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Re: CF No. 17-0274; December 13, 2017 meeting agenda No. 8; Affordable Housing Linkage Fee ("AHLF") Ordinance (the "AHLF Ordinance"); Applicant: City of Los Angeles (the "City"), Case No. CPC-2016-3431-CA; CEQA No. ENV-2016-3432-ND

TO THE HONORABLE CITY COUNCIL OF LOS ANGELES:

INTRODUCTION: This law firm represents the Building Industry Legal Defense Foundation ("BILD") and hereby submits this letter, for the record, in opposition to the AHLF Ordinance (and to the approval of any Negative Declaration or other environmental exemption or review and the adoption of any CEQA findings relating to said ordinance). BILD is a non-profit public benefit corporation whose primary purpose, in part, is to initiate and support litigation and monitor, advocate or oppose government action or regulations in manners that are conducive to the building industry.

The AHLF Ordinance, as drafted, does not address the City's lack of affordable housing in a reasonable, rational, valid, effective or legal manner. The staff reports and studies on which the City relies, as well as the arguments presented in the opposition letters submitted by other stakeholders, demonstrate that the AHLF is not likely to generate any significant amount of affordable housing. To the contrary, the subject ordinance will reduce, rather than increase, the number of affordable housing units. In large part, this is because the AHLF Ordinance clearly will have a chilling effect on residential development by, among other things, reducing residential development and the available housing supply and increasing building costs, thereby putting upward pressure on residential rents and sales prices.

Aside from the AHLF Ordinance representing bad public policy that only makes the affordable housing problem worse, the AHLF is legally deficient and defective on the following grounds, among others:

1). **Concurrence With and Adoption of Other Opposition Submissions:** To the extent supportive of and not inconsistent with the arguments contained in this opposition letter, BILD concurs with (and hereby adopts and incorporates herein by this reference) the policy, factual assertions and legal contentions made in and the positions taken by the other parties who have made comments and submissions in opposition to the AHLF.

2). **The Findings That Applicable Law Requires Be Made To Support Adoption of the AHLF Ordinance Have Not Been Made and the Findings That Have Been Made Are Not Supported By Sufficient and/or Reasonable Evidence:** As discussed in this letter and other opposition letters, the requisite findings that need to be made to support adoption of the ordinance have not, in fact, been made. To the extent findings have been made, they are faulty, inherently contradictory, internally inconsistent, unreasonable and/or arbitrary and capricious and/or are not otherwise supported by sufficient and/or reasonable evidence. As such, the AHLF Ordinance is invalid regardless of whether a "reasonable relationship" test or "heightened scrutiny" test is applied under applicable law. Further, the proposed findings are not sufficient to support the imposition of higher fees in the various geographic or so-called "Market Areas" embodied in the proposed ordinance. There are not sufficient findings or evidence to support findings that demonstrate that new construction projects in areas that the City identifies as being more expensive "Market Areas" will have a greater negative on affordable housing than in less expensive "Market Areas" of the City. Also, the proposed ordinance unreasonably, arbitrarily and capriciously treats all future development projects in any given "Market Area" the same, without regard to how any given project may or may not adversely affect the availability and pricing of affordable housing.

3). **The City Fails to Make the Findings Required by the City Charter and General Plan:** The City's generalized findings that the ordinance is in conformance with public necessity, convenience, general welfare and good zoning practice are not sufficient and are conclusory statements that are not supported by sufficient specific, supported or supportable evidence. There is no question that the AHLF Ordinance will, in fact, increase the cost of housing for the general workforce and for the middle class by, in effect, requiring them to subsidize the cost of housing for people of lower income. As such, the City cannot show that the ordinance promotes the general welfare. Moreover, there is no support for the City's generalized and conclusory finding that the ordinance meets Goal 7G of the Framework Element of its General Plan to create "[a] range of housing opportunities in the City." In fact, the imposition of the AHLF does not support a range of housing opportunities in the City because, as discussed elsewhere in this letter, among other things, it will, in fact, reduce the supply of both affordable and market rate housing opportunities in the City.

