



City of Anaheim  
**OFFICE OF THE CITY ATTORNEY**

June 14, 2021

**VIA EMAIL (publiclands@hcd.ca.gov) AND REGULAR MAIL**

Department of Housing and Community Development  
Attn: Sasha Wisotsky Kergan, Unit Chief  
Division of Housing Policy Development  
2020 W. El Camino Ave., Suite 500  
Sacramento, CA 95833

Re: HCD's Response to the City of Anaheim's Proposed Disposition of  
City-owned property at 2000 East Gene Autry Way and 2200 East  
Katella Boulevard

Dear Ms. Kergan:

This letter responds to the HCD's preliminary letter dated April 28, 2021 ("Preliminary Letter") regarding the application of the amended Surplus Lands Act under AB 1486 ("Amended SLA") to the City's pending disposition of the Angels Stadium property ("Stadium Property" or "Property") to SRB Management LLC, an entity created and wholly owned by the principals of Angels Baseball LP ("Angels Baseball").<sup>1</sup>

The City respects the efforts HCD has made in reviewing this transaction. However, the City requests that HCD make a final determination that the Amended SLA is not applicable to the disposition of the Stadium Property for the reasons set forth in this letter, as well as in its prior correspondence with HCD, which is incorporated herein.

Based on our recent review of HCD's March 24, 2020 determination that the City of Santa Monica's prospective lease of three city-owned acres to the developer of the proposed Plaza Project was exempt from the Amended SLA (the "Santa Monica Determination," attached as Exhibit A), the City maintains that its disposition of the Property is exempt from the Amended SLA pursuant to

<sup>1</sup> SRB was constituted by the principals of Angels Baseball LP to receive title to the Stadium Property (including assignment of the Current Lease) from the City on their behalf and to be their development entity for the Property. Contrary to what HCD's impression may be, there were never any third parties or third party entities involved in the transactions related to the Property. If HCD would like additional information about SRB, the City is willing to address this issue in more detail.

**June 14, 2021**

Page 2

Government Code Section 54234(a)(1) because the factual record makes it clear that the parties were engaged in an exclusive negotiation agreement prior to September 30, 2019.

This letter also provides more context and legal authority regarding some legal and factual issues already raised by the City but not fully addressed in HCD's Preliminary Letter:

- The Property is exempt surplus land under Government Code section 54221(f)(1)(G) due to the valid legal restrictions of the Current Lease, which is a continuation of the lease of the Property that has been in place since 1966 – well before the SLA was adopted;<sup>2</sup>
- Application of the Amended SLA to the proposed disposition would amount to an unlawful retroactive application of a statute to an existing contract that would constitute an unconstitutional impairment of contract;
- The 15% affordable housing required by the transaction's Disposition and Development Agreement ("DDA") meets the housing goals of the Amended SLA and will be secured by a deed restriction recorded on the land;
- The DDA's 7 acre park-space development requirements exceed the park-space and recreation goals of the Amended SLA; and
- The pre-AB 1486 version of the SLA in effect at the time the City entered into the agreements does not apply to the disposition of the Property.

The City also continues to assert the other bases for inapplicability of the Amended SLA and pre-AB 1486 version of the SLA included in our prior correspondence and summarized, in part, below.

A. Because Angels Baseball and City Were Engaged in Exclusive Negotiations for the Sale of the Property prior to September 30, 2019, the Amended SLA Does Not Apply to the Transaction

In its Santa Monica Determination, HCD found that the City of Santa Monica's prospective lease of three City-owned acres to the developer of the proposed Plaza Project was exempt from the Amended SLA because Santa Monica and the developer of the proposed Plaza

<sup>2</sup> The "Current Lease" is comprised of that certain Amended and Restated Lease Agreement, dated as of May 15, 1996, between the City and The California Angels L.P., a California limited partnership, which later assigned its rights to Angels Baseball LP, as amended by that certain First Amendment to Amended and Restated Lease Agreement, dated as of September 4, 2013, by that certain Second Amendment to Amended and Restated Lease Agreement, dated January 18, 2019, and by that certain Letter Waiving Termination Right effective December 19, 2019 (collectively, the "Current Lease").

**June 14, 2021**

Page 3

Project were parties to an exclusive negotiating agreement within the meaning of Government Code section 54234(a)(1).

