

Lompoc City Council Agenda Item



City Council Meeting Date: February 1, 2011

TO: Honorable Mayor and Members of the City Council

FROM: Laurel L. Barcelona, City Administrator

SUBJECT: RESOLUTION NO. 5694(11), FORM AND LETTER IN OPPOSITION TO STATE BUDGET PROPOSAL TO ELIMINATE REDEVELOPMENT AGENCIES

RECOMMENDATION:

It is recommended that the Lompoc City Council (i) adopt Resolution No. 5694(11) and (ii) authorize the Mayor, on behalf of the City Council, to sign the "Coalition Sign-Up Form", and endorse the League of California Cities letter to Governor Brown and the Legislature opposing the elimination of redevelopment agencies.

BACKGROUND:

The California Redevelopment Association has requested cities to consider adopting a resolution opposing the elimination of redevelopment and transferring of local tax increment revenue to the State and other local agencies. The League of California Cities has requested that each city sign and submit the attached "Coalition Sign-Up Form", and League sign-on letter, indicating city opposition to any elimination of redevelopment in the proposed state FY 2011-12 budget.

DISCUSSION:

On January 10, 2011, Governor Brown released his FY 2011-12 state budget proposal. The Governor's budget calls for the elimination of redevelopment agencies to save \$1.7 billion, as well as the realignment of state services such as fire, court security, community-based corrections, mental health services, foster care, and adult protective services to local government, which would include reductions to public library funding.

In response, the League of California Cities issued its "January Budget Talking Points" which set forth the following positions:

"Californians have repeatedly voted to make sure that local funds remain local. In November the voters approved Proposition 22, once again confirming they want those funds to pay for services and programs in the communities. (61% of voters supported Prop. 22, a constitutional amendment that 'Prohibits the state from borrowing or taking funds used for transportation, redevelopment or local government projects and services.')

Redevelopment and enterprise zones are the state's biggest job creation. They revitalize depressed areas, spur job growth and taxes, and promote the kind of infill development encouraged by recent state policies. (Redevelopment is California's single biggest job creation program.)

Redevelopment and enterprise zones fundamentally boost the economy and benefit the hardest hit areas of our state.

According to the California Redevelopment Association and the State Building and Construction Trades Council of California, AFL-CIO, if Governor Brown's budget is adopted, it will:

- kill 300,000 jobs a year provided by redevelopment projects, most of them construction jobs;
- encourage sprawl development and increase greenhouse gas emissions in the future, and limit the construction of affordable housing; and
- deprive the state and local agencies of \$2 billion in new revenues from these projects."

CONCLUSION:

Staff recommends the City Council:

1. Adopt Resolution No. 5694(11) and
2. Authorize the Mayor to sign the attached "Coalition Sign-Up Form", and endorse the League letter to Governor Brown and the Legislature, indicating Lompoc's opposition to the abolishment of redevelopment.

Respectfully submitted,

Laurel M. Barcelona
City Administrator

Attachments:

- [Resolution No. 5694\(11\)](#)
- [Coalition Sign-Up Form \(I OPPOSE the State's Proposal to Abolish Redevelopment\)](#)
- [League of California Cities Letter to Governor Brown, California State Senators, and California State Assembly Members, opposing eliminating redevelopment](#)