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LEAGUE OF CALIFORNIA CITIES

www.cacities.org

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**TO:** **City Managers and City Clerks in non-manager cities**

**FROM:** **Officers of the League of California Cities**
Bill Bogaard, President, and Mayor of Pasadena
José Cisneros, First Vice-President, and Treasurer of San Francisco
Tony Ferrara, Second Vice-President, and Mayor of Arroyo Grande
Mike Kasperzak, Past President, and Mayor of Mountain View
Chris McKenzie, Executive Director

**SUBJECT:** **League Dues for 2013—No Increase!**
**Voluntary Surcharge to Support Vital Litigation**

Thank you for your City's membership in the League of California Cities. Enclosed please find your city's customized 2013 dues statement and related supporting documentation.

## League Membership—A Great Investment

The value your city derives from membership in the League of California Cities makes the payment of League dues a wise investment. Please review the enclosed customized "Return on Investment" report for your city. It reflects financial benefits your city enjoys as a direct result of the League's legislative and ballot measure advocacy. A strong and effective League is central to your city's continued strength and vitality.

## Benefits of Membership

The League is the leading advocate for California cities. Protecting local control remains the cornerstone of League activities as we work in concert with cities, partners, and coalition members. Please find the enclosed "Benefits of Membership in the League of California Cities," a summary of the more significant benefits cities and city officials receive from League membership.

## Litigation Strategy to Defend Revenue Protections

The League and city officials have invested tremendous human and financial resources over the past decade to secure meaningful constitutional protection of city revenue sources. Proposition 1A and Proposition 22 represent the will of the voters and significant victories for local control. However, it is now clear that defending and enforcing these protections will require vigilance and even litigation, possibly on a repeated basis, until the protections are generally understood and respected, especially by the Legislature and Administration.

The League currently has two lawsuits pending in the courts challenging state actions that violate Prop. 1A and Prop. 22. In *League of California Cities v. Chiang*, the League is challenging the state's shifting VLF from cities and directing this revenue to priorities the state has unilaterally deemed to be more important. In a second case, *League of California Cities v. Matasantos*, the League is challenging the unconstitutional "claw-back" penalties in the AB 1484 budget trailer bill that puts city sales and property tax revenues at risk. Every city in the state has an interest in the outcome of these two lawsuits.

This vital defensive strategy is expensive, but essential. Implementing this strategy is conducted at greatly reduced cost and effort if the League serves as the lead plaintiff on behalf of all cities. The alternative would be for each city or *ad hoc* groupings of cities to initiate separate lawsuits. By coordinating their efforts through the League, cities can leverage their resources for the benefit of all cities to challenge the state whenever it attempts to weaken the important local revenue protections California cities have worked so hard to achieve.

**Voluntary Litigation Surcharge**

As noted, the resources required to initiate litigation and bring it to a final conclusion are substantial. Throughout the ongoing economic downturn that cities have lived with for several years, the League has avoided imposing any increase in dues for membership in the League. Due to the recession, the League also has experienced a reduction in revenue from conference registrations and from other major revenue sources. To finance this new and important role for the League, the board of directors is asking that each city consider paying an optional surcharge equal to ten percent of the League dues to support vital litigation.

The surcharge is shown on the enclosed invoice. The recommended surcharge is optional; a city may pay the base dues and enjoy all the benefits of membership. However, we sincerely hope you will consider supporting this new and important role the League is undertaking because of its tremendous value to your city and all cities throughout the state.

**Conclusion—California Cities Work Together**

Through the League, all cities and all city officials have the opportunity to help shape solutions to the issues of greatest importance to our cities and the state of California. Working together, we pursue those solutions most effectively. It is important for cities to act energetically, in unison, and with renewed focus to amplify our voice in key statewide policy matters.

The board of directors encourages your enthusiastic support of and participation in the League of California Cities in 2013. We look forward to continuing our fight together to protect local control and help you provide outstanding service to the residents of your great city.

If you have any questions about this matter, please contact Dan Harrison, Director of Administrative Services, at dharrision@cacities.org or 916-658-8267.

Enclosures:

- Dues invoice
- Return on Investment Report
- Benefits of Membership