

City of Palm Springs
Fiscal Year 2007-08 Adopted Budget

COMMUNITY
REDEVELOPMENT AGENCY



City of Palm Springs

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Fiscal Year 2008 Adopted Budget

Highlights

■ The proposed tax increment for Merged Area 1 is projected at \$9,148,000, which is a 35.75% increase over the adopted FY 07 budget. This amount includes a very conservative projection of supplemental increment over the coming year.

■ Staff is recommending that Merged Area 1 assume \$1,300,000 in debt service for the Convention Center. Currently, only Merged Area 2 pays \$300,000 a year in debt service related to the Convention Center.

■ The FY 08 budget includes \$900,000 in recommended capital projects.

■ The following projects and activities are included in the FY 08 budget for Merged Area 1.

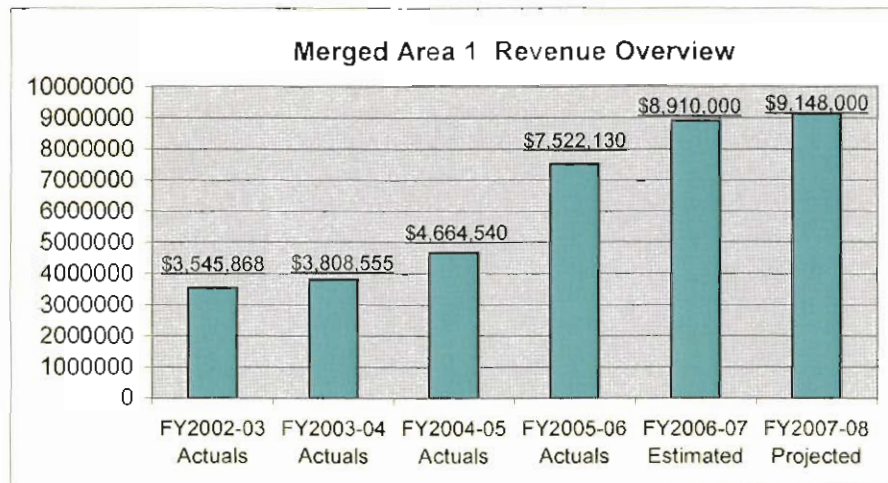
- Funding of additional capital improvements for the Palm Canyon Theatre and Desert Art Center.

- Funding to prepare master plans for the proposed College of Desert West Valley Campus site and Downtown Parking.

- Facilitate redevelopment of the Desert Fashion Plaza and Palm Springs Mall.

Community Redevelopment Agency Merged Area 1

Category	FY 2007 Approved	FY 2007 Projected	FY 2008 Adopted	% Change FY 07-08
Revenue				
Tax Increment	6,739,000	8,910,000	9,148,000	35.75%
Other	235,000	313,250	260,000	10.64%
Total Revenue	\$6,974,000	\$9,223,250	\$9,408,000	34.90%
Loans				
In	\$1,836,785	\$1,466,785	\$1,466,785	
Out	0	0	0	
Cash w Fiscal Agent	\$0	\$33,721	\$0	
Appropriations				
Personnel Costs	275,013	275,013	331,058	20.38%
Downtown Develop	125,000	0	0	-100.00%
Contract/Material	311,520	551,263	230,670	-25.95%
Administration	136,761	136,761	224,026	63.81%
Capital Projects	900,000	1,298,670	900,000	0.00%
Pass Thru's	1,820,963	2,813,863	3,036,383	66.75%
Housing Set-Aside	1,296,800	1,710,831	1,754,200	35.27%
ERAF	358,000	0	0	-100.00%
Debt Service	1,265,653	1,222,775	1,219,561	-3.64%
Convention Ctr Debt	0	0	1,300,000	
Loan Repayment	1,836,785	1,483,688	1,466,785	-20.14%
Total Appropriations	\$8,326,495	\$9,492,864	\$10,462,683	25.66%
Net Balance	\$484,290	\$1,230,892	\$412,102	



Fiscal Year 2008 Adopted Budget

Community Redevelopment Agency Merged Area 2

Highlights

■ The proposed tax increment for Merged Area 2 is \$5,120,000, which is a 21.56% increase over the FY 07 budget. This amount includes a very conservative projection of supplemental increment.

