association v. Cory, supra*, 155 Cal.App.3d at 505, U.S. Const., art. I, §10 and Cal. Const., art. I, §9.)

[A] legislative intent to grant contractual rights can be implied from a statute if it contains an unambiguous element of exchange of consideration by a private party for consideration offered by the state. The paradigmatic exposition of this theory is in *County of San Luis Obispo v. Gage, supra*, 139 Cal. 398, 407-408. *Gage* held that the statutory obligation of the state to fund the support of orphan and abandoned children provided by the counties "was the equivalent of an offer upon condition, and upon the performance of the condition by any county the offer became a promise, and binding as such upon the state." (*Id.*, at p. 407.) (*California Teachers Association v. Cory, supra*, 155 Cal.App.3d at 505.)

The Court in *Gage* recognized that not all obligations arising by operation of law could be classified as contracts but, conversely, that some could. It found that, in principle, the obligation in *Gage* was in the nature of an offer upon condition. The 1880 Act in question promised each county that if it maintained and supported orphans and abandoned children, the state would appropriate and pay the amounts stated in the Act. Any county that performed the condition, i.e., supported children in need, accepted the offer thereby turning it into a promise, binding on the state. (*California Teachers Association v. Cory, supra*, 155 Cal.App.3d at 505, fn. 10.)

In *California Teachers Association v. Cory*, the statutes at issue established a statewide teachers' pension plan. The Governor argued that there was no contract because appropriations were made annually enabling reductions, or because the state retained legislative power to modify future

obligations. (*California Teachers Association v. Cory, supra*, 155 Cal.App.3d at 505, 509.) The court responded by recognizing that,

"A contract must receive such an interpretation as will make it lawful, operative, definite, reasonable, and capable of being carried into effect, if it can be done without violating the intention of the parties." ( Civ. Code, § 1643.) Interpreting the contract to permit alteration at will would entirely defeat the bargain to provide some assurance that moneys will be available to fund the pension *when due*. (*California Teachers Association v. Cory, supra*, 155 Cal.App.3d at 509.)

The court determined that the state did not retain the power to modify future installments to the pension, based on two characteristics. The state changed funding of the pension from the annual budgetary process to legislative appropriation. Second, teachers who accept this inducement at the outset of their careers, and forego the prospect of higher present compensation elsewhere, gain nothing if the state retains power to periodically modify the agreement. (*California Teachers Association v. Cory, supra*, 155 Cal.App.3d at 509-10.)

The present case before the court shares the two characteristics identified in *California Teachers Association v. Cory*. Establishment of the Low and Moderate Income Housing Fund was accomplished by legislative enactment, and is not subject to the state's annual budgetary process. (Sections 33334.2, 33334.6 and 33487.) Agencies, as well as those displaced and in need of affordable housing, relied on these Funds to plan to meet their long term affordable housing obligations.

This is not to say that the state cannot limit or disallow receipt of tax increment revenues or require agencies to dissolve once their historic



affordable housing obligations have been met. A contractual obligation may be extinguished by full performance. (*California Teachers Association v. Cory, supra*, 155 Cal.App.3d at 510, citing Civ. Code §§1473, 1477, 1682 and *Cavanaugh v. Casselman*, (1891) 88 Cal. 543, 552.)

The constitutional prohibition against contract impairment does not exact a rigidly literal fulfillment; rather, it demands that contracts be enforced according to their "just and reasonable purport;" not only is the existing law read into contracts in order to fix their obligations, but the reservation of the essential attributes of continuing governmental power is also read into contracts as a postulate of the legal order. . . (*citations omitted*)

The contract clause and the principle of continuing governmental power are construed in harmony; although not permitting a construction which permits contract repudiation or destruction, the impairment provision does not prevent laws which restrict a party to the gains "reasonably to be expected from the contract." . . . (*citations omitted*). (*California Teachers Association v. Cory, supra*, 155 Cal.App.3d at 510-11.)

Under CRL, agencies are disabled from ending a redevelopment project until they have fully satisfied all of their affordable housing obligations. (Section 33333.8.) The state cannot be allowed to impair their ability to do so by dissolving them before this is done.

### III.

#### **AGENCIES' UNMET AFFORDABLE HOUSING OBLIGATIONS NEED NOT BE IMPAIRED BY ABX1 26.**

AHA does not contest the State's authority to address our fiscal crisis by dissolving redevelopment agencies. So that contracts are not impaired, both

ABX1 26 and its enabling legislation provide for payment of all existing fiscal obligations. To this end, agencies were required by statute and Order of this Court, to adopt Enforceable Obligations Payment Schedules (EOPS) by August 28, 2011 and Initial Recognized Obligation Payment Schedules (ROPS), by September 30, 2011. (Sections 34167 and 34169.)

