



Our Letter

Our Letter No.2
December 19, 1983

For the record
Re - Developing Southeast Vallejo

Dear Friend,

The Vallejo City Manager and the Solano County Administrator say their budgets are stretched to the limits, yet it is being proposed here that there is a million or more tax dollars leeway that can be siphoned off every year for "beautification" purposes. If indeed the intention of the City and County is to fix up current basic service deficiencies in the non-city portions then a one-time less than million dollars total would do it, as I listen. Basic services inside City limits; sewer, water, streets ? Again considerably less than a one-time one million total - Idora, Reis, Woodard neighborhood to prevent runoff flooding, etc.

The real governmental thrust of this project would seem to be the establishment of the additional onerous zoning restrictions and controls of the City of Vallejo Planning Department onto the area proposed. Nowhere in the entire proposal does it mention any government control except Vallejo Redevelopment Agency. The real estate property controls, the standards being proposed in the name of beautification and rehabilitation will all be those of the Vallejo City Planning Department, as I understand it. While the County Counsel and the County Supervisor for the area sound plausible on this matter talking to the area residents there is nothing in writing to protect the non-city residents from the expansive encroachments of the Vallejo City Planning Department and Planning Commission in the name of Beauty and becoming conforming to that set of policies.

Almost all the rhetoric heard on this project is in the form of promises - - .

In regard to the form of the project, the specific items to be carried out, any of what is to be done ? "It is (all?) still being negotiated." Sounds more like a political campaign and assailing the ears of the people with (political) promises in order to get voted into control- Very little, if any, of the proposal is firm, is in the form of a contract. We don't know what specifically we would be getting, "That will be decided later" after City and County approve it.

For some of us this project looks like a "cost plus" set of plans. All of the basic service deficiency improvements proposed could be accomplished for a fraction of the \$30,000,000 siphonage. One of the cost plus features is to be the administrative costs of the Redevelopment Department. I personally cannot see these coming in at less than a million - - overseeing the fund, the fund collections, the fund disbursements, overseeing the fund, contracts to arrange for, expenditures, the salaries, fringes, vacations, health insurances, social security, the administration of it, etc., etc., and over a proposed forty year period of time. If City and County mean it that they intend to fix up what has

been allowed to slip below City and County standards and for which ostensibly taxes for maintenance have already been collected then why the huge siphonage over and above these costs.

Glen Cove's 900 acres and 3700 homes out there ? 2900 have not yet been built. Skimming the cream of the property taxes off these as yet unbuilt homes to the tune of more than a million dollars a year ?

Of the 900 acres 45% of the land has already been stripped away from productivity and taxability. 320 acres open space, more for 2 parks, more for a school, more for San Francisco Bay Conservation District Commission's 100 foot strip. This is before any streets are laid out. Then Vallejo City Planning Department is requiring the backyards of the homes yet to be built to be fenced off from a significant portion of their own backyards - some to be left with as little as 15 feet of backyard - for a "landscape maintenance district." This is "to keep the owners from (trashing up the area) with old tires, mattresses and trash." These homes were to be high class high priced units sold to people who characteristically take pride in keeping up their individual private property. Planning Department's lack of trust in the individual there - their need to control all possible land areas private and public, by whatever means, is to be noted.

- Tax #1.** - The 45% of land taken away from owners does not contribute to the tax base and revenues either by sales tax or property tax.
- Tax #2.** - Landscape maintenance district taking portions of private property away from owners and charging owners for this maintenance.
- Tax #3.** - The 45% of land taken away from owners does not contribute to the tax base and revenues either by sales tax or property tax.
- Tax #4.** - Mitigation impact fees - bridges, schools, re-creating, \$3000 plus per home - about \$10,000,000 to be diverted from the purposes for which originally scheduled. This involves the re-appropriating of the local impact mitigation fees. "We don't know if we will need a school (in that area)." The bridge fees won't be needed there because the \$30,000,000 siphonage can take care of the overpass improvements and/or the proposed new additional overpass there. Recreational tax ? Doesn't GVRD already have about a 1000 undeveloped acres in its land bank, above the required 425 acres for this City of 100,000 ?
- TAX #5.** - Yearly siphoning off over \$1,000,000 of property taxes from local government revenue. That probably will require an additional local sales tax or other, once the Democratic legislature gets its way. Make no mistake about it, this \$1,000,000siphon act will be made up at the general taxpayers' expense.
- TAX # 6.** - The property tax itself at 1% of the value of each home.

Bridge : A new overpass ? Earlier this month city planning approved a rezoning and a general plan change for some of its own Vallejo City land plus some land owned by Syufy (Theatre) Enterprises in order to allow a commercial development there. Is the new overpass "needed" in order to accommodate a new "Syufy Corners," to make traffic room for the 6-7 theatre complex scheduled ? If so, why not say so ? Perhaps the sales tax increment to be generated there will offset the \$1,000,000 plus in annually captured revenue.

