

**TOWN OF  
APPLE VALLEY, CALIFORNIA**

**AGENDA MATTER**

**Subject Item:**

**A RESOLUTION IN OPPOSITION TO THE GOVERNOR'S PROPOSAL TO ABOLISH REDEVELOPMENT AGENCIES IN CALIFORNIA**

**SUMMARY STATEMENT**

As part of its 2011-12 budget proposal, the Governor has proposed eliminating redevelopment agencies. This proposal completely thwarts the will of the voters who have repeatedly said that local funds should remain local.

Redevelopment builds and improves communities, spurs job growth and taxes and is the most significant provider of infrastructure, urban development and affordable housing in the State. Redevelopment exists to revive struggling neighborhoods, reduce crime and make safer, more vibrant communities for families.

Every single region of the State will be negatively impacted. San Bernardino County is among the hardest hit regions with an estimated loss of 33,596 jobs. Abolishing redevelopment will result in an estimated loss of 364 jobs to Apple Valley and 2,831 jobs to the greater Victor Valley region (Victor Valley Economic Development Authority).

There is no doubt that the State's budget situation is dire. However, eliminating programs that create jobs and fuel economic growth is unwise.

**Recommended Action:**

That the Town Council Adopt Resolution No. 2011-06, Opposing the Governor's Proposal to Abolish Redevelopment Agencies in California.

**Proposed by:** Linda Mayfield

**Item Number** \_\_\_\_\_

**T. M. Approval:** \_\_\_\_\_

**Budgeted Item**  Yes  No  N/A

**RESOLUTION NO. 2011-06**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF APPLE VALLEY OPPOSING THE GOVERNOR'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, abolishing redevelopment will result in a loss of 364 jobs to Apple Valley and 2,831 jobs to the Victor Valley Economic Development Authority, of which the Town is a member; 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.

**NOW, THEREFORE, LET IT BE RESOLVED** that the Town Council of the Town of Apple Valley formally opposes the Governor's proposal to abolish redevelopment in California and authorizes staff to communicate its opposition to this proposal to the Governor, the Legislature, business groups and citizens.

**PASSED, APPROVED AND ADOPTED** this 8th day of February, 2011.

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MAYOR

ATTEST:

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TOWN CLERK