



Our Letter

December 5, 1983

OUR LETTER No.1

BLIGHT BY PLANNING

reference: Redevelopment Project for Southeast
Vallejo, Solano County, California

Dear Friend,

A Vallejo City Council discussion and public hearing will be held on 12-19-1983 on a redevelopment matter, more particularly the Southeast Vallejo Redevelopment Project. **This should be discussed openly and well in advance of this plan being finally adopted by the Redevelopment Agency.**

Early last month the Redevelopment Department Director talked personally about this project being "on the back burner". Then more recently Department staff called announced that this matter would be heard by City Council in the very near future. What is this about? Could the public be informed in advance on this matter before it goes to City Council for their action; before it goes to the Redevelopment Agency for their final action?

Sending Redevelopment Department personnel out into the field to explain this Project to potentially affected non-Vallejoans and groups outside City Limits may be laudable. But this is done without notice to any of the City's Community Development Commission. We can be assured that the Redevelopment Department's point of view will be well represented. Perhaps Redevelopment Agency members are already fully informed about the ramifications of the project. **What about those people living inside Vallejo City limits? Could they similarly be informed?**

The action of labeling 3,000 as yet unbuilt homes inside City Limits as "blighted" in the potentially beautiful Glen Cove Area in order for a special project to be beautified is contradictory. How does "blight" make beauty? For people working in City Hall this may not be a contradiction.

As described there is to be well over \$150,000,000.00 worth of property yet to be built in this project AND the annual yearly property taxes on these 3,000 homes will be in excess of \$1.5 million. Every year over \$1,500,000 is to be siphoned out of what would otherwise go into the general fund revenues of city and county? We

have heard at previous public meetings that County Counsel and the Redevelopment Department have "negotiated" that County (and City) will be "allowed" to keep about 35% of the net taxes on these property improvements as they are built. But what are these special redevelopment funds, at over a million dollars every year, needed for?

This million dollars plus per year will be to make "improvements" in special areas. Many of these special "rundown" areas appear to be outside City Limits. Furthermore these monies, at least initially, are for areas where the residents are not asking for improvements and indeed are quite (properly?) suspicious. In some cases we hear resentment about this project. "Why fix it if it ain't broke?"

Once the Vallejo City Council (and Solano County Board of Supervisors) have voted for this "capture" of \$1.5 million the local elected Council members will have permanently locked themselves out of all control into the future as far as can be seen with the naked eye. "Redevelopment" once voted in is like the "escapement" mechanism of a watch. There ain't no turning back ... for a long, long time, if ever. How many Redevelopment projects have you ever seen concluded, closed out, completed?

I refer here to the Redevelopment Department more than the "governing" Agency because the Agency members come and then go as elections come and go. But Redevelopment Department personnel just keep right on rolling along. Recall, they are Civil Servants. And our civil servants as you well know, are the ones who, among other things, educate new Agency members when they are elected and seated. I personally am quite impressed when they tell them what the commissioners can do and what they can't do: how ably these civil servants helped Community Development Department Commissioners write their own bylaws.

* * * *

CEQA requirements for environment impact report? Doesn't this California act refer to mitigation of adverse environmental impacts, both physical and social environment. On what basis is a no adverse impact, a "negative declaration" statement issued? How does the City of Vallejo Council (and Solano Board of Supervisors) propose to mitigate this loss of one million dollars plus per year in tax revenues from their general revenue funds? How do these bodies propose to support the basic City and County services within their budgets as new people come in, to purchase, then live in these houses as they get built? If we can believe our City Manager and County Administrator the budgets are already now stretched past prudence and go to their very limits (if not over).

Every time a Redevelopment Project is voted into place by our elected representatives, they are in fact voting themselves out of control of those funds. Oh sure "Agency and Council" members now are the same people but the discretionary voting power over the use of

these funds so affected is questionable if still present. Are they no longer discretionary funds over which a free people and their representatives have any discretionary use? Redevelopment funds are pre-designated.

Did Council have any discretionary power over the \$90,000 additional put into "beautifying" the Avenue of the Flags this fiscal year? This Beauty item was hardly mentioned at the spring budget hearings.

