

DATE: 6/1/99 AGENDA ITEM # 4
() APPROVED () DENIED
() CONTINUED TO _____

To: James L. App, City Manager

From: Mike Compton, Director of Administrative Services 

Subject: Redevelopment Agency Budget

Date: June 1, 1999

Need: For the Agency Board to consider introduction and first reading of the fiscal year 2000 operating budget.

- Facts:
1. The adopted Agency plan requires that the annual operating budget be adopted by ordinance rather than by resolution.
 2. The proposed operating budget has been considered by the Agency Project Area Committee (PAC).
 3. The proposed operating budget has also been reviewed by both the Agency ad hoc budget committee and the Council ad hoc budget committee.

Analysis and Conclusions:

The Agency budget, as presented, represents a "bare bones" operation. All staffing has been transferred to the City's General Fund budget as well as all non-direct operating costs including the Agency's contribution to the Paso Robles Main Street Program.

The remaining budget is mainly comprised of debt service and professional services. The components of the debt service appropriation include the 1996 Tax Allocation Refunding Bonds, the 1994 CIP Promissory Note, the 1996 Cinema Promissory Note and the 1998 General Fund Negative Cash Note.

Professional services is comprised of \$19,000 for property tax administration fee; \$5,000 for the sales tax consulting/reporting contract; \$10,000 for legal services; and \$1,000 for miscellaneous needs.

In prior years, Agency tax increment revenues were reported "net" of the property tax administration fee, the contribution for the 20% low and moderate income housing fund and the amounts due to other taxing agencies in accordance with the fiscal agreements. This year's budget has been modified to reflect total gross property tax increment revenues and the expenditure appropriations have been adjusted upwards to account for the property tax administration fee, the contribution for the 20% low and moderate income housing fund and the amounts due to other taxing agencies. Both PAC and the Agency ad hoc budget committee

avored this new presentation. It fully discloses all Agency revenues and expenditures.

Lastly, it should be noted that this budget does not reflect the current negotiations relative to an amendment to the Woodland Plaza II owner participant agreement (OPA). This amendment, when approved, will provide that all property tax increment revenues associated with Woodland Plaza I and II will belong to the Agency retroactively back to the onset of the OPA. In exchange, the Agency will issue tax allocation bonds to provide the \$2,000,000 contribution to the expansion of Niblick Bridge and \$150,000 towards improvements to South River Road between Creston and Niblick Roads. The benefit to the Agency is approximately \$2 million in general use property tax increment revenues over the remaining life of the Agency after taking into account the debt service payments on the tax allocation bonds.

Fiscal

Impact:

The Redevelopment Agency budget, as presented for Council consideration, is balanced. Property tax increment and facility lease revenues are projected to cover operating expenditures.

Options:

- a. That the Council introduce and hold first reading of an ordinance adopting the fiscal year 2000 operating budget for the Redevelopment Agency; or
- b. Amend, modify or reject the option above.

ORDINANCE NO. _____ N.S.

AN ORDINANCE OF THE CITY OF EL PASO DE ROBLES
AMENDING CHAPTER 3.40 REVENUE AND FINANCE OF THE MUNICIPAL CODE TO
ADOPT FISCAL YEAR 1999/00 BUDGET FOR THE
REDEVELOPMENT AGENCY OF THE CITY OF EL PASO DE ROBLES

The City Council of the City of El Paso de Robles, State of California, does ordain as follows:

SECTION 1.

That the budget for the Redevelopment Agency of the City of El Paso de Robles for the fiscal year commencing July 1, 1999 and ending June 30, 2000 and the fiscal year commencing July 1, 2000 and ending June 30, 2001 as documented in Exhibit A attached hereto and included herein by reference, is hereby approved and adopted as the budget of the Agency for said fiscal years (hereinafter "budget").

SECTION 2.

That from the effective date of said budget, to wit: July 1, 1999, the several amounts stated therein as proposed expenditures shall be and become appropriated to the Agency for the respective objects and purposes therein set forth, subject to expenditures pursuant to the provisions of all applicable statutes of this State.

SECTION 3.

That the Executive Director shall have the authority to incur obligations and enter into contracts not to exceed Ten Thousand Dollars (\$10,000.00) without prior approval of the Agency and shall follow the City's purchasing ordinance.

SECTION 4.

That the Agency hereby finds and determines:

a) That all of the expenditures and appropriations pursuant to the budget are for Redevelopment activities consistent with California Health and Safety Code 33678 in that they are for carrying out the Redevelopment Project and related development activities, as defined in California Health and Safety Sections 33020 and 33021, and primarily benefit the Redevelopment Project.

b) That none of the funds are to be used for the purposes of paying for employee or for contractual services for the City of El Paso de Robles or any other local government agency, except for such services which are directly related to Redevelopment activities as defined in California Health and Safety Code Sections 33020 and 33021 and the powers established in Community Redevelopment Law.

SECTION 5.

That the appropriation and expenditure of funds shall be consistent with the terms as established by cooperative agreement between the Redevelopment Agency of the City of El Paso de Robles and the City of El Paso de Robles per Agency and City adopting implementing resolutions.

SECTION 6.

Publication. The City Clerk shall cause this ordinance to be published once within fifteen (15) days after its passage in a newspaper of general circulation, printed, published and circulated in the City in accordance with Section 36933 of the Government Code.

SECTION 7.

Effective date. This ordinance shall go into effect and be in full force and effect at 12:01 a.m. on the 31st day after its passage.

