

REDEVELOPMENT AGENCY MEMO

DATE:

May 28, 2009

TITLE:

Proposed Redevelopment Budget for Fiscal Year 2009-10

CONTACT: Jan Shellito, Manager, 916-774-5447/jshellito@roseville.ca.us

Meeting Date: June 17, 2009

SUMMARY RECOMMENDATION

Staff is recommending the Redevelopment Agency:

- 1. Approve the attached resolution adopting the Redevelopment Agency's FY2009-10 budget in the amount of \$11,758,914.
- 2. Approve the attached resolution determining that the planning and administration expenditures to be funded by the Low and Moderate Income Housing Fund are necessary for the production, improvement and/or preservation of affordable housing for low and moderate income households.

BACKGROUND

The Redevelopment Agency adopted its Redevelopment Plan in November 1989. The plan area encompasses 1,600 acres and stretches from the Sacramento County line to Atlantic Street/Interstate 80. Revitalizing Downtown Roseville through adoption of the Revitalization Plan and Design Guidelines for the area has been the primary focus of the Agency. In 1998, the Agency adopted the Flood Control Area as an urgency measure to provide funding for flood damage construction.

The Redevelopment Agency has three separate funds that account for the activities of the Redevelopment Project Area. These funds are:

- 1) Redevelopment Non-Housing Fund includes downtown and historic area, construction of capital improvement projects and general business assistance.
- 2) Low and Moderate Income Housing Fund provides affordable housing subsidies for rental and purchase housing programs and developments.
- 3) Redevelopment Flood Area Fund formed in 1998 to provide funding for flood construction expenses. Construction completed in 2002.



The proposed total budget for the Redevelopment Agency for FY2009-10 is \$11,758,914. The Budget for each of the three Redevelopment Funds are presented individually as follows:

Total 2008-2009 Budget	\$11,758,914
RDA Flood	1,059,138
RDA Low/Mod Fund	4,696,205
RDA Non-Housing Fund	6,003,571

The FY09-10 budget represents a **28.8%** decrease from the FY08-09 budget; those changes will be explained in each of the following fund summary overviews.

RDA Non-Housing Fund – Summary Overview

RDA NON-HOUSING

Expenditures	FY 2009-10
Salaries & Benefits	\$603,532
Other Operating Expenses	19,220
Professional & Consulting Services	119,295
Redevelopment Programs	27,500
Passthrough Payments	1,664,949
Debt Service	1,830,096
Lincoln Street Parking Lot	250,000
Low & Moderate Income Housing Fund (20% set-aside)	1,112,479
Indirect Costs	326,500
Repayment of City Loan	50,000
Total Expenditures	\$6,003,571

The Fund Summary for the RDA Non-Housing Fund is included as Attachment A.

The FY2009-10 Non-Housing fund budget represents a **57.9%** decrease from the FY08-09 Budget adjusted at mid-year. This decrease is due primarily to the completion of a substantial portion of the Riverside Streetscape Project. Decreases in supplies, travel, and redevelopment program expenses are due to reduced tax increment revenue due to the economic downturn. The decrease in salaries and benefits is primarily due to a reduction in staff charges from Planning to Redevelopment and an increase in Redevelopment staff charging time to capital improvement projects.

Tax Increment Revenue

During FY2009-10 the Redevelopment Agency is projected to earn \$5,614,670 in tax increment revenues. This represents a 8.3% decrease from the previous fiscal year primarily due to a reduction in projected tax increment revenues as a result of property tax re-assessment appeals directly related to the decline in real estate values and lack of new development and property sales.

The Agency will be completing the Riverside Avenue Streetscape and Infrastructure Project representing a \$12 million dollar investment. In addition, new parking will be added to Historic Old Town, the design and construction documents for the downtown square will be completed, and the Agency will continue to assemble property for future development. There is adequate funding from the 2006 bonds to cover these expenses this fiscal year. From a policy perspective the Agency and Planning Division will be working on the parking management plan and implementation measures associated with the Downtown Specific Plan.

Redevelopment CIP Budgets for 2009-2010

Historic District Garage (099016)	250,000
	\$250,000

Attachment D provides the funding detail on this project.

Agency Debt - Non-Housing Fund

Taxable and non-taxable Bonds were last issued in October, 2006 in the amount of \$16,440,000. After payment of bond issue costs, the Agency netted \$16,168,822. These bonds plus interest are currently being used to fund various downtown improvement projects as well as provide funding for future projects.

Principal and interest payments for the 2002 and 2006 bond issues for FY2009-10 are projected to be \$1,834,609. The Agency also has an annual repayment to the City of Roseville general fund of \$50,000.

<u>Low and Moderate Income Housing Fund – Summary Overview</u>

The Agency's FY2009-10 budget includes \$4,696,205 Low and Moderate Income Housing Fund expenditures. The Agency is required to set aside 20% of its tax increment revenue for the purpose of financing housing activities for low and moderate-income households. The Agency has used the Low and Moderate Housing Fund to assist affordable housing projects (new construction or rehabilitation), support the Homebuyer Assistance Program and provide funds for the administrative costs associated with the City's affordable housing programs.

LOW MOD	
Expenditures	FY 2009-10
Salaries & Benefits	197,540
Other Operating Expenditures	24,272
Deferred Loans-First-Time Homebuyers Program (FTHB)	440,000
Deferred Loans-Grants/Loans	3,500,000
Professional Services	31,700
Debt Service Payments	446,503
Transfer to Low/Mod Fund for FTHB Programs	0
Indirect Costs	6,190
Repayment of City Loan	50,000
Total Expenditures	\$4,696,205

An individual Fund Summary for the Low and Moderate Income Housing Fund is included as **Attachment B**.

