



REDEVELOPMENT IN CALIFORNIA

SUPPORTS JOBS, FUELS THE ECONOMY, PROMOTES SUSTAINABILITY, & BUILDS BETTER COMMUNITIES

As California searches for ways to increase high-quality jobs and promote more sustainable development patterns, local redevelopment agencies play a powerful role:

Jobs and the Economy:

- **Redevelopment Supports Private Sector Jobs.** Redevelopment activities support 304,000 full- and part-time jobs in a typical year, including 170,600 construction jobs.
- **Redevelopment contributes over \$40 billion annually to California's economy in the generation of goods and services.** Redevelopment agency activities increase the state's construction sector output by about \$19 billion annually.
- **Tax Revenue Contributions.** Redevelopment construction activities generate more than \$2 billion in state and local taxes in a typical year.
- **Redevelopment funds infrastructure and builds commercial, industrial and residential developments statewide.** In 2007-08, 398 active redevelopment agencies implemented economic development-related projects in 756 project areas in local jurisdictions. During that year, \$8.28 billion were expended for project-related costs (paying bonds, building construction, property acquisition, and other activities). And, since 1993, redevelopment agencies have built/rehabilitated over 98,000 affordable homes for eligible families.

Benefits of Redevelopment:

- **Infill-Centered Growth.** Communities use redevelopment for cleaning up brownfield sites, building infill projects, and spurring local job creation. Redevelopment encourages infill development rather than greenfield development. Redevelopment agencies have the experience and tools needed to help implement the regional Sustainable Communities Strategy plans required by AB 32/SB 375, and to alter the state's growth patterns.
- **Green and Sustainable Development.** Redevelopment agencies are actively pursuing green and sustainable building principles, including implementation of CALGREEN standards.
- **Catalyst for change.** Redevelopment investments provide the infrastructure improvements that leverage private investment and breathe new economic life into areas that would otherwise languish.
- **Redevelopment Strengthens Communities.** Redevelopment activities revitalize communities by investing in local infrastructure and community facilities. Property values are increased, thereby creating more value for schools, businesses, and residents.
- **Affordable Housing in the Right Location.** Redevelopment is the largest funder of affordable homes in California after the federal government. Over 98,000 units of affordable housing have been constructed or rehabilitated since 1993. Twenty percent of property tax revenues generated from redevelopment activities must be spent for affordable housing.

Where Do Redevelopment Agency Tax Increment Revenues Go?

Redevelopment builds better communities and revitalizes blighted project areas. In addition, redevelopment activities fuel infrastructure improvement and construction activity, thereby supporting jobs, generating taxes, increasing property values, and other benefits. The following pie chart shows where redevelopment tax increment revenues go:

