

Santa Barbara **SBCTA** County Taxpayers Association

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Taxpayers' Association, Taxpayers & Non-Profit Group Sue Santa Monica Mountains Conservancy to Recover State Bond Funds *Lawsuit Claims SMMC Spent Bond Funds Illegally*

VENTURA – Several California taxpayers, the Santa Barbara County Taxpayers' Association, and a non-profit preservation group filed suit yesterday in Ventura County Superior Court accusing the Santa Monica Mountain Conservancy (SMMC) of illegally using Proposition 50 Clean Water bond funds and asking the court to recover the misused funds.

“We must hold state agencies like the Santa Monica Mountains Conservancy accountable for millions of taxpayers' dollars they receive through state bond funds,” said Jere Robings, the lead plaintiff and a Ventura County resident. “We cannot let the Santa Monica Mountains Conservancy, or any other agency, violate the law and this lawsuit demonstrates that we will go to court to get the taxpayers' money back.”

The SMMC is a powerful state agency that owns and controls thousands of acres of land in Los Angeles and Ventura Counties. Much of that land is under the control of nine joint powers authorities (JPA's) the SMMC has created to expand its reach. Critics claim these interlocked JPA's are nothing more than shells for the SMMC.

The plaintiffs specifically cite SMMC's transfer of hundreds of thousands of dollars of Prop 50 funds to its sister agency, the Mountains Recreation and Conservation Authority (MRCA). The complaint states that the SMMC spent Prop 50 grant money to develop the Malibu Public Works

Plan (PWP) and that SMMC spent bond funds to pay its lawyers to defend a lawsuit filed by local residents in 2000 to stop SMMC's illegal use of its property.

“The Santa Monica Mountains Conservancy is the poster child for why taxpayers must be vigilant and put a stop to the illegal use of millions of dollars of voter approved bond funds,” said Joe Armendariz, Executive Director of the Santa Barbara County Taxpayers' Association, whose organization is one of the co-plaintiffs. “The Conservancy has been audited by the State Office of Finance for the last three straight years, and yet they keep playing loose and fast with millions of taxpayer dollars.”

On October 4, a group of unnamed taxpayers sent a demand letter to California State Attorney General Bill Lockyer and the California Department of Finance regarding SMMC and MRCA, requesting that those two state offices take action to recover the funds that SMMC improperly used from Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002.

The Office of Finance agreed that the use of these bond funds “is not a fiscally prudent use of General Obligation bond proceeds” and referred the request to recover taxpayers' funds to the State Attorney General's office. The Attorney General's office, which represents SMMC, declined to act on the demand, stating in its response letter that SMMC had not done anything improper with the bond funds. Under California law, when the Attorney General or the State Department of Finance fails to act on a demand, state taxpayers are allowed to initiate legal action and sue to recover the funds in question.

“SMMC's use of Prop 50 Clean Water funds to pay for legal fees to create a Public Works Plan that takes away local planning controls has nothing to do with clean water and violates the spirit and the letter of the law,” said Allison Burns, a partner with the law firm Stradling Yocca Carlson & Rauth in Newport Beach, who represents the plaintiffs. “We are also asking the court to prevent the Santa Monica Mountains Conservancy from spending further Prop 50 funds in violation of California law.”

SMMC's Public Works Plan is opposed by many local governments. Recently, the California Contract Cities Association, which represents 75 cities throughout the state, voted

unanimously to oppose it. Critics are concerned that if the California Coastal Commission approves the Public Works Plan, it would allow SMMC to ignore a city's or county's local planning ordinances on land owned or controlled by SMMC.

The plaintiffs want MRCA to return part of the \$20 million of funds that SMMC awarded to MRCA under Prop. 50. The money was supposed to be used only for "the protection of the Santa Monica Bay and Ventura County coastal watersheds."

"The Santa Monica Mountains Conservancy thinks it is no longer accountable to any government oversight agency. But as a California taxpayer, I cannot sit and watch a state agency act like it is above the law with our money," said Robings.

The suit also asks the court for a Preliminary Injunction and a Permanent Injunction to prevent SMMC from illegally spending voter approved bond funds in the future.

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Allison Burns, plaintiffs' attorney can be reached at: 949-725-4000.

The legal document filed with the Ventura County Superior Court can be viewed at:
www.fileshed.com

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