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Builders Fare Poorly In Legislative Session

Special Report:
1988 Legislation
See Insert

Even though growth control has become one of the biggest public issues in the state on a local level, the California Legislature adjourned this year without really confronting it.

The 1988 legislative session produced some new laws on planning and development, as well as some dramatic moments, but it will be remembered more for what didn't happen than what did. First, a number of high-profile, growth-related bills supported by the building industry did not pass. And second, the legislature did not try to deal with the growth issue in a positive and constructive fashion.

The building industry did garner a few legislative victories, as did housing advocates in their battle to spring loose some $200 million in unspent redevelopment funds earmarked for housing. Mostly, however, the legislative session was marked by slow-growthers and environmentalists fighting off attempts by the building industry to rein in local initiative powers or protect developers from growth-control measures.

The next legislative session could be different. Several hearings and studies will be conducted during the legislative off-season, meaning a series of high-profile bills may result next year. Much of the political urgency of the issue next year, however, will depend on the success of growth-control measures on the November ballot.

A wrap-up of the legislation session is contained in a special pull-out section between pages 4 and 5.

Riverside Moves Quickly To Approve New Projects

Growth-control campaigns in Riverside and San Bernardino counties are heating up as the November election draws near, but it is hard to say whether citizen initiatives in either county are likely to pass.

In Riverside, initiative supporters have barely enough money to a mount a campaign, while the Board of Supervisors has approved development agreements for close to 100,000 new houses. In both the city and county of San Diego, citizen initiatives face stiff competition from ballot measures sponsored by local elected officials. While Riverside supervisors chose not to place a competing measure on the ballot, voters in the City of San Diego will face five growth measures, three on the county ballot and two on the city ballot.

Meanwhile, a series of other actions has occurred on the local growth-control front, including the following:

- The City of Carlsbad won an appellate court ruling affirming its decision not to implement a citizen initiative, which appeared on the ballot in November 1986, that received a majority of votes but not as many as the competing council measure. The citizen initiative would have imposed a numerical cap on building permits in the city, while the city's measure has no such cap.

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Bradley Faces Trouble On Redevelopment Hike

Mayor Tom Bradley's plan for a huge increase in the downtown Los Angeles redevelopment spending cap has run into political trouble, with political opponents and poverty lawyers using the opportunity to take shots at the Community Redevelopment Agency.

In fact, Bradley has apparently backed off from his proposal to hike the cap to $5 billion and plans to form some sort of citizens advisory committee in hopes of reaching consensus on the issue.

The CRA, by far the state's largest redevelopment agency, has taken a real pounding in the last two months at the hands of city council members and housing advocates. The bad publicity has thrown into doubt Bradley's ability to persuade a court that the redevelopment cap, set at $750 million in a 1977 legal settlement, should be raised dramatically.

CRA is expected to hit the $750 million by 1990 or 1991. Under the terms of the legal settlement, the city will receive 33% of additional tax increment money, with about 45% going to Los Angeles County, 19% to the L.A. Unified School District, and the rest going to special districts.

Last winter, Bradley proposed increasing the cap to $5 billion and proposed using half the funds for low-income housing (*CP&DR Special Report: Redevelopment and Housing*, February 1988.) At first, Bradley's proposal appeared to have hope,

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UPDATE

Reagan Library Gets Ventura County Go-Ahead

The Ronald Reagan Presidential Library has received approval from the Ventura County Planning Commission, clearing the way for groundbreaking sometime next month on a hillside site near Simi Valley.

The library will be built without a zone change, general plan amendment, or environmental impact report. It won county planning commission approval on Sept. 26, several weeks after the Ronald Reagan Presidential Library Foundation reached agreement with local environmentalists to hire outside traffic and environmental consultants.

The hospitable reception in Ventura County stands in sharp contrast to the difficulty the library foundation had in Santa Clara County, where foundation officials sought to build the library in close proximity to the Stanford University campus. Local citizens concerned about traffic joined with liberal faculty members to oppose the project, and the library foundation abandoned Stanford and searched for a site in Southern California. Eventually they chose a 100-acre site on a bluff in eastern Ventura County, donated by the Blakely-Swartz development firm in Los Angeles.

Napa Imposes Four-Month Moratorium on New Wineries

Napa County officials have imposed a four-month moratorium on new wineries while the planning staff develops plans for further regulation.

County supervisors voted in mid-September to extend until January a temporary moratorium, originally passed in August. However, the supervisors rejected a 10-month moratorium requested by county Planning Director James Hickey.

The Napa winery debate has grown as rapidly this year as the number of wineries themselves. From 74 in 1978 their number has grown to more than 200, and applications for close to 60 more are now pending. Agriculture land in the Napa Valley has quadrupled in a decade.

The county's policy concerns appear to center around traffic problems and the influx of tourists. Some residents have complained that new wineries are little more than retail outlets for wine made from grapes grown elsewhere. This debate touched off lengthy negotiations between the vintners, who own the wineries, and the grape growers, who own the vineyards. (*CP&DR*, July 1988.)

While the moratorium is in effect, county officials will consider a new zoning ordinance that would divide wineries into three categories. Wineries established before 1974 would have the be permitted public tours and other privileges, while those established after the new ordinance is adopted would be permitted few such privileges. New wineries would require a minimum parcel size of 40 acres and would be permitted to process grapes only from adjacent vineyards.

L.A. Judge Orders EPA to Prepare L.A. Smog Plan

In the latest round of a long-standing court battle, a federal judge in Los Angeles has put the heat on the Environmental Protection Agency to create an acceptable air-quality plan for the L.A. area.

In late September, U.S. District Court Judge Harry L. Hupp made a preliminary ruling that the EPA must take responsibility for the plan, but did not specify how long the agency will have to draft it. The ruling came only 10 days after the South Coast Air Quality Management District, a local agency, unveiled a new plan to attain federal air-quality standards in 20 years.

Meanwhile, as expected, the EPA rejected Ventura County's air-quality plan, meaning major new industrial sources of pollution may not be constructed in the county. As with the four-county Los Angeles region, which received a similar ruling from the EPA a month ago (*CP&DR*, September 1988), the Ventura construction ban is not expected to have much practical effect.