4). **The Negative Declaration Prepared By And The Related CEQA Findings Made By The City Are Not Adequate To Support A Finding Of No Significant Impacts under CEQA:** The City's Negative Declaration and the related CEQA findings (ENV-2016-3432-ND) made regarding the AHLF Ordinance are insufficient and inadequate, as a matter of law. Among other things, the City has not adequately evaluated or taken into account the impact that the AHLF will have on population, housing and land use due or take into consideration the aggregate impact that will be caused by the imposition of the fee on all residential and commercial development in the entire City or the increased disparity in housing types and affordability that will be caused by the AHLF. Furthermore, CEQA findings made to support the issuance of the subject Negative Declaration were made prior to significant substantive revisions being made to the proposed AHLF Ordinance. The CEQA findings and adoption of the subject Negative Declaration must be reassessed and reevaluated to take these revisions into account.

5). **The AHLF Ordinance Violates The Costa Hawkins Act:** California Civil Code Section 1954.53(a) et seq. (the "Costa Hawkins Act") prohibits any law that restricts the ability of a residential landlord to set the initial rents for any project for which a certificate of occupancy is issued after February 1, 1995. The AHLF Ordinance provides, in essence, that, in lieu of paying a linkage fee, a developer may, instead, provide affordable housing on site. By so doing, the AHLF Ordinance runs afoul of the Costa Hawkins Act and related case law, including the appellate decision of *Palmer/Sixth Street Properties, L.P. v. City of Los Angeles* (2009) 175 Cal.App.4th 1396 because, among other things, the election to provide rent-restricted residential units is inextricably bound to the requirement to pay the linkage fee. In this regard, the AHLF does nothing more than require a residential developer to pick his or her poison and, by imposing an onerous and dis-economic fee on developers, that is designed to corral the developer into agreeing to rent restrictions that that City could not otherwise impose legally, the City is doing indirectly what it cannot lawfully do directly.

6). **The AHLF Ordinance, If Adopted, Would Be In Violation of the Equal Protection Clauses contained in the U.S. and California Constitutions:** The AHLF Ordinance, if adopted, would be in violation of the Equal Protection clauses of the U.S. and California Constitutions by virtue of, among other things: the following:

(a). It is unconstitutional to impose a significant monetary burden of the AHLF on a singular, narrow and separate class, composed of **developers who build new projects** and requiring them to bear the societal burden and laudable societal goal of promoting affordable housing, rather than placing that burden on businesses, residents and taxpayers of the City, as a whole, or on some other broader and more appropriate class. The provisions of the AHLF were adopted without adequate study and supporting evidence and without adequate or supportable findings, sufficient to demonstrate any legally adequate basis, reasonable, rational or otherwise, for treating new project developers differently from any other class.

(b). In addition, the imposition of the AHLF would violate the equal protection rights of future tenants and purchasers of “market-rate” housing and commercial space because, among other things, the AHLF will have the inevitable and practical effect of increasing the rents and prices for market-rate housing. Under the AHLF Ordinance, market-rate tenants and buyers would be required, in effect, to subsidize the rents of the tenants and buyers of affordable housing and commercial space. The AHLF Ordinance does not constitutionally, legally, fairly and equitably apportion the economic burden of providing affordable housing and there is no basis, rational or otherwise, for requiring the separate class of market-rate tenants and buyers to bear the burden of subsidizing rents of their lower-income neighbors.

(c). There is no valid constitutional rationale for imposing a higher fee on developers of new projects in certain geographic areas of the City than in other geographic areas. The purported findings on which the City has based these geographic disparities are based were made without sufficient supporting evidence

(d). The AHLF Ordinance discriminates against developers of new residential projects, in favor of developers of new commercial projects, by imposing fees that are over two times higher on new residential development projects. There is no rational or reasonable basis for this discrimination and, certainly, the City cannot show that “nexus” or “proportionality” exists for this disparity.

7). **The Linkage Fee Is Nothing More Than a Disguised and Discriminatory Property or Parcel Tax Which, If Adopted, Would Be in Violation of Proposition 13, As Embodied in the California Constitution:** Fundamentally, as proposed, the Linkage Fee is really nothing more than a disguised property or parcel tax on a select group of property owners (namely, owners of developable land in the City) that is imposed at the time that a building permit is issued. Because this disguised tax has not been made subject to the voting procedures required by Proposition 13, it is unconstitutional.

