
"Protecting the Community from Redevelopment abuse"

**ADVOCATES FOR AFFORDABLE HOUSING
AND SUPPORTERS OF STRONG NEIGHBORHOODS**

Are we being served by SJ RDA or are we being used by SJ RDA?

The Agency has been in existence for over 40 years. If it is the vehicle to provide affordable housing, why hasn't it done so – why hasn't our housing problem been solved?

The Agency realized more than two years ago that it would be out of existence by 2004 unless it could find a way to extend its life – it came up with the plan for Strong Neighborhood Initiative to merge 1/3 of the City of San Jose into the Redevelopment Area and keep the Agency alive.

The Agency has over 130 employees and an operating budget of \$24 million a year. It spends over \$170 million to service its bonded indebtedness of over \$4 BILLION – none of which was voted upon by the citizens of San Jose.

In an attempt to save its life, the Agency and the Mayor have threatened us that if the governor's budget plan is passed and he is able to get RDA funds, affordable housing and neighborhood spending would be eliminated.

Why are our funds being eliminated while the Agency is still committed to fight to take the Tropicana from its owners by eminent domain and to give \$50 million to out-of-town developer Blake Hunt as a subsidy to take over the Center from its owners and to tear down a renovated building?

Why are our funds being eliminated while the Agency agrees to subsidies of millions of dollars for out-of-town restaurant chains and for a developer in the downtown when local business people are able and willing to pay to develop those same properties?

Why are our funds being taken while the Agency gives \$480,000 to a bakery to move into the Annex of the Fairmont Hotel (also subsidized by the Agency)?

Let us ask the Governor to preserve and secure, in his budget plan, all funds committed to Affordable Housing and Neighborhoods in local jurisdictions and we will agree that all other RDA funds can be used to help eliminate the current budget crisis while we, as citizens of San Jose, reevaluate the future of the local Redevelopment Agency and its functions.

Let us demand that the \$24 million operating budget of the local RDA and the \$50 million subsidy for the taking of the Tropicana be immediately reallocated for truly Affordable Housing and for the Neighborhoods.