

Fact Sheet:

Amin David, Martin Lopez, Jose Moreno, Lorena Moreno, and Orange County Communities Organized for Responsible Development (OCCORD) v. City of Anaheim

Plaintiffs

- **Amin David** is a small businessman who has lived in Anaheim for 40 years. He is President Emeritus of Los Amigos of Orange County.
- **Martin Lopez** is a former hotel worker who has lived in Anaheim for 7 years. He is Recording Secretary of UNITE HERE Local 11.
- **Jose and Lorena Moreno** are educators who have lived in Anaheim for 9 years. Jose is a Member of the Board of Education for the Anaheim City School District and the current President of Los Amigos of Orange County.
- **Orange County Communities Organized for Responsible Development (OCCORD)** is a community-based nonprofit organization working with hundreds of residents in neighborhoods throughout Anaheim.

Legal Case

On February 29, 2012, the Plaintiffs filed suit in Orange County Superior Court to invalidate the \$158 million bed tax subsidy approved by the Anaheim City Council on January 24, 2012. Plaintiffs contend that the subsidy amounted to an illegal gift of public funds and did not receive prior environmental review under the California Environmental Quality Act. In a separate communication with the City, the plaintiffs also allege that approval of the subsidy violated the Ralph M. Brown Act.

- **Illegal Gift of Public Funds:** The \$158 million subsidy is an illegal gift of public funds because in violation of the Anaheim City Charter, it was neither granted through a bidding process nor approved by a two thirds majority of the City Council. The City Charter prohibits transfer of any municipal property worth more than \$50,000 except through sale to the highest bidder or with a two thirds majority vote of the City Council.
- **CEQA Violations:** Approval of the \$158 million subsidy violates the California Environmental Quality Act (CEQA) because the City failed to perform any environmental review of the subsidy's impact on the environment. CEQA applies to every discretionary project approved by the City, including this subsidy, unless a project is exempt from CEQA, which this was not.
- **Brown Act Violations:** The Anaheim City Council agenda for the date when the subsidy was approved did not adequately inform the public that the City Council might give final approval to two separate agreements providing economic assistance to a hotel developer, thus violating the Brown Act. The agenda description did not let the public know that the City Council would be giving final approval to two contracts that the City Council would never again have a chance to consider, the public would never have a chance to critique, and the text of which was not even available for review at the time of the vote. The Plaintiffs brought these Brown Act violation to the City's attention in a separate communication, and they will be incorporated into the lawsuit at a later time if the City fails to cure them.