

Michael Fitzgerald

STOCKTON PERPETUATES OWN BLIGHT

By **Michael Fitzgerald**

July 13, 2008
The Record

The housing slump has exposed something fundamentally wrong with City Hall's handling of money. Something that is decaying the city's fabric.

Symptoms are everywhere. A doctor called the tree department this week and requested a stump removal. Reportedly, he was told a crew would be there in 2010.

The roads, thanks to a staggering \$160 million maintenance backlog, are in bad repair. That costs the average motorist an extra \$588 a year.

I could go on. Suffice to say that over a decade since then-Mayor Gary Podesto declared war on blight, and several years since Mayor Ed Chavez launched the Strong Neighborhoods Initiative, large areas of Stockton remain as blighted as ever.

The city, in effect, has been using the quality of life as a cash cow, disinvesting in trees and parks and streets - and neighborhoods - to pay its other bills.

That's pretty darn ironic. From Podesto onward, City Hall has denounced blight and attacked it.

Code enforcers put hundreds of poor people out of downtown hotels and ran numerous landlords out of business. Redevelopment czars seized businesses by eminent domain.

A caffeinated code team marched into the central section, cited hundreds of residents and forced them to make costly repairs. Leaders imposed a costly rental property inspection ordinance on landlords.

Yet while the city required all this of citizens, often rightly, its financial practices ensured the city lacks adequate funds to maintain its basic, underlying framework or to provide good services.

Leaders preach against blight, but their financial practices cause it.

Huge swaths of Stockton - 40 percent - are in redevelopment districts. Redevelopment districts are, by definition, blighted. That says it all.

Barring change, the city will decay even faster because leaders approved vast growth rather than upkeep. And growth on unfavorable terms.

When the city annexed big tracts of land out north, it agreed with San Joaquin County to share tax revenue. The county gets 80 percent. The city gets 20.

So new homes planned out there, though they sell for \$500,000, will generate roughly half the tax revenue for the city of many homes in Stockton.

Yet all those neighborhoods will require costly services such as police and fire. Forever.

This is a problem for every city. But Stockton is one of the fastest growing in the U.S. If growth doesn't pay for itself, growth alone will eat the city alive.

Mark Moses, deputy city manager and chief financial officer, says the problem is the shortsightedness of the annual one-year budget process.

"The lack of planning and lack of strong fiscal policy has led to a cycle of the city's building infrastructure, building buildings, developing, without providing adequately for the ongoing maintenance," Moses said.

That's papered over when the city is flush in the good times, but the bad times expose the policy as unsustainable, Moses said.

"As the city has been growing, we've seen a greater and greater divide between the revenues to support the delivery of services and the demand for services," Moses said.

The solution is to plan two, three, five years out when budgeting. Even five to 10 years in some instances, Moses said, so as to budget for the life cycle of costs.

New neighborhoods must set up mechanisms such as community facilities districts to pay for the services they require.

John Beckman, CEO of the Building Industry Association of the Delta, said the fundamental problem is not growth. It is that the city spends more than it makes.

"They know what they're going to get in property taxes," Beckman said. "They know what they're going to get in sales taxes. They need to spend an amount that is under that to maintain what they have."

Both men have a point. With or without growth, the city is feasting on itself, robbing trees to pay cops, robbing roads to pay firefighters, robbing neighborhood pools to subsidize the arena.

The city must both cut costs and make growth pay for itself if the aspirations for a better city that have animated Stocktonians since the 1990s can be realized.

That's easier said than done. But it cannot be avoided. City Hall cannot be Stockton's biggest slumlord.

Contact columnist Michael Fitzgerald at (209) 546-8270 or michaelf@recordnet.com.

[VISIT HIS BLOG](#)