Judge Hupp's preliminary ruling in *Coalition for Clean Air v. EPA*, CV88-4414, is part of an ongoing effort on the part of environmentalists to force the adoption of stricter air-quality plans. Under federal and state regulations, the South Coast Air Quality Management District must prepare Los Angeles's air-quality plan and the EPA must approve it. Last year, in *Abramowitz v. EPA*, 832 F.2d 1071, the federal court ordered the EPA to disapprove a revision of the air-quality plan. That order led to the preparation of the new plan, released in early September.

The new lawsuit before Judge Hupp, however, seeks to force EPA to take over the process of drawing up the local plan, a step taken when the EPA concludes the local agency is incapable of producing a plan that will succeed in meeting federal air-quality standards.

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San Francisco Imposes Tight Controls in Residential Zones

The San Francisco Planning Commission has "reluctantly" approved a series of new restrictions on new construction and additions in most residential neighborhoods.

The new controls have been in the works since February, when the city imposed a temporary moratorium on all residential demolitions in one- and two-family neighborhoods. They will remain in effect for 18 months unless overridden by a two-thirds majority of the Board of Supervisors.

Major provisions of the new ordinance include the following:

- Demolitions of historic residential buildings will be prohibited unless the buildings are unsafe.
- All developers demolishing residential units would have to replace them.
- New buildings must conform to the design and scale of surrounding structures.
- Housing densities were reduced in the Richmond District, where the controversy over demolitions and new development first began.
- Most smaller residential buildings will be exempt from Planning Commission review. These include new or remodeled buildings that do not exceed the average size of the two adjacent buildings by more than 10 feet in height and 12 feet at the read.

When the Planning Commission approved the new controls, commission members expressed disappointment that they were unable to pair the design and density controls with provisions assuring construction and retention of affordable housing.

The Board of Supervisors imposed a five-month moratorium on demolition of one- and two-family homes last February, when neighborhood activists complained that the character of residential areas was being destroyed by new construction. (*CP&DR*, March 1988.) In particular, the neighborhood leaders objected to the construction of "Richmond Specials," so-called because of their proliferation in the Richmond district.

Contact: Amit Gosh, San Francisco Planning Department, (415) 558-6264.

East Palo Alto's Plans Raise Ire of Affluent Neighbor

Financially strapped East Palo Alto, hungry for new development, seems to be on a collision course with affluent residents in Palo Alto who oppose the smaller city's redevelopment plans.

With a San Mateo developer already in tow, East Palo Alto is finishing up work on a redevelopment plan that calls for 1 million square feet of development in the so-called "Whiskey Gulch" area of the city, right across a creek from an expensive Palo Alto neighborhood. Palo Alto asked East Palo Alto for more time to review the environmental effects of the project, which includes two 18-story office towers, but East Palo Alto has so far refused.

Though it's one of the newest cities in the state (incorporated in 1983), East Palo Alto is also one of the poorest. Located just across the San Mateo County line from wealthy Palo Alto, it was until 1983 a forgotten, 2.5-square-mile pocket of poverty. Minorities are the majority, with blacks constituting 65% of the area's 20,000 residents and Hispanics accounting for another 15%.

Despite the fact that the area had virtually no businesses and therefore no tax base, a cityhood drive was launched in 1983 and incorporation passed by 15 votes. Since then, the city has been mired in controversy. Plagued by revenue problems, the city has run through a succession of city managers, laid off police officers, and sought the county's help in providing basic services.

The redevelopment plan for Whiskey Gulch — so named because of the large number of liquor stores in the area — includes an exclusive negotiating agreement with DeMonet Industries of San Mateo. DeMonet hopes to build "University Centre," a 1-million-square-foot mixed-use project that would include two 18-story office buildings.

Under the terms of the agreement, DeMonet agreed to finance East Palo Alto's redevelopment planning efforts — an agreement that has so far cost the company more than $300,000. Of that amount $30,000 has gone to the redevelopment agency's special counsel, San Francisco-based Brobeck Phleger & Harrison, which has agreed to take on the rest of the redevelopment work on a pro bono basis.

Palo Alto's concern over the project comes from the fact that Whiskey Gulch lies right across a creek from Crescent Park, an expensive Palo Alto neighborhood. Palo Alto officials have sought more review of the project, but East Palo Alto has refused, revealing the cultural conflict between the two cities.

Palo Alto City Manager Bill Zaner had asked for a 15-day extension of the review period on the project's environmental report. But when East Palo Alto Redevelopment Administrator Virgus O. Streets said granting the 15-day extension would set the project back six months, the council rejected the request.

Orange County, School Officials Clash Over Santa Ana Parcel

Orange County supervisors and Santa Ana school trustees are locked in a debate over the future of a six-acre parcel of land in Santa Ana, with school officials seeking to build an elementary school and some supervisors holding out for a jail.

The tiff began in mid-September, when, in a surprise 3-2 vote, the supervisors chose not to sell the land voluntarily to the Santa Ana Unified School District. With a large Hispanic and Cambodian population, the Santa Ana district is expected to grow from 38,500 students currently to 47,000 by 1997.

In August, the school district began condemnation proceedings to assemble three new schools sites in the Santa Ana Boulevard vicinity. In September, the school district asked the supervisors to sell a site on McFadden Avenue for an elementary school. The parcel is less than a block from a new high school now under construction.

Surprisingly, however, Supervisor Gaddi Vasquez led a charge to have the McFadden Avenue site considered for a new county jail. Securing the vote of Supervisor Thomas Riley, who faces a recall attempt from slow-growthers, Vasquez won a 3-2 vote on Sept. 14 to deny the sale. The following day, school trustees voted to begin condemnation proceedings against the county.

Vasquez's stated reason for opposing the sale was that the site may be needed for a new jail. But poverty workers in the Santa Ana barrio charged that the Vasquez move was affiliated with efforts by Taxpayers for a Centralized Jail, a homeowner group in Vasquez's district, to kill construction of a jail in Gypsum Canyon. In fact, the homeowner group is seeking a 1990 initiative that would require all future jail construction in the county to be built in Santa Ana, the county seat. Supervisors will soon decide whether to place the initiative on the ballot.

Barrio activists lashed out at Vasquez, a high-profile Hispanic politician who even spoke at the recent Republican National Convention in New Orleans. "To the Hispanic community, Mr. Vasquez continues to be absolutely useless," said activist Sam Romero. The Santa Ana council of the League of United Latin American Citizens (LULAC) also took Vasquez to task, calling him a politician "who may speak Spanish but (does) not speak out language" — a reference to Vasquez's own Republican convention barb about Spanish-speaking Michael Dukakis. In response, Vasquez pointed out that he received two leadership awards from LULAC only last year.

