

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, IN OPPOSITION TO GOVERNOR BROWN'S PROPOSAL TO ABOLISH REDEVELOPMENT AGENCIES IN THE STATE OF 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 negatively impact local economic development, including hundreds of thousands of jobs and billions of dollars in local economic activity throughout California; 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 negatively impact 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 Palm Springs formally opposes Governor Brown's proposal to abolish redevelopment in California.

THEREFORE, BE IT FURTHER RESOLVED, that the City Council of the City of Palm Springs, authorizes the City Council and City Staff to communicate its opposition to this proposal to the Governor, the Legislature, business groups, and citizens.

PASSED, APPROVED AND ADOPTED BY THE PALM SPRINGS CITY COUNCIL THIS  
2<sup>ND</sup> DAY OF FEBRUARY, 2011.

\_\_\_\_\_  
DAVID H. READY, CITY MANAGER

ATTEST:

\_\_\_\_\_  
JAMES THOMPSON, CITY CLERK

CERTIFICATION

STATE OF CALIFORNIA     )  
COUNTY OF RIVERSIDE    ) ss.  
CITY OF PALM SPRINGS     )

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. \_\_\_\_\_ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on the 2<sup>nd</sup> day of February, 2011, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
JAMES THOMPSON, CITY CLERK  
City of Palm Springs, California