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CALIFORNIA STATE SENATE

COMMITTEE ON BUDGET AND FISCAL REVIEW

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September 11, 2015

Daniel Alvarez
Secretary of the Senate
State Capitol, Room 400
Sacramento, CA 95814

Dear Mr. Alvarez:

The Committee on Budget and Fiscal Review, which I chair, has authored Senate Bill 107 relating to redevelopment dissolution and local agencies. I submit this letter to the Senate Journal for the purpose of clarifying the intent of three aspects of this measure.

Section 34191.4 (d) of the Health and Safety Code relates to loans that have been approved by the Department of Finance. It is the intent of the Legislature that the measure shall not result in the denial of a loan that has been previously approved prior to the effective date of this bill. Additionally, it is the intent of the Legislature that this measure shall not impact the judgments, writs of mandate, and orders entered by the Sacramento Superior Court in the following lawsuits: (1) *City of Watsonville v. California Department of Finance, et al.* (Sac. Superior Ct. Case No. 34-2014-80001910); (2) *City of Glendale v. California Department of Finance, et al.* (Sac. Superior Ct. Case No. 34-2014-80001924).

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Section 34191.4 (b) (2) (C) (ii) of the Health and Safety Code relates to repayments on loans for infrastructure purposes to a city, county, or city and county that created a former redevelopment agency. It is the intent of the Legislature that the total amount of each loan to be repaid shall not exceed \$5.0 million.

Section 34171 (d) (1) (F) (i) and (ii) of the Health and Safety Code relates to litigation costs paid out of the successor agency's administrative cost budget. It is the intent of the Legislature that these litigation costs shall not prohibit a nonprofit from collecting payment for attorney fees, should the nonprofit be successful in any litigation it brings against a successor agency.

Thank you for the opportunity to clarify these matters.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Leno", written in a cursive style.

Mark Leno
Chair, Budget and Fiscal Review Committee