

Important Community Update

Court Eliminates Redevelopment Agencies in California

On December 29, 2011, the California Supreme Court announced its decision regarding redevelopment. The Court decision eliminates all redevelopment agencies in California effective February 1st.

Most people even slightly familiar with Santa Fe Springs know that we are a unique City that has nurtured a thriving and prosperous business community, which has generated the fiscal resources to provide top-quality community programs and services to its residents. The “marriage” between businesses and residents is one that has defined us as a community, and one that has served both parties very well over our 50 plus years of existence. Sadly, the State Supreme Court’s decision cuts at the heart of that model of governance and threatens to fundamentally change the way business is conducted in Santa Fe Springs.

Right now, we are reviewing and analyzing the impact of the Court’s ruling on our community, our City, and our employees. The City has received approximately \$30 million a year in so called “tax increment” through redevelopment, which has been used over the years to fund civic events and more importantly, to fund public works projects. In addition, projects such as the recently completed Library modernization and nearly completed Gus Velasco Neighborhood Center projects are examples of projects paid for with redevelopment funds. More importantly, nearly all City Capital Improvement projects, including infrastructure improvement projects, are funded using redevelopment dollars.



The transformation of the 54-acre oil field area into the beautifully planned residential community, the Villages at Heritage Springs on Telegraph Road is an example of the key role redevelopment plays in facilitating projects in the City.



We have aggressively advocated in Sacramento for additional time to implement the unwinding of the Redevelopment Agency, and we will also participate in any and all state-wide initiatives to reestablish the much needed economic development and job generation programs our cities need. We are still hopeful that the impacts can be minimized, but we do not expect the funding to be restored in a significant way. During the coming weeks, the City will be faced with making some difficult decisions. The City will likely have to implement service cuts and labor reductions. Please know that, whatever happens, the health and safety of the City and its residents will not be compromised.

We have extreme confidence that our community will be able to work together to get through this crisis, just as it has done in previous challenges.

Yes, redevelopment created Santa Fe Springs, but it is the commitment and dedication to civic betterment on the part of its residents that has made Santa Fe Springs the special community that it is. The elimination of redevelopment cannot/and will not diminish that commitment.

We will continue to update you on our implementation strategy and the efforts on behalf of our community to maintain housing and redevelopment programs and projects.

Cordially,
Thaddeus McCormack
City Manager