The FY2009-10 Low and Moderate fund budget represents a **5.6%** increase from last year's budget. This increase is primarily due to an increase in deferred loans for the First Time Homebuyer Program, and the \$50,000 repayment to the City of Roseville general fund.

Planning and Administrative Expenditures

Section 33334.3(d) of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq), require that the amount of funding spent for planning and general administration from the Low and Moderate Income Housing Fund not be disproportionate to the amount spent on the production of housing. Based on the ratio of administrative expenditures (salaries, benefits, operating, professional services, and indirect costs), to total expenditures, administrative expenditures are 5.5% of the Low & Moderate Income Housing Fund budget for FY2009-10. This ratio has averaged 7.7% for the last five years.

Admin Expenses - Low/Mod	
Salaries & Benefits	197,540
Other Operating Expenditures	24,272
Indirect Costs	6,190
Professional Services	31,700
Total Admin Expenses	\$259,702
Admin expense as % of expenditures	5.5%

The Low and Moderate Income Housing Fund provides the resources required to negotiate agreements with developers for creation of affordable housing, annual compliance monitoring for 20 Affordable Rental Housing Agreements, and management of the First Time Home Buyer and Affordable Purchase Housing Programs (i.e. Victoria Station). Considering the aforementioned projects and programs, it is staff's opinion the administrative expenditures identified to be used under the Low & Moderate Income Housing Fund will not be disproportionate to the amount to be used for producing, improving and preserving housing for low and moderate income households in the upcoming fiscal year.

Low and Moderate 20% Setaside Funds

During FY2009-10 the Low and Moderate Income Fund is projected to receive \$1,341,879 in set-aside funds from the Redevelopment Non-Housing Fund and the Redevelopment Flood Area Fund. This represents a 6.9% decrease from the previous fiscal year primarily due to a reduction in projected tax increment revenues as a result of property tax re-assessment appeals directly related to the decline in real estate values and lack of new development and property sales.

Revenues	
Transfer in From RDA	1,131,075
Transfer in From RDA Flood	210,804
Total Revenues	\$1,341,879

Agency Debt - Low and Moderate Income Fund

Bonds in the amount of \$6,505,000 were issued in October, 2006. These bonds plus interest are planned to be targeted for assisting affordable housing construction opportunities within the Redevelopment Project area, primarily in the newly adopted Downtown or Riverside Gateway Specific Plan areas. It is anticipated the developments would primarily be rental, due to the current economic climate, with an emphasis on very low income rental (affordable to 50% of median income).

Principal and interest payments for the 2006 bond issue for FY2009-10 are projected to be \$446,503.

RDA Flood Area –Summary Overview

The Agency's FY2009-10 budget includes \$1,059,138 Redevelopment Flood Area expenditures. The Agency is required to set aside 20% of its Tax Increment revenue to the Low and Moderate Income Housing Fund for the purpose of financing housing activities for low and moderate-income households. The Agency has used the Low and Moderate Income Housing Fund to assist affordable housing projects (new construction and rehabilitation), support the First Time Homebuyer Assistance Program and administrative costs associated with the City's affordable housing programs.

RDA FLOOD	
Expenditures	FY 2009-10
Salaries & Benefits	3,921
Professional Services	17,908
Indirect Costs	1,820
Passthrough Payments	224,685
20% Setaside Payments	210,804
Repayment of City Loan	600,000
Total Expenditures	\$1,0 59, 138

An individual Fund Summary for the Flood Area Fund is included as Attachment C.

The FY2009-10 Flood Area fund budget represents a **14.9%** decrease from last year's budget. This decrease is due primarily to a lower repayment on City loans as a result of a decrease in the amount of carry-over funds from FY08 and FY09 and lower pass-through and 20% set-aside payments due to lower tax increment revenues.

Tax Increment Revenue

The Agency's FY2009-10 budget includes \$1,069,827 in Tax Increment revenues which represents a 13.2% decrease from the previous fiscal year primarily due to a reduction in projected tax increment revenues as a result of property tax re-assessment appeals directly related to the decline in real estate values and lack of new development and property sales.

State Legislative Actions

The Agency continues to monitor legislative bills that may negatively impact the Redevelopment Agency. The April 30, 2009 ruling by the Sacramento Superior Court finding unconstitutional a

provision in the FY08-09 state budget, requiring redevelopment agencies statewide to transfer \$350 million to fund State obligations (ERAF Educational Revenue Augmentation Funds shift), will be closely monitored in the event the State appeals the decision.

FISCAL IMPACT

The Agency is a separate entity from the City and its operations, mandated obligations and capital improvement projects are funded primarily through property tax increment receipts and tax allocation bonds. This budget has no impact on the City's budget or the General Fund.

ENVIRONMENTAL REVIEW

The budget is not considered a "project" as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines 15378). Consequently no CEQA action is required.

RECOMMENDATION

- 1. Approve by resolution the Redevelopment Agency's budget in the amount of \$11,758,914.
- 2. Approve the attached resolution determining that the planning and administration expenditures to be funded by the Low and Moderate Income Housing Fund are necessary for the production, improvement and/or preservation of affordable housing for low and moderate income households.

Respectfully Submitted,

Jan Shellito, Deputy Director Redevelopment Agency

W. Craig Robinson Executive Director Paul Richardson Asst. Director Redevelopment Agency

Attachments:

- RDA Annual Budget Report
- Fund Summaries: Attachments A, B & C
- Capital Improvement Budgets: Attachments D
- Resolution adopting 09/10 RDA Budget
- Resolution Low/Moderate Income Housing Planning and Administrative Expenditures

REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE

RESOLUTION NO. 9-09

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR 2009-2010

WHEREAS, the Redevelopment Agency of the City of Roseville desires to approve the budget for Fiscal Year 2009-2010,

NOW, THEREFORE, the Redevelopment Agency of the City of Roseville does hereby resolve that the attached budget for Fiscal Year 2009-2010 is hereby approved.