Inconsistency. To the extent that the terms of provisions of this Ordinance may be inconsistent or in conflict with the terms or conditions of any prior City ordinance(s), motion, resolution, rule, or regulation governing the same subject, the terms of this Ordinance shall prevail with respect to the subject matter thereof and such inconsistent and conflicting provisions of prior ordinances, motions, resolutions, rules and regulations are hereby repealed.

SECTION 8.

Severability. If any section, subsection, sentence, clause, or phrase of this Ordinance is, for any reason, found to be invalid or unconstitutional, such finding shall not affect the remaining portions of this Ordinance.

The City Council hereby declares that it would have passed this ordinance by section, subsection, sentence, clause, or phrase irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases are declared invalid or unconstitutional.

Introduced at a regular meeting of the City Council held on June 1, 1999, and passed and adopted by the following roll call vote:

AYES:
NOES:
ABSENT:

Mayor Duane Picanco

ATTEST:

Madelyn Paasch, City Clerk

City of El Paso de Robles
 Operating and Maintenance Budget
 Four Year Financial Plan
 Fiscal Year 1999-00 to 2002-03

REDEVELOPMENT
 Department No. 810

Redevelopment Operations
 Division No. 240

	Actual Expended FY 1996-97	Actual Expended FY 1997-98	Final Approved FY 1998-99	Base Budget Requested FY 1999-00	Budget Estimate FY 2000-01	Budget Estimate FY 2001-02	Budget Estimate FY 2002-03
EMPLOYEE SERVICES							
5101	Full Time Regular	81,022	21,160				
5102	Part Time		-	-			-
5103	Overtime	241	274	-			-
	Total Salaries & Wages	81,263	21,434	-	-	-	-
	Employee Benefits	24,582	10,479				
	Total Employee Services	105,845	31,913	-	-	-	-
MAINTENANCE & OPERATIONS							
5212	Materials & Services	20,856	8,860	5,000	5,000	5,000	5,000
5216	Utilities	915	2,648	2,800	2,900	3,100	3,100
5221	Facility Maintenance						
5222	Equipment Maintenance						
5223	Vehicle Maintenance						
5224	Professional Services	75,023	110,982	100,500	35,500	35,000	35,000
5226	Travel & Meetings		67	500	500	500	500
5227	Education & Training	1,340	484	1,500	1,500	1,500	1,500
5228	Equipment Replacement						
	Fiscal Agreement Payments	180,465	255,429		319,900	349,600	589,400
	20% LMI Housing Set Aside	118,446	131,584		173,500	189,100	222,400
5235	Special Projects		159,300				
5238	Allocated Overhead						
	Total Maintenance & Operations	397,045	669,354	110,300	538,800	583,700	856,900
DEBT SERVICE							
5340	Principal Retirement	127,121	52,118	161,100	175,400	142,900	193,000
5341	Interest Expense	246,194	265,728	259,400	250,100	240,300	219,900
5342	Paying Agent Fees	223	4,332	4,000	4,000	4,000	4,000
	Total Debt Service	373,538	322,178	424,500	429,500	376,800	416,900
CAPITAL OUTLAY							
5450	Land Acquisition						
5451	Buildings						
5452	Improvements Other Than Bldgs.						
5453	Right of Way Acquisition						
5454	Equipment						
	Total Capital Outlay	-	-	-	-	-	-
	DIVISION TOTAL	876,428	1,023,445	534,800	968,300	1,073,600	1,273,800

City of El Paso de Robles
 Operating and Maintenance Budget
 Four Year Financial Plan
 Fiscal Year 1999-00 to 2002-03

REDEVELOPMENT AGENCY
 Department No. 810

All Divisions

	<u>Actual Expended FY 1996-97</u>	<u>Actual Expended FY 1997-98</u>	<u>Final Budget FY 1998-99</u>	<u>Base Budget Requested FY 1999-00</u>	<u>Requested Estimate FY 2000-01</u>	<u>Budget Estimate FY 2001-02</u>	<u>Budget Estimate FY 2002-03</u>
Total Employee Services	105,845	31,913	-	-	-	-	-
Total Maintenance & Operations	397,045	669,354	110,300	538,800	583,700	795,000	856,900
Total Debt Service	373,538	322,178	424,500	429,500	489,900	376,800	416,900
Total Capital Outlay	-	-	-	-	-	-	-
Transfer to CDBG Housing Program				65,900	66,300	66,600	67,000
DEPARTMENT TOTAL	876,428	1,023,445	534,800	1,034,200	1,139,900	1,238,400	1,340,800
Funding Sources:							
Property Tax Increment	721,726	803,166	402,600	1,045,100	1,139,900	1,238,400	1,340,800
Interest Earnings	87,110	121,907					
Facility Rental Income	44,176	57,594	62,600	15,700	-	-	-
Advances from General Fund	23,416	40,778	69,600	-	-	-	-
Allocation to Other Departments							
TOTAL FUNDING SOURCES	876,428	1,023,445	534,800	1,060,800	1,139,900	1,238,400	1,340,800

<u>Authorized FY 1996-97</u>	<u>Authorized FY 1997-98</u>	<u>Authorized FY 1998-99</u>	<u>Authorized FY 1999-00</u>	<u>Authorized FY 2000-01</u>	<u>Compensation Approved Salary Range</u>
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Authorized Staffing (FTE):

Economic Development Manager	-	1	-	-	-
Office Clerk	-	1	1	-	-