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News Clerks Should Know:

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[Please share with your City Council Members, City Manager, Finance Director and Key Redevelopment Agency Staff]

CITY OFFICIALS VOW TO FIGHT GOVERNOR'S PLAN TO ELIMINATE REDEVELOPMENT AND TAKE LOCAL FUNDING
Proposed Budget Violates Recently-Approved Constitutional Amendment in Proposition 22

YOUR CALL TO YOUR LEGISLATORS ARE NEEDED RIGHT AWAY! As you are aware, Governor Jerry Brown delivered one of the toughest budget proposals in history – one that contains many proposals worth serious consideration. However, it included a proposal that violates the will of the voters who supported Proposition 22 in the November election. The constitutional amendment passed overwhelmingly by 61 percent of the vote.

City officials have reacted with outrage that the state is once again seeking to take funding from local governments.

Proposition 22 was designed to prevent “state politicians in Sacramento from seizing, diverting, shifting, borrowing, transferring, suspending or otherwise taking or interfering with tax revenues dedicated.....” to vital local programs and services.

The measure specifically prohibits the state from requiring a community redevelopment agency to remit property tax to or for the benefit of the state or any other jurisdiction *directly or indirectly*. Proposition 22 states clearly that it shall be liberally construed to effectuate its purpose of prohibiting the state from taking or borrowing these revenues. The proposal raises other constitutional issues as well.

The League requests this proposal be further vetted on constitutional grounds and encourages the Governor and legislators to reflect on what the voters have repeatedly communicated at the ballot box on the importance of protecting local government funding.

The California Redevelopment Association and the State Building and Construction Trades Council of California, AFL-CIO have issued statements yesterday identifying redevelopment's contributions to the state, and the losses that will result should the Governor's proposed budget be adopted.

Please use the attached talking points in working with the press, your legislators, and/or coalition member contacts.



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January Budget Talking Points

- City officials encourage Gov. Brown to carefully consider the constitutional and economic implications of enacting the budget he proposed on Monday.
- City officials are outraged by the Governor's budget proposal to eliminate redevelopment agencies. The proposal violates the will of California voters, is unconstitutional, and takes California in the wrong direction economically.
- 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 their 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 Gov. Brown's budget is adopted it will:
 - It will kill 300,000 jobs a year provided by redevelopment projects, most of them construction jobs;
 - It will encourage sprawl development and increase greenhouse gas emissions in the future and limit the construction of affordable housing; and
 - It will deprive the state and local agencies of \$2 billion in new revenues from these projects.