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Mayor Lobbies Sacramento to Not Take Redevelopment Funds

By Cathy Tyson

As the record breaking budget impasse looks like it may be coming to a close in Sacramento, Lafayette's Mayor Mike Anderson urged Governor Schwarzenegger, Senator Tom Torlakson and Assembly Member Loni Hancock to not dip into city redevelopment money to help balance the state budget. At press time, more than two months past their deadline, Republican and Democratic leaders say they have reached a compromise, but are mum on the details. At issue is the state's \$17.2 billion deficit. Three plans were being debated: one from the Governor and one from each party. Obviously there are many items on the table, but what would directly affect Lafayette are redevelopment funds proposals. In prior budget proposals, Schwarzenegger's and the Republican's plan shifts 5% of redevelopment funds to schools and community colleges. The Republican plan also redirected funds set aside for low income housing. Democrats proposed a much smaller shift of redevelopment funds to schools and community colleges totaling \$98 million. "The total hit to Lafayette could be well above \$500,000! Obviously these funds not only provide jobs and stimulate local economies, but - statewide- generate an estimated 310,000 good-paying jobs, \$32 billion in total economic activity and \$1.6 billion in state and local taxes each year," said City Manager Steve Falk. In an open letter dated September 4, 2008 to Schwarzenegger, Torlakson and Hancock Anderson states, "The development of a long term solution for our budget crisis cannot be based upon the pilfering of funds designated for the redevelopment of our local communities. Balancing the State budget in this way is not in California's long term interest and will, instead, wreak long term damage on the Sate and further dim California's future financial prospects." "For the State to raid local redevelopment funds now is akin to farmers eating their seed corn. It might result in a "full belly" but will ultimately result in starvation. I urge you to resist the temptation to take the easy way out and instead stand firm for genuine, long lasting fiscal reform..." To see the entire letter, go to the Lafayette City website www.lovelafayette.org and click on the City Manager's Weekly Message, and scroll down to "State of the State."

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