



## BOARD DENIES INYO LIABILITY

Answers Chamber Proposal on Owens Reparations

Long-Standing Offer to Buy Land Withdrawn

Conference Plan Accepted, if Authorized

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Replying to the recommendations made several days ago by the board of directors of the Chamber of Commerce that the city complete the purchase of all privately-owned farm land in the Owens Valley purchase area, and that the question of reparations be tried out in the courts, the Board of Water and Power Commissioners yesterday declared that the city's water department many months ago extended and for several months maintained an official offer to buy these outstanding lands, and already has endorsed a suggestion from Gov. Young that the reparations dispute be submitted to the courts for settlement.

The reply of the Water and Power Commission is contained in a communication filed yesterday with the directors of the chamber in answer to a communication received from the chamber. In its letter to the commission the chamber board of directors made several recommendations in connection with a proposed settlement of the Owens Valley - Los Angeles water controversy. The chamber's recommendations, it stated, were based on a report made by a special committee which had spent two days in Owens Valley.

### LIABILITY NOT CONCEDED

After recommending that the constitutionality of the reparations claims be tested by court action, the chamber in its report to the city officials made the suggestion that if the reparations law "is declared unconstitutional, then some method should be devised immediately to accomplish the purposes of just reparations."

Commenting on this section of the chamber's report, the Water and Power Commission stated: "Obviously, if the act (reparations law) is found void by the State Supreme Court, then there will be no ground for legal payment of reparations." In another portion of its communication the commission emphatically states that it does not concede that the city has incurred any sort of legal liability because of land purchases in Owens Valley.

The Water and Power Commission communication follows:

**TEXT OF LETTER**

Honorable Board of Directors, Los Angeles Chamber of Commerce, Los Angeles, Cal.

Gentlemen: Receipt is hereby acknowledged of your note of the 1<sup>st</sup> inst., advising of your action in approving the report of your special Owens Valley committee.

Regarding such report, we would say:

(1.) As to the recommendations that the city make further purchases of land in the valley at prices heretofore established, which your report says were liberal; the Board of Water and Power Commissioners maintained for several months an offer to purchase the lands referred to at such liberal prices but the owners for various reasons failed to take advantage of this offer. A considerable number of them, as the board understood, did not really wish to part with their homes and ranches and the city resorted to no compulsion in the matter. The board withdrew its offer May 1, last. Such withdrawal was justified by the refusal of the landowners to accept the city's offer, and since that date lawlessness in the valley, threatening the security of the city's investment has rendered further purchases unwise.

It is by no means clear that the purchase of these lands by the city would be of advantage either to the city or the valley in the solution of the problems now affecting that section.

(2.) As to reparations, your report recommends co-operation in bringing about a court decision on the constitutionality of the Reparations Act. Gov. Young made a similar recommendation several months ago, and this Board promptly acquiesced therein, but the reparation claimants rejected the recommendation.

**WOULD DEFEND SUIT**

The Board of Water and Power Commissioners does not concede that the city of Los Angeles incurred legal liability to anyone in purchasing from residents of Owens Valley their lands and water at voluntary sales and at fair and liberal prices. If the city should be sued for reparations, the board would feel it to be its duty to use such defenses as the law permits, but would cooperate to secure the speedy determination and settlement of the cases.

If the land purchases heretofore made by the city of Owens Valley, amounting to approximately \$12,000,000, damaged the residents of that valley so as to entitle them to reparations from the city, then further purchases by the city, as recommended, amounting to several million dollars more would, of course, lay ground for additional claims of reparations against the city.

The statement of the report that, "If the act is declared unconstitutional then some method should be devised immediately to accomplish the purpose of just reparations," is very unfortunate. Obviously, if the act is held void by the State Supreme Court then there will be no ground for legal payment of reparations.

(3.) As to the recommendation of the report, that a conference be arranged under the auspices of the chamber between representatives of the city and of the valley; this board is agreeable to such a conference or to any other reasonable and proper method for the relief and benefit of the valley. However, this board must insist, in order that good may come, that such conference be held with representative citizens of the valley, who are able and entitled to speak and stand for the substantial business and property interests of the valley.

Very respectfully,

Board of Water and Power Commissioners of the city of Los Angeles  
By R. F. Del Valle, president