

RIVERSIDE: City will cut development budget and jobs

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By ALICIA ROBINSON
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Riverside will cut \$6.5 million and nearly 40 percent of the jobs from its development department because of expected state-level reforms to redevelopment, city officials said.

Roughly half of the jobs to be cut are funded in the city budget but are not currently filled by a worker. Development programs also would be scaled back as part of the cuts, and the city won't start any new redevelopment projects for several years.

Gov. **Jerry Brown** has proposed abolishing redevelopment agencies entirely -- Riverside officials say that's the worst-case scenario -- and the **California** Redevelopment Association made an alternate proposal under which cities would pay school districts some of the money that now goes to redevelopment areas.

"We feel like there will be reform," Development Director Deanna Lorson said, so officials are initially planning for a smaller hit -- such as from the redevelopment association plan -- but they anticipate cutting another \$6 million if the governor's plan is approved.

"It would be unrealistic to think that redevelopment wouldn't participate in some fashion in helping the state solve its fiscal problems," City Manager Brad Hudson said.

In the \$6.5 million cut, about half the savings would come from eliminating 30 of 77 budgeted development positions, but few workers would be affected because 16 of the 30 jobs are unfilled, Lorson said. The city also will try to move any laid-off workers to open jobs in other departments.

"We're looking to the maximum extent possible to place those people in other city jobs," she said.

Programs such as marketing and outreach to attract businesses and facade improvement aid for businesses would also be trimmed. Arts grants also could be slashed.

No new redevelopment projects would be launched for several years. State and federal officials already have reduced funding for housing and other programs that city development departments oversee, which means less work for remaining employees.

Hudson said the cutbacks also mean possible minor reductions to services such as tech support and human resources that were used by redevelopment employees and thus billed to the redevelopment agency.

Hudson likely will give more specifics on the development budget cuts in a presentation to the council Tuesday.

Although he called the cuts to redevelopment "horrible," Hudson said the city budget is "still in good shape" and he expects few if any layoffs at this point.

But Mayor Ron Loveridge said the reductions are a major loss at the worst possible time.

"I think everybody agrees that we need to focus on jobs and economic recovery, and the development department is key to that effort," Loveridge said. "At the very time we want to put an emphasis on it, we're reducing it."

Reach Alicia Robinson at 951-368-9461 or arobinson@PE.com