

# **Bond Case Briefs**

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## **TAX - CALIFORNIA**

### **Covarrubias v. Cohen**

**Court of Appeal, Third District, California - October 7, 2016 - Cal.Rptr.3d - 2016 WL 5864578**

City residents petitioned for writ of mandate to compel Director of the Department of Finance, the state Controller, city, and county auditor-controller to continue payments of set-asides from “tax increment” to city’s subsidized housing fund.

The Superior Court denied petition. Residents appealed.

The Court of Appeal held that:

- City’s set-asides for future affordable housing payments were not “deferred” payments that remained enforceable after the dissolution of the redevelopment agency, and
- City’s set-asides for future affordable housing payments were not “obligations imposed by state law” that remained enforceable after the dissolution of the redevelopment agency.