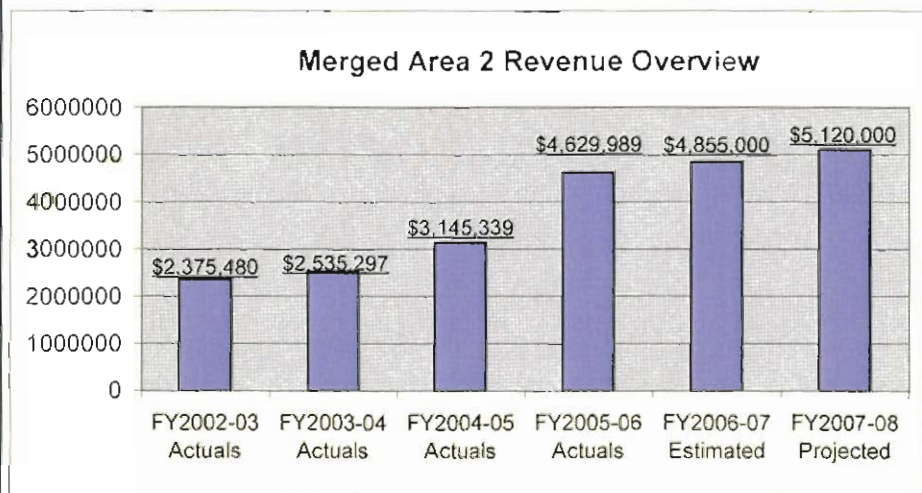
■ The FY 08 budget includes \$475,000 in recommended capital projects.

■ The following projects and activities are included in the FY 08 budget for Merged Area 2:

■ Develop a Master Plan for the property across from the Convention Center at Amado and Calle Alvarado.

■ Finalize Disposition and Development Agreements (DDAs) with the developers of a 200 room hotel (Westin) and a 450 room hotel/condo site (Hard Rock) adjacent to the Convention Center.

Category	FY 2007 Approved	FY 2007 Projected	FY 2008 Adopted	% Change FY 07-08
Revenue				
Tax Increment	4,212,000	4,855,000	5,120,000	21.56%
Other	130,000	235,000	155,000	19.23%
Total Revenue	\$4,342,000	\$5,090,000	\$5,275,000	21.49%
Loans				
In	\$545,000	\$545,000	\$545,000	
Out	0	0	0	
Cash w Fiscal Agent	\$0	\$3,183,094	\$0	
Appropriations				
Personnel Costs	222,255	222,255	244,753	10.12%
Contract/Material	165,390	175,622	144,990	-12.33%
Administration	66,276	66,276	115,915	74.90%
Capital Projects	275,000	385,200	475,000	72.73%
Pass Thru's	1,539,165	2,005,320	2,029,562	31.86%
Housing Set-Aside	818,400	964,474	993,200	21.36%
ERAF	120,000	0	0	-100.00%
Debt Service	694,366	694,366	693,667	-0.10%
Conv Ctr Debt	300,000	300,000	300,000	
Loan Repayment	545,000	545,000	545,000	0.00%
Total Appropriations	\$4,745,852	\$5,358,513	\$5,542,087	16.78%
Net Balance	\$141,148	\$3,459,581	\$277,913	



Fiscal Year 2008 Adopted Budget

Community Redevelopment Agency Housing

Highlights

■ The 20% Housing Set-Aside is projected to be \$2,747,400 for FY 08. This is a 29.8% increase over the FY 07 budget.

■ The FY 08 budget includes \$2,135,000 for the following housing projects:

- Redevelop four more homes as part of the Desert Highland Infill Program.
- Assist CVHC with 59 unit apartment project on Rosa Parks Blvd.
- Assist with redevelopment of Tahquitz Court Apartments.
- Develop a program for blighted site abatement in low income multi-family housing neighborhoods.

■ The projected deficits for both fiscal years are covered by accumulated housing increment from prior fiscal years.

Category	FY 2007 Approved	FY 2007 Projected	FY 2008 Adopted	% Change FY 07-08
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Revenue

