



**2019-2020**

**LEAGUE OFFICERS**

**President**

John F. Dunbar  
Mayor, Yountville

**First Vice President**

Cheryl Viegas Walker  
Council Member, El Centro

**Second Vice President**

Cindy Silva  
Council Member, Walnut Creek

**Immediate Past President**

Janet Arbuckle  
Council Member, Grass Valley

**Executive Director**

Carolyn M. Coleman

August 5, 2020

The Honorable Chief Justice Tani Cantil-Sakauye  
Honorable Associate Justices of the Supreme Court  
Supreme Court of California  
350 McAllister Street  
San Francisco, CA 94102

**Re: *City of Chula Vista, et.al. v. Sandoval (Southwestern Community College District)* (Case No. S263181) – Amicus Letter in Support of Petition for Review (Cal. Rules of Court, rule 8.500(g).)**

Honorable Chief Justice Cantil-Sakauye and Associate Justices:

Pursuant to California Rules of Court, Rule 8.500(g), the League of California Cities (League) respectfully submits this letter as amicus curiae in support of the Petition for Review filed by the City of Chula Vista in *City of Chula Vista v. Sandoval* (2020) 49 Cal.App.5th 539 (Third Appellate District, C080711).

The League of California Cities is an association of 476 California cities dedicated to protecting and restoring local control to provide for the public health, safety, and welfare of their residents, and to enhance the quality of life for all Californians. The League is advised by its Legal Advocacy Committee, comprised of 24 city attorneys from all regions of the State. The Committee monitors litigation of concern to municipalities, and identifies those cases that have statewide significance. The Committee has identified this case as having such significance. Counsel for the League has reviewed the letter urging this Court to grant the petition for review submitted by the City of National City and concurs with its contents. Like the City of National City, cities statewide would benefit from guidance from this Court regarding the proper allocation of residual property tax revenues.

As this Court is well-aware, in the 2011 Budget Act, the Legislature approved the dissolution of the state's 400 plus redevelopment agencies (RDAs). RDAs were officially dissolved as of February 1, 2012. The Department of Finance explains that, "As a result of the elimination of the RDAs, property tax revenues are being used to pay required payments on existing bonds, other obligations, and pass-through payments to local governments. The remaining property tax revenues that exceed enforceable obligations are now being allocated to cities, counties, special districts, and school and community college districts...."(State of California Department of Finance, *Redevelopment Agency Dissolution*, <<http://www.dof.ca.gov/Programs/Redevelopment/>> (as of August 4, 2020).)



The “remaining property tax revenues” are “now being allocated” by County auditors around the State using three different methodologies. (*City of Chula Vista v. Sandoval*, *supra*, 49 Cal.App.5th at pp. 544-45.) In fact, the Defendant San Diego County Auditor-Controller has used two different methodologies within the course of this litigation. These three different methodologies emerge from conflicting interpretations of California Health & Safety Code sections 38183 and 38188. There is general agreement that the “remaining property tax revenues” are distributed in accordance with the proportional allocation of property taxes established for each entity based on the historic rates of taxation in effect when Proposition 13 was passed (AB 8 shares). (*City of Alhambra v. County of Los Angeles* (2012) 55 Cal.4th 707, 713.) However, the methodologies differ in how they address the relationship between “pass-through payments” and the “remaining property tax revenues.” The dollar amount of the distribution of the AB 8 shares varies widely depending upon how a County auditor defines that relationship.

Defendant San Diego County Auditor-Controller states in the Answer to the Petition for Review that “the competing methodologies yield only modest difference for most entities, and even the most significant impacts amount to a small fraction of municipal budgets.” (Appellant Tracy Drager’s Answer to Petition for Review, p. 8.) The County Auditor-Controller cites as a “small fraction” the \$11.8 million underpaid to the City of San Diego over the course of two years. (Appellant Tracy Drager’s Answer to Petition for Review, p. 8, fn. 4.) Neither the asserted “modest difference” nor “small fraction” can support disparate interpretation of state law. The Defendant’s perception of each most likely differs significantly from the perception of the those local elected officials charged with balancing their budgets.

Accordingly, the League respectfully urges this court to grant the City’s Petition for Review to establish a uniform methodology describing how “the remaining property tax revenues,” which amount to hundreds of millions of dollars allocated in the 41 counties with redevelopment successor agencies,<sup>1</sup> should be allocated to cities, counties, special districts, and school and community college districts.