When elected representatives vote themselves out of control of their own discretionary powers then they are effectively voting away representative government. Even as this is written the City Council has discretionary power over no more than 50% of its funds. 50% of the City funds are "entitlements" even before City police, fire, public works.

This 50% of entitlements could I suppose, be dismissed as "pass through" funds, e.g. Federal Community Development Block Grant funds, rehab loans, section 8s, section 22s, etc. The point is the elected City representatives themselves do not have discretionary power over those funds. How these funds will be spent is highly structured by Federal and State mandate. Sure Agency and Council are allowed to decide between the Flosden #1 or Flosden#2 or Flosden #3 plans, but that's it. For example, they are allowed to choose which lane in the freeway they will travel, but freedom of choice about itinerary, direction of travel, side trips, restroom stops are not allowed.

While sitting in on Vallejo public meetings when this particular redevelopment project has been presented one is left with the impression of having heard plausible, highly plausible, half-truths. For example, the argument that a new 1-780 overpass is needed at the Glen Cove and "Syufy Corners" has not been convincing. For each of the 3000 houses to be built the developer (and later the owner) will have to pony up \$5000 or more in additional city "impact" fees before the house can be occupied. (Bridge fees, Recreation District fees, School fees, etc.) Already here is another \$15,000,000.⁰⁰. What kind of a new overpass is being planned for Glen Cove? Why is a new overpass needed when one exists there presently? Isn't this talk of need for a NEW OVERPASS a bit inflationary and somewhat of an excuse for a redevelopment project?

I would hate to see this project rushed through during a period of time when a new Council member is getting his feet wet and especially during the personal rush of the Holiday Season. On the other hand I do know it's easier to persuade a novice recruit than most seasoned personnel. It is also true that some aspects of the Redevelopment law are being changed by legislation at the end of the year.

It does seem that the public deserves more awareness of the

significance of this project and its implications for the entire City of Vallejo and the County of Solano. Doesn't the "public benefit" include a more complete discussion of this matter. While it is clear that the Redevelopment Projects do make certain select areas more "aesthetically pleasing" for some individuals by today's standards, these projects also do narrow down the options of these and future council members for years into the future.

Is it possible City Planning Department and Redevelopment Department envisage 3000 additional homes and the announced Syufy Complex there generating enough additional sales tax and 7-1/2% city utility taxes to offset the loss of one million dollars and more a year from city-county property taxes?

It is clear that the Redevelopment Project and process are written to limit the choices of the people for between 1/2 and 2 generations: mortgaging the future, clouding the title of private property, disenfranchising present and future voters and their elected representatives. Are these the goals and priorities of this City Council? Such a goal and priority could only leave a brown streak on the image of the City of Vallejo, a city where the elected representatives reduce the freedoms of the individuals. What would it do to the image of the elected representatives who vote for it?

How would a hurried up passage of this project affect confidence of the voters in their representatives, in the Democratic Party? Will the new homeowners in these pre-designated "blight" areas be fully informed before hand of all the facts, accurately and without obscuring crucial details? **Will they understand the built in contention between their area of town and the other areas of town?** Will this Southeast Vallejo Redevelopment Project alleviate the need for the 7-1/2% utility tax that we inside Vallejo are now paying?

HOW and WHY is Title to property in a redevelopment project clouded? Is there some form of implicit understanding about the background of the development in the Glen Cove area? Many of us, friends and acquaintances, are aware of the fact that "Redevelopment" status does convey the advantage to developers of being able to get the City to float Mortgage Revenue Bonds for them at a significantly reduced interest rate. **Does this play a part in the hurry-up need to get southeast Vallejo into Redevelopment?** Who if anyone is to be designated as beneficiary of the 3% to 10% of the bonds, i.e. who will be getting the 3 to 10 points the developers will have to pay for these funds? Three to ten percent of \$150,000,000.00 is not an insignificant sum.

Vallejo City Manager recently spoke of the reasonableness on mortgage revenue bonds of "a 3% fee for the city. The public should benefit from the issuance of these bonds." Who is "the public" in this instance? Will the library be able to stay open more hours? Will our streets be fixed up faster? Water lines? Will sufficient pumping

facilities be installed in the Lake Dalwig area to prevent the massive Lemon Street area flooding like it had two years ago? Will **"the public"** receive even partial relief from the burdensome 7-1/2% utility tax? Will our streets be swept any more often?