8). **Even Though The AHLF Ordinance Is One Of General Applicability, The City Has Failed To Make The Findings Required By The California Mitigation Fee Act:** California Government Code Sections 66000 to 66025, known as the “Mitigation Fee Act” (the “MFA”), is sometimes referred to as the “nexus legislation” and imposes various minimum requirements on governmental bodies when they impose impact fees on development. In this regard, to meet the requirements of the MFA and show a “nexus” between development and any impact fee imposed, in essence, the City must make certain fundamental findings, without which the imposition of the fee is illegal and may be considered an unconstitutional regulatory taking.

The legislative history of the MFA shows that its central purpose was to prevent the imposition of development fees that were not related to the development projects themselves. (See,

Ehrlich v. City of Culver City (1996) 12 Cal. 4th 854, 864.) As an initial and fundamental matter, the AHLF does not meet the requirements of the MFA because it does not show any nexus between future residential or commercial construction, on the one hand, and any negative impact on affordable housing, on the other hand. In fact, the AHLF Ordinance will not promote affordable housing; but, rather, will have a chilling effect on residential development, thereby increasing the lack of housing, reducing the supply and driving up prices. So, not only has the City failed to show that the lack of affordable housing is related to new construction but, in addition, it is clear that the imposition of the AHLF will have a negative impact on affordable housing.

In addition, under the MFA, the City is required to identify how the fees collected will be used. In this case, the City has failed to identify how the fees collected will be used with the requisite specificity. In this regard, California Government Code Section 66022 requires, in relevant part, as follows: "Any local agency which levies a fee subject to Section 66001 may adopt a capital improvement plan, which shall indicate the approximate location, size, time of availability, and estimates of cost for all facilities or improvements to be financed with the fees." Here, the nexus study done by the City only provides an estimate of the incomes of people that will be aided by the fees collected, without meeting the requirements of the MFA that the City provide specifics on the location, availability or construction cost of such developments.

Further, under the dictates of the MFA, the City is required to demonstrate that there is a "reasonable relationship" between the purposes for which the fee is to be used and the type of development project on which the fee is imposed. The City's nexus study asserts, in essence, that such a reasonable relationship exists because commercial and residential projects will increase the number of employees who will need affordable housing. But, among other deficiencies, the study does not consider that it is highly likely that most of the jobs that might be created, if any would be filled by workers already living in the community that are unemployed, underemployed or not counted by in the system of unemployment. Moreover, the fees imposed by the AHLF Ordinance are over two-times higher for new residential projects than they are for commercial development. There is no rational or reasonable basis for this disparity.

Finally, the MFA requires that there be a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed. Again, there is no justification for imposing, across the board, a much greater fee on residential developments, as opposed to commercial developments. For the AHLF to be lawfully imposed, the location and type of development involved must be taken into account in setting the amount of the fee imposed.

9). *The Adoption of the AHLF Would Not Be Workable Because, Notwithstanding The Imposition of a Fee That is Calculated on a Formulaic Basis, the California Mitigation Fee Act (the "MFA"), As Interpreted By Appellate Courts and the California Supreme Court, Would Still Require That The "Heightened Scrutiny" Test Be Applied and that Site-Specific Findings of "Nexus" and "Proportionality" Be Made Before The Fee Could Be Imposed On Any Given Project:*

(a). *The MFA Requires Site-Specific Findings Before the Imposition of Any Purported "Impact Fee," such as the AHLF, On Any Given Project:*

Under subdivision (b) of the MFA, in order to impose an exaction as a condition of approval for a development project, a governmental agency must make findings demonstrating:

- (i) "[A] reasonable relationship between the fee's use and the type of development project on which the fee is imposed" (*Govt. Code* § 66001(a)(3));
- (ii) "[A] reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed" (*Govt. Code* § 66001(a)(4)); and/or
- (iii) "A reasonable relationship between the **amount of the fee** and the **cost of the public facility attributable to the development** on which the fee is imposed" (*Govt. Code* § 66001(b))." (Emphasis added.)