COURT CASES

9th Circuit Orders Hawthorne to Accept Century Freeway Housing

The City of Hawthorne cannot prohibit construction of low-income housing as part of the Century Freeway project, the Ninth U.S. Circuit Court of Appeals has ruled.

In the latest twist in the seemingly endless case of *Keith v. Volpe*, a three-judge panel of the Ninth Circuit ruled that U.S. District Court Judge Harry Pregerson acted properly in 1985 by permitting the plaintiffs in the case to present a supplemental complaint to force Hawthorne officials to allow construction of low-income housing in the city. In a 2-1 ruling, Judge Mary M. Schroeder ruled that Pregerson's action was in fact correct, while Judge William A. Norris dissented.

Keith v. Volpe is so old that the named defendant in the case, John Volpe, was President Nixon's secretary of transportation. The case challenged plans to construct the Century Freeway and, in particular, sought to protect low-income people who might lose housing as a result. In 1981, all parties agreed to a consent decree laying out many responsibilities, including the hiring of minority contractors for construction work and the replacement of low-income housing units destroyed. The Century Freeway is now under construction as a result.

In carrying out the terms of the consent decree, the state Department of Housing and Community Development sponsored a private developer's proposed construction of a 96-unit apartment complex, known as the Kornblum project, in Hawthorne. However, the Kornblum project encountered considerable opposition from citizens in Hawthorne. In late 1984, the Hawthorne City Council rejected the developer's request for permits.

In 1985, the Century Freeway plaintiffs asked Judge Pregerson for permission to file a "supplemental complaint" against Hawthorne, alleging violations of the Supremacy Clause and the 14th Amendment of the Constitution, the Fair Housing Act, the federal civil rights law, and various state laws. If the plaintiffs had lost the motion, they would have had to file an entirely separate lawsuit, which in all probability would have wound up in front of a judge other than Pregerson, who has had the Century Freeway case before him for many years.

In September of that year, Pregerson stated that the Century Freeway plaintiffs, as well as intervenors including HCD, had standing to bring the action. He subsequently ruled that plaintiffs had established a "prime facie" case of race discrimination.

On appeal, Judge Schroeder ruled that "the concern in the original action, and the consent decree, and the supplemental complaint is the same — the availability of replacement housing for persons displaced by the Century Freeway." Further, she rejected Hawthorne's claim that a new lawsuit was required because the city had been a defendant in the original lawsuit. Judge Schroeder also wrote that the intervenors, such as HCD, have standing to participate in the supplemental complaint.

In writing the majority opinion, Schroeder also affirmed Pregerson's ruling that Hawthorne's actions violated the federal Fair Housing Act and California Government Code Section 65008, which prohibits discrimination in housing on the basis of race and income.

In dissent, Judge Norris wrote: "In pursuit of the laudable goal of housing for freeway displacees, the district court and the majority (of the Ninth Circuit panel) have failed to justify the supplemental complaint in this case on any principled basis."

The full text of Keith v. Volpe and Wright v. Hawthorne, No. 85-6336, appeared in the Los Angeles Daily Journal Daily Appellate Report on Sept. 21, beginning at page 12042.

Private Federal Building Subject to Regulation, Court Rules

Santa Barbara County may impose land-use regulations on a private construction project even when that project is intended for lease to a federal agency, a state appellate court has ruled.

In *Smith v. County of Santa Barbara*, the Court of Appeal upheld the county's decision not to exempt a Goleta office building from its discretionary review process, even though the building was being constructed by a private developer at the request of the U.S. Forest Service.

The case began in 1981, when developer Carlie Smith entered into an agreement with the Forest Service to build a 25,000-square-foot office building, including an automobile shop, in Goleta, which would serve to consolidate the headquarters for the Los Padres National Forest. Smith's agreement did not include a lease, however, because the Forest Service would not sign a lease until the building was available for occupancy.

In December of that year, Smith received a letter from the Santa Barbara County Planning Department acknowledging that the project was exempt from local regulations so long as the Forest Service occupied the space. Later, however, the county's lawyers questioned the exemption because no lease was signed. Eventually the general counsel of the U.S. Department of Agriculture agreed that Smith's office building was not a federal project that would qualify for an exemption.

Subsequently, Smith agreed to submit his project to the discretionary review process under protest. The project was delayed and Smith forfeited a $60,000 fee for a construction loan as a result. The project was approved after Smith agreed to increase the number of on-site parking spaces, pay a substantial fee for off-site road improvements, and eliminate the auto shop. The Forest Service moved into the building in June of 1984, 20 months after originally scheduled.

In the lawsuit, Smith alleged that the project was in fact exempt from local land regulations under the Supremacy Clause of the U.S. Constitution. The trial court ruled against Smith, and the appellate justices upheld the lower court ruling, saying "there is no evidentiary basis for a finding of immunity with regard to the Forest Service."

Smith also sought "promissory estoppel," that is, a ruling preventing the county from imposing discretionary review because Smith had proceeded on the assumption that the project was exempt. However, the appellate court ruled, Smith's lawyer bungled this part of the case. The first legal complaint, containing a request for promissory estoppel, was never served on the county. An amended complaint, which was served, did not incorporate the allegations relating to promissory estoppel. Both the trial court and the appellate court thus ruled in favor of the county on this request as well.

The full text of Smith v. County of Santa Barbara, No. B028885, appeared in the Los Angeles Daily Journal Daily Appellate Report on Aug. 29, beginning at page 11007.

SPECIAL REPORT

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The 1988 legislative session produced some new laws on planning and development, as well as some dramatic moments, but it will be remembered more for what didn't happen than what did. First, a number of high-profile, growth-related bills supported by the building industry did not pass. And second, the legislature did not try to deal with the growth issue in a positive and constructive fashion.

However, the legislature is planning a good deal of off-season activity on growth issues between now and January, meaning it could become a high-profile issue in the legislature next year. Much of the political urgency of the issue, however, will depend on the success of growth-control measures on the November ballot.

During the course of the session, the building industry and its legislative supporters lost several bills, partly because of adverse publicity and partly because of lobbying by slow-growthers and the Sierra Club. Among others, these bills would have:

- Permitted local governments to approve new subdivisions before making necessary changes to their general plans (AB 3966).
- Withheld state housing funds from cities that enact rent or growth control ordinances (SB 956).
- Extended the time during which vesting tentative maps are valid (SB 2158). A vesting tentative map is one of the few bulletproof defenses against later growth control measures.
- Extended the time during which a building permit would remain valid after passage of a growth control initiative (SB 2795).

