

## **PROPOSED PIERPONT AREA REDEVELOPMENT DISTRICT**

**Pierpont Community Council Members & Neighbors;**

**As the chair of the Business Committee, we've been working for sometime on an idea hatched from talks with the City regarding development projects in our general area of Pierpont. There are approved projects on the acreage on Harbor & Seward (Anastaia), the hotel just north of the freeway next to Golden China, the parking structure at the Marriot & various, other either delayed or future wishes on lower Seward.**

**We've researched various avenues such as BIDS (business improvement districts) & different assessment vehicles all of which have added costs, now is not the time to institute fee driven districts (if ever). After looking at what seems to make the most sense, is a Commercial Redevelopment Agency (RDA), commercial property only. Lets talk facts. Nothing is in stone, we are LOOKING at this avenue and going through the motions to see if it passes the look, see, smell & logic tests. There is NO grand scheme of upgrading buildings or areas. What we have is an opportunity to take advantage of the already approved projects in our area and step up in tax basis and keep a large percentage of those tax dollars in our area.**

**I'm putting in some links on Redevelopment Agencies (RDA's) below and what the City/Westside Council is looking at. Please read these as it will help in the facts & keep the hearsay, innuendos, "I think they can take my house" out and leave it factual. This PROPOSED RDA is for commercial properties, NOT residential. We have talked to largest size commercial property owners and are continuing to do so working on a favorable draft consensus. Setting up an RDA takes approximately 2 years.....we have made great headway and crossed many bridges in looking to see if this is feasible and with, "do we really want this?" We are getting close to bringing this back to the Pierpont Council for a vote to propose the RDA ( only with a majority of the affected commercial property owners in favor) to the City Council to start the next leg of an RDA.**

**Some basics;**

**An RDA takes the increased tax base of a project...here is a SIMPLE HYPOTHETICAL EXAMPLE... a large vacant lot for an hotel.....empty, the property tax is \$1,000. Built & developed, the property tax is \$100,000..an increase of \$99,000. (look at \$10,000 base and stepped up tax of \$1,000,000. ,more realistic) Approximately 35% of the \$99,000 goes to government in many forms, approximately 65% stays within the RDA District to be spent only within that specific RDA. There is No cost to people within the RDA area and no cost to the commercial property owner other than with what their increased tax base is already from their property improvements. That roughly 65% stays out of the State, County and City general funds to be done with as they wish and must be**

spent in this defined RDA area.

- A RDA is somewhat flexible in the way it is setup
- Generally, the City Council is set up as the governing board
- It can or cannot have condemnation rights (as defined in setting up RDA)
- It is set up with a 40 year lifespan
- Monies can be borrowed against district
- The step up in basis begins with the finished project and the tax assessors new assessment of that finished project.
- Allocation of monies relatively flexible in use (within reason) tree, street, sand maintenance, purchasing of property, signage, beautification etc.

Again, much leg work has been done and we are doing it by the numbers. We don't know what we don't know and only by starting the process will we learn if this is worth continuing. We feel it would be a shame, no, almost criminal to loose out on the monies from the increased tax base of these projects by waiting until after the fact and it went into general government funds which frankly, do not have the best track record. We will be keeping you informed along the way and will come back to you to ask you to vote, IF and WHEN it is deemed as plausible (we are close). To date.....we have had favorable INITIAL responses from involved parties (approx. 75% of affected commercial properties) and are moving forward.

Respectfully,

**Jim McCaslin**  
Chair, Business Committee

[www.cityofventura.net/cd/neighbor/westside](http://www.cityofventura.net/cd/neighbor/westside)

Look at Redevelopment 101 and other links like what an RDA did for downtown Ventura to get a good idea of funding & process.