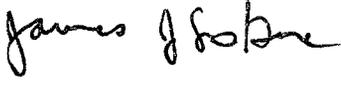


**PLACER COUNTY**  
**REDEVELOPMENT AGENCY**

**MEMORANDUM**

**TO:** Honorable Members of the Redevelopment Agency Board  
**FROM:** Thomas M. Miller, Director  
James LoBue, Deputy Director   
**DATE:** June 21, 2011  
**SUBJECT:** Redevelopment Agency FY 2011-12 Proposed Budget of \$29,212,535

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**ACTION REQUESTED**

Adopt a resolution approving the Redevelopment Agency FY 2011-12 Proposed Budget of \$29,212,535.

**BACKGROUND**

California law requires that all redevelopment agencies adopt their annual budgets prior to July 1. The proposed budget for the Redevelopment Agency (Agency) for FY 2011-12 totals \$29,212,535. This number includes anticipated revenues coming from annual tax increment, tax allocation bond proceeds, outside grants and loans, interest earnings, and other contributions. Planned expenditures during FY 2011-12 for administration, debt service, and the planning, design, and implementation of multiple projects, and programs totals \$22,993,522. An additional \$6,219,013 is projected to be carried over to the following fiscal year for anticipated future costs. If expenditures during the fiscal year fall short of projections, the carryover reserve will be proportionately larger.

Recognizing the current economic and fiscal conditions in Placer County, the estimated tax increment revenue in the budget is five percent lower than the current fiscal year. It is also understood that the State has been debating proposals for further revenue takings or even the elimination of all redevelopment agencies. However, the State has not taken any action on redevelopment at this time and the Proposed Budget reflects an assumption of no State takings, such as the Supplemental Educational Revenue Augmentation Fund (SERAF) for the coming fiscal year. In FY 2009-2010 the Agency lost \$3,193,331 in SERAF payments and in FY 2010-11 it lost an additional \$656,822.

The Proposed Budget follows a fiscally conservative approach but proposes to continue all currently active projects and programs in the three Redevelopment Project Areas, as well as Countywide housing programs. The attached Summary Work Program describes the individual projects and programs proposed for the North Lake Tahoe, North Auburn, and Sunset Industrial Project Areas. The attached FY 2010-11 Goals and Achievements describes Agency accomplishments for the current year's Work Program.

Highlights of next fiscal year's proposed activities are as follows:

**North Auburn Project Area**

- Construction of approximately one mile of streetscape improvements along the east side of Highway 49 between New Airport Road and Education Street – sidewalks, infrastructure improvements, landscaping, historical interpretive panels

- Design of streetscape improvements on Bowman Road and Lincoln Way to improve pedestrian, bicycle, and transit access, circulation and safety, add landscaping and other beautification features, and support the local business district and Bowman Elementary School
- Preparation of final building plans for construction of the 64-unit Quartz Ridge Family Apartments in Bowman; the developer has applied for Low Income Housing Federal Tax Credits and, if these are not received in the current funding round, the Agency plans to apply for a HOME grant or other supplemental funding to allow the project to move forward
- Continuation of the Commercial Loan Program to assist local businesses within the Project Area to improve facades and grounds and expand and enhance their operations

#### Sunset Industrial Project Area

- Planning for future infrastructure improvement projects, which include multiple projects on the Sunset Industrial Area Transportation Capital Improvements Program and may also include flood control, sewer system upgrades, and other public utilities improvements
- Implementation of the Commercial Loan Program to assist local businesses within the Project Area
- Funding and support for various affordable housing programs managed by the Agency for Western Placer County, including the First Time Homebuyer Loan Program, Housing Rehabilitation Assistance Loan Program, and Neighborhood Stabilization Program to acquire bank-owned homes, rehabilitate them, and resell them at affordable rates to low- and moderate-income homebuyers