It is clear that subdivision (b) of the MFA, cited above, would apply whenever the AHLF might be imposed on any given project, as part of any discretionary adjudicatory process imposing conditions on that project. This position is supported by *Garrick Development Co. v. Hayward Unified School Dist.* (1992) 3 Cal.App.4th 320, 323, 327-36 (hereinafter "*Garrick*") (citing *Balch Enterprises, Inc. v. New Haven Unified School Dist.* (1990) 219 Cal. App. 3d 783, 791). In this regard, *Garrick* defined adjudicatory or case-by-case decisions as involving "agency decisions made in proceedings involving (a) a hearing, (b) presentation of evidence, and (c) findings of fact." (*Id.* at 336). See also, *Strumsky v. San Diego County Employees Retirement Assn.* (1974) 11 Cal.3d 28, 34 n.2 ("Generally speaking, a legislative action is the formulation of a rule to be applied to all future cases, while an adjudicatory act involves the actual application of such a rule to a specific set of existing facts.")

Thus, based on case law precedent and the plain language of subdivision (b) of the MFA itself, therefore, notwithstanding the fact that the AHLF Ordinance, if adopted, would impose fees on a City-wide basis (albeit with geographic variations on the amount of the fee imposed), the City

would still have to make site-specific determinations with regard to any proposed new development in the City, on a case-by-case basis, demonstrating a reasonable relationship between the “amount of the fee” (i.e., the affordable housing requirement) and the “cost of the public facility attributable to the development” (i.e., the impact on affordable housing). *See, Garrick, supra*, 3 Cal. App. 4th at 336.

The proposed AHLF Ordinance, itself, in its recitals and in its provisions relating to exemptions and developer protests, acknowledges the applicability of the MFA, thereby acknowledging the need to make site-specific findings, on a case-by-case basis, in order to impose the Linkage Fee.

In *Ehrlich v. City of Culver City* (1996) 12 Cal.4th 854, 860-68, the California Supreme Court recognized that the “legislative intent [of the MFA] of imposing a statutory relationship between monetary exaction and development project ...” *Ehrlich*, 12 Cal.4th at 867 (emphasis added). Thus, notwithstanding that the AHLF Ordinance, if adopted, would impose the AHLF on a City-wide basis, on all residential and commercial projects covered by the ordinance, in order to impose the AHLF on any given development, the City would still have to make individualized, site-specific findings sufficient to satisfy its burden under the MFA and applicable California Supreme Court law. In this regard, the City could not rely exclusively on any general findings it might make should it adopt the AHLF Ordinance.

Based on the foregoing, therefore, under applicable law, to the extent that the City relies on any generalized findings that it might make, should it enact the AHLF Ordinance and attempt to impose the AHLF on any given development, the developers of new projects would still will be able to challenge those generalized findings and their applicability to their specific development and, in any event, the City would have to make site-specific, project-specific and individualized findings.

(b). The “Heightened Scrutiny” Test of the “Nollan-Dolan” Line Of Cases Applies To the Site-Specific Findings Required Under the MFA

The meaning of the term “reasonable relationship,” as used in the MFA, has been interpreted by the California Supreme Court. In the seminal California development exaction case of *Ehrlich, supra*, 12 Cal.4th at 860-68, the California Supreme Court held that the “**reasonable relationship**” test contained in subdivisions (a)(3), (a)(4) and (b) of the MFA **is to be interpreted “in a manner consistent with” the so-called “Nollan-Dolan” regulatory takings analysis** developed by the United States Supreme Court to scrutinize the legitimacy of government exactions. *Ehrlich, supra*, 12 Cal.4th at 867. In this regard, **the *Ehrlich* court held, in effect, that the “reasonable relationship” and “needs-based” determinations required by the MFA are the functional equivalent of the *Nollan-Dolan* “heightened scrutiny” test.**

In this manner, the *Ehrlich* Court squarely ruled that, in order to meet the requirements of the MFA, the burden is on the government entity seeking to justify a monetary fee as a condition for approval of a development permit to demonstrate that the fee meets the constitutional “*essential nexus*” and “*rough proportionality*” standards established by the U.S. Supreme Court cases of *Nollan v. California Coastal Commission* (1987) 483 U.S. 825 and *Dolan v. City of Tigard* (1994) 512 U.S. 374. The reasoning of the *Ehrlich* Court was as follows:

“By interpreting the ‘reasonable relationship’ standard adopted by Government Code section 66001 [the MFA] as imposing a requirement consistent with the *Nollan/Dolan* standard, we serve the legislative purpose of protecting developers from disproportionate and excessive fees, and carry out the legislative intent of imposing a statutory relationship between monetary exaction and development project that accurately reflects the prevailing takings clause standard.” *Ehrlich, supra*, 12 Cal.4th at 867.

