



*Santa Fe Springs before and after Community Redevelopment Agency projects.*

## City Wins Prestigious Award of Excellence from California Redevelopment Association

The City of Santa Fe Springs won the California Redevelopment Association's 2012 Award of Excellence in the Special Citation category for the project titled "Oil Field Transformation – Preparing for the Villages at Heritage Springs". Specifically, this award recognizes the brownfield reclamation of the former 54-acre oil field area and the indispensable role of redevelopment to accomplish this transformation to a 546-unit

## Update on the Status of Redevelopment

On December 29, 2011, the California Supreme Court ruled in the redevelopment litigation, *CRA v. Matosantos*. The Court upheld ABX1 26 (the redevelopment "elimination" bill), but struck down ABX1 27, the bill that would have allowed agencies to remain in operation as long as they made a payment to the state of \$1.7 billion (collectively).

The effect of the Court's decision is that, as it stands now, on February 1, 2012, the City's Community Development Commission (CDC) will cease to exist.

This ruling will create a fundamental shift in the way the City conducts business. The City of Santa Fe Springs has long been known as a business-friendly City, and redevelopment dollars have given us the tools to back that attitude with action. In addition, projects such as the recently completed Library Modernization and nearly completed Gus Velasco Neighborhood Center project are examples of projects paid for with redevelopment funds. More importantly, nearly all City Capital Improvement projects, including infrastructure improvement projects, are funded using redevelopment dollars.

While the City had anticipated the possibility of this worst case scenario, it certainly was not the outcome for which we hoped. On top of the seemingly devastating loss of \$30 million in tax-increment, is the patently untenable time frame which the Court's decision entails. Accordingly, the City is urging everyone to contact their Assembly and State Senate representatives to ask for support of SB 659 (Padilla) which will extend the elimination deadline from February 1 to mid-April, thus allowing time for affected parties to craft some type of redevelopment restoration.

In closing, please note that we can not overstate the catastrophic implications of the State Legislature's foolhardy actions. Nonetheless, please know that the relationship between the City and the business community always has been and will remain a defining aspect of our wonderful community. Now more than ever we must work together to ensure that Santa Fe Springs continues to be the great place to live, work and play, that it has always been.

A significant funding source has been taken away from us, but our needs are unchanged. Finding a way to continue meeting the needs of the business community remains a top priority. We look forward to working with you closely to forge a new Santa Fe Springs; one without redevelopment, but a Santa Fe Springs with the same commitment to commerce, community, and culture that we have always had.

The City encourages businesses in Santa Fe Springs to write a letter to their legislators and the Governor informing them of the impact this will have in their community. Sample letters, phone, and fax numbers for our local Assemblymember, State Senator, and Governor, can be obtained by calling the City at 868-0511, ext. 7538 or the chamber office at 944-1616.

Bill Rounds  
Mayor

Thaddeus McCormack  
City Manager

**MAKE YOUR BUSINESS A WINNER!**