Sincerely,

LEAGUE OF CALIFORNIA CITIES

A handwritten signature in blue ink, appearing to read "Alison Leary".

by: Alison Leary, SBN 305215  
Deputy General Counsel  
League of California Cities

---

<sup>1</sup> State of California Department of Finance, *LRPMP Plans Submitted to Finance*, <[http://www.dof.ca.gov/Programs/Redevelopment/Countywide\\_OBFS\\_CAC](http://www.dof.ca.gov/Programs/Redevelopment/Countywide_OBFS_CAC)> (as of August 4, 2020).

**PROOF OF SERVICE**

*City of Chula Vista, et al. v. Tracy Sandoval, etc.*

Supreme Court of California Case No. S263181

Third Appellate District Court Case No. C080711

Sacramento County Superior Court Case No. 34-2014-80001723

I, the undersigned, declare that I am a citizen of the United States and am employed in the City and County of Sacramento, State of California. I am over the age of 18 and not a party to this action; my business address is: 1400 K Street, Suite 400, Sacramento, CA 95814.

On August 5, 2020, I served the document(s) described as: **AMICUS LETTER IN SUPPORT OF PETITION FOR REVIEW** on the interested parties in this action by the following methods addressed as follows:

**PLEASE SEE ATTACHED SERVICE LIST**

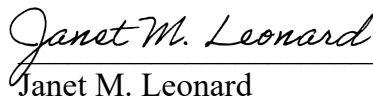
**[X] (BY MAIL)** I enclosed the above-referenced document(s) in a sealed envelope or package and placed the envelope for collection and mailing, following our ordinary business practices. I am “readily familiar” with the firm’s practice for collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid at Sacramento, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

**[X] (BY ELECTRONIC SERVICE)** By submitting an electronic version of the above-referenced document(s) to the Court's electronic filing system, TrueFiling, who provides electronic service to all parties and counsel of record who are registered with the Court's TrueFiling system.

Executed on August 5, 2020 at Sacramento, California.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

I declare that I am employed in an office of a member of the bar of the court at whose direction the service was made.

  
\_\_\_\_\_  
Janet M. Leonard

## SERVICE LIST

*City of Chula Vista, et al. v. Tracy Sandoval, etc.*  
Supreme Court of California Case No. S263181  
Third Appellate District Court Case No. C080711  
Sacramento County Superior Court Case No. 34-2014-80001723

*Via Email Through TrueFiling.com*

Rachel H. Witt, Chief Deputy County Counsel  
Jeffrey P. Michalowski, Sr. Dep. County Counsel  
Office of the County Counsel  
1600 Pacific Highway, Room 355  
San Diego, CA 92101-2469  
Telephone: (619) 531-5801  
Facsimile: (619) 531-6005  
Email: rachel.witt@sdcounty.ca.gov  
Email: jeffrey.michalowski@sdcounty.ca.gov

*Attorneys for Defendant and  
Appellant Tracy Sandoval, in her  
official capacity as San Diego County  
Auditor-Controller*

*Via Email Through TrueFiling.com*

Randall L. Winet  
Amanda F. Benedict  
Winet Patrick Gayer Creighton & Hanes  
1215 West Vista Way  
Vista, CA 92083  
Telephone: (760) 758-4261  
Email: rwinet@wpgch.com  
Email: abenedict@wpgch.com

*Attorneys for Real Parties in Interest  
and Respondents Capon Valley  
Union School District and  
Southwestern Community College  
District, et al.*

*Via Email Through TrueFiling.com*

Sharon L. Andeson  
Rebecca J. Hooley, Deputy County Counsel  
County of Contra Costa  
651 Pine Street, 9th Floor  
Martinez, CA 94553  
Telephone: (925) 335-1800  
Facsimile: (925) 646-1078  
Email: Rebecca.Hooley@cc.cccounty.us

*Attorneys for Amicus Curiae  
Contra Costa County*

*Via Email Through TrueFiling.com*

Benjamin P. Fay  
Jarvis, Fay & Gibson  
492 Ninth Street, Suite 310  
Oakland, CA 94607  
Email: bfay@jarvisfay.com

*Attorneys for Amicus Curiae  
The City of National City*

*Via U.S. Mail*

Clerk of the Court  
Sacramento County Superior Court  
720 Ninth Street  
Sacramento, CA 95814

*Via U.S. Mail*

Clerk of the Court  
Third District Court of Appeals  
914 Capitol Mall  
Sacramento, CA 95814

*Via U.S. Mail*

Office of the Attorney General  
State of California  
1300 I Street  
Sacramento, CA 95814-2919