The debts which must be listed, include those to the Low and Moderate Income Housing Funds, such as deferrals of set-aside payments to the Fund, loans from the Fund to make ERAF and SERAF payments, Judgments, and the like. AHA respectfully submits that ABX1 26 must be interpreted, and its enabling legislation amended, to also ensure fulfillment of all historic, unmet affordable housing development obligations as well. This is critical, given redevelopment's footprint in project areas, and the importance of affordable housing to the health and sustainability of communities, regions and the state.

Expansion of the community's supply of affordable housing is not only a fundamental purpose of state redevelopment (§33071), but "the early attainment of decent housing ... for every California family is a priority of the highest order" and a matter of "vital statewide importance" (Government Code §65580, subd. (a).) Housing is a basic human need and, as such, a fundamental right.

One of the failings of state redevelopment has been its initial, sustained and exclusive focus on increasing tax increment. This led to the demolition of tens of thousands of units statewide and contributed to the state's housing crisis. Exhibit 1, attached hereto, summarizes the data reported by agencies to State HCD. No data was collected for the first thirty three (33) years of redevelopment, from 1952 to 1985. In most years since, only a small fraction of agencies have reported demolishing any units. Even within these limits,

almost 20,000 units have reportedly been demolished as the direct<sup>7</sup> result of a redevelopment project. Doubtless many tens of thousands more have been lost, before records were kept, by non-reporting agencies, and as an indirect result of redevelopment.

This focus on growing tax increment has also made it very expensive to later build affordable housing, in part by greatly reducing the land upon which to do so. One result is larger, entirely affordable projects; another is placement of affordable housing outside the project area. Neither are the model for balanced and inclusive development.

Though replacement and inclusionary obligations came belatedly to state redevelopment, fulfillment of these obligations plays a critical role in its ultimate success. The lack of decent and affordable housing in the project area is one of the characteristics that defines blight. (Section 33031.) Long term viability of project areas depends on a balance of commercial and residential, including housing affordable to all income groups. For those agencies that dissolve, decades of public subsidies for redevelopment would be best served by ensuring that the project ends with at least the minimal amount of affordable housing required by CRL.

Those displaced by redevelopment and whose needs were not included for years or decades as market rate and luxury housing was built instead, have waited long enough. Their wait must not be in vain. Displacees, identified in relocation and replacement housing plans, have rights of first refusal to occupy replacement housing. (Sections 33411.3.) Settlement Agreements and Judgments may identify others entitled to rights of first refusal for inclusionary

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Replacement housing requirements only apply to units demolished pursuant to a written agreement with the agency or as part of a project receiving financial assistance from the agency. (Section 33413, subd. (a).)

units, or units assisted with the Housing Fund.

The rest of the units required to be built to meet unmet targeting and inclusionary requirements, and develop land purchased with Housing Funds, are owed to the intended beneficiaries of the Housing Fund and affordable housing obligations of CRL.

By virtue of the Housing Fund set-aside (Sections 33334.2, 33334.6 and 33487) and targeting (Section 33334.4) requirements and the replacement and inclusionary obligations (Section 33413), CRL recognizes the right of project area residents to live in inclusive and balanced communities, with housing for all incomes. (*Cf. Venice Town Council, Inc., v. City of Los Angeles*, (1996) 47 Cal.App.4th 1547, 1552-53 and *Stocks v City of Irvine*, (1981) 114 Cal.App.3d 520, 533-35.)

This Court's action is needed to make the promise of redevelopment a reality for the poor, long victimized by it.

### **CONCLUSION**

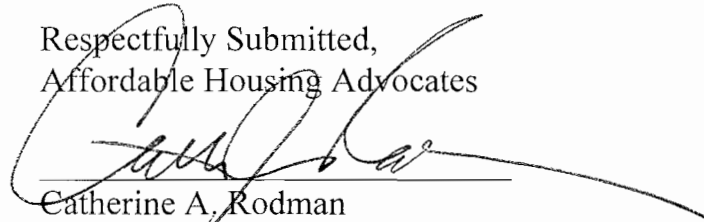
It is ironic and unfortunate that state redevelopment, intended to expand affordable housing, has laid waste to so much of it, displacing tens of thousands, many of whom have only the streets to call home. If redevelopment held out a promise to slum dwellers, they have been cruelly disappointed. Their homes have been demolished or converted, and largely replaced with commercial uses and upscale housing for the modern urban dweller.

Because requirements to replace lost units and balance new residential developments were belatedly added to state law, they have yet to be met. The deficit of housing units, like the deficit of housing dollars, must be included in the legal obligations to be "paid" before agencies are allowed to dissolve under ABX1 26. This Bill must be interpreted, and its enabling legislation amended, to incorporate all historic, unmet affordable housing obligations, just

as CRL precludes an agency from dissolving in such a case. (Section 33333.8.)

DATED: September 29, 2011

Respectfully Submitted,  
Affordable Housing Advocates

A handwritten signature in black ink, appearing to read 'Catherine A. Rodman', written over a horizontal line.