Construing Government Code section 54234(a)(1), HCD stated:

*“The SLA does not define “exclusive negotiating agreement” and does not state that it must be in writing. Furthermore, the statute of frauds (which requires that certain contracts be in writing) does not appear to require the type of ENA discussed here to be in writing. The statute of frauds requires that the following real property transactions (neither of which apply here) be in writing: “an agreement to lease real property for a period longer than one year or for the sale of real property or an interest therein.” (1 Cal. Real Est. § 1:70 (4th ed.)) . . . The SLA also does not explicitly prohibit an oral or constructive ENA. There also does not appear to be any case law prohibiting such an agreement.” (emphasis added)*

HCD further found that even though the written agreement between Santa Monica and the developer had expired, an exclusive negotiation agreement within the meaning of Section 54234(a)(1) nevertheless existed by virtue of the parties’ intent and course of conduct. Therefore, the Amended SLA did not apply to the Santa Monica transaction.

Here, the documentary and administrative record establishes that the City and the principals of Angels Baseball were parties to an exclusive negotiating agreement prior to September 30, 2019. The Current Lease (which is a continuation of the lease of the Property that has been in place since 1966) is a writing that establishes privity of estate, privity of contract, and exclusivity between the City as landlord and Angels Baseball as tenant. In addition, the Current Lease provides Angels Baseball with exclusive possession of the leased Property for its term, which may be unilaterally extended by Angels Baseball through December 31, 2038.<sup>3</sup> The encumbrance under the Current Lease had to be resolved by the City and Angels Baseball before the Property could be sold. The City could not negotiate with any third party on the sale of the Property without first negotiating the Current Lease restrictions with Angels Baseball.

In January 2019, the City and Angels Baseball undertook negotiations to resolve issues in their lease relationship. At such time, the City and Angels Baseball agreed to extend Angels Baseball’s right to “opt-out” under the Current Lease by 14 months so as to provide the parties with additional time to negotiate with one another. As stated in the staff report for the City Council’s January 15th meeting, the purpose of the extension was to provide,

“the City and the Angels time to work out a likely complicated transaction that would help finance substantial investments in the current stadium and/or plan to build a new stadium. Second, it signals the *City’s willingness to work in cooperation with a*

<sup>3</sup> Angels Baseball and its predecessors have leased the Stadium Property since 1966.

**June 14, 2021**

Page 4

*longtime tenant and partner in reaffirming our partnership.* Third, by limiting the extension to only fourteen months, it gives an end date for discussions so that if a new arrangement has not been reached in the near future, the City can start to plan for the utilization and development of the City asset absent a major league baseball team.”

(emphasis added)

Subsequent to the January 15, 2019 “opt-out” extension, both the City and Angels Baseball established respective negotiating teams and began exclusive discussions which continued until the disposition of the Property was entered into in December 2019. Steps in support of these exclusive negotiations included the following:

- In February 2019, the City engaged Norris Realty Advisors to appraise Angel Stadium.
- In February 2019, the City also engaged CAA ICON Strategic Advisory as its sports-business advisor in its negotiations with Angels Baseball.
- In March 2019, Angels Baseball engaged developer Brooks Street, as its advisor and representative in the negotiations with the City.
- In March 2019, Angels Baseball added architectural, engineering and financial advisory firms to its advisory and negotiating team.
- In July 2019, the City Council designated Mayor Sidhu as the City Council’s representative on the City’s negotiating team, which was then comprised of then-City Manager Chris Zapata, City Attorney Robert Fabela, members of the City’s executive staff and the City’s outside consultants.
- In July 2019, the City Council reviewed the draft stadium land appraisal received from Norris Realty Advisors.
- In July 2019, the City engaged Kosmont Companies as its economic development consultant.

No other party was involved in these exclusive negotiations – nor could have any other party been involved – because of the privity of lease and contract that existed between the parties under the Current Lease as well as the lease issues that were the subject of the negotiations. The parties’ exclusive negotiations were continuing as of September 30, 2019 (by which time both the City and Angels Baseball had incurred significant expense and invested significant time), and culminated in the Purchase and Sale Agreement for the Property, which was entered into on December 20, 2019.