Accomplishments — for any side — are far more scarce than failures. Housing advocates managed to get several bills meant to pressure redevelopment agencies into spending the nine-figure surplus sitting in their bank accounts earmarked for housing (AB 3711, AB 4235, and AB 4566). The building industry did win a couple of rounds, including one bill that will permit approval of subdivisions in the face of growth control if resulting funds are needed to pay off bonds (SB 2181), and a change in the Evidence Code making it more difficult for cities to defend growth-control measures in court (AB 4099).

Gov. George Deukmejian expressed an interest in the growth issue this year, but didn't exactly take a leadership role. He strongly supported the transportation bond issue on the June ballot, which lost narrowly. And in a September speech, he framed the issue as being "a question of solutions vs. no solutions as to how to handle growth without losing our prosperity or sacrificing our quality of life." After the speech he took slow-growthers to task by saying citizens should "be spending their time, resources, and efforts working on solutions to the growth problem and not simply trying to improve arbitrary barriers."

When the time came to sign legislative bills, however, Deukmejian made the following decisions:

- He vetoed a bill (AB 2476) that would have required the state Department of Housing and Community Develoment to analyze the effects of rent and growth control laws in the statewide housing plan.
- He signed a bill (SB 2895) to appropriate $150,000 for a study of the effects of growth control on housing, but he eliminated the money to pay for it.
- When a bill (AB 2745) appeared on his desk to require local governments to consider child care in the general plan, he let it become law without signing it.

Whether the legislature makes a serious stab at the growth issue next year will depend, in part, on the interim hearings and studies conducted this fall. And on that score, there is considerable activity. Sen. Marian Bergeson, R-Newport Beach, is undertaking an ambitious schedule of activities she calls the "New Regionalism" project. Bergeson is chairman of the Senate Local Government Committee and the Senate Select Committee on Planning for California's Growth.

The New Regionalism project will include a research paper, four task forces around the state, and a hearing in Sacramento on Dec. 13.

Meanwhile, the Assembly Local Government Committee will conduct a hearing in San Jose on Oct. 21 on "Growth and Development Issues Facing Local Government." And because of the passage of SR 39, the Senate Office of Research has begun a two-year study of growth management issues.

1988 Legislative Scorecard: A Bill-by-Bill Summary

Here is a list of state legislative bills, both successful and unsuccessful, dealing with growth and related issues:

Growth Management/Control

AB 1813 (Frizelle) sent to interim study. This bill would have required environmental impact reports on land-use projects to assess the economic impact of the proposed project. It has been sent to "interim study" by the Senate Local Government Committee, meaning it may disappear forever or it may resurface in another form next year.

AB 2476 (Hauser) vetoed by Gov. Deukmejian. This bill would have required the state Department of Housing and Community Development to analyze the effects of rent and growth control laws in its biennial statewide housing plan.

AB 3966 (Chacon) defeated on Senate floor. This bill would have permitted local governments to approve new subdivisions before making necessary changes to their general plans.

AB 4099 (Hauser) signed into law. This bill amends the evidence code to shift the burden of proof onto local governments in lawsuits challenging local decisions to reduce residential development. Chapter 541, Statutes of 1988.

SB 956 (Seymour) withdrawn. This bill would have withheld state housing funds from cities that have enacted rent or growth control ordinances.

SB 2072 (Bergeson) defeated in committee. This bill would have given preference in state grants to cities with housing elements in conformance with state law. Defeated in Assembly Housing & Community Development Committee.

SB 2158 (McCorquodale) withdrawn. This bill would have extended the valid time period of a vesting tentative map to three years. Vesting tentative maps are one of the few protections developers currently have against the sudden imposition of growth control measures. Despite success in early legislative rounds, this bill was withdrawn by the author late in the legislative process.

SB 2181 (Campbell) signed into law. This bill permits local officials to approve subdivisions, even if local growth controls wouldn't

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SPECIAL REPORT

1988 Legislative Scorecard: A Bill-by-Bill Summary

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otherwise allow it, if revenue from the development is needed to pay off bonds.

SB 2258 (C. Green) signed into law. This bill requires that property purchasers be notified of the location for proposed roads and transportation corridors nearby.

SB 2795 (Ellis) withdrawn. This bill would have extended the valid life of building permits in communities that adopt growth controls. Though the bill passed the Assembly 56-7, the author dropped it when it ran into trouble in the Senate. (*CP&DR*, September 1988.)

SB 2895 (Roberti) signed by Gov. Deukmejian — but... This bill would have appropriated $150,000 for a state-sponsored study of the impact of growth control ordinances on housing affordability. Gov. Deukmejian signed the bill but took out the $150,000, saying existing state entities could conduct such a study.

SR 39 (Presley) passed. This resolution, which needed only Senate approval, authorizes the Senate Office of Research to conduct a two-year study of growth management issues. The study was expected to begin in September.

Other Planning/Development Bills

AB 2595 (Sher) signed by Gov. Deukmejian. This bill gives additional powers to local air-quality districts and requires a 5% cut in emissions each year in polluted areas such as Los Angeles (*CP&DR*, September 1988).

AB 2745 (Friedman) became law without Gov. Deukmejian's signature. This bill would require local governments to consider child care when amending specified general plan elements.

SB 2071 (Bergeson) died in committee. This bill would have required local and regional transportation plans to consider each other. It died in the Senate Appropriations Committee.

SB 2190 (Dills) vetoed by Gov. Deukmejian. This bill would have required general plans to identify areas subject to wildland fires.

Redevelopment

Gov. Deukmejian has signed three bills dealing with redevelopment agencies' use of their housing funds. By law, 20% of all redevelopment tax-increment funds must be set aside for low- and moderate-income housing. However, redevelopment agencies have come under fire because many have not spent these funds; unspent funds now approach $200 million statewide. (*CP&DR Special Report: Housing and Redevelopment*, February 1988.) The three bills are: AB 4566 (Polanco), AB 4235 (Isenberg), and AB 3711 (Polanco). The last bill is the most important because it requires redevelopment agencies to spend the 20% setaside on housing within five years or lose the funds altogether.