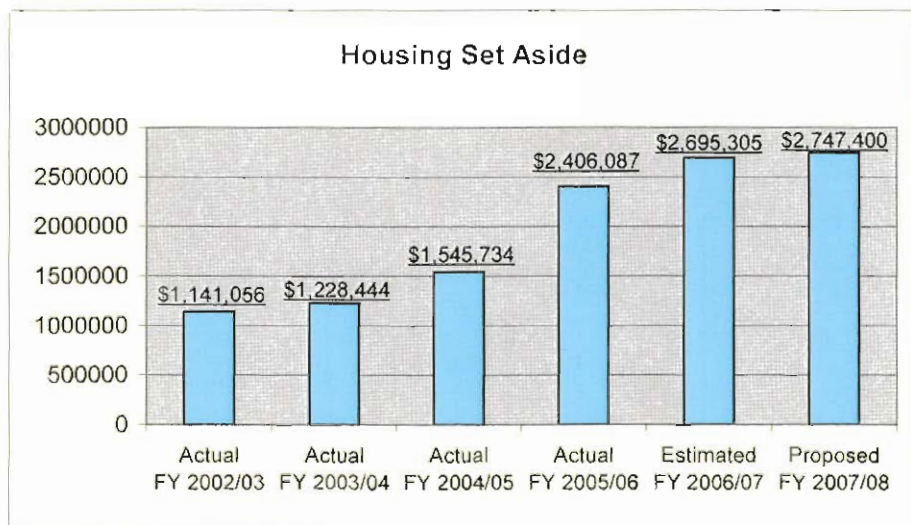
Set-Aside	2,115,200	2,695,305	2,747,400	29.89%
Other	100,000	140,000	100,000	0.00%
Total Revenue	\$2,215,200	\$2,835,305	\$2,847,400	28.54%

Appropriations

Personnel Costs	310,503	310,503	331,025	6.61%
Contract/Material	72,500	60,584	75,300	3.86%
Administration	82,240	82,240	84,097	2.26%
Capital Projects	1,500,000	2,261,894	2,135,000	42.33%
Pass Thru's	0	0	0	
Housing Set-Aside	0	0	0	
ERAF	0	0	0	
Debt Service	465,510	465,510	467,070	0.34%
Conv Ctr Debt	0	0	0	
Loan Repayment	0	0	0	

Total Appropriations \$2,430,753 \$3,180,731 \$3,092,492 27.22%

Net Balance (\$215,553) (\$345,426) (\$245,092)



**Fiscal Year 2008
Adopted Budget**

**Summary of Operations
Community Redevelopment Agency**

Highlights

- The Community Redevelopment Agency projects new tax increment of \$14,268,000 for FY 08 from all project areas.
- A total of \$1,375,000 is budgeted for new non-housing capital projects.
- The proposed FY 08 budget includes a combined \$1,600,000 in debt service for the Convention Center. This is an increase of \$1,300,000, which is all in Merged Area 1, over the current FY 07 budget.
- In FY 08 the Agency will distribute \$5,065,945 of funding to other agencies because of Pass Through Agreements and State law.
- The Agency will set-aside \$2,747,400 for the housing fund to meet our State mandated housing obligations.
- Tax Increment must be used to pay for existing or new debt service. Loans-In is revenue received from the City for funds advanced by the Agency for certain capital projects.

Category	FY 2007 Approved	FY 2007 Projected	FY 2008 Adopted
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Merged Area 1

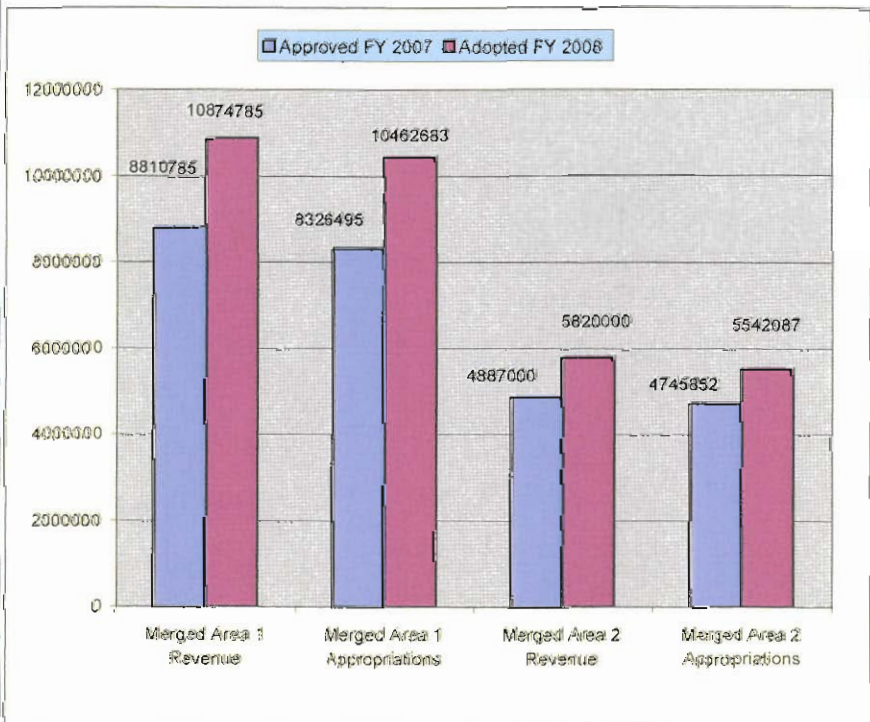
Revenues	6,974,000	9,223,250	9,408,000
Loans In	1,836,785	1,466,785	1,466,785
Cash with Fiscal Agent	0	33,721	0
Appropriations	8,326,495	9,492,864	10,462,683
Surplus (Deficit)	\$484,290	\$1,230,892	\$412,102

Merged Area 2

Revenues	4,342,000	5,090,000	5,275,000
Loans In	545,000	545,000	545,000
Cash with Fiscal Agent	0	3,183,094	0
Appropriations	4,745,852	5,358,513	5,542,087
Surplus (Deficit)	\$141,148	\$3,459,581	\$277,913

Housing

Set-Aside	2,215,200	2,835,305	2,847,400
Appropriations	2,430,753	3,180,731	3,092,492
Surplus (Deficit)	(\$215,553)	(\$345,426)	(\$245,092)



**CITY OF PALM SPRINGS
FY 07-08 ADOPTED BUDGET DETAIL COMMUNITY REDEVELOPMENT AGENCY**

Fund No.	Dept. No.	Fund/Department Name	FY 06-07 TOTAL	Personnel Costs & Services	Materials, Supplies & Services	Special Charges	Debt Service	Capital	FY 07-08 TOTAL	No.
Fund 811		Merged Area #1								
186	811	Capital & Admin Area #1	1,662,394	331,058	156,650	190,566	0	900,000	1,578,274	186
187		TOTAL MERGED AREA #1	1,662,394	331,058	156,650	190,566	0	900,000	1,578,274	187
Fund 812		Merged Area #2								
188	812	Capital & Admin Area #2	728,921	244,753	144,990	115,915	0	475,000	980,658	188
189		TOTAL MERGED AREA #2	728,921	244,753	144,990	115,915	0	475,000	980,658	189
Fund 821		Plaza Theatre								
190	821	Plaza Theatre	85,900	0	74,020	33,460	0	0	107,480	190
191		TOTAL PLAZA THEATRE	85,900	0	74,020	33,460	0	0	107,480	191
Fund 840		1994 Series A/B Debt Service								
192	840	1994 Series A/B Debt Service	0	0	0	0	0	0	0	192
193		TOTAL 1994 SERIES A/B DEBT	0	0	0	0	0	0	0	193
Fund 851		Merged Area #1 - Debt Service								
194	851	Central Business District Debt Svc	1,454,919	0	0	0	2,193,316	536,376	2,729,692	194
195	851	Oasis Debt Service	131,590	0	0	0	0	131,595	131,595	195
196	851	N. Palm Canyon Debt Service	734,971	0	0	0	400,000	440,829	840,829	196
197	851	Highland Gateway Debt Service	246,428	0	0	0	165,000	140,670	305,670	197
198	851	Ramon Bogie Debt Service	458,649	0	0	0	225,000	501,397	726,397	198
199	851	S. Palm Canyon Debt Service	555,576	0	0	0	197,801	316,353	514,154	199
200	851	Project Area #9 Debt Service	2,996,068	0	0	0	805,229	2,723,363	3,528,592	200
201		TOTAL MERGED AREA #1-DEBT	6,578,201	0	0	0	3,986,346	4,790,583	8,776,929	201
Fund 852		Merged Area #2 - Debt Service								
202	852	Tahquitz Andreas Debt Service	1,037,550	0	0	0	416,318	576,005	992,323	202
203	852	Baristo Farrell Debt Service	1,997,543	0	0	0	815,667	1,696,197	2,511,864	203
204	852	Canyon Project Debt Service	981,838	0	0	0	324,000	733,242	1,057,242	204
205		TOTAL MERGED AREA #2-DEBT	4,016,931	0	0	0	1,555,985	3,005,444	4,561,429	205
Fund 882		Tahquitz Andreas Low/Mod								
206	882	Tahquitz Andreas Low/Mod	2,430,753	331,025	50,300	84,097	467,070	2,160,000	3,092,492	206
207		TOTAL TAHQUITZ ANDREAS	2,430,753	331,025	50,300	84,097	467,070	2,160,000	3,092,492	207
208		TOTAL REDEVELOPMENT	15,503,100	906,836	425,960	424,038	6,009,401	11,331,027	19,097,262	208

RESOLUTION NO. 1328

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF PALM SPRINGS, CALIFORNIA, APPROVING A BUDGET FOR THE FISCAL YEAR 2007-2008.

