



**REPORT TO REDEVELOPMENT AGENCY
BOARD**

AGENDA ITEM

TO: REDEVELOPMENT AGENCY BOARD

DATE: June 16, 2009

SUBJECT: Adopt a Resolution Approving the Redevelopment Agency's FY
2009-2010 Annual Budget

Report in Brief

Previous budget adoptions by the City Council and Redevelopment Agency Board have included the City and Redevelopment Agency budgets as a consolidated action. In order to be more consistent with State law, adoption of the Redevelopment Agency budget should be completed as a separate action by the Redevelopment Agency Board. Therefore, staff has prepared a separate budget document for the Redevelopment Agency and a resolution for the Redevelopment Agency Board's consideration.

Staff recommends that the Redevelopment Agency Board adopt Resolution No. ____ approving the Redevelopment Agency's FY 10 Annual Budget in the amount of \$1,437,388 for services, supplies, and salaries and allocating \$225,000 for capital projects.

Background

California State Health and Safety Code Section 33606 requires redevelopment agencies to adopt an annual budget with the following specific information, including all activities to be funded by the Low and Moderate Income Housing Fund:

- a) The proposed expenditures of the Agency
- b) The proposed indebtedness to be incurred by the Agency
- c) The anticipated revenues of the Agency
- d) The work program for the coming year including goals
- e) An examination of the previous year's achievements and a comparison of the achievements with the goals of the previous year.

The budget shown in Attachment I addresses these points.

Discussion

The proposed FY 2009/2010 Budget represents a total increase of \$ 164,334, or 13 percent to \$1,437,387 above the FY 2008/2009 budget. This is largely attributable to the addition of one Senior Planner, partial support for the Community Development Department Deputy Director, and an 8% increase in benefits budgeted for all City staff. Other staff supported by tax increment funds are the core redevelopment staff; a Redevelopment/Housing Manager, a Redevelopment/Housing Analyst I, a Redevelopment/Housing Analyst II, and support staff directly involved with implementing redevelopment activities, including a Management Analyst, Officer Manager, Senior Account, and the Finance Officer.

The work program for next year continues to address the primary goals of the Agency which are to strengthen and revitalize the historic Downtown core, remove obstacles to development, and increase private investment in the Project Area. Agency efforts are directed toward re-energizing and revitalizing downtown by encouraging higher density development to attract new residents and businesses.

The priority project for next year is to focus on the acquisition of land for the Superior Courts consolidation and expansion project and the new parking facility.

Other goals are to:

1. Facilitate the location and construction of a new multiplex theater.
2. Obtain financing to assist the City Center Lofts project
3. Obtain financing to assist the Woodland-Davis Technology Park project
4. Select a developer for a new affordable multi-family housing project using HOME funds
5. Design the streetscape along Main from 3rd Street to East Street.
6. Apply for a California Infrastructure Bank loan in the amount of approximately \$3 million for infrastructure to support the courts, garage, and theater projects.
7. Acquire key parcels and solicit developer interest at the 12-acre site along Main Street.
8. Expand the redevelopment project area.
9. Identify new sites for housing development.

Some of the activities directed at improving commercial development over the previous 12 months include the following:

- Assisted in selecting site for Superior Courts consolidation and identifying possible financing for construction; contracted for appraisal services, environmental analysis, engineering feasibility analysis,
- Successfully applied for a SACOG Community Design grant for Lemen street realignment.
- Successfully applied for an EDA planning grant for the parking facility project.

- Attracted new multiplex theater operator to consider locating in the Downtown core; sought financing to assist project.
- Completed two facades, for a total of approximately \$85,000 in grant funds, which leveraged approximately \$200,000 in private funds; two additional façade projects are still underway.
- Assisted various developers in implementing their projects and finding financing; used bond funds to provide financial assistance to City Center Lofts and Capital Hotel in the amount of \$100,000.
- Initiated the Historic Downtown Plaza project.
- Continued funding development of the downtown sewer calibration model
- Funded installation of a new storm drain at the intersection of East and Main to serve new development along Main Street, especially the courts and parking facility.

