

# ECONOMIC DEVELOPMENT/ REDEVELOPMENT

## FY 2010-2011 Adopted Budget

### Economic Development/RDA Division

#### Division Summary

##### SOURCE

	FY 2007-08 ACTUAL	FY 2008-09 ACTUAL	FY 2009-10 ADOPTED BUDGET	FY 2009-10 AMENDED BUDGET	FY 2010-11 ADOPTED BUDGET
Special Revenue Funds	-	-	-	45,000	-
Grant	61,465	224,240	-	607,540	-
Redevelopment Funds	784,577	887,958	868,661	976,237	1,134,931
<b>TOTAL</b>	<b>846,042</b>	<b>1,112,198</b>	<b>868,661</b>	<b>1,628,777</b>	<b>1,134,931</b>

##### EXPENDITURES BY DIVISION

	FY 2007-08 ACTUAL	FY 2008-09 ACTUAL	FY 2009-10 ADOPTED BUDGET	FY 2009-10 AMENDED BUDGET	FY 2010-11 ADOPTED BUDGET
Economic Development/ RDA	846,042	1,112,198	868,661	1,628,777	1,134,931
<b>TOTAL</b>	<b>846,042</b>	<b>1,112,198</b>	<b>868,661</b>	<b>1,628,777</b>	<b>1,134,931</b>

##### CHARACTER OF EXPENDITURES

	FY 2007-08 ACTUAL	FY 2008-09 ACTUAL	FY 2009-10 ADOPTED BUDGET	FY 2009-10 AMENDED BUDGET	FY 2010-11 ADOPTED BUDGET
<u>PERSONNEL</u>					
Salaries and Benefits	601,336	595,686	643,466	614,212	649,955
<b>Subtotal</b>	<b>601,336</b>	<b>595,686</b>	<b>643,466</b>	<b>614,212</b>	<b>649,955</b>
<u>SUPPLIES AND SERVICES</u>					
Purchased Services	221,661	509,678	205,855	999,615	469,556
Supplies and Materials	5,525	8,770	9,340	11,340	15,420
Other Expenditures	-	(2,851)	-	-	-
Capital Expenditures	17,520	915	10,000	3,610	-
<b>Subtotal</b>	<b>244,706</b>	<b>516,512</b>	<b>225,195</b>	<b>1,014,565</b>	<b>484,976</b>
<b>TOTAL</b>	<b>846,042</b>	<b>1,112,198</b>	<b>868,661</b>	<b>1,628,777</b>	<b>1,134,931</b>

##### NET GENERAL FUND CONTRIBUTION

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##### AUTHORIZED STRENGTH

	FY 2007-08 ADOPTED BUDGET	FY 2008-09 ADOPTED BUDGET	FY 2009-10 ADOPTED BUDGET	FY 2009-10 ADOPTED BUDGET	FY 2010-11 ADOPTED BUDGET
<b>Position Summary</b>					
Economic Development/RDA	6	6	6	6	6
<b>TOTAL</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>

# ECONOMIC DEVELOPMENT/ REDEVELOPMENT

FY 2010-2011 Adopted Budget

## Economic Development/RDA Division

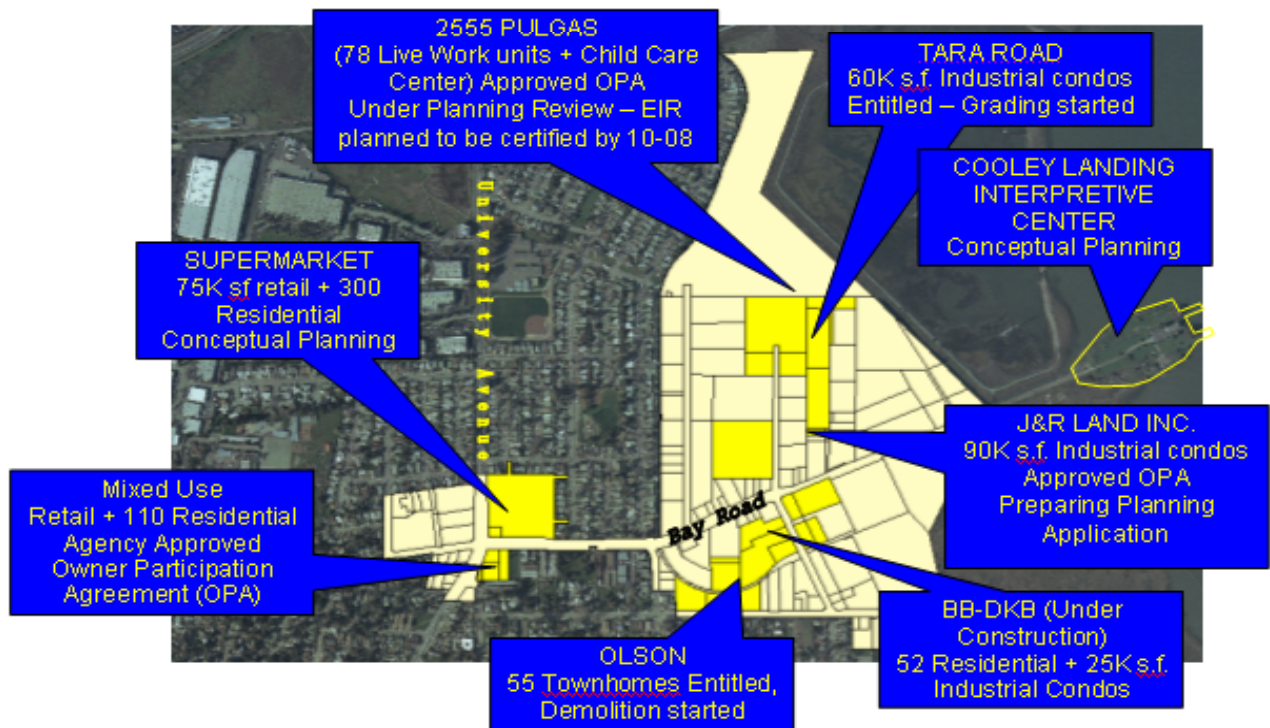
### Division Summary cont.

	FY 2007-08 ADOPTED BUDGET	FY 2008-09 ADOPTED BUDGET	FY 2009-10 ADOPTED BUDGET	FY 2009-10 ADOPTED BUDGET	FY 2010-11 ADOPTED BUDGET
<b>Position Detail</b>					
RDA Division Manager		1	1	1	1
1 RDA Project Coordinator I/II		2	2	2	2
RDA Project Manager		2	2	2	2
Secretary II		1	1	1	1
<b>TOTAL</b>		<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>

**Notes:**

- 1 There are two (2) RDA Project Coordinator I/II positions. One (1) is being held and not funded as recommended in the Matrix Group Organizational Assessment Study.

**Map of Redevelopment Areas with Status Updates on Each Project:**



# ECONOMIC DEVELOPMENT/ REDEVELOPMENT

**FY 2010-2011 Adopted Budget**

## **Division Summary**

### **SERVICE DESCRIPTION**

Redevelopment is a tool created by state law to assist local governments in eliminating blight from designated areas in need of revitalization. Redevelopment is designed to improve the quality of life of the community through the creation of affordable housing, new jobs, the improvement of the City's physical infrastructure, helping develop small businesses, creating vibrant neighborhood retail, and improving and creating new open space and landscaped areas.

The functions of the Redevelopment Agency (RDA) Administration include: Economic Development, Strategic Planning for redevelopment areas, and Community Outreach. The Agency has a staffing of 6 (six) positions and works under the direction of the Redevelopment Agency Executive Director, who also serves as the City Manager and the City Clerk.

The emphasis of the Fiscal Year 2010-2011 budget is to:

- Advance the Dumbarton Rail Transit Station Specific Plan (Specific Plan) and EIR processes;
- Improve the infrastructure of the Ravenswood Business District to support the envisioned growth in the area.
- Facilitate the implementation of several entitled projects in the Ravenswood, and Gateway 101 Redevelopment Project areas;
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The Agency plans to accomplish its objectives by:

- Creating plans that bring consensus around viable project development concepts that support the community vision, that are financially feasible and bring community benefits.
- Assisting in the development of, and/or directing project implementation strategies and programs that improve the existing City infrastructure by adding capacity to improve the health and safety of residents, and support higher and better uses, that will create jobs, revenue, and community benefits.
- Shepherding projects through execution to help identify and resolve implementation hurdles.
- Supporting the needs of local businesses and entrepreneurs to open and expand business in East Palo Alto.
- Attracting businesses that will provide needed goods and services to the community.

Economic Development initiatives being pursued by the Agency staff are focused on continuing efforts to create employment opportunities for local residents, to create a jobs-housing balance, as well as a well-balanced mix of commercial uses and services that meet the needs of the residents.

