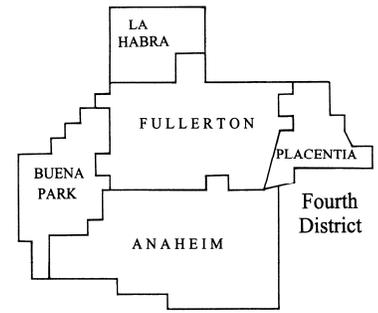




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April 2, 2009

Gerald Parsky, Chair
Commission on the 21st Century Economy
915 L Street, 8th Floor
Sacramento, CA 95814

Dear Gerald,

Thank you for tackling the challenge of basic reform to California's public revenue structure. The Commission on the 21st Century Economy has the essential and solemn mission to recommend avenues leading us out of our current fiscal crisis.

I will be speaking at your April 9th hearing in Davis, discussing a number of fiscal reform proposals being considered by the Southern California Association of Governments. I serve as Vice-Chair of SCAG's Committee of Fiscal Reform and look forward to sharing our ideas.

Our committee is looking at three specific reform proposals: Reduce and Broaden sales tax (R&B); Prospective Per Capita sales tax (PPC); and Fiscal Reform: Equity, Stability, Harmony (FRESH). All three proposals would incentivize more balanced land uses and help end inter-jurisdictional competition for revenue. I'll provide more specifics during my April 9th presentation.

A complete look at our current dilemma also requires a frank examination of redevelopment agencies in California. Rather than a temporary fix to urban blight, they have become permanent fixtures in our economy and government. They now divert over 10% of all property taxes annually—nearly \$5 billion.

Enclosed is a report from Municipal Officials for Redevelopment Reform which I hope you will find helpful in your discussions.

Again, thank you for your important work. The Chinese word for "crisis" contains the characters for both "danger" and "opportunity." Certainly, we have both before us!

Sincerely,

Chris Norby
Supervisor, Fourth District