The affordable housing program was also very active. Some of the accomplishments include the following:

Casa del Sol

Started construction on the Casa del Sol mobile home project. A new 15,000 square foot community center was completed. Construction and installation of improvements to infrastructure, including roads, water, and sewer is underway. Over \$13 million in loans and grants have been secured for this project. The only remaining loan left to close is for \$3 million. Once that is approved, thirty new units will be purchased and installed on site to complete the 12.8-acre park with a total of 156 units.

East Street Off-Site Streetscape Improvements

Improvements to the east side of East Street between Oak and Gum Streets near Casa del Sol are under construction. . The project includes new curbs, gutters, sidewalks, a new bus turnout, and a bus enclosure. It also includes landscaping, new street lighting, and fencing. The total project cost is estimated to be about \$560,000.

Fair Plaza East

Closed financing for this \$ 7 million project. The funds provided for the acquisition and rehabilitation of the 68-unit Fair Plaza East Senior Apartments. The grand opening was held in November of 2008.

First Time Homebuyer Program

Organized monthly orientation meetings attended by over 80 families interested in the affordable housing programs. Specific activities included:

- Closed 17 units using, \$552,000 for 11 HOME loans, \$330,000 in BEGIN funds for 11 units, and \$202,917 in CalHOME for 6 Loans; the 17 private mortgages in the amount of \$2,178,050 have been leveraged with the above funds
- Prepared 174 loan documents for 17 First –Time Homebuyers, with an additional four anticipated by the end of June 2009
- Advertised and marketed developers’ units to eligible buyers
- Coordinated loan closing process with lenders, title companies, HLCC, NeighborWorks and developers’ sales teams

Housing Monitoring

- Monitored our portfolio of 12 apartment buildings for compliance with approved parking reductions, density bonuses and Inclusionary units.
- Completed an extensive long-term monitoring of Sycamore Pointe Apartments and Terracina Spring Lake Apartments for the State Department of Housing and Community Department HOME Program.
- Monitored over 975 housing units funded under HOME, CDBG, Inclusionary, and density bonus projects.

Fiscal Impact

The total RDA allocation for operational programs as described herein is \$1,437,388. Redevelopment is planning to contribute tax increment to several City capital improvement projects which are included in the CIP. The total CIP allocation over the 10-year Plan is:

Downtown Specific Plan	\$168,000
East Street Specific Plan	\$ 75,000
Downtown Parking Facility	\$125,000
Main St/ Streetscape Improvements	\$50,000
Pre-engineering/planning for redevelopment projects	\$ 500,000.

The capital projects amount allocated for FY 10 is \$225,000 which would fund the Main Street Streetscape Improvements (\$50,000), Pre-engineering/planning for RDA projects (\$50,000) and the Downtown Parking Facility (\$125,000). If funds are needed for other projects there is \$5,665,000 available in bonds, \$1,650,000 in Fund Balance tax increment and \$535,567 in Fund Balance for in the Housing Set-Aside Fund. Staff would return to the Redevelopment Agency Board in order to seek authorization to allocate these funds with information regarding specific projects and the intended use.

Public Contact

Posting of the City Council/Redevelopment Board agenda.

Recommendation for Action

Staff recommends that the Redevelopment Agency Board adopt Resolution No. ____ approving the Redevelopment Agency's FY 10 Annual Budget in the amount of \$1,437,388 for services, supplies, and salaries and allocating \$225,000 for capital projects.