Based on all of the facts relating to the negotiation of the Property transaction, the City and Angels Baseball were engaged in an exclusive negotiation agreement within the meaning of

**June 14, 2021**

Page 5

Section 54234(a)(1) as interpreted by HCD in the Santa Monica Determination. In fact, the applicability of Section 54234(a)(1) is more apparent in this instance, because, whereas the written ENA in the Santa Monica case had lapsed, the Current Lease between the City and Angels Baseball continues at this time. In addition, the developer that the City of Santa Monica was negotiating with had no interest in the property which was to be the subject of a proposed lease.

In conclusion, because the City and Angels Baseball were parties to an exclusive negotiating agreement as of September 30, 2019, the Amended SLA, including its notice, findings and procedural requirements, does not apply to the transaction. An additional aspect of the exclusive negotiation was obtaining the Angels Baseball team's commitment to remain in Anaheim through 2050. Therefore, the City conditioned its agreement to sell the Property to SRB upon SRB's delivery of a Commitment Agreement signed by Angels Baseball LP (which is the baseball team's legal entity) in favor of the City committing Angels Baseball to play its home games in Anaheim through 2050.<sup>4</sup>

As discussed further below, the City also wishes to emphasize that although the transaction is not subject to the Amended SLA, the Disposition and Development Agreement with SRB enables and compels the development of housing in furtherance of the purposes of the SLA.

**B. The Property is Exempt Surplus Land under Government Code section 54221(f)(1)(G) due to the Valid Legal Restrictions of the Current Lease**

While the transaction is not subject to the Amended SLA pursuant to Section 54234(a)(1), the City maintains that the Property also constitutes exempt surplus land under Government Code Section 54221(f)(1)(g) of the Amended SLA due to the valid legal restrictions of the Current Lease. In its Preliminary Letter, HCD dismisses this position, simply concluding that the Current Lease was a land use restriction "imposed by the City." The City submits that this perfunctory preliminary conclusion should be reconsidered by HCD because it is based on a misunderstanding and mischaracterization of the facts, as well as a misinterpretation of the purpose and function of the Section 54221(f)(1)(g) exemption. Moreover, HCD's position is not supported by any case law or by the legislative history of the Amended SLA.

Section 54221(f)(1)(g) provides that "exempt surplus land" means "[s]urplus land that is subject to valid legal restrictions that are not imposed by the local agency and that would make housing prohibited, unless there is a feasible method to satisfactorily mitigate or avoid the prohibition." Section 54221(f)(1)(g) further provides that "An existing nonresidential land use

<sup>4</sup> As discussed earlier, SRB was constituted by the principals of Angels Baseball LP to receive title to the Property (including assignment of the Current Lease) from the City on their behalf and to be their development entity for the Stadium Property.

**June 14, 2021**

Page 6

designation on the surplus land is not a legal restriction that would make housing prohibited for purposes of this subparagraph.”

The purpose of the Section 54221(f)(1)(g) exemption and its limiting proviso, is to prevent the use of local agency planning and zoning authority to prohibit housing in order to avoid compliance with the SLA. However, the terms of the provision recognize that there are many situations where housing is prohibited for other “valid legal restrictions” having nothing to do with the local agency’s land use regulatory authority or its intentions, and where the Amended SLA should not – or cannot – be practically applied. Furthermore, land use restrictions are fundamentally different from City agreements with third parties because the former are enacted under the City regulatory power and the later under the City’s proprietary powers and are subject to enforcement by the private parties to the agreements.

Indeed, the legislature’s choice of the broad term “valid legal restrictions” connotes its desire to encompass a myriad of fact-based situations – unknown and unknowable at the time of AB 1486’s adoption – that might make housing effectively prohibited (other than planning and zoning restrictions). HCD’s Preliminary Letter cites no authority or legislative history that suggests that the term “valid legal restrictions” was meant to be narrowly construed to exclude pre-existing long-term leases as it was in HCD’s Preliminary Letter.

Moreover, and contrary to the analysis of HCD’s Preliminary Letter, the Stadium Property was not – and is not – subject to land use restrictions that prohibit housing. In fact, the City of Anaheim has never used its regulatory authority to prohibit housing on the Property. Indeed, in 2010, some fourteen years after the City and Angels Baseball entered into the Current Lease, the City designated the Property for Mixed-Use development under the Platinum Triangle Master Land Use Plan (PTMLUP) and Platinum Triangle Mixed Use Overlay Zone (PTMU Mixed Overlay Zone) in order to enable the development of over 5,000 units of housing (among other things) at the Property.