WHEREAS, a budget for the fiscal year 2007-2008 has been prepared by the Community Redevelopment Agency, Director of Community & Economic Development, and the Agency Treasurer; and

WHEREAS, the Community Redevelopment Agency has examined said budgets and conferred with the Community Redevelopment Agency Executive Director; and

WHEREAS, the Community Redevelopment Agency, after due deliberation and consideration, agrees with the budget recommended; and

WHEREAS, pursuant to Health & Safety Code Section 33334.3 (d), the Agency hereby finds and determines that the planning and administrative expenses to be paid from the Low and Moderate Income Housing Fund for each redevelopment project are necessary for the production, improvement or preservation of low and moderate income housing and are not disproportionate to the amounts budgeted for the costs of production, improvement or preservation of that housing; and

WHEREAS, the Agency's planning and administrative expenses paid from the Low and Moderate Income Housing Fund for the production, improvement or preservation of low and moderate income housing pay for a portion of staff and legal costs necessary to facilitate new construction projects and administer individual rehabilitation and purchase programs, land and property acquisition and disposition, multi-government agreements, and bond issues related to low and moderate income housing.

NOW THEREFORE BE IT RESOLVED by the Community Redevelopment Agency of the City of Palm Springs as follows:

Section 1. That the budget in the amount of \$19,097,262 be approved for the following purposes:

	<u>Capital & Admin.</u>	<u>Debt Service</u>
Merged Area No. 1	\$ 1,578,274	\$ 8,776,929
Merged Area No. 2	980,658	4,561,429
Low & Mod. Income Housing	3,092,492	0
Plaza Theatre	<u>107,480</u>	<u>0</u>
	\$ 5,758,904	\$ 13,338,358

Section 2. That the Finance Director of the City of Palm Springs is authorized to record the budget and such other accounting entries as may be necessary for proper accounting treatment in accordance with rules and regulations applicable to other City of Palm Springs funds.

Section 3. That the Work Program for Low and Moderate Income Program in Fiscal Year 2007-2008 is as follows, including total Agency assistance committed:

CVHC Rosa Parks Blvd. Project	\$ 610,000
Indian/San Rafael Multi-Family For-Sale Project	\$ 500,000
Unscheduled Capital Projects	\$ 200,000
Tahquitz Court Apartments	\$ 225,000
Desert Highland Infill Program (Phase II)	\$ 200,000
Vista Sunrise Street Improvements	\$ 125,000
Blighted Future Housing Site Abatement	\$ 125,000
Energy Efficiency Program	\$ 100,000
Home Improvement Program (HIP)	\$ 50,000
Riverside County Admin Fee	\$ 25,000

Section 4. That the accomplishments of the Low and Moderate Income Program in Fiscal Year 2006-2007 are as follows:

- Vista Sunrise Special Needs Apartments. The project was completed in 2006-07 and has begun leasing. Riverside County has also commenced construction of the adjacent Family Care Center.
- Desert Highland Infill Program. Century Crowell Communities has completed and sold the first five homes in the program; the second developer will commence construction in July, 2007 on four more homes.
- Coyote Run Apartments Expansion. The project was completed in 2006-07 and has begun leasing.
- Tahquitz Court Apartments. The Agency made a preliminary commitment of the rehabilitation of this 108-unit apartment complex with a multi-year commitment of \$2.8 million. The project is applying for bond funds and 4% Low Income Housing Tax Credits. The project is expected to receive its funding in the 2007-08 year.

ADOPTED THIS 6th day of June, 2007.

COMMUNITY REDEVELOPMENT AGENCY
CITY OF PALM SPRINGS, CALIFORNIA

Chair

ATTEST:

Assistant Secretary

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, Assistant Secretary of the Community Redevelopment Agency of the City of Palm Springs, hereby certify that Resolution No. 1328 is a full, true and correct copy, and was duly adopted at a regular meeting of the Community Redevelopment Agency of the City of Palm Springs on June 6, 2007 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

James Thompson, Assistant Secretary
Community Redevelopment Agency
City of Palm Springs, California