Prepared by: Cynthia Shallit
Redevelopment Manager

Reviewed by: Barry Munowitch, AICP
Deputy Director

Mark G. Deven
Executive Director

Attachments: Resolution
Redevelopment Agency Annual Budget FY '09/'10

AGENCY RESOLUTION NO. _____

**HEREBY AUTHORIZES THE APPROVAL OF THE REDEVELOPMENT
AGENCY ANNUAL BUDGET FOR FY 09/10 AND ALLOCATES FUNDS TO
THE CAPITAL IMPROVEMENT PLAN BUDGET.**

WHEREAS, pursuant to California Health and Safety Code Section 33606, a Final Budget for Fiscal Year 2009-2010 is submitted to the Redevelopment Agency Board by the Redevelopment Executive Director and is attached to the Council Communication report; and

WHEREAS, Redevelopment Agency staff reviewed the Final Budget and recommends its adoption; and

WHEREAS, the deposit of twenty per cent (20%) of the net tax increment is budgeted in Fund 521, Housing Set-aside, in the amount of \$278,000; and

WHEREAS, the public improvements set forth in the Agency 2009-2010 Final Budget are of benefit to the Redevelopment Project Area; and

WHEREAS, the payments of the costs of such improvements is consistent with the Agency's adopted Implementation Plans; and

WHEREAS, no other reasonable means of financing such improvements are available; and

WHEREAS, to the benefit of the Redevelopment Agency, Woodland staff provide valuable program management, planning, and financial management of the redevelopment Agency in the sum \$1,437,400; and

WHEREAS, all designated reserves are released for designated projects or re-budgeted due to the termination of projects. The result is an estimated \$8,390,181 remaining in reserves and bond funds for projects; and

WHEREAS, the proposed planning and administrative expenses are necessary for the production, improvement, or preservation of low-and-moderate-income housing during the Fiscal Year 2009-2010 Redevelopment Agency budget year; and

WHEREAS, pursuant to California Health and Safety Code Section 333334.2(g), the use of monies from the Housing Set-aside Fund to fund housing projects outside of the Redevelopment Project Area will be of benefit to the Redevelopment Project Area.

**NOW THEREFORE BE IT RESOLVED BY THE WOODLAND
REDEVELOPMENT AGENCY BOARD THAT**

- 1) The Redevelopment Agency Fiscal Year 2009-2010 Annual Budget is hereby adopted.
- 2) Funds in the amount of \$225,000 are allocated to projects approved in the Woodland Capital Improvement Plan budget.

HEREBY CERTIFY THAT the foregoing resolution was duly and regularly adopted by the Redevelopment Agency of the City of Woodland, County of Yolo, State of California on the 16 day of June, 2009 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Marlin H. (Skip) Davies, President

ATTEST: _____
Sue Vannucci, Secretary

APPROVE AS TO FORM: _____
Agency Counsel

**City of Woodland
Redevelopment Agency
Operating Budget
FY 2009-2010**

		Projected Beginning FY10 Working Capital	FY10 Projected				Est. Fund Balance
			Revenues	Operating Expenses	Req Capital Exp	Net Inc (Loss)	
5xx	Redevelopment						
	520 Agency	\$ 1,650,000	\$ 965,940	\$ 1,097,449		\$ (131,509)	\$ 1,518,491
	521 LM Housing	\$ 535,567	\$ 278,000	\$ 339,939	\$ -	\$ (61,939)	\$ 473,628
		\$ 2,185,567	\$ 1,243,940	\$ 1,437,388	\$ -	\$ (193,448)	\$ 1,992,119
8xx	Debt Service						
	821 RDA Debt Svs	\$ 5,665,000	\$ 584,690	\$ 584,690	\$ -	\$ -	\$ 5,665,000
		\$ 5,665,000	\$ 584,690	\$ 584,690	\$ -	\$ -	\$ 5,665,000

REDEVELOPMENT REVENUE

FUND	Category			
		FY 08 Actual	FY 09 Budget	FY 10 Budget
520	Charges for Services	\$600	\$0	\$0
	Other Revenues	\$196	\$0	\$0
	Property Taxes	\$861,863	\$947,000	\$965,940
	Revenues from Other Agencies	\$0	\$0	\$0
	Use of Money & Property	\$57,333	\$0	\$0
		\$919,992	\$947,000	\$965,940
521	Other Revenues	\$4,916	\$0	\$0
	Property Taxes	\$229,035	\$272,000	\$278,000
	Revenues from Other Agencies	\$0	\$0	\$0
	Use of Money & Property	\$31,480	\$0	\$0
		\$265,432	\$272,000	\$278,000
821	Other Revenues	\$7,617,937	\$588,746	\$584,690
	Use of Money & Property	\$185,143	\$1,000	\$0
		\$7,803,080	\$589,746	\$584,690
		\$8,988,503	\$1,808,746	\$1,828,630

