

UPDATED: LB to lay off 48 employees in wake of RDA decision

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Painter Aaron Cuchillas of Graffiti Protection Coatings, paints over graffiti at 7th Street and Maine Avenue in Long Beach. The Redevelopment Agency was a big contributor of the \$1 million program, which touts a 99 percent removal rate within 24 hours. (Stephen Carr / Press-Telegram)

LONG BEACH - About 48 employees in the city's Redevelopment and Housing Services Bureaus and other related positions will be laid off within the next month, a top official said Wednesday.

Wednesday's action by the Civil Services Commission is expected to affect support, professional and management staff associated with redevelopment and housing activities, said Amy Bodek, director of the city's Development Services and the former executive director of the Redevelopment Agency.

"That is the beginning of the immediate staff reductions that are going to have to occur," said Bodek. "I've known some of these people for

20 years. An entire industry got wiped out and these are people's careers and lives."

The decision comes as the Long Beach Redevelopment Agency winds down its activities following a California Supreme Court decision upholding a state law that eliminated all redevelopment agencies throughout California.

The city's Human Resources Department is working with affected employees to find vacancies for them to fill, said Ken Walker, manager of Personnel Operations. March 2 will be the last day for employees who aren't placed in other positions at City Hall, he said.

To close its multibillion-dollar budget deficit, the state moved last year to dissolve the agencies, an action that would save \$1.7 billion this year.

Local cities - which rely on redevelopment



funds from property taxes to fight blight, advance

economic development and build affordable housing - sued the state. But the state Supreme Court on Dec. 29 upheld the law dismantling redevelopment agencies, but not a separate "opt-in program" that would have allowed RDAs to continue operating if they shared their funds with the state.

The court decision was a major blow to cities, including Long Beach, where nearly half the city is in a redevelopment area.

In Long Beach, redevelopment has paid for millions of dollars in land acquisitions that set the stage for hotel, housing and retail development, created and expanded park projects and public safety facilities, and has contributed to various programs such as graffiti abatement.

It is still unknown what the exact impact to the city's general fund will be, but an estimated \$6 million in services are supported by redevelopment in the current fiscal year, including code enforcement and graffiti abatement.

Meanwhile, the city continues to wind down RDA operations. Last month, the City Council voted to become the RDA's successor agency and form a Community Improvement Commission.

The successor agency is responsible for redistributing redevelopment assets to other taxing agencies such as Los Angeles County and Long Beach Unified School District. It would also manage payments for RDA's leases, land transactions and other

obligations totaling \$1.28 billion.

That includes \$15.2 million in unspent bond proceeds for projects and \$119 million in RDA debt that is owed to the city.

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