Notwithstanding the fact that the City enabled Mixed-Use development of the Property in 2010, the development of housing was effectively prohibited by the “valid legal restrictions” of the Current Lease; specifically, the exclusive use and occupancy of the Property by Angels Baseball through (effectively) December 31, 2038. In this regard, the HCD should note that the Current Lease is an extension of the lease of the Property which has been in place since 1966 - before the SLA was first adopted in 1968, and the Current Lease was entered into in 1996 before major amendments to the SLA were enacted in 2014.

The Current Lease is bilateral contractual agreement between the City and Angels Baseball that gives Angels Baseball exclusive possession and use of the Stadium Property. Contrary to HCD’s preliminary conclusions, it is not a “land use designation.” Nor was it “imposed” by City on the Property or part of the City’s planning or zoning regulations.

**June 14, 2021**

Page 7

In addition, because the Current Lease is a bilateral contract between independent parties, it could not be amended or terminated (except for breach) unilaterally by the City. Therefore, there was no “feasible method for the City to satisfactorily mitigate or avoid the prohibition” within the meaning of 54221(f)(1)(g). Thus, the Current Lease will remain in place until December 31, 2038, and no party other than Angels Baseball will have a right to take possession of the leased Property or use it. Effectively therefore, the Current Lease is valid legal restriction prohibiting housing within the meaning of Section 54221(f)(1)(g).

**And – most importantly – the Current Lease was not adopted to avoid compliance with the either the pre-AB1486 or Amended version of the SLA. Rather, it is the currently effective version of a lease arrangement that has been in effect since 1966 – before the SLA was first adopted.**

Since the Property constitutes exempt surplus land under Section 54221(f)(1)(g), the City was not required to comply with the Amended SLA. However, the City wishes to note that even though the Property is exempt surplus land, the disposition to SRB enables and compels the development of housing (including 15% affordable housing) and public recreation in furtherance of the purposes of the Amended SLA, and accelerates this development so that it occurs nearly two decades sooner than it would with any other potential partner.

C. Application of the Amended SLA to the Proposed Disposition is an Illegal Retroactive Application of a Statute that Would Constitute an Impairment of an Existing Contract.

The retroactive application of the Amended SLA to the agreements entered into by the City and Angels Baseball in December 2019 may be illegal as an impairment of an existing contract or an illegal retroactive statute. California Constitution Article 1, Section 9 provides that “a bill of attainder, ex post facto law, or law impairing the obligations of contracts may not be passed.” Similarly, the United States Constitution Article 1, Section 10 provides “No State shall . . . pass any Bill of Attainder, ex post facto law, or law impairing the Obligation of Contracts . . .” Legislation running afoul of these constitutional protections can be stricken. (*Teachers Retirement Board v. Genest* (2007)154 Cal.App.4th 1012; *Valdes v. Cory* (1983) 139 Cal.App.3d 773.) These constitutional provisions were put into place to prevent the legislative branch from enacting bills that prevented the performance of existing contractual obligations.

The Amended SLA took effect on January 1, 2020. It was not an urgency measure that would have taken effect immediately. The preliminary conclusions in HCD’s Preliminary Letter would apply its provisions to a contract entered into in December 2019 *before* the Amended Act took effect.

As set forth in Section A above, the City and Angels Baseball were parties to an exclusive negotiation agreement as of September 30, 2019, and entered into the Purchase Agreement prior to the effective date of AB 1486. A decision by HCD to enforce the requirements of the Amended SLA to a disposition undertaken prior to its effective date may be

June 14, 2021

Page 8

unlawful. Enforcement against the City for a contract entered into before the statute's effective date would fundamentally change the benefits received by the City under the terms of the Agreement and may constitute an unconstitutional impairment of contract. In addition, it is unclear if the retroactivity clause itself in the Amended SLA complies with the legal requirement for applying statutes retroactively. The legal risk to enforcement under both these legal standards is heightened because the alleged public benefit that HCD would claim justifies enforcement – the provision of affordable housing - is already provided by the agreements between the City and Angels Baseball.