Catherine A. Rodman  
Attorney at Law

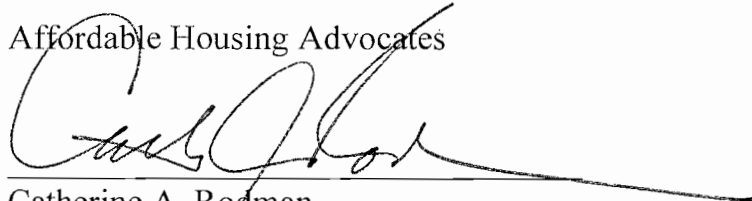
CERTIFICATE OF COMPLIANCE

I, CATHERINE A. RODMAN, certify that,

1. I am an attorney duly licensed to practice law in the State of California, and am so employed by Affordable Housing Advocates. I am counsel for Affordable Housing Advocates, Amicus Curiae, and am making this certification in compliance with California Rule of Court, Rule 8.204, subdivision (c)(1).
2. I used the "File Properties" feature of our office's WordPerfect software to calculate the total number of words in AHA's Amicus Curiae Brief. Excluding the cover page, Tables, Exhibit, Signatures and this Certificate, AHA's Amicus Curiae Brief is 3,813 words in length.

Respectfully Submitted,

Affordable Housing Advocates



DATED: September 29, 2011

Catherine A. Rodman  
Attorney at Law

California Redevelopment Agencies & Housing Demolition Data

Fiscal Year	Total RDAs/ # of RDAS Reporting	HCD Exh/ Page	Units Destroyed By Income Level					Total
			VL	L	M	Other		
1952-85								
1985-86	322/80	C/17	647	525	351	308	1,831	
1986-87	321/77	C/19	345	510	406	107	1,368	
1987-88	283/78	D/8	574	404	290	85	1,353	
1988-89	315/91	E/11	464	321	164	40	989	
1989-90	322/91	F/10	374	554	211	177	1,316	
1990-91	377/106	G/10	311	137	67	54	569	
1991-92	377/123	F/13	370	89	47	24	530	
1992-93	378/45	J/6	173	205	133	26	537	
1993-94	381/48	L6	278	212	64	16	570	
1994-95	385/48	M6	309	123	96	8	536	
1995-96	399/43	M5	204	83	33	13	333	
1996-97	400/46	M6	145	158	24	13	340	
1997-98	406/41	K6	214	136	33	10	393	
1998-99^	406/10	G5	758	205	1,345	31	2,339	
1999-00^	409/30	H1-4	73	130	70	0	273	
		Subtotal	5,239	3,792	3,334	912	13,277	

unknown, no data collected or reported

California Redevelopment Agencies & Housing Demolition Data

Fiscal Year	Total RDAs/ # of RDAS Reporting	HCD Exh/ Page	Units Destroyed By Income Level				Total
			VL	L	M	Other	
2000-01	408/27	H1-4	167	63	29	0	259
2001-02	413/34	H1-5	255	146	47	24	472
2002-03	414/37	H1-5	614	153	30	13	810
2003-04	414/44	H1-6	589	125	33	23	770
2004-05	422/41	H1-5	271	80	29	20	400
2005-06	422/36	H1-5	324	189	56	18	587
2006-07	424/37	H1-5	367	215	53	47	682
2007-08	425/28	H1-4	358	183	23	12	576
2008-09	425/39	H1-5	347	255	176	26	804
2009-10	425/34	H1-5	734	110	75	15	934
Subtotal			4,026	1,519	551	198	6,294
Total			9,265	5,311	3,885	1,110	19,571

From 1992-93 through 1997-98, the department collected and reported on both the number of units and number of bedrooms lost. As that data was not collected in subsequent years, the bedroom counts collected in earlier years are omitted from this table.

The State Department of Housing and Community Development (HCD) Reports are available online for FY 2000-01 through 2009-10 at: <http://www.hcd.ca.gov/rda/>



California Redevelopment Association, et al. v. Matosantos, et al.  
California Supreme Court

**DECLARATION OF SERVICE BY E-MAIL**

I, Catherine A. Rodman, declare that:

I am over the age of eighteen years and not a party to the action. I am employed in the County of San Diego, California, within which County the subject mailing occurred. My business address is 4305 University Avenue, Suite 110, San Diego, California 92105. I am familiar with this office's practice for the collection and processing of correspondence for delivery by e-mail. Pursuant to this practice, I served the following document(s):

**APPLICATION FOR LEAVE TO FILE AMICUS CURIAE BRIEF AND AMICUS CURIAE BRIEF IN SUPPORT OF RESPONDENTS**

on counsel for the parties, identified below, at their e-mails, noted below:

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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this Declaration was executed on September 29, 2011.

  
CATHERINE A. RODMAN

