

Bond Case Briefs

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City of Anaheim v. Bosler

Court of Appeal, Third District, California - November 25, 2019 - Cal.Rptr.3d - 2019 WL 6270841 - 19 Cal. Daily Op. Serv. 11, 269

City brought petition for writ of mandate against Department of Finance regarding Department's determinations of city obligations to pay retirement costs of employees who worked as joint employees for city and redevelopment agency (RDA).

The Superior Court entered judgment in favor of Department, and city appealed.

The Court of Appeal held that:

- City disavowed reliance on sponsor agreement for payment of retirement costs;
- Determinative qualification for enforceable obligations of successor city to RDA under statute governing dissolution of
- RDAs was that payments on behalf of employees were legally enforceable;
- RDA's alleged contractual relationship with retirement system was irrelevant to successor city's obligations;
- Dissolution law did not purport to create legally enforceable substantive duties beyond duties that already contractually existed between RDA and city;
- Retirement costs were not legally enforceable obligation for RDA in absence of contract;
- City's suggested reading of dissolution statute that Legislature intended to reduce liability of local entities for retirement costs as part of eliminating abusive diversion of tax increment was not warranted.