PASSED AND ADOPTED by the R the day of, 20, by the follow	edevelopment Agency of the City of Roseville this ving vote on roll call:
AYES AGENCY MEMBERS:	
NOES AGENCY MEMBERS:	
ABSENT AGENCY MEMBERS:	
	CHAIR
ATTEST:	
Connections	
Secretary	

REDEVELOPMENT FUND

	Actual FY2008	Estimate FY2009	Budget FY2010
ESTIMATED AVAILABLE RESOURCES CARRY-OVER	\$ 20,751,513	\$ 15,257,978	\$ 4,740,225
ESTIMATED REVENUES Secured Taxes Unsecured Taxes Supplemental Taxes Public Utility Property Tax Securied Taxes - Prior Unsecured Taxes - Prior Unsecured Taxes - Prior ERAF - Property Tax Adjustment CMAQ Grant State Homeowners Tax Relief Federal Dept of Transportation Interest Interest Subsidy Reimbursements Reimbursement Other	5,744,173 140,589 404,900 9,498 (456) 2,484 0 57,030 0 867,689 5,986 112,280 (573)	5,588,325 150,000 150,000 9,709 500 3,100 (414,103) 500,000 54,000 600,000 162,826 0 0	5,259,499 145,200 145,200 9,398 100 3,001 0 273,000 52,272 141,000 91,470 0
Total Estimate Revenues	7,343,580	6,808,557	6,120,140
ESTIMATED TRANSFERS IN General Liability Insurance Fund Workers' Compensation Insurance Fund Strategic Improvement Fund CDBG - Historic District Wastewater Rehabilitation Fund Water Construction Fund Water Rehabilitation Fund Low and Moderate Income Housing Func RDA Debt Service/Redevelopment	0 0 120,000 850,000 180,000 90,000 22,731	1,373 818 4,000,000 35,000 0 0	0 0 0 0 0 0
Total Estimated Transfers In	1,262,731	4,037,191	0
INTERFUND LOAN FROM STRATEGIC IMPROVEMENT FUND	0	3,000,000	0
Total Estimated Available for Appropriation	29,357,824	29,103,726	10,860,365
LESS ESTIMATED EXPENDITURES Salaries & Benefits Contract Services (Placer County Admin Charges) Façade Rebate Program Other Operating Expenses Land Acquisition Passthrough Payments Debt Service	734,474 0 265,854 172,116 1,236,238 1,836,171 1,993,053	533,987 196,950 127,185 19,450 0 1,781,171 1,826,075	603,532 119,295 27,500 19,220 0 1,664,949 1,830,096
Total Estimated Expenditures	6,237,906	4,484,818	4,264,592
LESS CAPITAL IMPROVEMENT PROJECTS Lower Vernon Street Fencing Vernon Street Capital Improvement Project Washington Blvd. Underpass Town Square Lincoln Street Parking Lot Washington Blvd / Galilee Historic Old Town Garage Roseville Automall Façade Improvements Historic District Streetscape Riverside Streetscape Parking Structure	0 0 228,612 0 0 0 0 4,516,342 177,639 1,114,106	47,836 50,000 117,199 325,000 250,000 50,000 175,000 3,000,000 1,273,334 12,452,258 646,457	0 0 0 0 0 0 250,000 0 0 0
Total Estimated Capital Improvement Projects	6,036,699	18,387,084	250,000
LESS ESTIMATED TRANSFERS OUT Low and Moderate Income Housing Func General Fund Post Retirement/Insurance Accrual Fund Indirect Costs	1,262,390 86,889 46,332 379,630	1,117,291 0 0 326,500	1,112,479 0 0 326,500
Total Estimated Transfers Out	1,775,241	1,443,791	1,438,979
Total Estimated Expenditures and Transfers Oul	14,049,846	24,315,693	5,953,571
REPAYMENT OF INTERFUND LOAN TO GF	50,000	50,000	50,000
ESTIMATED AVAILABLE RESOURCES	\$ 15,257,978	\$ 4,738,033	\$ 4,856,794

LOW AND MODERATE INCOME HOUSING FUND

	Actual FY2008	Estimate FY2009	Budget FY2010
ESTIMATED AVAILABLE RESOURCES CARRY-OVER	\$ 10,151,522	\$ 10,970,198	\$ 6,378,097
ESTIMATED REVENUES			
Interest Other Revenue	445,970 17,672	134,806 22,841	92,924 18,747
Total Estimated Revenues	463,642	157,647	111,671
ESTIMATED TRANSFERS IN Redevelopment Fund Redevelopment Flood Fund	1,262,395 246,880	1,117,665 227,620	1,112,479 210,804
Total Estimated Transfers In	1,509,275	1,345,285	1,323,283
Total Estimated Revenues and Transfers In	1,972,917	1,502,932	1,434,954
LOAN FROM CAL Housing Finance Agency	1,500,000	0	0
Total Estimated Available for Appropriation	13,624,439	12,473,130	7,813,051
LESS ESTIMATED EXPENDITURES Salaries & Benefits Other Operating Expenses Deferred Loans - FTHB Deferred Loans - Loans/Grants Deferred Loans - City Fees Professional Services Debt Service	102,436 (31,664) 0 192,021 1,775,000 12,509 525,118	190,262 26,036 1,640,000 3,500,000 0 32,325 450,220	197,540 24,272 440,000 3,500,000 0 31,700 446,503
Total Estimated Expenditures LESS ESTIMATED TRANSFERS OUT Redevelopment Fund Home Investment Partnership Program Fund Indirect Costs	2,575,420 22,731 0 6,090	5,838,843 0 200,000 6,190	4,640,015 0 200,000 6,190
Total Estimated Transfers Out	28,821	206,190	206,190
Total Estimated Expenditures and Transfers Out	2,604,241	6,045,033	4,846,205
LOAN PAYMENT TO AFFORDABLE HOUSING FUND	50,000	50,000	50,000
ESTIMATED AVAILABLE RESOURCES	\$ 10,970,198	\$ 6,378,097	\$ 2,916,846

