

RDA Will Borrow & Cut To Pay State \$30 Million

by Ryan ZumMallen | Long Beach News | 08.24.09 | [f](#) [✉](#) [★](#) [📄](#) [📡](#) | Text Size: +

The Long Beach RDA today voted to borrow funding - that had been set aside - and cut future projects in order to make a mandated \$30 million payment to the state of California, according to a *Press-Telegram* article today by reporter Karen Robes Meeks. How will today's decision affect local services and projects that had been planned in Long Beach? Not positively. Say goodbye to funding that had been designated for several affordable housing projects, as well as improvements to the American Hotel and extra parking in Bixby Knolls.

[Click here](#) to read Robes Meeks' article. From the story:

Last month, California lawmakers approved a plan requiring redevelopment agencies to shell out \$1.7 billion to help close the state's budget gap. Agencies also may be expected to pay \$350 million toward the 2011 state budget.

The blow to Long Beach is \$36 million: \$30 million in 2010 and \$6 million in 2011.

The *District Weekly's* Dave Wielenga gives an insider perspective straight from this morning's RDA meeting and vote, calling for greater transparency and more time for community opinion to be heard, [in this article](#). He gets right to the point:

Brushing aside pleas from housing advocates for a delay that would allow public input and transparency, the Long Beach Redevelopment Agency voted unanimously this morning to use the city's entire \$20 million affordable-housing fund to pay the bulk of the \$30 million being taken by the state, then pay it back over the next five years.

"Thanks for coming out today," commissioner John Cross told a smattering of activists as well as residents who are struggling to find housing despite working one or even two jobs. "But I'm going to support the proposal."

The RDA cuts are going to hurt, no doubt, many who were depending on upcoming affordable housing projects that now seem to be delayed indefinitely, and for who knows how long. There are plenty of Long Beach agencies that work tirelessly to provide affordable housing opportunities to hard-working folks in need. The RDA is arguing that they had no choice but to raid the funds, just as the state has decided to raid theirs.

Doesn't it sound similar to the education issue Long Beach has been dealing with for the better part of a month?

With the CSU system facing massive budget cuts and preparing to cut enrollment throughout the state, they instituted a 20% tuition increase that was passed down to students. Shouts of protest were heard far and wide, but the CSU ultimately decided that it had no choice given the current climate. Budgets will suffer and people will be hurt, just as in the RDA situation.

More on this to come...

Long Beach

- LBPOST.com A Ryan ZumMallen the current and Long Beach news.

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September, 2009

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Comments

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Ibresident

We need to stop building low income housing anyway. Would have been nice to see the American Hotel improved though.

John Greet

We, as a society, should feel obligated to assist the poor in Long Beach, however I do not believe this obligation should be shouldered by, or coordinated through, government. Assisting the poor is a social and humanitarian mandate with its origins in religious, not secular, law. Thus our efforts in that area should likewise remain in the realm of voluntary assistance offered on a purely individual and charitable basis. Study after study has shown that when people are allowed to keep more of their own money (i.e. when less of their money is confiscated from them through taxation) they, in turn, become more charitable and are more willing to assist those less fortunate than themselves. It is also true that charitable organizations allocate their funds to assist the needy *far more efficiently* than any government agency ever has or ever will. If, as a society, it is truly our intent to assist the poor in Long Beach, we would be able to do a lot more of that if government wasn't involved in the transaction. Providing affordable housing should *not* be the responsibility of government. It is *everyone's* responsibility to shoulder as they -individually and voluntarily- are able, and not as government mandates that they must. The State does, indeed, require that 20% of these funds be reserved for affordable housing (33334.2 H&S) and we should quickly opt out of this voluntary RDA program and fund our fine City's redevelopment by other means thus protecting these funds from any further raids by the State.

CHARLIE

I think City Council made a wise decision indeed...

Lbresident1

This might be one way to get the government out of the housing business - cut it's funding. As a parallel, perhaps we should put the drug trafficking trade into the hands of the government. Let the government do for it what it has done for public housing - manage it into oblivion.

Sander

I wonder if this will impact the planned ArtExchange project.

chuck

What's Lowenthal doing for us?

Angel

Just a reminder of how we got here! The governor's refusal with support of Legislators to close tax loopholes, eliminate waste in private state contracts & big oil did not pay their fair share, were all bad decisions. These resources could have been used for State reserves & to avoid stealing from local governments & schools that have already cut & furloughed its employees. Why take from locals for your over-spending to support your special interests? The message to non-responsive representatives since all the cuts have disproportionately targeting the poor, old & students & local governments, why provide high salaries to political state offices. Close those offices for at least a month since no critical services will be missed. A 15% cut to ALL legislative/ state offices & its staff salaries & Commission stipends needs to be part of ANY budget agreement? This could have been the fiscally responsible thing to do!