The most we are told about what firm benefits would be achieved is "Trust us!, Trust us !, Trust us !" Nothing is clear, nothing is defined, except (1)the plan to accumulate \$30,000,000, (2)free up the \$10,000,000 of new home "impact mitigation fees" from use in that area for which they were originally intended, (3)impose a 40 year control "capture" by Vallejo Planning Department of all rehabilitation, remodeling, exterior painting, allowable concrete area in the yards, all designs for new homes, down-zoning, prevention of multiple units, "aesthetics", banning of home occupations, etc., (4)the "need for the additional administrative fees for the Vallejo Redevelopment Director's Department, the Vallejo City Planning Department and the Vallejo Redevelopment Agency. (5)The proposed plan here has teeth (obligations, sanctions), some might call them fangs. "In the event the owner fails or refuses to sign the (Agency) required 'Owner Participation Agreement' .- or fails to carry out the agreement, -. (there will be) the imposition of the covenants of this Plan on the property by an action of the law" (Page 5, Section 406) What are called "agreements" sound more like the imposition of "planning" conditions and controls onto all the private properties in that area in order "to achieve conformity in land use." Ever attend a Vallejo Planning Commission meeting where these controls and restrictions are set in place ? Rarely does the individual's freedom with his property use prevail especially when he is ganged up on by "the neighborhood's" special interest groups.

Regardless of the "intention" of the personnel now in the position of responsibility for administration of such a project, it is ultimately the written law that determines what can or cannot be done to a person after the legal regulation is in place. It is difficult to rely on the "verbal intentions" of the personnel now because as the years go by the attitudes change, the staff changes and the residents change. Generally written and signed agreements prevail over verbal intentions. In any case if questions appear in the future as to intent, the individual property owners who question the intentions will need legal counsel to help them muddle their way through this murky area of the law. The law presently appears to be written to favor the government so that it can govern what the property owner can be ordered to do, what will be declared "illegal".

Another way of looking at this project is the following. Once in place it would operate as a shield for elected representatives. Instead of having to choose among priorities to vote for and fund, they could say " ... California Community Redevelopment law says (mandates) -. ." Local government thus by this project would vote itself out of control of the area and the funds it generates. They would have thus an established basis for not dispensing certain required services because of "insufficient funds." The intended goals of the project as "painted in broad brush strokes" are laudable such as eliminating "eyesores". It would appear on balance, however, that the City-County cannot afford all the "special projects" in "special areas" that are referred to. Even now the County Government employees

are beginning to storm the gates of the Board of Supervisors for their annual raises. If this is passed, how would the employees' demands be denied.

"The public input will be sought." In fact copies of the Redevelopment Agency agenda have been routinely scarce to absent in the City Council Chambers until these writers began 4 months ago to complain to City Attorney. Staff reports in the public agenda book ? Unknown, unavailable, totally missing and "no extra copies" for a year until last October '83 they began to be available. Freedom of information ?

In practice the Redevelopment Agency and Department has not been one of the better Departments when it comes to the public's unobstructed, un-obscured access to public information.

Sincerely,
Ernst & Ernst
Addresso' Set

P.S.

There are many opportunities and many roadblocks in the world. We want to show you some of those opportunities and some of the roadblocks.

What we are presenting here represents our best information, given the difficulty of obtaining local government information and the obscuring of certain data. (See also our letter of 12-5-83)

The accompanying 12-19-83 letter was written and submitted as part of the public record when City Hall considered the Southeast Vallejo Redevelopment Project that night. We learned then that this particular project is aimed principally to siphon off "new" property taxes of that area specifically collected for (teaching in) schools. By a California Legislative "loophole" those particular property taxes are apparently reapportionable to Redevelopment. The State treasury will be required to make up the difference. We are told the local Superintendent of Schools is going along with this.

It is clear this pass-through financing of "Beauty" was not the intent for which these school (educating) property taxes **were** levied. In local redevelopment hands these funds would be used instead in "special areas" and for "special projects" to "beautify", "rehabilitate" and "upgrade." The public works scheduled in this project would cost about 5% of the total take of the project and should

instead be done from City and County capital expenditure funds. Now that this Vallejo "intent" has been voted into place the County Board of Supervisors and staff can sit on this project until "negotiations are completed", whatever that means, then proceed on with the \$30,000,000 take and 40 year capture (and control) of the area.

For the uninitiated to creative local government financing this project addresses itself to 2 forms of taxing: A. The one time only new house fees of \$10,000,000 ("Impact mitigation fees" for bridges, new school buildings and recreating) and B. The yearly property taxes on the "new" development. By this Southeast Vallejo Redevelopment Project both sets of funds would be "freed up" from the specific uses and locales for which they were legislated, despite local government blandishments to the contrary. **Carried out on any scale across the State this could easily not only embarrass the Governor's budget, but bankrupt the State.** Private enterprise would never be allowed to proceed this loosely.

Let us know what you think about this letter and ideas presented. Have a Merry Christmas and a Happy New Year.

Sincerely,
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"This article is taken from ***OUR LETTER No. 2***, titled ***Redeveloping Southeast Vallejo***, December 19, 1983. Published by Addresso'Set Publications, P.O. Box 3009, Vallejo, California 94590."