RDA FLOOD FUND

	Actual FY2008	Estimate FY2009	Budget FY2010
ESTIMATED AVAILABLE RESOURCES AND RESERVES	\$ 141,947	\$ (35,471)	\$ (2,674)
ESTIMATED REVENUES Secured Taxes-Current Unsecured Taxes-Current Supplemental Taxes Public Utility Property Tax Secured & Unsecured Taxes - Prior ERAF - Property Tax Adjustment State Homeowners Tax Relief Interest	1,149,836 21,535 60,466 2,260 304 0 8,672 5,628	1,079,160 22,700 25,000 2,760 200 (61,878) 8,295	1,014,410 21,338 23,500 2,594 188 0 7,797
Total Estimated Revenues Total Estimated Available for Appropriation	1,248,701 1,390,648	1,076,237 1,040,766	1,069,827 1,067,153
LESS ESTIMATED EXPENDITURES Salaries and Benefits Professional Services Passthrough Payments	4,006 14,211 269,912	2,000 16,500 260,000	3,921 17,908 224,685
Total Estimated Expenditures	288,129	289,000	246,514
LESS ESTIMATED TRANSFERS OUT Low and Moderate Income Housing Fund Indirect Costs	246,880 1,110	227,620 1,820	210,804 1,820
Total Estimated Transfers Out	247,990	229,440	212,624
Total Estimated Expenditures and Transfers Out	536,119	518,440	459,138
REPAYMENT OF INTERFUND LOAN TO GENERAL FUND	890,000	525,000	600,000
ESTIMATED AVAILABLE RESOURCES	\$ (35,471)	\$ (2,674)	\$ 8,015

Attachment D

	CAPIT/	CAPITAL IMPROVEMENT PROJECT BUDGET	EMENT PRO	JECT BUE	GET		
CLASSIFICATION OF PROJECT:		PROJECT NUMBER:	JER:		ORIGINAL APPROPRIATION DATE:	ROPRIATION DA	/TE:
PROJECT TITLE:		2000			TENTATIVE COMPLETION DATE:	MPLETION DAT	ü
HISTORIC DISTRICT GARAGE					Jun-12		
DESCRIPTION: Acquisition of property at 133 Church Street to support future development of a parking structure in Historic Old Town.	h Street to suppor	t future developm	ent of a parking	structure in Histo	ric Old Town.		
COST ESTIMATE	PRIOR YEARS	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2013-14 1 TOTAL PROJECT
Labor Architectural/Engineering Services Site Acquisition & Preparation Material / Eminment / Eumiture	\$175,000	\$50,000					\$50,000 \$175,000
Construction		\$200,000	\$4,000,000				\$4,200,000
TOTAL	\$175,000	\$250,000	\$4,000,000				\$4,425,000
SOURCE OF FUNDS	PRIOR YEARS	○ FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	ाः FY 2013-14 🐘	TOTAL PROJECT
RDA Bonds - 2006 - Taxable RDA Bonds - 2006 - Non-Taxable	\$175,000	\$250,000	\$4,000,000				\$4,175,000 \$250,000
TOTAL	\$175,000	\$250,000	\$4,000,000				\$4,425,000

REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE ANNUAL BUDGET REPORT FISCAL YEAR 2009-2010

INTRODUCTION:

The Roseville Redevelopment Agency adopted its Redevelopment Plan in November, 1989. The 2009-2010 fiscal year budget has been prepared in accordance with California Community Redevelopment Law, specifically Section 33606 of the Health and Safety Code, and addresses the following areas for the Redevelopment Non-Housing Fund, the Low and Moderate Income Housing Fund, and the Roseville Flood Area.

- I. Summary of 2008-2009 Fiscal Year
- II. Anticipated Revenues for the 2009-2010 Fiscal Year
- III. Proposed Expenditures for the 2009-2010 Fiscal Year
- IV. Agency Indebtedness for 2009-2010 Fiscal Year
- V. Review of 2008-2009 Goals and Achievements
- VI. 2009-2010 Fiscal Year Goals

The 2009-2010 Timeline for all Redevelopment Plan Areas is summarized in:

VII. Work Program Timeline for 2009-2010 Fiscal Year

REDEVELOPMENT NON-HOUSING FUND

l.	Summary of 2008-2009 Fiscal Year	
	Beginning Available Resources Carry-over (inloudes Bond Funds)	\$ 15,257,978
	Gross Tax Increment Received for 2008-2009	5,541,531
	CMAQ & Federal Funding	1,100,000
	Proceeds from Sale of Bonds	0
	Interest Earnings and Other	162,826
	Other	4,200
	Transfers from City of Roseville (CIPs)	4,037,191
	Interfund Loan for CIP (Strategic Improvement Fund)	3,000,000
	Total Available Resources for 2008-2009	\$ 29,103,726
	Salaries, Benefits, Other Operating Expenses	\$ 553,437
	Professional / Consulting Expenses	196,950
	Redevelopment Programs	127,185
	Indirect Costs	326,500
	Land Acquisition	0
	Passthrough Payments	1,781,171
	Debt Service	1,826,075
	CIP Projects	18,387,084
	Transfer out to Low/Mod Housing Fund	1,117,291
	Repayment of General Fund Loan	 50,000
	Total Expenditures	\$ 24,365,693
		

Due to the current economic downturn and potential commercial property reassessments, tax increment revenues are expected to fall over the next couple of years. The Agency however, anticipates a rebound as new commercial properties are

4,738,033

Estimated Ending Available Resources (Includes Bond Funds)

developed in the project area. The Agency has been successful in using a variety of funding sources to complete current Capital Improvement Projects including loans from the City of Roseville, bonds, grants, and rehabilitation funds. The Agency acquired tax increment bond funds in 2002 in the amount of \$14,500,000 and again in 2006 in the amount of \$16,440,000.

