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What's Happening with Redevelopment in Lafayette?

By Cathy Tyson

With Governor Jerry Brown's proposal to eliminate redevelopment agencies in California, cities across the state are scrambling to commit funds so they will be beyond the long arm of Sacramento.

Lafayette, the only city in Lamorinda that has a Redevelopment Agency, is not thrilled at the prospect. At the moment, it's unclear if Governor Brown's proposal will remain or may evolve. If adopted, and passed by the legislature it would save about 2% of the state budget.

In a nutshell redevelopment programs allow local governments to borrow against future property tax increases in designated redevelopment areas. That money can be used for projects that would spur economic development, create jobs and benefit the community.

It was just last November that California voters passed Proposition 22, which demanded an end to the raid of local government funds. The League of California Cities is looking into whether Brown's proposal is legal, especially just months after the passage of Prop. 22.

In Lafayette, Redevelopment money is responsible in part for the Mercantile Building, the Veterans Hall and the Library and Learning Center. Outside of Lafayette, redevelopment money helped pave the way for the new and improved downtown Pleasant Hill and IKEA, along with six other projects in Emeryville.

According to the City of Emeryville, "These seven major redevelopment projects have generated \$35 million in property tax revenue for the Redevelopment Agency, \$25 million in sales tax revenue, and have created 7,600 jobs. These revenues represent \$15 returned in tax revenue for every \$1 of Redevelopment Agency investment."

"The silver lining is this would be a lot worse if we were in the middle of a project," said Administrative Services Director Tracy Robinson. "Everything is very up in the air right now." Most of Lafayette's redevelopment money is committed to pay off bond debt and loans from the Library project.

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