In addition, the legislature considered two bills this year that would have permitted the use of tax-increment financing in "development districts" that do not include blighted areas. In addition, the bills would not have required a 20% setaside for housing. SB 2821 by Seymour died, while AB 4281 by Cortese was sent to interim study. The idea is likely to be revived against next year, particularly with eminent domain opponents fighting so strongly against creation of new redevelopment areas. However, housing advocates can be counted on to oppose the idea if the 20% setaside is not included.

'Juice Bills'

In Sacramento terminology, a "juice bill" is a bill introduced to help a specific person or project.

AB 613 (Nolan) died on the Senate floor. This bill would have exempted a development project at California State University, Northridge, from local land-use and zoning ordinances. The construction project, which would be developed by a CSUN non-profit corporation, would include student housing, a hotel, a conference center, office buildings, and a research and development facility.

AB 4367 (Hauser) died late in the session. This bill would have overridden Santa Cruz County Local Agency Formation Commission authority on the annexation of a particular development to the City of Watsonville. The bill passed both the Assembly and the Senate, but the necessary steps to have the legislature approve the conference committee report were never taken.

Revenue and Finance

AB 112 defeated in the Senate. This was the "school-fee bill," designed to straighten out the confusion created in 1986, when the legislature first permitted school districts to levy fees on new development. Despite conference committee agreement, support for AB 112 and two related bills evaporated at the very end of the legislative session (*CP&DR*, September 1988).

AB 1197 (Willie Brown), signed by Gov. Deukmejian. This bill, commonly known as the "trial court funding bill," contained two items of interest to planners and developers:

- *Low- and no-property-tax cities.* Last year the so-called "lows and nos" won a critical piece of legislation requiring counties to hand over 10% of all revenues collected in those cities over the next 10 years. (*CP&DR*, May 1988.) AB 1197 trimmed the formula back to 7% over seven years with a few exemptions, a small victory for the counties.
- *The Irwindale football stadium.* In hopes of forestalling the football Raiders' move out of the Los Angeles Coliseum, Assemblyman Mike Roos, D-Los Angeles, introduced an amendment blocking the bill's aid to cities that construct stadiums and related facilities if they are then turned over to private parties, as Raiders Stadium would be. (This could also affect Irwindale's property tax revenue because it's a "low and no.")

However, Sen. William Campbell, R-Hacienda Heights, a supporter of the Raiders' move, secured an opinion from the legislative counsel stating that the amendment doesn't apply to Irwindale because the redevelopment agency, not the city, will be financing the project. (Meanwhile, the Army Corps of Engineers has approved Irwindale's stadium EIR.)

AB 2697 (Statham), signed by Gov. Deukmejian. This bill would permit the construction of child-care facilities to be financed via Mello-Roos districts. Chapter 534, Statues of 1988.

AB 4290 (Bronzan) signed by Gov. Deukmejian. This bill would permit special taxes under Proposition 13 to be used to finance construction of public libraries. The building industry withdrew its opposition after amendments prohibited the imposition of special taxes on new homes only for such purposes.

COURT CASES

Montana City's Action Violated Constitution, Appeals Court Says

In a case from Montana, a federal appellate court has ruled that the city of Billings violated a developer's constitutional rights by denying him a building permit even though all requirements for the permit had been satisfied.

The San Francisco-based Ninth U.S. Circuit Court of Appeals rejected inverse condemnation and substantial due process claims by Montana developer Gerald Bateson, who was denied a building permit by the Billings City Council.

The case began in 1983, when Bateson applied for a building permit to construct a condominium project in Billings. The builder also submitted a "plat" application, seeking to subdivide part of the property for commercial use. After initially approving the plat application, the city council denied it on reconsideration.

Bateson then chose to proceed with the condominium project without subdividing the land. On June 26, 1984, he satisfied the requirements imposed by the city to obtain the permit. However, the day before, the city council initiated a zone change on the property that prohibited him from building the project. Bateson then sued in federal court, alleging that his civil rights had been violated and seeking inverse condemnation damages.

U.S. District Court Judge James F. Battin in Montana ruled in Bateson's favor on the constitutional issue, saying Bateson's due process rights had been violated. However, he dismissed the inverse condemnation claim.

On appeal, a three-judge panel of the Ninth Circuit affirmed the lower court ruling. Writing for the court, Judge Melvin Brunetti said: "The city council voted to withhold Bateson's building permit without providing Bateson any process, let alone 'due' process. This sort of arbitrary administration of the local regulations, which singles out one individual to be treated discriminatorily, amounts to a violation of that individual's substantive due process rights." The court also affirmed the trial judge's ruling that Billings had no immunity from the lawsuit.

Noting that Montana courts recognize a cause of action for inverse condemnation cases, the Ninth Circuit affirmed the lower court's dismissal of the inverse condemnation claim, implying that Bateson should return to state court to recover damages. The court did, however, take Bateson's lawyer to task for not briefing the issues adequately — creating "the need for this court to engage in extensive supplemental research" — and, as a result, refused to grant Bateson attorney's fees.

The full text of Bateson v. Geisse, Nos. 87-3605 and 87-2640, appeared in the Los Angeles Daily Journal Daily Appellate Report on Sept. 22, beginning at page 12115.

Court Affirms Coastal Commission Decision on Island's Plans

The Coastal Commission was right to reject Santa Barbara County's land-use plan for Santa Cruz Island, a state appellate court has decided.

Ruling in *Gherini v. Coastal Commission*, a three-judge panel of the First District Court of Appeal in Los Angeles upheld a trial judge's ruling affirming the Coastal Commission's action. The Gherini family, which owns substantial portions of the island, sued when the commission rejected a coastal plan that included very limited development of the island and prohibited all energy development there.

In 1980, the Coastal Commission rejected a portion of the local coastal plan that would have permitted oil and gas development, as well as 320-acre ranchettes, on the island. A year later, the county returned with a new plan setting aside 97% of the island for open space and 2% for visitor-serving uses, but permitting one-acre zoning on the remaining 1% of the property. These provisions would have limited the 6,700-acre Gherini ranch to 21 housing units.

The Coastal Commission rejected this plan as well, saying that the one-acre zoning and the permitted energy development were inconsisted with the Coastal Act. Gherini then sued, claiming that the Coastal Commission had exceeded its authority and also seeking inverse condemnation damages.

In upholding the ruling of Los Angeles County Superior Court Judge Norman Dowds, the appellate justices found that the Coastal Commission's decision had been based on ample evidence of "the biological significance" of the island. With regard to the ban on energy development, the appellate court found that it did not constitute a usurpation of local planning powers. Furthermore, the court found no inverse condemnation because Gherini had not exhausted all administrative remedies —meaning the family had not actually sought building permits under the local coastal plan.