#### North Lake Tahoe Project Area

- Continued site cleanup and remediation of the Kings Beach Eastern Gateway and Swiss Mart properties with a plan to solicit competitive proposals for development of both properties once the cleanup is finished
- Design of a small, mixed-use project on the Agency-owned Everett property in Kings Beach, with solicitation of proposals for private parties to develop the project
- Continued support for the Commercial Core Improvement Project, including design and construction of additional public parking lots, traffic calming improvements to neighborhood streets, and water quality improvement projects
- Continued construction of the Kings Beach Scattered Sites Housing Project
- Continued support for planned redevelopment projects, such as the Community Enhancement Program projects in Kings Beach and other commercial and mixed-use development proposals throughout the Project Area
- Construction of the Tahoe Vista Recreation Area expanded parking lot and associated improvements
- Continued implementation of the Commercial Loan Program to assist local businesses in the Project Area

The Proposed Budget identifies funding, staffing, and administrative support to carry out the described activities.

#### **ENVIRONMENTAL STATUS**

This is an administrative action, does not constitute a project, and is exempt from environmental review per California Environmental Quality Act Guidelines section 15178(b)(5).

**FISCAL IMPACT**

The Agency's Proposed Budget for FY 2011-12 includes \$29,212,535 from a combination of tax increment, bond proceeds, outside grants and loans, interest earnings, and private contributions. The Agency is financially self-sufficient and there is no fiscal impact to the County General Fund.

Attachment: Resolution  
FY 2011-2012 Proposed Budget Summary Table  
FY 2011-2012 Summary Work Program  
FY 2010-2011 Summary of Goals and Achievements

cc: Karin Schwab, Agency Counsel

FY 2011-2012 Proposed Budget Summary Table  
FY 2011-2012 Summary Work Program  
FY 2010-2011 Summary of Goals and Achievements

Documents for review only at the Clerk of the Board

**Before the Placer County  
Redevelopment Agency Board of Directors  
County of Placer, State of California**

**In the matter of:**

**Approving the Redevelopment Agency's proposed FY 2011-12  
Budget in the amount of \$29,212,535**

**Reso. No. \_\_\_\_\_**

**Ord. No: \_\_\_\_\_**

**First Reading: \_\_\_\_\_**

**The following Resolution \_\_\_\_\_ was duly passed by the Redevelopment Agency Board  
of the County of Placer at a regular meeting held \_\_\_\_\_**

**by the following vote on roll call:**

**Ayes:**

**Noes:**

**Absent:**

**Signed and approved by me after its passage.**

**Attest:  
Clerk of said Board**

\_\_\_\_\_  
**Chair, Agency Board**

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WHEREAS, pursuant to Health & Safety Code Section 33606, a proposed budget for FY 2011-12 is submitted to the Redevelopment Agency (Agency) by the Redevelopment Director and is attached as "Proposed Budget Summary";

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

WHEREAS, the Agency will incur indebtedness in the form of its obligation to deposit twenty percent of tax increment revenue received during the fiscal year into the low- and moderate-income housing fund in the amount of \$1,830,371;

WHEREAS, the public improvements set forth in the Agency FY 2011-12 Budget are of benefit to the respective redevelopment Project Areas in and near where such improvements will be constructed;

WHEREAS, such improvements will help to alleviate blighting conditions in the applicable Project Areas;

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

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

WHEREAS, pursuant to Health and Safety Code section 33334.2 (g) the use of moneys from the Housing Set-Aside Fund to fund housing projects outside any redevelopment Project Area will be of benefit to the each redevelopment Project Area within the County.

WHEREAS, to the benefit of the Agency, Placer County staff provide valuable program management, planning, and financial management for the Agency in the sum of \$1,847,964; and

WHEREAS, the proposed budget includes the information required by the California Health and Safety Code Section 33606.

NOW, THEREFORE, BE IT RESOLVED:

The Proposed Budget for the Agency for FY 2011-12, as submitted by the Redevelopment Director in the amount of \$29,212,535 is hereby approved.

The Proposed Budget for the Agency for FY 2011-12, contains all of the requirements of the State of California Health and Safety Code Section 33606, including all activities to be financed by the Low- and Moderate-Income Housing Fund established pursuant to Section 33334.3: (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; and (e) an examination of the previous year's achievements and a comparison of the achievements with the goals of the previous year's work program.