As explained by the *Ehrlich* court, the “heightened scrutiny” test, as embodied by the MFA, requires the following: “[P]roof by the local permitting authority of both an ‘essential nexus’ of relationship between the permit condition and the public impact of the proposed development, and of a ‘rough proportionality’ between the magnitude of the fiscal exaction and the effects of the proposed development.” *Id.* at 859-60.

The *Ehrlich* Court explained further the manner in which the “heightened scrutiny” test is to be applied under the MFA, by holding that, “a court confronted with a property owner’s claim that conditions imposed by a local government for issuance of a development permit must ‘determine whether the “*essential nexus*” exists between the “legitimate state interest” and the permit condition exacted by the city.’ If the court finds the presence of such a nexus, it ‘must then decide the required *degree of connection* between the exactions and the projected impact of the proposed development.” *Id.* at 872 (citing *Dolan, supra*, 512 U.S. at 386) (emphasis added). As to the second prong, “the city must ‘make some effort to quantify its findings in support of the [permit condition]’ *beyond mere conclusory statements that it will mitigate or offset some anticipated burden* created by the project.” *Id.* at 873 (citing *Dolan, supra*, 512 U.S. at 395-96) (emphasis added). Even in cases where the government would otherwise have the right to disapprove any given development project entirely, when it imposes conditions on approval, such conditions are subject to the “heightened scrutiny” standard:

“Where the local permit authority seeks to justify a given exaction as an alternative to denying a proposed use, *Nollan* requires a reviewing court to scrutinize the instrumental efficacy of the permit condition in order to *determine whether it logically furthers the same regulatory goal as would outright denial of a development permit*. A court must also, under the standard formulated in

Dolan, determine whether the factual findings made by the permitting body support the condition ***as one that is more or less proportional, in both nature and scope, to the public impact of the proposed development.*** *Ehrlich, supra*, 12 Cal.4th at 868 (emphasis added).

In *Ehrlich*, the landowner obtained city approval to develop a vacant lot as a tennis and recreational facility. The land was operated as a sports complex for approximately thirteen years. After encountering financial difficulties, the landowner applied to the city for a change in land use, first as an office building, and later, as a condominium complex. Concerned about the loss of recreational land, the city disapproved the landowner's application, but agreed to approve the application conditioned on payment by the landowner of a \$280,000 "recreation fee" to replace the lost recreational facilities. *Id.* at 861-62. The landowner petitioned for a writ of mandate, seeking to invalidate the \$280,000 "recreation fee" as invalid under the MFA. *Id.* at 864. The Court applied the heightened scrutiny tests of *Nollan* and *Dolan* to the "recreation fee," explaining as follows:

"In our view, the intermediate standard of judicial scrutiny formulated by the high court in *Nollan* and *Dolan* is intended to address just such indicators in land use 'bargains' between property owners and regulatory bodies - those in which the local government conditions permit approval for a given use on the owner's surrender of benefits which *purportedly* offset the impact of the proposed development. **It is in this paradigmatic permit context - where the individual property owner-developer seeks to negotiate approval of a planned development** - that the combined *Nollan* and *Dolan* test quintessentially applies." *Id.* at 868 (emphasis added).

"*Nollan* and *Dolan* are thus concerned with implementing one of the fundamental principles of modern takings jurisprudence - **'to bar Government from forcing some people alone to bear public burdens which, in all fairness and justice, should be borne by the public as a whole.'** (Citation.)" *Id.* at 880 (emphasis added).

Moreover, "the *Nollan* test helps to secure that promise [that public burdens will be publicly borne] by assuring that the monopoly power over development permits is not *illegitimately exploited* by imposing conditions that lack any logical affinity to the public impact of a particular land use." *Id.* at 876 (emphasis added).

Neither can the City rely upon *San Remo Hotel L.P. v. City and County of San Francisco* (2002) 17 Cal.4th 643 (hereinafter "*San Remo*") to assert that, should the AHLF be adopted, the City would not be required to make essential nexus and rough proportionality findings on any given development project. In *San Remo*, the California Supreme Court held that "generally

applicable development fees,” although not subject to the “heightened scrutiny” under the *Nollan-Dolan* decisions, must still “bear a reasonable relationship, in both intended use and amount, to the deleterious public impact of the development.” *Id.* at 671. However, *San Remo* involved a constitutional challenge and not a challenge under the MFA, which was at issue in *Ehrlich*, and, therefore, *San Remo* is distinguishable from and not applicable to any challenge to the imposition of the AHLF.^{1/} In fact, the *San Remo* Court expressly ruled that, while in a constitutional context, generally applicable zoning exactions are not subject to heightened scrutiny, *as a statutory matter*, they are subject to such scrutiny under the MFA and the requirements of the *Ehrlich* decision.