D. Under the Pre-AB 1486 Version of the SLA, the Property was not Surplus Land

The City's transaction was not subject to the pre-AB 1486 requirements of the SLA because the Property was not surplus land under Section 54221(b). Section 54221(b) defined "surplus land" as "land owned by any local agency that is determined to be no longer necessary for the agency's use, except property being held by the agency for the purpose of exchange." "Necessary for the agency's use" was not defined under the pre-AB 1486 version of the SLA. In 2019, such determinations, and the manner in which they were made, were vested by the Legislature in the discretion of the local agency. [See the court's ruling in *Uplift Inglewood Coalition v. City of Inglewood et al* (LASC BS172771) issued on November 6, 2019, concurring in this conclusion.] There were no written findings or procedural requirements for a local agency determination that the land was "necessary for agency use" in the pre-AB 1486 version of the SLA.

The Property was not "surplus land" under the pre-AB 1486 version of the SLA because it was necessary for use for the following separate, and independently sufficient, local agency purposes:

- Creation of Economic Opportunity. One significant purpose of the transaction was to create an economic opportunity in accordance with Government Code Section 52201(a)(2)(B), which expressly authorizes cities to sell or lease property for the purpose of creating economic opportunity. As discussed above, the Property was subject to the occupancy and use restrictions of the Current Lease, which gave Angels Baseball exclusive use and possession of the Property. In addition, the Current Lease required the City to provide not less than 12,500 surface parking spaces over the entirety of the Property for Angels Baseball's exclusive use. The Current Lease's exclusive use, possession and other provisions effectively prohibited housing or any other third party development of the Property.

The transaction enables development of the Property with 5,175 dwelling units (15% of which are required to be affordable and secured by 55 year covenants by the DDA); 2,700,000 square feet of office uses; 1,750,000 feet of commercial uses; parks and open space, and the baseball stadium. Moreover, through the DDA, the City has required the scheduled delivery of 259 units restricted to Very Low Income households and 207 rental



units restricted to Lower Income households, as well as other public benefits. The development of the Property provides economic and other benefits to the City, especially the provision of affordable housing and significant open space beyond that required by the City for typical development.

- Retain Major League Baseball. Another important purpose of the disposition is to require Angels Baseball to remain in Anaheim for the duration of the Development Agreement. *City of Oakland v. Oakland Raiders* (1982) 32 Cal.3d 60, 70. (“Public uses are not limited, in the modern view, to matters of mere business necessity and ordinary convenience, but may extend to matters of public health, recreation and enjoyment.”) The Purchase and Sale Agreement implements this objective through its requirement of the Commitment Agreement as a condition of closing, which confers a significant and unique benefit to the City.
- Settlement and Resolution of Disputes regarding the Current Lease. At the time the City entered into negotiations with Angels Baseball, the Property was subject to the Current Lease. One final objective of the disposition was to settle long-running disputes between the City and Angels Baseball regarding the capital and maintenance responsibilities for Angel Stadium, which is in need of significant capital investment. The disposition of the Property to SRB settles these issues by requiring – as a condition of the consummation of the transaction – that Angels Baseball release the claims against the City under or otherwise relating to the Current Lease.

In summary, because the Property continued to be necessary for agency use within the meaning of the pre-AB 1486 version of the SLA when disposition was approved on December 20, 2019, the Property was not “surplus land,” and the then-current SLA was not applicable to the transaction.

E. The Transaction Requires Affordable Housing Consistent with the Purposes of the Amended SLA

While neither the Amended nor pre-AB 1486 version SLA apply to the City’s disposition of the Property to SRB, the transaction nevertheless furthers the purposes of the SLA in two important respects. First, the DDA requires that 15% of the cumulative housing developed on the Property be reserved as affordable housing subject to 55-year covenants in favor of the City. This includes the mandatory – and scheduled - delivery by SRB of at least 259 units restricted to Very Low Income households and at least 207 rental units restricted to Lower Income households. Section 8.4.2 of the DDA mandates that these affordability requirements be recorded as a deed restriction of the Property:

8.4.2 Affordable Covenants. The continued affordability of each Lower and Very Low Income Unit required by this Section 8.4 shall be secured by a covenant in favor of the City (“Affordable Covenant”) running with the land recorded against each lot, parcel, or

airspace lot in which such unit is located, ensuring its continued affordability for 55 years (or a longer period of time if required by the construction or mortgage financing assistance program, mortgage insurance program, or rental subsidy program) from the issuance of the temporary or final certificate of occupancy, which covenant shall be reviewed and reasonably approved by the City.<sup>5</sup>


Second, while the Amended SLA requires that a Notice of Availability be sent to park and recreation agencies for their possible interest, it contains no requirement that land be sold for such purposes, or that it be reserved or actually developed for such purposes. The City's disposition to SRB, however, requires through the DDA that SRB construct and deliver a seven-acre "flagship" public park to the City. Such seven acre park is in addition to City's general zoning requirement that 44 square feet of park space be provided for each unit of residential development.