II. Anticipated Revenues for the 2009-2010 Fiscal Year

The Agency's projected available resources for 2009-2010 fiscal year are:

Interest		91,470
Available resources carryover from 2008-2009		4,738,033
Total Available Resources for 2009-2010	<u> </u>	10,444,173

III. Proposed Expenditures for 2009-2010

The Redevelopment Agency Non-Housing Fund proposed budget for the 2009-2010 fiscal year totals \$6,572,057. Attachment A at the end of this report identifies the allocation of the proposed budget and provides a comparison between the current and prior fiscal years.

IV.	Agency Indebtedness for the 2009-2010 Fiscal Year	
	Tax Allocation Bonds Sold October 23, 2002	

Tax Allocation Bonds Sold October 23, 2002:	\$ 14,500,000
Principal Balance as of June 30, 2009	12,890,000
Principal Due (9/1/09)	300,000
Interest Due (9/1/09 & 3/1/10)	619,875
Fiscal Agent Fees	4,100
Tax Allocation Bonds Sold October 26, 2006:	16,440,000
Principal Balance as of June 30, 2009	16,120,000
Principal Due (9/1/09)	90,000
Interest Due (9/1/09 & 3/1/10)	814,734
Fiscal Agent Fees	 5,900
Total Debt Service for 2009-2010	\$ 1,834,609

IV. Review of 2008-2009 Goals and Achievements

<u>Activity</u>	Current Status
Façade Rebate Program	This on-going program provided for 7 rebates in the amount of \$109,700. The Agency funds leveraged \$248,724 in private sector dollars for a total investment of \$358,424.
Public Art Program	This program created the opportunity for four art pieces to be installed in the downtown. All four pieces commissioned by professional artists will be installed by June 30, 2009.
Downtown Vernon Street and Historic Old Town Specific Plan Project	This project is complete. It was adopted by the City Council on April 1, 2009.
Downtown Tuesday Night Program	The Agency co-sponsors this annual event.
Riverside Streetscape and Infrastructure Project	This project began in October 2008 and is approximately 50% completed. The project is expected to be done by the October 2009.

V. 2009-2010 Fiscal Year Work Program

The Redevelopment Agency's budget for the 2009-2010 fiscal year reflects the tax increment revenues, City advances and bond proceeds accumulated by the Agency during the past several years. The 2009-2010 fiscal year work program has been designed to reflect these funding sources. During the 2009-2010 fiscal year, Redevelopment staff recommends the Agency adopt the following:

- Continue the Facade Rebate Program that provides rebates to property owners and leaseholders for the purpose of repairing and beautifying the exteriors of commercial buildings as funds are available.
- Complete construction of the Riverside Streetscape and Infrastructure Project.
- Implement components of the Downtown Specific Plan such as adding surface parking in Historic Old Town, acquiring 320 Vernon Street, and beginning the downtown parking management plan.
- Continue to co-sponsor and assist with the annual Downtown Tuesday Night Program and other events as required.
- Complete the final design and construction documents for of the Town Square.
- Staff the Roseville Revitalization Committee, the Downtown Business Attraction Team, and Bar Owner's Group.
- Partner with the Chamber of Commerce, the Downtown and Old Town Merchants, Roseville Arts, Magic Circle Theater, and the Roseville Historical

Society on projects and programs that further the revitalization of downtown Roseville.

LOW AND MODERATE INCOME HOUSING FUND

I.	Summary of 2008-2009 Fiscal Year		
	Beginning Available Resources Carry-over	\$	10,970,198
	20% set-aside (from Non-Housing Fund and Flood Area Fund)	•	1,345,285
	Transfer for Debt Service		, , ,
	Interest Earned		134,806
	Other Revenue		22,841
	Loan from CAL Housing Finance Agency		· -
	Total Available Resources for 2007-2008	\$	12,473,130
	Salaries, Benefits and Other Operating Expenses		248,623
	Home Buyer Assistance & Multi-Family Loans		1,640,000
	Deferred Loans & Grants		3,500,000
	Debt Service Payments		450,220
	Repayment of loan to General Fund		50,000
	Indirect Costs		6,190
	Total Expenditures	\$	5,895,033
	Estimated Ending Available Resources	\$	6.578.097

The 20% Set-aside funds will increase incrementally as tax increment receipts increase. Affordable Housing (typically rental housing) developments requiring loan subsidies and Home Buyer Assistance programs, have been funded from the 20% Set-aside funds.

II. Anticipated Revenues for the 2009-2010 Fiscal Year

Total 2008-2009 Setaside dollars to be received	\$ 1,341,879
20% set-aside RDA Flood Area	210,804
20% set-aside RDA Non-Housing Fund	\$ 1,131,075

III. Proposed expenditures for the 2009-2010 Fiscal Year

The proposed expenditures for the Low and Moderate Income Housing Fund for the 2009-2010 fiscal year total \$4,696,205.

Attachment B at the end of this report identifies the allocation of the proposed budget and provides a comparison between the current and prior fiscal years.

