

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: Honorable City Council

FROM: David C. Moe II, Redevelopment Manager *D. Moe*

DATE: February 17, 2011 (CC Meeting of 3/2/11)

SUBJECT: Consider Adopting Resolution Opposing Governor Brown's Proposal to Eliminate Redevelopment Agencies

BACKGROUND AND DISCUSSION

On February 16, 2011, the City Council received a report from staff detailing the financial impact of the loss of the Redevelopment Agency of the City of Moorpark ("Agency") would have on the City of Moorpark ("City"). After discussing the impacts of the loss of Agency investment in the Moorpark Project Area and reduction in City General Fund revenue, the City Council directed staff to prepare a resolution to formalize the City's opposition to Governor Brown's budget proposal.

Attached to this report is a resolution opposing Governor Brown's budget proposal and the elimination of redevelopment agencies.

FISCAL IMPACT

None.

STAFF RECOMMENDATION

Adopt Resolution No. 2011 - _____.

Attachment A: Resolution No. 2011- _____

Attachment A

RESOLUTION NO. 2011-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA IN OPPOSITION TO THE GOVERNOR'S BUDGET PROPOSAL TO ABOLISH REDEVELOPMENT AGENCIES IN CALIFORNIA

WHEREAS, as part of his 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 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 future 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 Moorpark, abolishing redevelopment will eliminate current or planned programs and activities including but not limited to Downtown Façade Improvement Loan Program, Commercial Revolving Loan Fund, High Street Arts Center, High Street Streetscape Project, Walnut Canyon Affordable Housing Project, Home Rehabilitation Assistance Program, Millard Storm Drain Project, Railroad Crossing Improvements at Spring Road, Conversion of North Metrolink Parking Lot to Downtown Parking, and Relocation of the Metrolink Holdover Lot; 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 agencies 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 agencies will greatly curtail 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 in California since 1993; and

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

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City of Moorpark formally opposes the Governor's budget proposal to abolish redevelopment in California.

SECTION 2. The City Council authorizes the City Manager to send this resolution to Governor Jerry Brown, Senator Tony Strickland, Assembly Member Jeff Gorell, and members of State and Assembly committees considering the proposal to eliminate redevelopment agencies.

SECTION 3. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original Resolutions.

PASSED AND ADOPTED this ____ day of February, 2011.

Janice S. Parvin, Mayor

ATTEST:

Maureen Benson, City Clerk