F. Conclusion

Based on the information in this letter and all other correspondence and documents provided by the City to HCD regarding the proposed disposition of the Property, the City respectfully requests that HCD make a final and formal determination that the Property is not subject to the Amended SLA or pre-AB 1486 version of the SLA. The City is willing to provide further information to HCD to help facilitate this determination.

Sincerely,

ROBERT FABELA, CITY ATTORNEY

By:   
Robert Fabela  
City Attorney

<sup>5</sup> In this regard, please note that Section 54233 of the Amended SLA (which addresses the circumstance where there is no proposal in response to a Notice of Availability for dispositions that are subject to the Amended SLA, or where a responsive proposal is rejected by the local agency) contains no requirement for that housing actually be developed, and no requirement that any housing be set aside for Very Low Income households.

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500  
Sacramento, CA 95833  
(916) 263-2911 / FAX (916) 263-7453  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



March 24, 2020

Dave Rand, Esq.  
Partner  
Armbruster Goldsmith & Delvac LLP  
12100 Wilshire Boulevard, Suite 1600  
Los Angeles, CA 90025

Dear Dave Rand:

**RE: Application of Recent Amendments to the Surplus Land Act (Assembly Bill 1486)  
to the Plaza at Santa Monica Project**

Based on the facts and circumstances provided to HCD, it appears that the City of Santa Monica (City) qualifies for the following exemption from Government Code section 54234(a)(1):

"If a local agency, as of September 30, 2019, has entered into an exclusive negotiating agreement or legally binding agreement to dispose of property, the provisions of this article as it existed on December 31, 2019, shall apply, without regard to the changes made to this article by the act adding this section, to the disposition of the property to the party that had entered into such agreement or its successors or assigns, provided the disposition is completed not later than December 31, 2022."

The City of Santa Monica, a "local agency" under the Surplus Land Act ("SLA"), previously entered into a written exclusive negotiating agreement ("Written ENA") with multiple developers regarding land owned by the City. The parties subsequently agreed to an amendment to the Written ENA to briefly extend its term. The Written ENA subsequently expired by its terms. The City and the developers then proceeded for a number of years to continue exclusive negotiations regarding the real property but failed to further amend the Written ENA to memorialize those negotiations. In a telephone conversation with Dave Rand, attorney for the developers, Mr. Rand stated that on September 30, 2019 (the date listed above in the relevant statute) the City and the developers had a non-written (i.e. constructive) ENA in place. Furthermore, Mr. Rand informed HCD that the City, after the expiration of the Written ENA, has not negotiated with any other person or entity regarding the property. Lastly, Mr. Rand advised HCD that the only reason the parties recently stopped negotiations was because of HCD's involvement in providing advice to the City on the SLA issues. These facts, taken together, strongly evidence the fact that the City and the developers had an exclusive negotiating agreement in place as of September 30, 2019.

Dave Rand, Esq.  
Page 2

The SLA does not define “exclusive negotiating agreement” and does not state that it must be in writing. Furthermore, the statute of frauds (which requires that certain contracts be in writing) does not appear to require the type of ENA discussed here to be in writing. The statute of frauds requires that the following real property transactions (neither of which apply here) be in writing: “an agreement to lease real property for a period longer than one year or for the sale of real property or an interest therein.” (1 Cal. Real Est. § 1:70 (4th ed.)) The ENA at issue here deals with exclusive negotiations regarding the possible long-term lease of real property but the ENA here does not itself constitute a lease or sale of the property so is not required to be in writing.

The SLA also does not explicitly prohibit an oral or constructive ENA. There also does not appear to be any case law prohibiting such an agreement.

To conclude, the City of Santa Monica qualifies for the exemption found in Government Code section 54234(a)(1).

Sincerely,

A handwritten signature in black ink, appearing to read "Zachary Olmstead". The signature is written in a cursive, flowing style.

Zachary Olmstead  
Deputy Director of Housing Policy