



Proud History
Prosperous Tomorrow

City of Banning

COPY

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May 19, 2010

VIA MESSENGER

Thomas Cahraman, Presiding Judge
Riverside Superior Court - Grand Jury
Post Office Box 829
Riverside, CA 92502

Re: Response to 2009-2010 Grand Jury Report to the Community Redevelopment Agency of the City of Banning Dated February 23, 2010

Dear Mr. Cahraman:

Attached please find the Banning Redevelopment Agency's response ("Banning Response") to the Grand Jury's report dated February 23, 2010 ("Report"). The Response was presented publicly at the Agency's regular meeting of May 11, 2010, and was approved by the Agency for submission to the Grand Jury as the Agency's formal response. The vote to approve the document was 4-1 with Board Member Franklin disagreeing with the proposed responses to the Grand Jury's recommendations #s 7 and 9.

Recommendations 7 and 9 were, in sum, that the Agency Board seek a return of \$162,000 from the Cultural Alliance and that the Board "cease and desist" awarding any further funding to the Cultural Alliance. The Banning Response does not concur with the Grand Jury's recommendations on these points. Although Board Member Franklin disagreed with the proposed response on these points, in essence agreeing with the Grand Jury's recommendations, she agreed with the other Agency Board Members on the remainder of the proposed response.

The draft response was prepared by Agency redevelopment staff, the Executive Director, and the City Attorney's office of Aleshire and Wynder, LLP. It was prepared based on past Agency actions and dialogue and tried to project how we thought the Board as a whole would respond. The draft response was then presented at a public meeting, and public testimony was received, before the Agency Board finalized the document for submission to the Grand Jury through this office as the Agency's Response.

The Response discusses each of the Grand Jury's findings and recommendations, and based on the additional material developed by Agency staff, the Banning Response does not concur with all of the Grand Jury's recommendations, and explains the reasons for any disagreements. The materials we have relied upon for this response are attached to the Response and we believe present a somewhat different context for viewing the Agency's programs than was enjoyed by the Grand Jury.

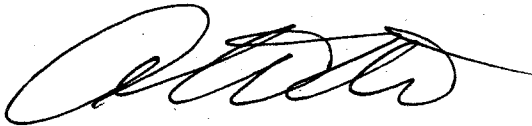
May 19, 2010

We very much appreciate the Grand Jury system, and in particular your interest into our programs and activities over the last several years. Undoubtedly your Report has caused us to look carefully at our programs and your recommendations, and created some dialogue on where we are going--both internally and with the community. Our Response details the significant budgetary issues facing Banning, and the state in general, and to some extent this has constrained us from doing something's we would like to do. Nevertheless, we believe that our redevelopment funds have been expended prudently throughout our community, and in particular, the investment in Downtown Banning has helped to bring a sense of excitement and anticipation about the future of Downtown Banning. This has helped to secure the commitment of \$60M from the State to build a Mid-County Justice Center in Downtown Banning, and to get an agreement with a developer to redevelop the San Gorgonio Inn property and environs--and this success in the worst recession since the Great Depression stand in marked contrast to most communities in the State. We also view the Cultural Alliance as an important partner in this effort, for the reasons set forth in the Response.

So we hope you will carefully look at the materials we have prepared and consider our perspective. We would be happy to have staff or some or all Board members to meet with you if you would like to further discuss our programs, or the Response.

If you have any questions or concern, please do not hesitate to call me at (951) 922-3104.

Sincerely,



Andrew J. Takata
City Manager

Attachment

cc: City of Banning Community Redevelopment Agency Board
David Aleshire, City Attorney, Aleshire and Wynder, LLP