The full text of Gherini v. California Coastal Commission, No. B025587, appeared in the Los Angeles Daily Journal Daily Appellate Report on Sept. 21, 1988, beginning at page 12076.

Homeowners May Leave Water District But Still Must Pay Taxes

Local homeowners who detach themselves from the Antelope Valley-East Kern Water Agency still must pay taxes and assessments required to pay off bonded indebtedness, a state appellate court has ruled.

In *Antelope Valley-East Kern Water Agency v. Agua Dulce Water Committee*, the Second District Court of Appeal ruled that the Cortese-Knox Act of 1985 did not give Local Agency Formation Commissions, or LAFCOs, authorization to override other state laws requiring that the assessments continue to be paid.

In 1986, the Los Angeles LAFCO granted Agua Dulce's application for a detachment from the Antelope Valley-East Kern agency, sometimes known as AVEK, and in so doing ordered that the homeowners in the area would not have to pay taxes and assessments as of July 1, 1987.

However, AVEK sued Agua Dulce, claiming that the state legislation setting the water agency up expressly states that, even when taxable property is detached from the agency, the property "shall continue taxable ... for the purpose of paying the bonded or other indebtedness" that AVEK has incurred at that time. In response, Agua Dulce argued that the courts should follow an appellate ruling in *Morro Hills v. Board of Supervisors*, 78 Cal.App.3d 765 (1978), a well-known case in this area of law. In *Morro Hills*, the San Diego LAFCO permitted property to be transferred from the Morro Hills Community Services District to the City of Oceanside, and in so doing exempted the property from taxes and assessments.

However, the appellate court in *AVEK* ruled that because AVEK is a state agency, local government law under the Cortese-Knox Act is not the only consideration. "Statewide interests are involved here which were not present in the *Morro Hills* case," the appellate justices wrote.

The full text of Antelope Valley-East Kern Water Agency v. Agua Dulce Water Committee, No. B029353, appeared in the Los Angeles Daily Journal Daily Appellate Report on Sept. 27, beginning at page 12331.

Riverside, San Diego Face Growth Control Elections

Continued from page 1

• Mayor Tom Bradley decided to reopen the review period for all projects in the City of Los Angeles that have received negative declarations under the California Environmental Quality Act in the last 13 months. Slow-growthers will have 15 days to comment on the projects.

• A countywide initiative may be in the works in Ventura County — but it may come at the instigation of city officials in the county. Mayors and city managers are disturbed by the county's decision to consider new housing tracts in unincorporated areas.

Riverside County

In Riverside County, the pattern of events seen in the campaign for the June Orange County initiative seems to be repeating itself. Initiative supporters are struggling to put together any kind of campaign at all, while the Board of Supervisors is busy locking in approvals for vast new housing tracts through the use of development agreements.

"We're doing 25 years worth of approvals in five months," Chief Deputy Planning Director Todd Bealer told an American Planning Association dinner in Los Angeles in late September. Bealer said the county had received requests to exempt 140,000 housing units from the upcoming growth initiative — 120,000 contained in 55 proposed development agreements and about 20,000 in vesting tentative maps.

However, he said some of the development agreements were being withdrawn and the final figure would probably be somewhere around 100,000 units.

By comparison, last year the county approved 7,700 new housing units in unincorporated areas.

In return for protection from the growth initiative, the Board of Supervisors has extracted a development fee of $4,200 per unit, which will create a pool of more than $400 million to construct infrastructure and provide public facilities to the new subdivisions.

If the state of the initiative campaign is any indication of what will happen on election day, however, builders in Riverside County should have little to worry about. Latest estimates reveal that the Citizens' Iniiative to Manage Growth had raised only about $15,000 and didn't even have a campaign office. By contrast, the initiative's opponents, Residents for Responsible Planning, claim they will raise more than $800,000 for the campaign. Taking their cue from the successful campaign against the Orange Couny initiative — a campaign that cost more than $2 million — the opposition claims to have sliced the "yes" vote to less than 50% already.

Initiative proponents have complained to the state Fair Political Practices Commission about the opposition's name, claiming that the financiers of the "no" campaign are not Riverside County residents at all, but are, in fact, Orange County developers.

Confusing matters even further is the presence of yet another group, the Riverside Citizens for Reasonable Growth Control, created by former county supervisor Clayton Record Jr. This group is not campaigning against the initiative, and therefore need not reveal its sources of funding. But the organization financed a study of growth control by USC's Lusk Center for Real Estate Development and the Peat Marwick/Goodkin real estate consulting firm in San Diego. The report concluded that if the Riverside County economy is left unregulated, the construction of additional housing will lead more jobs to locate in the county, thus improving the jobs/housing balance via market forces. By contrast, the Riverside initiative would use regulation to rachet back housing construction for each year the jobs/housing balance does not improve.

Carlsbad

In Carlsbad, the state Court of Appeal ruled that the city acted properly to enact Proposition E, a council-sponsored growth measure, without enacting Proposition G, a citizen initiative, even though both measures received more than 50% of the vote.

In *Concerned Citizens v. City of Carlsbad*, the Fourth District Court of Appeal affirmed a trial judge's ruling that the two propositions are not consistent and therefore cannot both be enacted.

In 1986, the Concerned Citizens group placed an initiative on the ballot, Proposition E, that would limit the number of new dwelling units each year to 1,000 in 1987, 750 in 1988, and 500 each year between 1989 and 1996. In response, the city council placed a growth plan on the ballot, Proposition G, that placed an ultimate cap on the city's growth but tied the rate of growth to the provision of infrastructure and public services. Furthermore, Proposition G contained a "killer clause" stating that the ordinance "is inconsistent with and intended as an alternative to any initiative ordinance which would place an annual numerical limitation on the rate of residential construction." Furthermore, Proposition G stated, if both measures received a majority of the vote, "then the one with the most votes shall prevail."

Proposition G, the council measure, received 58% of the vote, while Proposition E, the citizen initiative, received 51.5% of the vote. (*CP&DR*, December 1986.) Relying on the "killer clause, the Carlsbad City Council implemented Proposition G but not Proposition E. Concerned Citizens sued, claiming that, no matter what Proposition G said, the two measures were consistent and both should be implemented.