John Greet

Angel: Waste most certainly exists and at ALL levels of government, not just the State. That which occurs at the federal level adversely impacts the States. That which occurs at the State level adversely impacts the counties and cities. And taxpayers, collectively, who should, through better informed and more intelligent voting, be better controlling all of this waste are doing little more than complaining about all of it. Fiscally conservative policies in government should be the rule, rather than the exception. Fiscally conservative policies should be applied during both bust AND boom economic times. Unfortunately most federal, State and local politicians of today wouldn't know a fiscally conservative policy if it jumped up and bit them in the butt. Those few legislators that do understand the critical importance of this proper approach to governance are too far outnumbered by those who do not to ever be able to achieve any productive change in their respective legislative bodies. This is not cynicism, it is reality, and the dismal state of our finances at all levels of

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government, including here in Long Beach, is the proof of it. At the end of the day it is the voters who are responsible and no one else. We freely elected those who are taxing and spending us into oblivion and we fail to remove them from office the moment they start to do so. We, the voters, allow and enable all of it and until we stop doing both, fiscal bloodletting at all levels of government will continue.

lbresident

it is clear that "Angel" has never taken an economics class.

LB Boy

Government should, as LBresident1 says, get out of the housing business. Look what they did to a Long Beach icon, Acres of Books. A stable business that had operated in Long Beach since my grandmother was a girl. The city wanted to 'upgrade' the neighborhood and forced Acres out. A great number of patrons, including Ray Bradbury, were saddened at this cultural and business loss... and for what?! The building stands empty and now, the tax is lost and the bright a shiny plans of the RDA are lying in a smoldering heap. Government should stay our of directing AND subsidizing real estate development. Which leads to how we can REALLY balance our budget. Close the enormous loophole that allows commercial property to evade paying taxes on the present value. By writing contracts that distribute "ownership" amongst several people, property can be bought and sold without a re-appraisal. The State is losing mega millions in taxes because of this corporate real estate welfare. Why are they always talking about cutting from the working people and not about cutting from the largess to the owners? Because the owners control our goverment and our land and write the laws to benefit themselves. We need some civic leaders who will work for the public, not just the owners, and cut from the top, not the bottom.

seein the lite ...

to lbresident and those who wish to continue their argument... to the extent legislatures have put redevelopment affordable-housing set-asides in place, this is an old battle which your side lost. Society as a whole now is faced with a responsibility to divert some real estate tax dollars toward the production of housing stock which is priced within reach of moderate-, low-, very low- and extremely low-income residents. Long Beach has identified a need for several thousand units of such housing and the RDA sets aside dollars for creating that housing every year. In the course of the past 5 years, only 17% of that housing has been created in our city, while nearly 900% of the city's need for above-moderate-income housing has been built. Opinions to the contrary notwithstanding, the need for affordable housing exists in Long Beach today; it's not expected to go away any time soon, regardless of what lbresident thinks. While lbresident and others are pointing fingers at others and demanding nothing be done to adequately house lower-income LB residents, they might try pointing fingers at specific families and simply say, "It's YOU who shouldn't be living here."

lbresident

seeing the lite, if people would like to improve their housing situation I recommend they make better life choices and improve their ability to afford better housing. Also, a significant portion of the people who leverage the housing subsidies in LB did not previously live in LB. So your argument fails as we are mostly importing poverty, not helping those already here. Regardless, gov't shouldn't be in the business of housing people. That is why we have charity. Why don't you donate to one instead of advocating for stealing from others in the form of the tax code.

danny_g

lbresident, I have heard that opinion many times before but have never seen any data to suggest that affordable housing attracts people from outside Long Beach. Our city has one of the nation's worst overcrowding rates and AH is meant to ease that burden by providing homes to families living in poorly-maintained or overly-crowded conditions. I don't have any data to back that up, but neither do you. I just know that the dozens of families I've met who have taken advantage of affordable housing did so because they were living in crowded conditions. How many families have you personally spoken with that came to LB for the affordable housing? I would imagine none.

lbresident

Danny, according to LBHDC approximately 40% of the low income housing is filled with residents from cities other than Long Beach. To the broader point, if people are unhappy with their living situation they have the power to improve that condition. Why do you think so little of the people you are trying to help?

seein the lite ...

"'round and 'round she goes, where she stops nobody knows." Yes, there's evidence that some 40% of the original residents of the Family Commons apartments at the Villages of Cabrillo did not live in LB prior to move-in. There's also evidence that 90% of the original residents of Las Brisas affordable housing in Signal Hill did not live in SH prior to move-in. Care to take a guess where most of those families came from? Don't bother...I'll tell you: it was Long Beach. Let's wage another guessing game: what portion of people could improve their living conditions and afford a better place to live, if only they'd made better life choices? Answer: nearly all of us. I once knew a successful songwriter and was telling him how I could use \$100 because I was so broke at the time. He consoled me, "Y'know, I could use \$100,000 right now. Our problems are the same, mine just have more zeroes than yours do." Should the state help folks out? We can bellyache all we want, but that's already been decided. It's the old "teaching a pig to sing" dilemma... It doesn't do any good and it just irritates the pig.

George Bluth Sr.

There's always money in the banana stand...

Dear: George Bluth Sr.

Never promise Crazy a baby

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