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June 29, 2018

Sent Via Email and Overnight Mail

Chairperson James T. Butts, Jr.
Members of the Oversight Board of the Inglewood Successor Agency
1 Manchester Blvd.
Inglewood, CA 90301

**Re: Demand to Cure and Correct Brown Act Violation in Disposition of
Properties by Oversight Board Resolution Adopted June 27, 2018**

Dear Oversight Board Members:

These comments are provided on behalf of the Inglewood Residents Against Takings and Evictions ("IRATE") regarding the June 27, 2018 City of Inglewood Former Redevelopment Agency Oversight Board agenda. This action approved the disposition of 13 parcels of property that would be used for construction of the Clippers sports arena project.

We demand that you cease and desist in your continuing efforts to defeat the public transparency purposes of the Brown Act, and that you rescind the disposition of property that the Oversight Board approved on June 27, 2018.

I. THE OVERSIGHT BOARD VIOLATED THE BROWN ACT.

The Oversight Board on June 27, 2018 acted to dispose properties that are included within an Exclusive Negotiating Agreement between the City of Inglewood, the Successor Agency, the Parking Authority and Murphy's Bowl LLC for a sports arena (the "Arena Project"). This meeting violated the Brown Act.

The Oversight Board failed to inform the public that it was proposing to dispose properties pursuant to an agreement with extensive potential impacts on hundreds of Inglewood residents and businesses. The brief description on the Oversight Board agenda for its June 27, 2018 meeting stated:

Adoption of Resolution by the Oversight Board to the Successor Agency of the former Inglewood Redevelopment Agency *Directing the City of Inglewood as the Successor Agency to former Inglewood Redevelopment Agency to Implement the approved Long-Range Property Management Plan*, as amended, with respect to the Long-Term Use and Disposition of the LAX Noise Mitigation Properties, B-1.1 through and including B-3, representing Parcels 1 through and including 13, subject to the applicable Disposition Requirements of the Federal Aviation Administration grant agreements and Los Angeles World Airports letter agreements. (Emphasis added.)

Contrary to Brown Act requirements, this description is overly vague and uninformative. It does not bother to inform the public that the property disposition actions are taken in furtherance of an Exclusive Negotiating Agreement (ENA) for the Clippers Arena and involving Murphy's Bowl LLC. It fails to inform the public that the parcels being transferred are specifically designated in maps in the ENA for construction of the arena project. This failure to adequately inform the public is consistent with and further evidence of the City of Inglewood's deliberate attempts to obfuscate the true nature of actions taken to facilitate the Clippers arena project. (See enclosure 1, Karen Foshay, "Documents Show How Inglewood Clippers Arena Deal Stayed Secret," KCET (Mar. 15, 2018), available at <https://www.kcet.org/shows/socal-connected/documents-show-how-inglewood-clippers-arena-deal-stayed-secret>; and enclosure 2, June 9, 2017 email between Clippers and City of Inglewood representatives stating "the entity [Murphy's Bowl LLC] will have a generic name so it won't identify the proposed project.")

The Oversight Board has clearly violated the letter and spirit of the Brown Act. The Arena Project is a big deal. The ENA is a big deal. The ENA and Arena Project will severely impact homes, small businesses and a church.

Once again, pursuant to Government Code section 54960.1, we hereby demand that the Oversight Board cure or correct its violations of the Brown Act within 30 days or we will consider all available options, including seeking judicial determination that the action taken violated the Brown Act and will seek reasonable attorneys' fees and costs incurred in bringing such an action.

II. CONCLUSION.

Public property dispositions cannot be approved without adequate notice and compliance with Brown Act requirements. The Oversight Board is again violating the Brown Act and has not complied with the California Environmental Quality Act (CEQA), as explained in our letter to the Oversight Board dated June 27, 2018.

We urge you to put the needs and interests of the Inglewood community first. We demand that you rescind your improperly granted approvals of property disposition at the June 27, 2018 hearing, and comply with the Brown Act and CEQA prior to taking further property disposition actions.

Sincerely,



Douglas P. Carstens

Enclosures:

1. Article entitled "Documents Show How Inglewood Clippers Arena Deal Stayed Secret," KCET (Mar. 15, 2018), available at <https://www.kcet.org/shows/socal-connected/documents-show-how-inglewood-clippers-arena-deal-stayed-secret>;
2. June 9, 2017 email exchange between Clippers and City of Inglewood representatives

ENCLOSURE 1

Documents Show How Inglewood Clippers Arena Deal Stayed Secret

March 15, 2018



Inglewood City Council | Lawrence K. Ho / Los Angeles Times via Getty Images

Inglewood city officials were secretly negotiating an agreement to build an arena for the Clippers basketball team for months before giving a carefully guarded notice to the public, according to newly released documents.

Now there is a request for the Los Angeles District Attorney's Office to investigate.

Residents learned about the project on June 15, 2017, at a special meeting of the city council. The documents suggest that backers of the arena may have purposely used a special meeting because it required just 24 hours public notice, while a regular meeting requires 72 hours notice. The meeting agenda didn't mention the arena or the Clippers, but gave an obscure name of a related company negotiating the deal.

