



# City of San Clemente City Manager

George Scarborough, City Manager  
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June 26, 2012

Thomas J. Borris  
Presiding Judge of the Superior Court  
700 Civic Center Drive West  
Santa Ana, CA 92701

Dear Honorable Thomas J. Borris:

“Pursuant to California Penal Code Sections 933 and 933.05, the City of San Clemente appreciates this opportunity to respond to the 2011-2012 Orange County Grand Jury report entitled *“The Dissolution of Redevelopment: Where Have We Been? What Lies Ahead?”*”

As noted in the report, the San Clemente Redevelopment Agency was dissolved on February 1, 2012—at the same time every redevelopment agency in the State of California was dissolved. San Clemente’s former redevelopment agency was one of the smallest functioning redevelopment agencies in Orange County and had almost no debt other than an obligation to repay a City general fund loan.

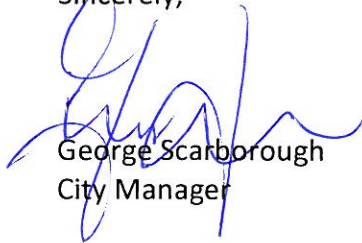
San Clemente believes that redevelopment served a valuable, if relatively minor, role in assisting in the revitalization of the area encompassed in the City’s Pier Bowl project area. It is unclear whether legislation will be adopted in Sacramento that will allow redevelopment to continue to function in a similar or modified form. Until that happens, the City will adjust to life without redevelopment. The political landscape is changing almost daily—for example, 2 of the 3 bills referred to at pages 25-26 of the Grand Jury report are dead, at least for this legislative session, and no progress appears to be made in bringing the third bill to final passage. Until the situation in Sacramento stabilizes, the City sees no purpose in speculating as to what may happen to modify or replace redevelopment in the future.

San Clemente takes no issue with most of the findings in the Grand Jury report (see findings F1-F10 at pages 26-27). As to finding F2, San Clemente believes it has always involved its community in land use planning and redevelopment decisions, without the need for a formal Project Area Committee under Health & Safety Code Section 33385. As to finding F3, San Clemente does not believe the function of the Oversight Board is

to provide external oversight over redevelopment; rather, its function is simply to oversee the winding up of the former Redevelopment Agency's affairs and ensure that enforceable obligations are paid/performed. Based on the position taken by Governor Brown and the Department of Finance, San Clemente also believes the report is overly optimistic about any legislation from Sacramento "expanding the scope of the low and moderate income housing programs" in local communities (finding F6), although San Clemente certainly would welcome such a development.

Finally, San Clemente takes no issue with any of the recommendations in the Grand Jury report (see recommendations R1-R6 at pages 27-28).

Sincerely,

A handwritten signature in blue ink, appearing to read "George Scarborough", is written over the typed name and title.

George Scarborough  
City Manager

cc: City Council  
Jeff Goldfarb, City Attorney