

DATE: 6/15/99 AGENDA ITEM # \_\_\_\_\_  
( ) APPROVED ( ) DENIED  
( ) CONTINUED TO \_\_\_\_\_

To: James L. App, City Manager  
From: Mike Compton, Director of Administrative Services  
Subject: Redevelopment Agency Budget  
Date: June 15, 1999

---

Need: For the Agency Board to consider second reading and adoption 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.
  4. On June 1, 1999, the Agency did introduce and hold first reading of the ordinance approving the fiscal year 2000 operating budget.

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 favored 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 undertake 2<sup>nd</sup> reading of adoption of ordinance approving 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 31<sup>st</sup> 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 for first reading at a regular meeting of the City Council held on June 1, 1999, and passed and adopted this 15<sup>th</sup> day of June by the following roll call vote:

AYES:  
NOES:  
ABSENT:

---

Mayor Duane Picanco

ATTEST:

---

Dennis Fansler, City Clerk