

**FORT ORD REUSE AUTHORITY RESOLUTION NO. 11-01
IN OPPOSITION TO THE ADMINISTRATION'S PROPOSAL TO ABOLISH REDEVELOPMENT
AGENCIES IN CALIFORNIA**

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

WHEREAS, this proposal brings limited financial benefit to the State of California and 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 likely result in immense detrimental impacts to local economic development throughout California, as 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 former military base 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 removes an important tool for the creation 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, eliminating access to the critical redevelopment financing tools further exacerbates the problems encountered by redevelopment authorities in recovering from the economic disparity experienced by local communities impacted by federal military base closures. Reuse Authorities are the single most effective way to build state recovery from the severe economic impacts of the past two decades currently fostering programs that will significantly increase jobs and housing; and

WHEREAS, state law enabled the Fort Ord Reuse Authority ("FORA") to use redevelopment financing to assist in the reuse/recovery programs and eliminating redevelopment as a financing tool will significantly inhibit (\$1M per year) FORA's ability to complete its State mandated obligations.

THEREFORE, BE IT RESOLVED that the Fort Ord Reuse Authority formally opposes the Administration's proposal to abolish redevelopment on former military bases in California.

THEREFORE, BE IT FURTHER RESOLVED, that the Fort Ord Reuse Authority Board authorizes its staff to communicate its opposition to this proposal to the Governor, the Legislature, business groups, and citizens.

PASSED AND ADOPTED this 11th day of February 2011 by the following vote:

AYES – 13 Chair/Director Potter, Director O'Connell, Director, Edelen, Director McCloud, Director Brown, Director Cook, Director Parker, Director Kampe, Director Barrera, Director Selfridge, Director Pendergrass, Director Oglesby, Director Bachofner.

NOES: -0-

ABSTENTIONS: -0-

ABSENT: -0-

DATED 2-11-11

BY 
Dave Potter
Chair, Board of Directors
Fort Ord Reuse Authority