The Court of Appeal rejected all of the citizen group's arguments. First, the court disagreed with the Concerned Citizens' argument that because Proposition E contained no numerical cap, the two were consistent. Referring to the killer clause, the court wrote: "In our view, the conflict between the numerical limit in Proposition G and Proposition E could not have been expressed more directly."

Beyond that, the court also rejected Concerned Citizens' claim that the killer clause infringes on local initiative powers. Quoting the California Supreme Court in *Associated Home Builders Etc. Inc. v. City of Livermore*, 18 Cal.3d 582, 592 (1978), the court said: "Nothing in (the state constitution), or in cases intepreting it, suggests that local governments and initiative proponents are barred from giving the people alternatives which are mutually exclusive. Rather, the cases suggest that initiative proponents enjoy extensive freedom in drafting and presenting their proposals to the voters."

The full text of Concerned Citizens v. City of Carlsbad, No. D006351, appeared in the Los Angeles Daily Journal Daily Appellate Report on Sept. 26, beginning at page 12277.

San Diego

Slow-growthers skirmished with the San Diego City Attorney's Office in September, claiming the city attorney's ballot title and language for their initiative are misleading and intended to defeat the initiative.

In fact, Citizens for Limited Growth sued the city over their initiative, Proposition J, after the city refused to change the initiative's ballot title from "Initiative Measure. Amends the San Diego General Plan" to "The Quality of Life Initiative," the group's original title.

Proposition J will compete on the ballot with the city council's own growth plan, Proposition H.

City of Los Angeles

In mid-September, Mayor Tom Bradley gave growth opponents a 15-day period to lodge formal complaints against about 150 pending projects, promising he would reopen environmental review of such projects if there are enough complaints.

Under Bradley's new order, environmentalists and slow-growthers will be given 15 days to comment once again on projects that were issued "negative declarations" under the California Environmental Quality Act by the Department of Building and Safety. A negative declaration means that, in the view of city bureaucracts, a project's environmental side effects are so negligible that they require no further analysis or mitigation.

The Bradley order covers negative declarations issued since the mayor ordered stricter environmental review of large projects as a result of the *Friends of Westwood* court ruling last year.

Ventura County

Mayors and city managers in Ventura County are putting pressure on the county Board of Supervisors to restrict new development in unincorporated areas.

Meeting as the Association of Ventura County Cities, officials from nine of the county's 10 cities have asked to meet with the Board of Supervisors to discuss the issue and are threatening a ballot initiative if the supervisors do not respond.

Because of an informal "greenbelt" agreement between the county and the cities, Ventura County has been among the most successful counties in the state in channeling new growth into incorporated areas. Under pressure to raise revenue, however, the supervisors recently agreed to consider proposals to build several thousand new housing units in the Thousand Oaks area, along the Highway 101 corridor near the Los Angeles County line.

Metro Areas Growing Faster Than Average, Census Bureau Says

Metropolitan areas in the United States are growing much faster than non-metropolitan areas. According to the latest Census Bureau figures, about there-quarters of the nation's population now lives in one of the bureau's 282 designated metropolitan areas — and almost half of all United States residents now live in metro areas of 1 million residents or more.

Despite California's fast-growing population, however, the Census Bureau reports that none of the nation's 10 fastest-growing metropolitan areas are in the state. Seven of the top 10 fast-growing metro areas are in Florida.

Between 1980 and 1987, the national population grew by 7.4% to 243.4 million. But metro areas grew by 8.5%, while non-metro areas grew by only 2.2%.

Phoenix is the fastest-growing metro area of 1 million or more in this decade, increasing by 30% from 1980 to 1987, followed by Dallas-Fort Worth at 27%. Among all metropolitan areas, Naples and Ocala, Fla., lead in population growth since 1980, each increasing by nearly 50%.

Meanwhile, almost 20% of the nation's metro areas have lost population since 1980, mostly in the Midwest and Northeast. The largest metro areas losing population are Buffalo, Pittsburgh, Detroit, Cleveland, and Milwaukee.

Bradley Faces Trouble on Redevelopment Increase

Continued from page 1

especially when City Councilman Ernani Bernardi, the plaintiff in the 1977 lawsuit, agreed not to oppose a $100 million bond issue that would put the city over the cap. Bradley further sought to mollify potential opposition by hiring the Center for Law in the Public Interest to work with community groups on the issue.

Beginning with CRA's budget approval in August, however, events began to turn against Bradley's proposal. A week before the council considered the budget, a coalition of community groups called Campaign for Critical Needs alleged that Bradley would use the increased redevelopment cap for "expensive condos, high-rises, and shopping malls" rather than social services. Though the city council approved CRA's $503-million budget a week later, council members Zev Yaroslavsky (Bradley's likely mayoral opponent) and Gloria Molina took CRA to task. Yaroslavsky called CRA a "shadow government" while Molina criticized CRA's housing efforts as inadequate.

Things got worse for CRA in late August, when the agency approved a $1.5 million loan for restoration of the Stock Exchange Building on Spring Street. Though the funds will be used mostly to renovate the historically significant structure, the fact that the building houses the trendy Stock Exchange Club made the loan a lightning rod of criticism.

Gary Blasi of the Legal Aid Foundation said such a loan "would prompt street demonstrations by angry people in some cities but not in L.A." Seeking a chance to make political hay, Yaroslavsky criticized the CRA for using the money "so yuppies can dance on Spring Street."

CRA has angrily denied that the Stock Exchange money is a yuppie-dancing subsidy, noting that the building's owners must pay 8.5% interest on the loan. "The loan was not for the operation of the nightclub," said CRA spokesman Marc Littman. "It was to rehab the entire building."

But the Stock Exchange flap wasn't the end of it. In mid-September Bernardi announced he wouldn't support the increased redevelopment cap. Then, at a City Council hearing on Sept. 27, poverty lawyers alleged that CRA had "grossly inflated" its statistics in housing production. Among other things, the housing advocates alleged, CRA had counted cots in a homeless shelter and SRO hotel rooms for individuals as "family housing." They alleged that CRA had inflated its housing production figure downtown from 744 to 3,429.

In response, CRA's Littman insisted, a little testily, that under state law "family housing" refers to housing for individuals, so long as they are not senior citizens. He called the housing advocates' actions "a disinformation campaign." At the City Council hearing, CRA issued a statement claiming that the agency "produces more housing for seniors and low-income people in Los Angeles than any other city agency and its record surpasses that of any redevelopment agency in the nation."

