

**RESOLUTION NO. 17-014**

**A RESOLUTION OF THE CITY OF CARSON CITY COUNCIL AMENDING THE  
FISCAL YEAR 2016-17 BUDGET IN THE GENERAL FUND**

WHEREAS, the City Council adopted the Fiscal Year 2016-17 (FY16-17) budget on June 21, 2016 for the General Fund and Special Revenue Funds of the City via Resolution No. 16-081; and

WHEREAS, the City was sued by the owner of the Colony Cove Mobile Home Park challenging the constitutionality of how the City applied its mobile home park rent control law to the Colony Cove mobile home park; and

WHEREAS, the park owner first sued the City in state court, alleging the City's rent decisions in 2008 and 2009 did not provide the park owner a constitutional fair return under state law, and all state courts rejected these claims, up to and including the California Supreme Court; and

WHEREAS, the park owner has now filed in federal court, alleging the City's rent decisions are a regulatory taking under the U.S. Constitution, and the Plaintiff received an initial judgment against the City in the amount of \$3,336,056 from the jury, and Plaintiff was also awarded pre-judgment interest and attorneys' fees, for a total of \$7,464,719 against the City; and

WHEREAS, in order to move forward with appeal, the City is required to deposit the amount of the judgment in an escrow account, purchase an appeal bond in lieu of an escrow deposit, or furnish some other form of financial guarantee to satisfy the plaintiff; and

WHEREAS, the City has filed a notice of appeal, intends to aggressively defend itself, expects a decision in early 2018, and, as such, has purchased an appeal bond with an annual cost of \$33,338 in lieu of depositing the initial judgment amount in an escrow account with the federal court; and

WHEREAS, the City Council has determined it necessary to amend the FY16-17 General Fund budget.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CARSON DOES HEREBY RESOLVE, FIND, DETERMINE, AND ORDER AS FOLLOWS:

**Section 1.** The following amendment(s) will be made to the City's FY16-17 budget.

01-21-999-043-6026 Non-Departmental Other Charges      \$33,338

**Section 2.** The City Clerk shall certify to the adoption of this resolution and shall keep a copy of this resolution attached to the FY16-17 budget on file, and effective as of January 24, 2017, the same shall be in force and effect.

PASSED, APPROVED, AND ADOPTED this 24<sup>th</sup> day of January, 2017.

\_\_\_\_\_  
Mayor Albert Robles

ATTEST:

\_\_\_\_\_  
City Clerk Donesia Gause

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES       ) ss.  
CITY OF CARSON                 )

I, Donesia Gause, City Clerk of the City of Carson, California, hereby attest to and certify that the foregoing resolution, being Resolution No. 17-014, was adopted by the City of Carson City Council at its meeting held on January 24, 2017, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

\_\_\_\_\_  
City Clerk Donesia Gause