



# City Council Memorandum

City of Arts & Innovation

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**TO:** HONORABLE MAYOR AND CITY COUNCIL      **DATE:** October 8, 2024

**FROM:** CITY ATTORNEY'S OFFICE      **WARDS:** ALL

**SUBJECT: APPROVE AN INCREASE TO THE BUDGET FOR THE LAW FIRM OF GREINES, MARTIN, STEIN & RICHLAND BY AN AMOUNT OF \$4,000 AND \$85,000 FOR A REVISED TOTAL BUDGET OF \$184,000 AND \$265,000 RESPECTIVELY**

**ISSUE:**

Consider an increase in the budget for the law firm of Greines, Martin, Stein & Richland LLP, for specialized appellate legal services for the appeal in Riversiders Against Increased Taxes v. City of Riverside.

**RECOMMENDATION:**

That the City Council:

1. Approve an increase to the budget for Greines, Martin, Stein & Richland LLP in the not to exceed amount of \$4,000, for a total budget amount not to exceed \$184,000, for specialized appellate legal services for the appeal in Riversiders Against Increased Taxes v. City of Riverside; and
2. Approve an increase to the budget for the law firm of Greines, Martin, Stein & Richland LLP by an amount not to exceed \$85,000, for a total budget amount not to exceed \$265,000, if the Supreme Court decides to take review of a petition filed by Riversiders Against Increased Taxes.

**BACKGROUND**

City Charter section 702, "Eligibility, powers and duties of City Attorney," provides, in part, that "the City Council shall have control of all legal business and proceedings and may employ other attorneys to take charge of any litigation or matter or to assist the City Attorney therein."

On May 17, 2022, the City Council approved a budget for Greines, Martin, Stein & Richland LLP in the not to exceed amount of \$110,000 for specialized appellate legal services in the Riversiders Against Increased Taxes v. City of Riverside appeal. This budget was based upon the costs to prepare the administrative record, then brief and argue the appeal. On December

6, 2022, the City Council approved an increase to this budget in the amount of \$40,000 due to additional time incurred to prepare the administrative record and to successfully oppose a petition by plaintiffs for a writ of supersedeas to extend for the duration of this appeal the trial court's preliminary injunction preventing the City from certifying the election results. On June 27, 2023, the City Council approved another increase to this budget in the amount of \$30,000 due to additional time incurred to oppose a 100-page appellate brief filed by RAIT and to prepare for oral argument, for a total budget amount not to exceed \$180,000, for specialized appellate legal services for the appeal in *Riversiders Against Increased Taxes v. City of Riverside*.

The appellate court ruled in favor of the City and the case was published. *Riversiders Against Increased Taxes v. City of Riverside* filed a Petition for Review to the California Supreme Court. The current budget did not include sufficient funds to oppose such a petition and defend the City before the Supreme Court if the Supreme Court decides to take review. A budget increase in the amount of \$4,000 would be needed for opposing the Petition for Review and a budget increase in the amount of \$85,000 would be needed to defend the City if the Supreme Court decides to take review of the matter.

**STRATEGIC PLAN ALIGNMENT:** The retention of experienced outside counsel to provide legal advice and supports all priorities of the City of Riverside's Envision Riverside 2025 Strategic Plan, as such advice is provided to all departments of the City, the City Council, Boards and Commissions.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Riverside is transparent and makes decisions based on sound policy, inclusive community engagement, involvement of City Boards & Commissions, and timely and reliable information. Use of outside counsel that specialize in specific areas of the law supports and aids the making of such decisions.
2. **Equity** – Use of outside counsel that specialize in specific areas of the law benefits the entire community by ensuring that such efforts comply with all aspects of the law.
3. **Fiscal Responsibility** – The City Attorney's Office is expending funds in a careful and judicious manner balanced against the need for specialized legal counsel when the circumstances warrant.
4. **Innovation** – The retention of specialized legal counsel to provide specialized legal advice supports City innovation efforts by ensuring that such efforts comply with all aspects of the law.
5. **Sustainability & Resiliency** – The retention of specialized legal counsel to provide specialized legal advice supports City goals of sustainability and resiliency by ensuring that such efforts comply with all aspects of the law.

**FISCAL IMPACT:**

The increase in the budget for Greines, Martin, Stein & Richland LLP (RAIT appeal) will have a fiscal impact of either \$4,000 or \$85,000 depending on whether the Supreme Court decides to take review of the matter, and funds will come from the Liability Trust Fund – Outside Legal Fees

Account 1310000-421100.

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Approved as to

availability of funds: Kristie Thomas, Finance Director / Assistant Chief Financial Officer