So far the Southeast Vallejo Redevelopment Project would appear designed to prove the City cannot afford any more developments. The taxes from these houses as they are built and occupied would ordinarily be designated to pay for the basic community services required for the additional people who come to live INSIDE The City Limits and inside Solano County. With Redevelopment, an estimated 2/3rds of the property taxes from these houses are instead proposed to be "captured", "siphoned off" and pre-designated for beautification of this area ONLY instead of basic services. I doubt that the need for basic services will go away just because "Beauty" has appeared on the scene.

Although the minutes of the 10/04/83 Planning Commission meeting do not specifically reflect the statements made, it was discovered that many of the homes built by one developer will only have 15 foot deep backyards. The balance of their backyards will be on the other side of the fence and designated as open space. Is this being required to establish "blight" from the start ? The rationale given that night was, "to prevent people (owners, inhabitants) from trashing up their (own) backyards with old mattresses, weeds, old cars." What kind of talk is that? City arbitrarily, unilaterally taking away an individual's property before he even buys it, fencing him off from his own property and then forcing him to pay landscape maintenance district fees. For whose "Beautification" ambitions? Can school impact fees be justified when young children will have a mere 15 foot backyard strip to play in at home?

Blight by Planning? Are **we the people** satisfied to let our freedoms and land uses be taken away from us like this while we are still being taxed. The "need-to-control'ers" seem to have lost faith in their electorate. Is it that the City's officials no-longer believe in the individuals who will elect them, do not believe in the pride, productivity, and creativeness of the individual homeowner, developer?

Repeatedly we have heard from the Vallejo City Hall "We already have the legal authority (right) to do this" ... apparently with or without the public awareness, desirousness of it or not or whatever. The question asked here is who is the "we" they refer to? Have the elected representatives already in fact abrogated, delegated to City Employees the destiny of the City on this matter?

What is going on there in southeast Vallejo? What is the real "need" for a really big, new I-780 overpass? Have verbal agreements already been made? It's time the Council assured the public that the facts would not be obscured before something was all screwed up ahead

of time, if it was. One does wonder though, why are so many people touchy about this. Makes one feel there's more going on than just what's said. Is the current Marine World newspaper affair a smoke screen for this other really big "siphon" job.

Will there be a sales tax increase to offset the loss of revenue from the inclusion of that land in redevelopment? What kind of a development is going to go in there? by verbal agreement already? with whom? Before a responsible Vallejo City Council could pass this project into being they should demonstrate how they plan to mitigate the loss of revenue for required basic community necessities for the additional population scheduled to move into these three thousand homes. Probation Department, Welfare Department, Public Health, Mental Health, Public Works, Real Estate Planning, Police, Fire, Municipal and Superior Judiciary, etc. type services that are so liberally guaranteed at the municipal and county level. Are there more social plans in the works?

Nine hundred acres of beautiful rolling bare land (less what the governmental agencies have already required be deeded over to them for "public use") declared blighted before anything happens there? What recourse does the California Community Redevelopment Law provide to the citizens when City Hall "hurry up" ambitions for beauty, overpower good judgment about taking care of current and future basic necessities of the community; if there is that much leeway in City and County budgets? If so, most inhabitants of Vallejo would much rather have a rollback, a reduction in the 7-1/2% City Utility Tax.

Sincerely,
F.H. Ernst Jr. & F.H. Ernst III
Addresso'Set Publications

Copyright © 2009
Franklin "Harry" Ernst III

Permission is hereby granted to any person, magazine, newspaper, other periodical, or media to reprint this monograph in any single issue of the periodical in question, so long as two conditions are met: (1) the monograph is printed word for word, including diagrams, figures, and footnotes, and (2) the following reference is given at the bottom of the first page on which the reprinted article begins:

"This article is taken from **OUR LETTER No. 1**, titled **Blight By Planning**, December 5, 1983.
Published by Addresso'Set Publications, P.O. Box 3009, Vallejo, California 94590."