Pursuant to the priorities identified by the Agency Board of Directors, Economic Development and long range planning, including the Ravenswood area are priorities. Among the many strategic priorities for the City, the following, are RDA related priorities for Fiscal Year 2009-2010:

- Initiating and advancing the Specific Plan and EIR processes;
- Developing and adopting an Infrastructure Master Plan;
- Completing and implementing the Tax Base Growth Strategy;
- Promote economic development by supporting local businesses;
- Work with local businesses to create jobs for local residents;

# REDEVELOPMENT/ ECONOMIC DEVELOPMENT

**FY 2010-2011 Adopted Budget**

**Division Summary cont.**

## **SIGNIFICANT CHANGES**

### **FY 2009-2010 Adopted to FY 2009-2010 Amended:**

The Fiscal Year 2009-2010 Amended Budget of \$1,628,777 is an increase of \$760,116 from the FY 2009-2010 Adopted Budget of \$868,661. This 87.5% projected increase is a primarily a result of a MTC grant for the Dumbarton Station Area Specific Plan for approximately \$605,342. Typically, grant funds are not budgeted for until the City Council has approved and appropriated the funds. Additionally, approximately \$106,400 will be paid from redevelopment funds for professional services for the Dumbarton Rail Plan project. The Fiscal Year 2009-2010 Adopted Budget implementation of a 3 day mandatory furlough program for non-sworn City staff to occur in the fourth quarter of the fiscal year was not required and is not reflected in the FY2009-2010 Amended Budget.

### **FY 2009-2010 Amended to FY 2010-2011 Adopted:**

The Fiscal Year 2010-2011 Adopted Budget of \$1,134,931 is a decrease of -\$493,846 from the FY 2009-2010 Projected Budget of \$1,628,777. This -30.3% decrease results mainly from the assumption of a completed MTC Dumbarton Station Area Specific Plan grant in FY2009-2010 fiscal year resulting in a \$605,342 decrease in FY2010-2011. An increase in Purchase Services of \$157,600 primarily due to the need to acquire additional engineering consulting services for the Bay Road project. The Adopted Budget includes a cost of living adjustment.

# ECONOMIC DEVELOPMENT/REDEVELOPMENT

FY 2010-2011 Adopted Budget

## FY 2009-2010 ACCOMPLISHMENTS

OBJECTIVE	RESULT
1. To continue advancing in Dumbarton Rail Transit Station Specific Plan (Specific Plan) and Environmental Impact Report processes for the Specific Plan, with a goal of completing the process 18 months after contract award. Contract to be considered by Council by July 2009.	Specific Plan process moving on schedule and within budget. Estimated completion by Spring 2011.
2. To initiate implementation of tax base growth strategy analysis as it will be determined by Council. Council to review the study and provide direction to staff by July 2009.	Tax Base Growth Strategy implementation alternatives presented by staff to Economic Development Subcommittee (EDS) for their consideration. EDS is still evaluating implementation alternatives for recommendation and review of the full Council.
3. To initiate implementation of Small Business Needs Assessment strategies as it will be determined by Council. Council reviewed the study and provides direction to staff by July 2009.	Small Business needs assessment implementation alternatives presented by staff to Economic Development Subcommittee (EDS) for their consideration. EDS still evaluating implementation alternatives for recommendation to Council.
4. To initiate the development of a City of East Palo Alto Climate Action Plan to address the threats of climate change and global warming by reducing green house gas emissions. Staff will bring a consultant contract for Council consideration before July 2010.	Staff is reviewing the nascent, but growing body of best practices regarding Climate Action Plan strategies and plans to bring a consultant contract for Council consideration before July 2010.
5. To monitor implementation of the City First Source Hiring Program, Local Business Enterprise, and job training initiatives. Collect and report Gateway 101 (G101) quarterly employment reports with a goal of having 30% EPA residents filling G101 positions.	Staff continues collecting employment data, implementing the FSH and LBE program, exceeding the FSH stated policy goal of 30%. In the first half of FY 09-10, 35% of the jobs in the Gateway 101 were filled by East Palo Alto residents.
6. To continue providing staff, logistic, and planning support to Engineering and Public Works, as needed, to implement infrastructure improvements that will enable the development of the Ravenswood Redevelopment area.	Staff has provided logistic, environmental planning, and grant management support to the Engineering and Public Works department to implement storm drain infrastructure improvements at the end of Runnymede.
7. To develop a funding plan to implement Bay Road downstream infrastructure improvements, from Bay Road to the O'Connor pump station before July 2010.	Staff has developed federal request applications to fund the downstream infrastructure improvements that have resulted in \$1.1 million in 2009 and \$875K in 2010.

