



Redevelopment. Building Better Communities.

California has more than 386 active redevelopment agencies in communities throughout the state. While they are probably the least understood local government entities, redevelopment agencies represent the most important tool a community has to help breathe new life into areas in need of revitalization, economic development and new opportunity. Redevelopment activities create jobs and expand opportunities for business, provide affordable housing and homeownership opportunities for families most in need, reduce crime, improve infrastructure, and lead cleanup of environmentally-threatened and rundown areas. Below are some key facts about redevelopment agencies and their contributions to California communities.

Redevelopment. Without it, important community projects don't get done.

An abandoned gas station doesn't turn into retail space overnight and affordable housing doesn't build itself. Revitalization of deteriorated areas doesn't just happen – someone has to make it happen. **The core function of redevelopment agencies is to serve as the catalyst for community revitalization projects in which the private sector otherwise would not be involved.**

Reflecting the community's needs:

Redevelopment agencies are local government entities usually controlled by the city council, county board of supervisors or a separate appointed board (all accountable to the public). Because they are locally-governed, redevelopment agencies are in the best position to identify exactly what a community needs and to work with private investors on local projects to meet those needs.

How it works:

When redevelopment agencies make improvements to deteriorated areas, property values within those areas rise, resulting in an increase in property tax revenues. State law allows redevelopment agencies to use a portion of this increase to repay debt they must incur in order to rehabilitate an area. Redevelopment agencies use these funds to acquire property, build public improvements and infrastructure, clean-up contaminated soil and do other things necessary to improve the conditions of the property. Redevelopment's commitment of funds attracts private investment and creates a chain reaction where the ultimate economic output is larger than the original public investment.

In Your Community, Redevelopment is:

- ✓ Affordable housing and homeownership opportunities
- ✓ Revived business districts and downtowns
- ✓ Revitalization of rundown neighborhoods
- ✓ Crime reduction
- ✓ Improvements to streets, lighting, sewers and water lines
- ✓ Clean-up of contaminated property
- ✓ Community centers
- ✓ Parks
- ✓ Libraries
- ✓ Fire stations, police stations and other public facilities
- ✓ Neighborhood beautification such as upgrading facades and sidewalks

Redevelopment By the Numbers:

\$31.84 billion. Redevelopment's economic contribution to California in 2003.

\$14. Every \$1 of redevelopment agency spending generates nearly \$14 in total economic activity.

310,000. Full and part time jobs created in just one year (2002-03).

71,127 units of affordable housing built or rehabilitated since 1994 by redevelopment agencies.

20,048 units of low and moderate income housing expected to be built or refurbished over the next two years.

\$1.58 billion. State and local taxes generated through redevelopment construction activities in 2003.

20% of property tax revenues generated from redevelopment activities must be used to increase supply of affordable housing.

2nd largest funder of affordable housing in California after the federal government.

Without the initial investment from redevelopment agencies, many important community projects simply would not happen -- leaving communities still plagued by deterioration, crime and poor economic and social conditions.

