

## **REDEVELOPMENT: WHY SERIOUS QUESTIONS ARE BEING ASKED**

Current redevelopment practice is a far cry from what was originally intended by California law enacted in 1945, 1951, and 1952:

- "Urban blight," for example, has become an elastic definition
- The bonded indebtedness of cities and counties grows by leaps and bounds
- Redevelopment's cut of property taxes takes slices out of school funds and other necessary public services such as police and fire protection
- The concept of "public use" which was essential to the original constitutional definition of eminent domain has been twisted for financial gain.

## **THESE ARE 4 CONTROVERSIAL ISSUES THAT WE QUESTION:**

**TAX INCREMENT FINANCING.** This diversion of property taxes to redevelopment use taxes money from basic local services resulting in under-funded schools, community colleges, libraries, police and fire departments. Often special assessment taxes are then charged to pay for these services.

**BLIGHT** has been loosely defined by redevelopment agencies to justify (without voter or property owner approval) project areas that include broadened powers of eminent domain. The American Planning Association has stated "in many cases the 'blights' to be eliminated are not the grotesque living conditions or deteriorated industrial areas planners thought urban renewal should address in the '50s and '60s but simply under-performing commercial areas" or underutilized residential areas.

**EMINENT DOMAIN.** Government has the right to acquire land for "public use", that is for schools, parks, roads, police and fire stations. Redevelopment agencies have stretched the definition of "public use" to allow the taking of private property and businesses for projects such as shopping centers, auto malls, movie theaters, luxury condominiums and town-houses - specifically, this new "public use" is a way to take private property from one owner to benefit another private owner.

**WHO CONTROLS REDEVELOPMENT AGENCIES?** Local government use non-housing redevelopment projects to increase sales taxes, the fastest growing source of city revenue. By developing chain restaurants, shopping centers, auto malls or business parks, property taxes and other city taxes increase. In San Jose, the city Council acts as the Redevelopment board. Yet redevelopment decisions are not directly offered for voter approval. Redevelopment agencies can issue bonds without voter approval... and so the cycle continues.