REDEVELOPMENT PROGRAMS

Budget Unit	FUND	Division	Budget Unit Title	FY 08 Actual	FY 09 Budget	FY 10 Budget		
520248250	520	24	DOWNTOWN FACADE PROGRAM	\$4,063	\$0	\$0		
520247296			RDA 2007 DEBT SERVICE	\$578,483	\$588,746	\$584,690		
520247250			REDEVELOPMENT AGENCY	\$564,781	\$506,648	\$499,759		
520290858		29	DOWNTOWN BEAUTIFICATION	\$0	\$0	\$0		
520290708			DOWNTOWN SP UPDATE & EIR	\$0	\$0	\$0		
520317311		89	31	FINANCE ADMINISTRATION	\$0	\$12,000	\$13,000	
520890329			89	89	DEMOLISH OLD PRCS BLDG	\$0	\$0	\$0
520890036				E MAIN ARCHITECTURAL ENHN	\$76	\$0	\$0	
520890819				SEWER MODEL UPDATE	\$0	\$0	\$0	
520890324				WISEMAN CO FRONTAGE IMPRV	\$0	\$0	\$0	
FUND TOTAL				\$1,147,402	\$1,107,394	\$1,097,449		
521247252	521	24	CAPITAL HOTEL LOAN PROJ.	\$0	\$0	\$0		
521247258			HOME BUYER ASST-GREENWOOD	\$0	\$0	\$0		
521247251			REDEVELOPMENT HOUSING	\$694,857	\$174,749	\$213,189		
521248440			SECTION 108 LOAN 04/05	\$134,296	\$0	\$0		
521258440		25	HUD SECTION 108 LOAN	\$0	\$130,910	\$126,750		
FUND TOTAL				\$829,153	\$305,659	\$339,939		
821247290	821	24	CAPITL HOTEL RENNOVATION	\$60,000	\$0	\$0		
821247297			CITY SEWER CALIBRATION MO	\$0	\$0	\$0		
821247296			RDA 2007 DEBT SERVICE	\$1,107,231	\$588,746	\$584,690		
821890835		89	CALIBRATED SEWER MODEL	\$0	\$0	\$0		
FUND TOTAL				\$1,167,231	\$588,746	\$584,690		
				\$3,143,786	\$2,001,800	\$2,022,078		

REDEVELOPMENT Expenses by Major Category

FUND	Category	FY 08 Actual	FY 09 Budget	FY 10 Budget
520	Labor & Fringes	\$76,802	\$171,471	\$273,490
	Machinery and Equipment	\$0	\$0	\$0
	Materials & Supplies	\$36,379	\$38,961	\$40,828
	Miscellaneous	\$828,556	\$596,496	\$593,565
	Overhead	\$139,357	\$92,466	\$92,466
	Professional & Other Services	\$64,422	\$207,000	\$95,000
	Utilities	\$1,810	\$1,000	\$2,100
FUND TOTAL		\$1,147,326	\$1,107,394	\$1,097,449
521	Labor & Fringes	\$140,886	\$106,462	\$144,902
	Materials & Supplies	\$2,021	\$515	\$515
	Miscellaneous	\$673,796	\$133,785	\$129,625
	Overhead	\$12,441	\$44,897	\$44,897
	Professional & Other Services	\$8	\$20,000	\$20,000
	Utilities	\$0	\$0	\$0
FUND TOTAL		\$829,153	\$305,659	\$339,939
821	Materials & Supplies	\$2	\$0	\$0
	Miscellaneous	\$1,099,829	\$580,746	\$576,690
	Professional & Other Services	\$67,400	\$8,000	\$8,000
FUND TOTAL		\$1,167,231	\$588,746	\$584,690