A judge ordered the documents be made public earlier this month as part of ongoing litigation involving the city and a community group. The Inglewood Residents Against Taking and Eviction, or IRATE, is suing Inglewood, claiming the city did not follow the California Environmental Quality Act, or CEQA, before it approved the exclusive negotiating agreement to build the arena.

On Thursday, Doug Carstens, an environmental attorney representing IRATE sent a letter to the Los Angeles District Attorney Jackie Lacey asking her office to investigate the city for intentional Brown Act violations. The Brown Act is a state law guaranteeing the public's right to attend meetings held by local legislative bodies.

"These actions are exactly contrary to the government openness and transparency purposes of the Brown Act and the California Environmental Quality Act," said Carstens.

The state's oldest environmental law, CEQA, requires local and state agencies to do environmental reviews before approving certain projects. An environmental impact report evaluating the arena is currently underway, according to city officials. Should the project be approved, some local business owners and residents have voiced concern the city may use eminent domain to acquire property to develop the arena.

Carstens sought documents, including emails, related to the agreement. The city had argued the emails were protected by attorney-client privilege. Los Angeles Superior Court Judge Amy Hogue partially disagreed and ordered attorneys defending Inglewood to release over 200 pages of draft agreements and emails Monday.

In an April 2017 email from Royce Jones, an attorney for Inglewood, to Chris Hunter, the attorney negotiating for the project, Jones confirms a draft of the agreement was prepared based on discussions earlier in the month with Mayor James Butts and "certain other City and Clipper representatives."

IRATE contends that the documents show the secrecy was maintained illegally.

In a June 9 email, Hunter asked Jones if the agreement must be part of the city council's public agenda or could be downloaded "shortly before the meeting" because his client wanted to reach out to "various players." Jones responded that the agreement must be part of the agenda and "that is why we elected to just post 24 hours versus the normal 72 hours."

Hello Chris,

The document has to be posted with the agenda. That is why we elected to just post 24 hours versus the normal 72 hours.

Royce

Sent from my iPhone

June 9 email between lawyers for Inglewood and the Clippers.

Hunter added that the entity he is representing "will have a generic name so it won't identify the proposed project." Residents would see only that the meeting involved Murphy's Bowl LLC, an entity formed in January 2017 in Delaware. It has one member, Steven Ballmer, the owner of the Clippers, according to court records.

The Inglewood City Council's regular meetings are held on alternate Tuesdays, but there wasn't one on Tuesday, June 13. Instead, there was a special meeting on Thursday, which only required the agenda to be posted 24 hours in advance.

The timing is more than suspect, Carstens believes.

"Each of these actions individually and collectively shows an ongoing and illegal pattern of gaming the system, depriving the public of notice, and hiding the ball," said Carstens.

In the Mayor's newsletters, Butts acknowledged negotiations with the Clippers began in January 2017.

Butts and City Attorney Ken Campos did not respond to a request for comment.

The negotiations are characterized as "secret meetings" in a lawsuit filed March 5 by the Madison Square Garden Co., which owns the Forum. MSG is suing the city of Inglewood including Butts, the city council and the parking authority, claiming they violated a contractual agreement involving a 15-acre parking lot. Inglewood leased the lot to MSG for seven years starting in 2014 to use for overflow parking.

MSG says in the lawsuit that it invested \$100 million into the Forum property based on agreements with the city, including the parking lot lease. The lawsuit also claims that in January 2017 the city pressured MSG to back out of the parking lease agreement and that the mayor claimed the city needed the land to create a "technology park."

Butts is at the center of what MSG calls a "fraudulent scheme" to let the Clippers use the land to build a facility that would compete with the Forum. The mayor told MSG officials use his personal email and not his official city account to communicate, according to the complaint.

The Forum was acquired by MSG in 2012 and has been a venue for concerts and sporting events.

By early April MSG terminated the parking lease agreement. At the time, MSG did not know Inglewood officials were already well underway in drafting an agreement with the owners of the Clippers to sell them the parking lot in order to build an arena for the basketball team. MSG claims it would not have broken the lease had it known of the city's "true intentions." The company learned about the plan on June 14 when Butts broke the news in a telephone call to an MSG executive, the same day the public agenda was posted.

ENCLOSURE 2

Royce K. Jones

From: Royce K. Jones
Sent: Friday, June 9, 2017 5:28 PM
To: Chris Hunter
Subject: Re: Question

Hello Chris,

The document has to be posted with the agenda. That is why we elected to just post 24 hours versus the normal 72 hours.

Royce

Sent from my iPhone

> On Jun 9, 2017, at 5:22 PM, Chris Hunter <chunter@rhslaw.com> wrote:

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> Hi Royce

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> What are the city's requirements for when the ENA document has to be posted. I understand The agenda has to go out 24 hours in advance but the question that I was asked was whether the document must be part of the public agenda or if it can be down loaded shortly before the hearing. My client is trying to time it out reach to the various players. Our entity will have a generic name so it won't identify the proposed project

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> Sent from my iPhone

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> Chris Hunter

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