IV.	Agency Indebtedness for the 2008-2009 Fiscal Year		
	Outstanding Loans due to City of Roseville	\$	150,000
	Tax Allocation Bonds Sold October 26, 2006		6,505,000
	Principal Balance as of June 30, 2009		6,295,000
	Principal Due (9/1/09)		70,000
	Interest Due (9/1/09 & 3/1/10)		373,553
	Fiscal Agent Fees		2,950
	Total Debt Service for 2008-2009		446.503

V. Review of 2008-2009 Fiscal Year Goals and Achievements

Activity

Current Status

Home Buyer Assistance Programs

Using \$443,617 from the Low/Mod Fund, the Agency assisted 5 first time home buyers with down payment assistance within the Victoria Station subdivision, located in the project area. Sales are anticipated to continue into the next fiscal year. No funds were reinvested in the Sierra Crossing subdivision this fiscal year. In addition, as the 2005 HOME Contract was completed prior to the beginning of the fiscal year, no funds were used for match for the First Time Home Buyer Program to purchase resale homes within the City.

Eskaton Roseville Manor HUD 202, Senior Housing

The Agency has set aside \$500,000 of funding to assist with the creation of these 48 affordable housing units to extremely low income seniors. Agency staff was successful in receiving an award of funds from the state administered HOME program in the amount of \$3.4 million in order to complete the financing necessary to develop this senior development, located on Pleasant Grove Blvd. All agreements for securing the above funding have been negotiated, and construction scheduled to begin June 2009.

Siena Apartments (formerly known as "Fiddyment Ranch Apartments")

This project, located in the Fiddyment development of the West Plan, is designed to be affordable to 78 very low and 76 low income households (non-age restricted). Agency staff was successful

in receiving a loan in the amount of \$1.5 million from CalHFA HELP Program, in order to assist with gap financing. Economic Development staff was also successful in engaging this project in fee deferrals in order to assist in the development of this project. Agency staff successfully negotiated the Regulatory and Loan Agreements to secure the \$1,775,000 in loans to this project. Construction began July 2008, with the development receiving incremental Certificates of Occupancy May 2009.

Investment Strategies

January 2008, the City Council approved the 5 Year Comprehensive Housing Strategic Plan, which included use of RDA Low/Moderate Income Set Aside funds. The recommendation of the Task Force, with approval of City Council, is to give a high priority to funding rental housing, non-age restricted housing, and housing for very low income households. Next steps will include releasing a Notice of Funding Availability in conjunction with a Request for Proposals/Quotations for affordable housing projects, which can compliment the efforts of the revitalization efforts of the Agency. Although the Agency anticipated releasing a Request for Proposals/Quotations during this fiscal year, staff decided to delay its creation until after the Downtown Specific Plan was adopted. Therefore, this activity will continue into the next fiscal year.

Monitoring Affordable Housing Regulatory Agreements (Rental)

Agency staff successfully monitored 18 of the 20 regulatory agreements between the City (or Agency). Two apartment communities are still attempting to work on compliance issues, in cooperation with the attorney's office, and therefore have outstanding findings remaining to resolve from a prior monitoring.

VI. 2009-2010 Fiscal Year Goals and Work Program

The Redevelopment Agency's budget for the Low/Moderate Income Housing Funds for 2009-2010 fiscal year reflects the tax increment revenues (20% set aside) and bond proceeds

accumulated by the Agency during the past several years. The 2009-2010 fiscal year Work Program has been designed to reflect these funding sources. During the 2009-2010 fiscal year Redevelopment staff recommends the Agency adopt the following goals and work program:

- Home Buyer Assistance Programs & Loan Payments Expend Low and Moderate Income Housing funds to augment the City's Homebuyer Assistance Programs, Sutter Terrace Loan Payment, and the Maidu Village Phase III Quarterly Loan Payments.
- Eskaton Roseville Manor Agency and Housing Division staff will work with the Administrative Subcontractor, hired by the City to monitor the development and ensure compliance with the HOME Program contract for Eskaton Roseville Manor, a 49 unit affordable senior housing development, located at 1725 Pleasant Grove Blvd. The development is scheduled to begin construction June 2009, and complete the development by June 2010.
- Investment Strategies Develop investment strategies for affordable housing in the Redevelopment Project Area as well as financial investment of Low/Mod funds, by using the recommendations from the Housing Task Force and the resulting 5 Year Comprehensive Housing Strategic Plan, as approved by the City Council in January 2008. Upon completion of the Downtown Specific Plan, there will be opportunities to create affordable housing, given the new zoning encouraged through this process. A Notice of Funding Availability in conjunction with a Request for Proposals/Quotations regarding potential projects within the Redevelopment Project Area, is anticipated for release after the Downtown Specific Plan has been adopted.
- Monitoring Affordable Regulatory Agreements (Rental) Monitor rental housing regulatory agreements between the City (or Agency) for 22 apartment complexes providing affordable housing to determine compliance with rent restrictions and tenant eligibility.

REDEVELOPMENT FLOOD AREA

.	Summary of 2008-2009 Fiscal Year		
	Beginning Available Resources Carry-over	\$	(35,471)
	Gross Tax Increment Received for 2008-2009		1,076,237
	Total Available Resources for 2008-2009	, , , ,	1,040,766
	Salaries, Benefits, Other Operating Expenses		29,000
	Indirect Costs		1,820
	Passthrough Payments		260,000
	Transfer out to Low/Mod Housing Fund		227,620
	Repayment of loan to General Fund		525,000
	Total Expenditures	\$	1,043,440
	Estimated Ending Available Resources	\$	(2,674)
1	Anticipated Revenues for the 2009-2010 Fiscal Year		
	Tax Increment	\$	1,069,827
	Available resources carryover from 2008-2009		(2,674)
	Total Available Resources for 2008-2009	\$	1,067,153

III. Proposed expenditures for the 2009-2010 Fiscal Year

The proposed expenditures for the Redevelopment Flood Area for the 2009-2010 fiscal year total \$1,059,138. Attachment C at the end of this report identifies the allocation of the proposed budget and comparison with the current and prior fiscal years.