# ECONOMIC DEVELOPMENT/REDEVELOPMENT

FY 2010-2011 Adopted Budget

## FY 2009-2010 ACCOMPLISHMENTS

OBJECTIVE	RESULT
<p>8. To continue providing staff and technical support to expand the City's Geographic Information System (GIS) capabilities and resources by providing training to at least three City Staff in using GIS software, and developing internal applications and map production capabilities.</p>	<p>The City's GIS portal: epagis.com is operational. Five staff members trained in GIS. No internal applications developed yet. More training may be needed.</p>
<p>9. To continue implementation of portions of the Bay Access Master Plan, by developing a preliminary land use design plan before July 2010 for sites such as, i.e.:</p> <ul style="list-style-type: none"><li>• Rail spur south of Bay Road, from Clarke to Pulgas</li><li>• Area along the levy, south of the O'Connor pump station to West Bayshore</li><li>• Cooley Landing</li></ul>	<p>Staff continues pursuing implementation of the Bay Access Master Plan by:</p> <ul style="list-style-type: none"><li>• Completing environmental assessment and submitting a remediation plan for approval of the Regional Water Quality Control Board, for the rail spur within the Bay, Clarke, Weeks, Pulgas blocks.</li><li>• Monitoring progress of study regarding final San Francisquito Creek flood mitigation plans, which will define the potential of creating a park along the levy. Project on hold.</li><li>• RDA staff is providing administrative and technical support to consultant Lily Lee to advance the Cooley Landing process and develop final plans.</li></ul>
<p>10. To continue assisting in the implementation of the following projects:</p> <ul style="list-style-type: none"><li>• Byrd, Brock, DKB Homes</li><li>• The Olson Company Site</li><li>• J&amp;R Associates</li><li>• Tara Road Industrial condominiums</li><li>• SE Corner of Bay and University</li><li>• University Plaza</li></ul>	<p>Staff continue assisting in the implementation of projects, actions taken include:</p> <ul style="list-style-type: none"><li>• The DKB Homes, Tara Road, and J&amp;R projects are on hold waiting for market conditions to improve.</li><li>• Staff recommended and Council agreed to both acquire and extend the entitlements of the Olson Company site.</li><li>• Staff recommended and Council approved an extension of the University Plaza entitlements for up to 6 years, to wait for market conditions to improve, and build.</li><li>• Staff continues working with Clarum Homes to obtain entitlements for the SE Corner of Bay and University.</li></ul>

# ECONOMIC DEVELOPMENT/ REDEVELOPMENT

2010-2011 Adopted Budget

## FY 2010-2011 OBJECTIVES

1. To continue advancing in Dumbarton Rail Transit Station Specific Plan (Specific Plan) and Environmental Impact Report processes for the Specific Plan, with a goal of completing the process in Spring 2011.
2. To continue implementing "Tax Base Growth Strategy" and "Small Business Needs Assessment" measures as directed by Council in FY 2009-2010.
3. To develop a funding plan to implement Ravenswood Redevelopment area infrastructure improvements identified in the to be completed Specific Plan.
4. Completing a City wide Climate Action Plan to identify strategies to reduce green house gas emissions, reduce global warming and plan for climate change impacts.
5. To monitor implementation of the City First Source Hiring Program, Local Business Enterprise, and job training initiatives. Collect and report Gateway 101 (G101) quarterly employment reports with a goal of having 30% EPA residents filling G101 positions.
6. To continue providing staff, logistic, and planning support to Engineering and Public Works, as needed, to implement infrastructure improvements that will enable the development of the Ravenswood Redevelopment project area.
7. To continue providing staff and technical support to expand the City's Geographic Information System (GIS) capabilities and resources by providing training to at least three City Staff in using GIS software, and developing internal applications and map production capabilities.
8. To continue pursuing the implementation of portions of the Bay Access Master Plan, by seeking funding and developing plans for potential sites, such as, i.e.:
  - Rail spur south of Bay, from Clarke to Pulgas
  - Area along the levy, south of the O'Connor pump station to West Bayshore
  - Cooley Landing
  - Eastern terminus of Bay Road
  - Eastern terminus of Weeks St.
9. To continue assisting in the implementation of the following projects:
  - Byrd, Brock, DKB Homes
  - The Olson Company Site
  - J&R Associates
  - Tara Road Industrial condominiums
  - SE Corner of Bay and University
  - University Plaza