



Monday, March 7, 2011

Mr. Jeff Britz
City Manager
City of Lemoore
119 Fox Street
Lemoore, CA 93245

Dear Jeff:

As you know, the Governor has proposed elimination of redevelopment agencies in cities and counties in California. While we are doing everything possible to defeat his illegal and devastating proposal, it is important that we begin to prepare for litigation in case the Legislature approves it. Despite the fact that over 61% of voters passed Proposition 22 last November to stop the State from taking, borrowing or redirecting local government funds including local redevelopment, we cannot be sure State leaders will follow the will of the voters.

Our legal team (see attached) believes that shutting down redevelopment agencies and taking your funds for other State purposes is a clear violation of multiple constitutional provisions, including the recently passed Proposition 22 as well as Article XVI, section 16, which requires tax increment to be paid to redevelopment agencies to repay the cost of redevelopment projects. As a result, our legal team has been instructed to prepare for possible litigation AS SOON AS POSSIBLE.

We must be prepared to protect redevelopment agencies, cities and counties from these unconstitutional actions and resulting chaos, including filing a request for a stay with the court if the budget proposal passes in order to maintain the status quo while the matter is litigated to conclusion. Of course, these legal actions will require financial resources. After constant battles and lawsuits over the past several years to defeat or pass ballot initiatives and to protect redevelopment funds from unconstitutional takings, we are not in a position to absorb the cost of another lawsuit, but we can't afford NOT to sue to protect the very existence of redevelopment agencies in California.

We are asking all redevelopment agencies to contribute to a legal defense fund. The amount of the requested fee is based on the total amount of tax increment that you received in FY 2008-09. The fee for your agency is \$400.00 (See enclosed invoice.) We are asking that you pay it NOW before any legislation takes effect to ensure that we have the resources we need for legal actions. If litigation turns out not to be needed, your contribution will be returned.

Our respective Board members are committed to this fight, and they are counting on participation by all agencies to defray the costs. We are aware of your budgetary constraints, and we are doing all we can to protect your redevelopment funds now and into the future. We respectfully request your support in order to continue our efforts.

Thank you. Please let us know if you have any questions.

Sincerely,



Christopher McKenzie
Executive Director
League of CA Cities



John F. Shirey
Executive Director
California Redevelopment Association



1400 K Street, Suite 204, Sacramento, CA 95814, Phone (916) 448-8760 FAX (916) 448-8760

INVOICE NO: 3549
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City Manager
City of Lemoore
119 Fox Street
Lemoore, CA 93245

DESCRIPTION	QTY	RATE	AMOUNT
Legal Defense Fund Assessment	1	\$400.00	\$400.00
TOTAL:			\$400.00
AMOUNT PAID:			\$0.00
BALANCE DUE:			\$400.00

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City of Lemoore
119 Fox Street
Lemoore, CA 93245

Credit Card Payment Information:

VISA MC AMEX (Circle One)

Card Number: _____ EXP: _____

Signature: _____

3 or 4 digits on back of card: _____

INVOICE NO: 3549

TOTAL DUE: \$400.00

Make checks payable to:

California Redevelopment Association
1400 K Street, Suite 204
Sacramento, CA 95814