Nevertheless, the following day Bradley asked CRA Administrator John Tuite to review the charges to see if they are accurate. "While I know the agency has an excellent record in housing, apparent inattention to program accounting has brought that record into question," Bradley wrote.

Amid all the controversy over the CRA's housing record and the Stock Exchange loan, Bradley apparently backed off the specific $5 billion proposal and decided to find a figure everyone could live with. "At this point, we're pretty much back to square one," said CRA's Littman. The agency is supposed to report back to Bradley's office this month with idea on how to set up a citizens committee on the issue.

Meanwhile, how much the redevelopment cap might be raised is a question that remains up in the air. "There are a lot of figures being tossed around," said Carlyle Hall, co-director of the Center for Law in the Public Interest. "But we're a long way from getting a consensus on a number and a program."

BRIEFS

San Diego's assistant planning director, **Michael Stepner, has been named to the newly created post of city architect.**

"I'm not going to sit down and design any fire stations or public restrooms," Stepner said. Instead, he said, his job will be "to set the tone for physical development of the city" — though he noted the job is still pretty open-ended at this point.

The idea for a city architect came from Mayor Maureen O'Connor, who learned on a visit to Scotland last year that Edinburgh has one. Stepner is a logical choice; before he came to work at the San Diego Planning Department 17 years ago, he earned an architecture degree from the University of Illinois.

Stepner has been assistant planning director since 1981 and was narrowly passed over for planning director last year. He says that in addition to the architect's job, he'll stay on as assistant planning director as well — at least for now.

The Securities & Exchange Commission is seeking better monitoring of municipal bond issues.

As part of the staff report criticizing the Washington Public Power Supply System's bond issues, which resulted in a default five years ago, the SEC has proposed new rules requiring greater disclosure for bond issues of $10 million or more.

Unlike corporate bonds, municipal bonds, most of which are tax-exempt, are not subject to regulation by the SEC. However, the WPPSS default, coupled with an increase in taxable municipal bonds after the tax reform act of 1986, led to increased pressure for regulation.

Instead of seeking regulatory power from Congress, however, the SEC is proposing a rule that would require "official statements," documents similar to prospectuses, for new bond issues of $10 million of more.

The City of Anaheim has decided to negotiate with the Papiano group for **a 20,000-seat indoor sports arena** that would contain luxury suites and restaurants and could house concerts and other live entertainment as well as sports events.

By the end of this month, the Papiano Group will select two preferred sites for the arena, and then the city council will make the final site selection. The Orange County *Register* reported that the city is negotiating with Orange County officials for a 17-acre site near Anaheim Stadium.

The Papiano Group is a partnership between Ogden Financial Services of New York, which operates the Forum and several other basketball and football arenas, and the Nederlander Organization of Los Angeles, which manages the Greek and Pantages theaters and owns part of the Pacific Amphitheater.

Residents of **Cape Cod appear headed for a November referendum on a building moratorium**, at least in part because of pressure from the Environmental Protection Agency.

While Massachusetts' overall population is stagnant, the Cape is growing rapidly. Conservation groups are placing a non-binding referendum, calling for a moratorium, on the November ballot; polls indicate that Cape residents support the idea.

Even if the referendum fails, however, EPA regional administrator Michael R. Deland says his agency may proclaim a moratorium in order to protect the Cape's water supply.

The Scheuer Family Trust has proposed **the largest development yet in already booming downtown Sacramento**: a 10-acre, $300-million complex with four 26-story office buildings as well as housing and retail.

The Capitol Towers project, with 1.7 million square feet of office space, would be located between N and P streets and 5th and 7th streets. But the proposal immediately came under attack because of the many residents who would be displaced.

Under the Scheuer plan, one 203-unit apartment building would be retained, while 206 low-rise units would be eliminated. The new project would include 300 new units, with 20% dedicated to low- and moderate-income housing.

First came the Battle of Manassas. And now comes a conflict over **development of land adjacent to the Harpers Ferry National Historical Park** in West Virginia, just an hour outside Washington, D.C.

The land was the location where Gen. Stonewall Jackson led a Confederate seige of 12,500 Union soldiers in 1862, eventually forcing the largest Northern surrender of the war. County commissioners in Jefferson County, W.Va., recently rezoned the privately owned land for high-density housing.

The San Francisco Planning Commission has **blocked Hastings College of the Law's plan to sell land for office development** by rezoning the Tenderloin-area property for residential use.

The Planning Commission approved the rezoning in early September after several weeks of controversy over the fate of the one-acre block, now the location of 168 apartments.

Hastings officials said the rezoning would make it more difficult for the school to repay $3.3 million borrowed from scholarship funds to finance the office project. Disclosure of the unusual loan led to the suspension last year of former dean Bert Prunty.

Local governments are in excellent financial shape, at least according to the Heritage Foundation, a Washington-based conservative think tank.

"The capacity of most local governments to provide for their residents far exceeds that of the debt-ridden federal government," Heritage reported in a background paper published in *American City & County* magazine. Specifically, Heritage said, urban cities saw a 40% increase in revenue between 1980 and 1985 (despite an 8.8% drop in federal aid), while revenues rose only 34%. Urban counties showed a revenue increase of 19.2% while expenditures increased only 16.7%.

The Heritage report urged the phase-out of federal grant programs "attempting to foster development in some cities at the expense of others," such as UDAG; complete elimination of block-grant programs; and an urban policy that encourages cities and suburbs to work together.

Italians invented pasta, the San Francisco Court of Historical Review and Appeal has ruled.

The 60-member club made the tongue-in-cheek ruling despite the testimony of Chinese restaurateur Joe Jung, relying in the 1938 Gary Cooper movie *The Adventures of Marco Polo*, that pasta was in fact a Chinese invention.

The turning point in the proceedings apparently came when linguistic expert Patty Wong, under harsh grilling from Supervisor Wendy Nelder, admitted that the Chinese phrase for pasta translates literally as "Italian noodles."

ROUNDUP: Much to the consternation of slow-growthers, Orange County supervisors **triple the cost of a land-use appeal** to $1,785. ... Port of Oakland Executive Director Walter Abernathy says he will **quit his job because of plans to create a separate real estate development division.** ... Only 45% of draft housing elements and 41% of adopted elements are **in or near compliance**, the state Department of Housing & Community Development reports. ... L.A. CRA **renews Hufstedler Miller Kaus & Beardsley's legal contract at over $4 million**, despite criticism that the firm isn't meeting CRA's minority hiring requirements.