The Agency finds that the planning and administrative costs in the amount of \$446,485 charged to the Low- and Moderate-Income Housing Fund(s) are necessary for the production, improvement or preservation of low- and moderate-income housing, as required by subdivision (d) of section 33334.3 of the State of California Health and Safety Code.

PLACER COUNTY REDEVELOPMENT AGENCY  
FY 2011/12

PROPOSED BUDGET SUMMARY

Revenues	N. Tahoe 504-100	N. Auburn 504-200	Sunset 504-300	General 504-400	CW Hsg Bond 504-500	Total Housing	N. Tahoe 505-100	N. Auburn 505-200	Sunset 505-300	NT Bond 505-600	NA Bond 505-700	Total Capital Projects	FY'11/12 Proposed Budget
Available Fund Balance (Unreserved/Undesignated)	617,992	13,140	283,028	-	1,911,041	2,825,201	144,990	198,756	-	6,566,225	864,903	7,774,874	10,600,075
Cancel Reserves	706,746	376,119	-	-	-	1,082,865	1,083,309	-	359,973	4,042,859	108,448	5,594,589	6,677,454
Tax Increment	1,224,544	286,485	319,342	-	-	1,830,371	3,221,576	762,983	888,525	-	-	4,873,084	6,703,455
Long-Term Debt Proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenues	4,025,671	-	-	380,470	7,212	4,413,353	500,000	-	-	318,198	-	818,198	5,231,551
<b>Total FY11/12 Revenue</b>	<b>5,250,215</b>	<b>286,485</b>	<b>319,342</b>	<b>380,470</b>	<b>7,212</b>	<b>6,243,724</b>	<b>3,721,576</b>	<b>762,983</b>	<b>888,525</b>	<b>318,198</b>	<b>-</b>	<b>5,691,282</b>	<b>11,935,006</b>
<b>FY11/12 Available Revenues</b>	<b>6,574,953</b>	<b>675,744</b>	<b>602,370</b>	<b>380,470</b>	<b>1,918,253</b>	<b>10,151,790</b>	<b>4,949,875</b>	<b>961,739</b>	<b>1,248,498</b>	<b>10,927,282</b>	<b>973,351</b>	<b>19,060,745</b>	<b>29,212,535</b>
Expenditures	N. Tahoe 504-100	N. Auburn 504-200	Sunset 504-300	General 504-400	CW Hsg Bond 504-500	Total Housing	N. Tahoe 505-100	N. Auburn 505-200	Sunset 505-300	NT Bond 505-600	NA Bond 505-700	Total Capital Projects	FY'11/12 Proposed Budget
Salaries & Employee Benefits	318,108	51,333	85,733	365,137	85,745	906,056	472,471	167,957	149,498	95,883	56,099	941,908	1,847,964
Services & Supplies	223,000	21,415	71,342	15,333	12,508	343,598	1,270,880	259,069	111,832	5,540,885	917,252	8,099,918	8,443,516
Other Charges	5,161,469	176,718	445,295	-	1,820,000	7,603,482	2,443,847	534,713	-	2,120,000	-	5,098,560	12,702,042
Land	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal FY11/12 Expenditures</b>	<b>5,702,577</b>	<b>249,466</b>	<b>602,370</b>	<b>380,470</b>	<b>1,918,253</b>	<b>8,853,136</b>	<b>4,187,198</b>	<b>961,739</b>	<b>261,330</b>	<b>7,756,768</b>	<b>973,351</b>	<b>14,140,386</b>	<b>22,993,522</b>
<b>**FY11/12 Designated Reserves</b>	<b>872,376</b>	<b>426,278</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,298,654</b>	<b>762,677</b>	<b>-</b>	<b>987,168</b>	<b>3,170,514</b>	<b>-</b>	<b>4,920,359</b>	<b>6,219,013</b>
<b>Grand Total Budget</b>	<b>6,574,953</b>	<b>675,744</b>	<b>602,370</b>	<b>380,470</b>	<b>1,918,253</b>	<b>10,151,790</b>	<b>4,949,875</b>	<b>961,739</b>	<b>1,248,498</b>	<b>10,927,282</b>	<b>973,351</b>	<b>19,060,745</b>	<b>29,212,535</b>

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