



REDEVELOPMENT AGENCY FACT SHEET

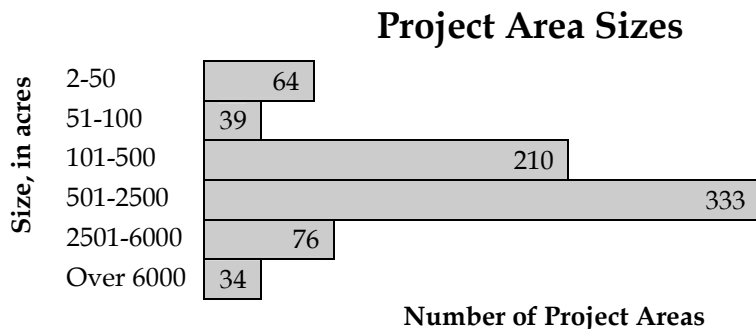
-- Senate Local Government Committee, October 2009 --



California has 425 community redevelopment agencies, 398 of which are active. Together they encompass 756 project areas. Local officials have created over 200 new agencies and over 500 project areas since 1980. They have dissolved about two dozen since 1952, when redevelopment started.

Purpose and Powers - Local officials establish redevelopment agencies to **eliminate economic and physical blight**. To accomplish this task, state law gives redevelopment agencies **two extraordinary powers: property tax increment financing and property management powers (eminent domain)**. Tax increment financing works by transferring increased property tax revenues, generated by rising property values in the project area, from other local governments to the redevelopment agency. **Agencies must set-aside 20% of their property tax increment revenues for affordable housing.**

Number of Agencies - Of California's 480 cities, 388 (81%) have redevelopment agencies, although 22 are inactive. Of California's 58 counties, 31 (53%) have redevelopment agencies; six are inactive. Of the 172 cities with populations over 50,000, 90% have active redevelopment agencies. Los Angeles County has 74 redevelopment agencies within its borders. San Bernardino County has 27 agencies and Riverside has 26. Seven counties (Alpine, Colusa, Mariposa, Modoc, Mono, Sierra, and Trinity) have no redevelopment agencies within their borders.



Project Area	Acres
George AFB (Victor Valley)	85,128
Sierra Army Depot (Lassen County)	32,188
Parque Del Norte (Irwindale)	2
Ranch Center (Azusa)	1

Governance - State law says that every community has a redevelopment agency which becomes active when the city council or county board of supervisors adopts an ordinance declaring a need for the agency. **Once established, the agency is a separate government agency, although more than 97% of the redevelopment agencies are governed by the city councils or county supervisors that created them.** In the remaining communities, an appointed body governs the redevelopment agency.

Redevelopment Agency Fact Sheet Continued

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2007-08 Redevelopment Revenues and Expenditures

(Source: State Controller)

Total agency revenues and other financing = \$10.2B

- Tax increment revenues = \$5.4 billion
- Proceeds of long-term debt = \$2.2 billion
- Proceeds of refunding bonds = \$726 million
- Interest income = \$641 million
- Other = \$1.2 billion

Tax increment revenues 53%
Proceeds of long-term debt 22%
Proceeds of refunding bonds 7%
Interest income 6%
Other 12%

Total agency expenditures = \$8.3B

- Project improvements = \$1.4 billion
- Interest = \$1.3 billion
- Long-term debt principal = \$1 billion
- Administration = \$689 million
- Other = \$3.9 billion

Project improvements 17%
Interest 16%
Long-term debt principal 12%
Administration 8%
Other 47%