IV. Agency Indebtedness for the 2009-2010 Fiscal Year

Outstanding Loans due to City of Roseville	\$ 9,584,865
Loan Repayment for 2009-2010	600,000

V. 2008-2009 Fiscal Year Goals and Achievements

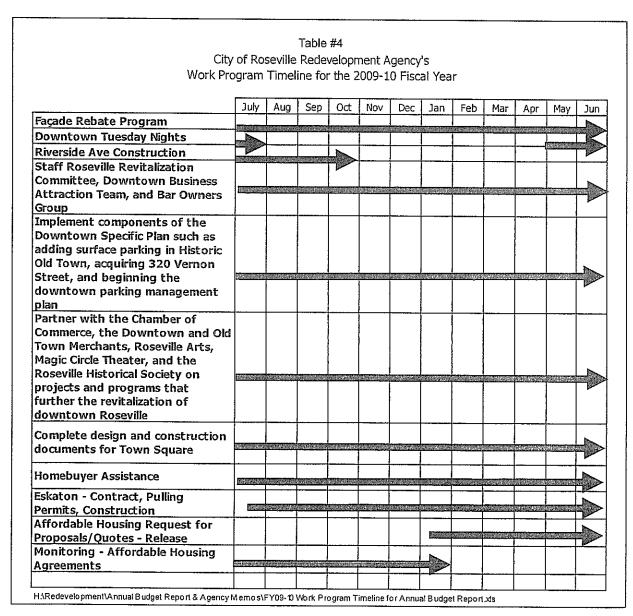
All tax increment is used to pay annual administrative reporting costs and for repayment of City debt incurred for flood construction expenses.

VI. 2009-2010 Fiscal Year Goals

The Redevelopment Agency Flood Area budget for the 2009-2010 fiscal year includes repayment of City advances and administrative expenditures. All flood construction expenses were completed by December 2002.

VII. Non-Housing Fund and Low and Moderate Fund Work Program and Goals for the 2009-2010 Fiscal Year

Table #4 outlines the timeline for the work program for achieving the Agency's goals for the 2009-2010 Fiscal Year.



REDEVELOPMENT AGENCY OF THE CITY OF ROSEVILLE RESOLUTION NO. 10-09

DETERMINING THE PLANNING AND ADMINISTRATION EXPENDITURES ARE NECESSARY FOR AFFORDABLE HOUSING FOR LOW AND MODERATE INCOME HOUSEHOLDS

WHEREAS, the California Community Redevelopment Law requires that the amount of funding spent for planning and general administration from the Low and Moderate Income Housing Fund not be disproportionate to the amount spent on the production of housing; and

WHEREAS, based on the ratio of administrative expenditures, to total expenditures, administrative expenditures are 5.5% of the Low and Moderate Income Housing Fund budget for Fiscal Year 2009-2010 and

WHEREAS, the administrative expenditures to be used under the Low and Moderate Income Housing Fund will not be disproportionate to the amount to be used for producing, improving and preserving housing for low and moderate income households in the upcoming fiscal year;

NOW, THEREFORE, BE IT RESOLVED that the Redevelopment Agency of the City of Roseville hereby determines that the planning and administration expenditures to be funded in Fiscal Year 2009-2010 by the Low and Moderate Income Housing Fund are necessary for the production, improvement and/or preservation of affordable housing for low and moderate income households.

	Redevelopment Agency of the City of Roseville this following vote on roll call:
AYES AGENCY MEMBERS:	
NOES AGENCY MEMBERS:	
ABSENT AGENCY MEMBERS:	
ATTEST:	CHAIR
Secretary	

REDEVELOPMENT FUND

	Actual	Estimate	Budget
ESTIMATED AVAILABLE RESOURCES CARRY-OVE	FY2008	FY2009	FY2010
ESTIMATED REVENUES	R \$ 20,751,513	3 \$ 15,257,978	\$ 4,740,225
Secured Taxes	E 744 470		
Unsecured Taxes	5,744,173		-,,
Supplemental Taxes	140,589 404,900		,
Public Utility Property Tax	9,498		
Securied Taxes - Prior	(456	-1	100
Unsecured Taxes - Prior ERAF - Property Tax Adjustment	2,484		3,001
CMAQ Grant	0	() 0
State Homeowners Tax Relief	0 57,030	000,000	273,000
Federal Dept of Transportation	0.030	0.,000	52,272
Interest	867,689	-00,000	141,000 91,470
Interest Subsidy Reimbursements Reimbursement	5,986		01,470
Other	112,260		Ō
	(573) 4,200	
Total Estimate Revenues	7,343,580	6,808,557	6,120,140
ESTIMATED TRANSFERS IN			
General Liability Insurance Fund	0	1,373	0
Workers' Compensation Insurance Fund Strategic Improvement Fund	0	818	Ô
CDBG - Historic District	120,000	4,000,000	0
Wastewater Rehabilitation Fund	120,000 850,000	35,000 0	0
Water Construction Fund	180,000	0	0 0
Water Rehabilitation Fund	90,000	ő	0
Low and Moderate Income Housing Func RDA Debt Service/Redevelopment	22,731	0	· ŏ
Total Estimated Transfers In	1,262,731	4,037,191	0
INTERFUND LOAN FROM STRATEGIC IMPROVEMENT FUND	D	3,000,000	0
Total Estimated Available for Appropriation	29,357,824	29,103,726	10,860,365
LESS ESTIMATED EXPENDITURES			
Salaries & Benefits	734,474	533,987	603,532
Contract Services (Placer County Admin Charges)	0	196,950	119,295
Façade Rebate Program Other Operating Expenses	265,854	127,185	27,500
Land Acquisition	172,116	19,450	19,220
Passthrough Payments	1,236,238 1,836,171	1 70+ 474	0
Debt Service	1,993,053	1,781,171 1,826,075	1,664,949
Total Editorated Formally	.,,000,000		1,830,096
Total Estimated Expenditures	6,237,906	4,484,818	4,264,592
LESS CAPITAL IMPROVEMENT PROJECTS Lower Vernon Street Fencing			
Vernon Street Capital Improvement Project	0	47,836	0
Washington Blvd. Underpass	220 642	50,000	0
Town Square	228,612 0	117,199 325,000	0
Lincoln Street Parking Lot	ő	250,000	0
Washington Blvd / Galilee	0	50,000	0
Historic Old Town Garage Roseville Automall Façade Improvements	0	175,000	250,000
Historic District Streetscape	0	3,000,000	0
Riverside Streetscape	4,516,342 177,639	1,273,334	0
Parking Structure	1,114,106	12,452,258 646,457	0
Total Estimated Capital Improvement Projects	6,036,699	18,387,084	250,000
LESS ESTIMATED TRANSFERS OUT			
Low and Moderate Income Housing Func	1,262,390	1,117,291	1,112,479
General Fund	86,889	0	1,112,479
Post Retirement/Insurance Accrual Fund Indirect Costs	46,332 379,630	0 326,500	336 500
Total Estimated Transfers Out	1,775,241	1,443,791	326,500
Total Estimated Expenditures and Transfers Out	14,049,846	24,315,693	1,438,979
REPAYMENT OF INTERFUND LOAN TO GF	50,000	50,000	5,953,571
ESTIMATED AVAILABLE RESOURCES	\$ 15,257,978	\$ 4,738,033	50,000
	- 10,201,010	+ +,130,033	\$ 4,856,794