The California Supreme Court case of *California Building Industry Assn. v. City of San Jose* (2015) 61 Cal.4th 435 did not in any way limit the holding in *Ehrlich* that confirmed the applicability of the *Nollan/Dolan* test to the AHLF Ordinance. In that case, the California Supreme Court held, in essence, that the affordable housing ordinance at issue in that case was subject to review under the more deferential standard afforded to traditional legislative land use regulations and was valid because it was not “arbitrary, discriminatory and without a reasonable relationship to any legitimate public interest.” But, *California Building Industry Assn.* is clearly distinguishable and not applicable to any analysis of the legality of the AHLF Ordinance because the ordinance at issue in that case did not impose an impact fee and only applied to “for sale” housing and not to rental housing.

10). The Due Process Rights of BILD and other interested under the U.S. and California Constitutions have been Violated, as well as their rights under the Brown Act: The City failed to give due notice of and opportunity to be heard with regard to the subject City Council hearing on the AHLF Ordinance, in violation of BILD’s due process rights and those of all interested parties, under both the U.S. and California Constitutions. Among other things, the City did not post the City Council’s agenda for the December 13, 2017 hearing on the City’s website, indicating that the AHLF Ordinance was going to be considered, until, at the earliest, late in the day on December 8, 2017. In addition, LACityClerk Connect (the online portal that, according to the City, provides “easy access and a visual display of Council File information”) did not list the subject hearing as taking place until counsel for BILD called the City Clerk’s office on December 5, 2017 to inquire about the status of the AHLF Ordinance. Following said phone call, LACityClerk Connect was updated to reflect that the subject hearing was set for December 13, 2017, but no agenda or other information was provided. Disturbingly, it appears that the

^{1/} In *San Remo*, the appellant hotel owner was challenging, on constitutional grounds, the City of San Francisco’s statutory imposition of the “in-lieu” fees imposed by its affordable housing ordinance. The hotel owner claimed that the City did not make findings satisfying the heightened scrutiny, “nexus/rough proportionality” test, and, therefore, the City’s decision **was unconstitutional under the Takings Clause**. The Court ruled that, with respect to appellant’s constitutional challenge, heightened scrutiny did not apply to the City’s decision to impose the affordable housing ordinance because it was a generally applicable ordinance. *Id.* at 670.

LACityClerk Connect entry made on December 5, 2017 was backdated to show that it was placed on LACityClerk Connect on December 1, 2017. It is clear that the combined effect of these acts and omissions by the City have stripped BILD and all other concerned parties of any meaningful notice and opportunity to be heard, in violation of their due process rights under both the federal and state constitutions. Furthermore, the aforementioned acts and omissions by the City were in clear violation of the Brown Act, which guarantees, among other things, the public's right to attend and participate in meetings of local legislative bodies. California Government Code § 54950, et seq.

CONCLUSION:

This opposition letter is preliminary in nature and not intended to be exhaustive. It is only intended to describe, generally, some of the main legal infirmities of the AHLF Ordinance that should be taken into account in considering whether to adopt the ordinance. As such, nothing contained or omitted in this opposition letter (or argued at any hearings) shall constitute or be intended to or shall operate as an admission or as an election, waiver or relinquishment of, or limitation on, any right, remedy or defense, at law or in equity, all of which are reserved.

Wherefore, for the reasons stated herein and because the AHLF Ordinance will, in fact, reduce, rather than increase, the availability of affordable housing, BILD respectfully requests that City Council disapprove the AHLF Ordinance or, in the alternative, that City Council's consideration of said ordinance be continued and adjourned until such time as the due process, procedural, legal and other issues discussed in or incorporated by reference in this letter have been adequately addressed.

Thank you for your attention to and due consideration of these matters.

Respectfully submitted,

COSTELL & CORNELIUS LAW CORPORATION

By: electronically signed under applicable law/

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