



TO: Mayor and Councilmembers

FROM: Dan Singer, City Manager

CONTACT: Vyto Adomaitis, RDA, Neighborhood Services & Public Safety Director
Jaime A. Valdez, Sr. Management Analyst

SUBJECT: RDA Annual Report FY 07-08

RECOMMENDATIONS:

Receive the Redevelopment Agency Annual Report for FY 07-08.

BACKGROUND:

Section 33080.1 of the Health and Safety Code requires that each Redevelopment Agency within the State of California present an annual report to its legislative body within six months of the end of the agency's fiscal year. As required by Section 33080.1, the following documents must be completed and submitted by December 31, 2008:

- (1) An independent financial audit report which contains the required fiscal statements for the RDA;
- (2) The annual Housing and Community Development ("HCD") Report; and,
- (3) The State Controller's Report for the 2007-08 Fiscal Year.

In order to complete and submit the aforementioned reports, the independent financial audit must first be adopted by the City Council. This item is on today's agenda as Item B.6. Staff does not foresee any changes in the independent financial audit report with respect to the Redevelopment Agency. Once completed and submitted, copies of the three indicated items will be available at City Hall.

DISCUSSION:

Since this Council meeting is the last before December 31, 2008, staff is bringing this item to the Council to comply with Health and Safety Code 33080.1. The annual report for Fiscal Year 2007-08 consists of financial and project information as summarized in the following pages:

Housing and Displacement Activities

Section 33080.1(c) requires a description of certain affordable housing and redevelopment activities in the 2007-08 Fiscal Year. Accordingly, the following reportable activity has occurred:

- Maintenance and Repair for Affordable Housing: Eight dwelling units designated for very low, low, and moderate income households directly benefited from Low and Moderate Income Housing Fund (LMIHF) expenditures for maintenance and repairs.
- Sumida Gardens Project: The Agency, in conjunction with the City Council, approved agreements for the development of 200 multi-family apartment units. Construction began in January 2008, and is scheduled to be completed in April 2009. The development will include 34 affordable units with respective 55 year covenants. A combination of Agency funds and City funds were designated to ensure financial feasibility and will be made available to the developer in Fiscal Year 2008-09.
- LMIHF Excess Surplus: The Agency's LMIHF contained an excess surplus, as defined by Section 33334.10, in the amount of \$0 for the 2007-08 Fiscal Year. The Agency has since spent over \$1.7 million of low income housing funds on the Sumida Gardens Project in FY 2008-09 and has encumbered additional low income housing funds by entering into an agreement with the developer of the Sumida Gardens Project on November 19, 2007.

Alleviation of Blight

Section 33080.1(d) requires a description of the Agency's progress in alleviating blight in the 2007-08 Fiscal Year, including specific actions and expenditures. The following projects or programs have been identified:

- Citywide Capital Improvements: The Agency completed and continues to assist on various public improvement projects in the Project Area to upgrade infrastructure and facility capacity to mitigate existing deficiencies and encourage new development. Among the Agency's accomplishments were:
 - Continued coordination and financial assistance regarding Hollister Avenue Redesign, extension and alignment of Ekwil and Fowler roads, San Jose Creek Capacity Improvements; and
 - Completion of the construction of the Old Town Armitos Park.
- Continued Coordination, Negotiation, Planning and Funding: The Agency continued its efforts regarding the following redevelopment activities:
 - Planning and negotiations with land owners and potential developers for the Revitalization of Old Town.
 - Administering the grant-providing Storefront Façade Improvement Program (SFIP) for commercial property in the Old Town Heritage District.

Agency Owned Property

Finally, Section 33080.1(f) requires a description of the total number of and nature of properties that the Agency owns and those properties the Agency acquired during the 2007-08 Fiscal Year. The Agency currently does not own any sites that will be utilized for future housing development.

GOLETA STRATEGIC PLAN:

This presentation is consistent with the Goals in the Goleta Strategic Plan entitled, "Emphasize Old Town Revitalization," "Implement Citywide Capital Improvement Program," "Create Parks and Recreation Opportunities," and "Protect & Promote Character, Quality, & Diversity of Neighborhoods." Specifically, this financial and programmatic reporting speaks to the following objectives "Address Flood Control improvements in Old Town," "Complete Ekwil," "Hollister Redesign," "Acquire Property for Neighborhood Parks," "Provide Administration for Neighborhood Services" and moves the City closer towards realizing its vision as defined within the City's Strategic Plan.

ALTERNATIVES:

None

FISCAL IMPACTS:

None

Submitted By:

Reviewed By:

Approved By:

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Director

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Director

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