LOW AND MODERATE INCOME HOUSING FUND

	Actual FY2008	Estimate FY2009	Budget FY2010	
ESTIMATED AVAILABLE RESOURCES CARRY-OVER	\$ 10,15 1 ,522	\$ 10,970,198	\$ 6,378,097	
ESTIMATED REVENUES			+ 0,010,001	
Interest Other Revenue	445,970 17,672	134,806 22,841	92,924 18,747	
Total Estimated Revenues	463,642	157,647	111,671	
ESTIMATED TRANSFERS IN Redevelopment Fund Redevelopment Flood Fund	1,262,395 246,880	1,117,665 227,620	1,112,479 210,804	
Total Estimated Transfers In	1,509,275	1,345,285	1,323,283	
Total Estimated Revenues and Transfers In	1,972,917	1,502,932	1,434,954	
LOAN FROM CAL Housing Finance Agency	1,500,000	o	0	
Total Estimated Available for Appropriation	13,624,439	12,473,130	7,813,051	
LESS ESTIMATED EXPENDITURES				
Salaries & Benefits	102,436	190,262	197,540	
Other Operating Expenses	(31,664)	26,036	24,272	
Deferred Loans - FTHB	0	1,640,000	440,000	
Deferred Loans - Loans/Grants	192,021	3,500,000	3,500,000	
Deferred Loans - City Fees	1,775,000	0	0.000,000	
Professional Services	12,509	32,325	31,700	
Debt Service	525,118	450,220	446,503	
Total Estimated Expenditures	2,575,420	5,838,843	4,640,015	
LESS ESTIMATED TRANSFERS OUT				
Redevelopment Fund	22,731	0	0	
Home Investment Partnership Program Fund Indirect Costs	0	200,000	200,000	
maneal costs	6,090	6,190	6.190	
Total Estimated Transfers Out	28,821	206,190	206,190	
Total Estimated Expenditures and Transfers Out	2,604,241	6,045,033	4,846,205	
LOAN PAYMENT TO AFFORDABLE HOUSING FUND	50,000	50,000	50,000	
ESTIMATED AVAILABLE RESOURCES	\$ 10,970,198	\$ 6,378,097	\$ 2,916,846	

RDA FLOOD FUND

			•			
	Actual FY2008		Estimate FY2009		Budget FY2010	
ESTIMATED AVAILABLE RESOURCES AND RESERVES	\$	141,947	\$	(35,471)	\$	(2,674)
ESTIMATED REVENUES						
Secured Taxes-Current						
Unsecured Taxes-Current		1,149,836		1,079,160		1,014,410
Supplemental Taxes		21,535		22,700		21,338
Public Utility Property Tax		60,466		25,000		23,500
Secured & Unsecured Taxes - Prior		2,260		2,760		2,594
ERAF - Property Tax Adjustment		304		200		188
State Homeowners Tax Relief		0		(61,878)		0
Interest		8,672		8,295		7,797
		5,628		0		0
Total Estimated Revenues		1,248,701		1,076,237		1,069,827
Total Estimated Available for Appropriation		1,390,648		1,040,766		1,067,153
LESS ESTIMATED EXPENDITURES						
Salaries and Benefits						
Professional Services		4,006		2,000		3,921
Passthrough Payments		14,211		16,500		17,908
1 dood Rought Fayinetics	*************	269,912		260,000		224,685
Total Estimated Expenditures		288,129		289,000	···	246,514
LESS ESTIMATED TRANSFERS OUT						
Low and Moderate Income Housing Fund		0.00				
Indirect Costs		246,880		227,620		210,804
		1,110		1,820	****	1,820
Total Estimated Transfers Out		247,990		229,440		212,624
Total Estimated Expenditures and Transfers Out		536,119		518,440		459,138
REPAYMENT OF INTERFUND LOAN TO GENERAL FUND		890,000		525,000		600,000
ESTIMATED AVAILABLE RESOURCES		(35,471)	\$	(2.674)		
· · ·	Ψ	(00,471)	ф	(2,674)	\$	8,015