

February 15, 2011

The Honorable Jerry Brown
Governor, State of California
State Capitol, Suite 1173
Sacramento, CA 95814

Dear Governor Brown,

We write today to express the City of El Paso de Robles' opposition to the proposal to eliminate redevelopment agencies in California. Eliminating redevelopment not only violates the will of the people, but will have grave consequences on California's economy.

Last November, California voters approved Proposition 22, affirming their message that local funds should remain local, paying for services and programs in their own communities. Redevelopment builds and improves local communities, spurs job growth and taxes, and is a significant provider of infrastructure, urban development, and affordable housing in the state.

The City of El Paso de Robles recognizes that we face one of the toughest State budgets in history. Paso Robles is also facing a tough budget. The City workforce has been reduced 30%, but we still face years of deficit spending to maintain basic services. Our secured redevelopment bond money is the only funding mechanism to implement ADA improvements ordered by the Court.

We agree that it is time to fix the State budget, but not at the expense of redevelopment that is key to our survival.

Sincerely, and on behalf of the City Council,

Duane Picanco, Mayor

CC: Senator Sam Blakeslee
Assemblyman "Katcho" Achadjian
Dan Carrigg, Legislative Director, League of California Cities

RESOLUTION NO. 11-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES IN OPPOSITION TO THE ADMINISTRATION'S PROPOSAL TO ABOLISH REDEVELOPMENT AGENCIES IN CALIFORNIA

WHEREAS, as part of its 2011-12 budget proposal, the Governor has proposed permanently abolishing California's more than 400 local redevelopment agencies; and

WHEREAS, this proposal represents more of the same misguided and illegal State budget raids of local government funds that voters have repeatedly sought to end, most recently in November 2010 when an overwhelming 61% of voters elected to stop State raids of local government funds, including redevelopment funds; and

WHEREAS, this proposal will bring very little financial benefit to the State. According to the State Controller's Office, redevelopment agencies have more than \$87 billion in bond and other contractual obligations that legally must be repaid before revenues are available to any other purpose. In fact, according to the State Department of Finance's own budget documents, there will be zero State savings in out years from shutting down redevelopment; and

WHEREAS, this proposal will destroy local economic development, including hundreds of thousands of jobs and billions of dollars in local economic activity throughout California. In fact, in the City of El Paso de Robles abolishing redevelopment is expected to destroy hundreds of jobs over a five year period alone for projects mandated by the Federal and State agencies and the courts for compliance with Federal and State unfunded mandates; and

WHEREAS, throughout California, redevelopment activities support 304,000 jobs annually, including 170,600 construction jobs, contribute over \$40 billion annually to California's economy in the generation of goods and services, and generate more than \$2 billion in state and local taxes in a typical year; and

WHEREAS, eliminating redevelopment will take away one of the few tools local governments have to comply with state requirements to plan for more compact urban development supported by transit-oriented development, housing, jobs and infrastructure; and

WHEREAS, eliminating redevelopment will destroy the development of affordable housing in California. Redevelopment agencies are the second largest funder of affordable housing, behind only the federal government, responsible for over 98,000 units of affordable housing since 1993; and

WHEREAS, shutting down redevelopment agencies is a violation of multiple State and Federal constitutional provisions.

THEREFORE, BE IT RESOLVED that the City Council of the City of El Paso de Robles formally opposes the Administration's proposal to abolish redevelopment in California.

THEREFORE, BE IT FURTHER RESOLVED, that City Council of El Paso de Robles authorizes its council and city staff to communicate its opposition to this proposal to the Governor, the Legislature, business groups, and citizens.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 15th day of February, 2011 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Duane Picanco, Mayor

Caryn Jackson, Deputy City Clerk