

**MOORPARK CITY COUNCIL
AGENDA REPORT**

To: Honorable City Council

From: David C. Moe II, Redevelopment Manager *D. Moe*

Date: October 4, 2011 (CC Meeting of 10/19/11)

Subject: Consider Resolution Amending the Fiscal Year 2011/2012 Budget Allocating Funds to Complete Several Redevelopment Agency Projects Halted Due to the California Supreme Court Issued Stay and Properly Maintain Former Agency Properties until March 31, 2012

BACKGROUND

On Monday, January 10, 2011, Governor Brown released his Fiscal Year 2011-12 State budget proposal. It included a proposal to eliminate redevelopment agencies. On June 29, 2011, the Governor signed Assembly Bill (AB)X1 26 eliminating redevelopment agencies and ABX1 27 which allows cities to resurrect their redevelopment agencies for a large payment in Fiscal Year 2011-12 and by continuing payments for the life of the agency.

On February 2, 2011, the Redevelopment Agency of the City of Moorpark ("Agency") Board of Directors and the City of Moorpark ("City") City Council approved an option agreement that allows the City to purchase the Agency's land held for resale. The intent of the option agreement was to allow completion of planned Agency activities consistent with the Five-Year Implementation Plan. These activities include affordable housing and economic development objectives that could not be accomplished without the acquisition and public ownership of the land. The activities, when completed, would return the land to private ownership or hold it for general public benefit such as street widening, parking facilities, and parks.

DISCUSSION

The City exercised its option to purchase the Agency's land held for resale on July 6, 2011. Funding is now needed to remove improvements on property located at 780 Walnut Street, 124 First Street, 450 High Street, and any further miscellaneous demolition activities that may be needed; buy appliances and complete landscaping for the First Time Home Buyer program house located at 81 First Street; fund the General

Manager's contract for High Street Arts Center and partial FY 2010/11 advertising expenses; and remove weeds and conduct maintenance activities on various properties.

Staff is requesting \$222,900.00 to complete the activities mentioned above. Of the total amount requested, \$98,750.00 would be funded by the City Affordable Housing Fund (2201) and \$124,150.00 would be funded from the General Fund (1000). This funding would complete several Agency projects that were halted due to the California Supreme Court issued stay and allow the City to properly maintain the former Agency properties until March 31, 2012. The California Supreme Court is expecting to rule on the CRA v. Matosantos lawsuit on January 15, 2012. Staff is proposing to include additional funding to provide sufficient funds to maintain the properties until March 31, 2012, in case the California Supreme Court fails to make a decision by January 15, 2012. Staff intends to use Agency funds to repay the City \$222,900.00 plus the LAIF rate once the California Supreme Court makes a decision on the lawsuit.

FISCAL IMPACT

A budget amendment in the amount of \$222,900.00 is needed to complete the activities mentioned in the staff report. Of the total amount requested, \$98,750.00 would be funded by the City Affordable Housing Fund (2201) and \$124,150.00 would be funded from the General Fund (1000). Staff intends to use Agency funds to repay the City \$222,900.00 plus the LAIF rate once the California Supreme Court makes a decision on the lawsuit.

STAFF RECOMMENDATION (ROLL CALL VOTE REQUIRED)

Adopt Resolution No. 2011 - ____ amending the Fiscal Year 2011/12 budget and authorizing City funding to complete several Agency projects that were halted due to the California Supreme Court issued stay and to properly maintain the former Agency properties until March 31, 2012.

Attachment "A" Resolution No. 2011 - _____

ATTACHMENT A

RESOLUTION NO. 2011 - _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, AMENDING THE FISCAL YEAR 2011/2012 BUDGET BY APPROPRIATING \$124,150.00 FROM THE GENERAL FUND (1000) AND \$98,750.00 FROM THE CITY AFFORDABLE HOUSING FUND (2201) TO COMPLETE SEVERAL REDEVELOPMENT AGENCY PROJECTS

WHEREAS, on June 15, 2011, the City Council adopted the Operating and Capital Improvement Projects Budget for Fiscal Year 2011/2012; and

WHEREAS, on February 2, 2011, the Redevelopment Agency of the City of Moorpark (Agency) Board of Directors and the City of Moorpark (City) City Council approved an option agreement granting the City an option to purchase all property owned by the Agency; and

WHEREAS, Governor Brown signed ABX1 26 and ABX1 27 on June 29, 2011, eliminating redevelopment agencies throughout California and allowing cities to participate in a voluntary redevelopment program; and

WHEREAS, on July 6, 2011, the City elected to exercise its option to purchase all property owned by the Agency; and

WHEREAS, the former properties of the Agency transferred to the City require maintenance, removal of improvements, and general management services; and

WHEREAS, the adopted budget does not include funding to maintain, remove improvements, and general management services (High Street Arts Center) for the properties transferred to the City; and

WHEREAS, an aggregate budget increase of \$222,900.00 is required, \$124,150.00 from the General Fund (1000) and \$98,750.00 from the City Affordable Housing Fund (2201), to continue the operations and improvements to these properties; and

WHEREAS, Exhibit "A", attached hereto and made a part hereof, describes said budget amendments and the resultant impacts to the budget line items.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. A budget amendment in the amount of \$124,150.00 from the General Fund (1000) and \$98,750.00 from the City Affordable Housing Fund (2201), as more particularly described in Exhibit "A", attached hereto, is hereby approved to

provide funding for maintenance, removal of improvements and general management services for the properties transferred to the City of Moorpark.

SECTION 2. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original Resolutions.

PASSED AND ADOPTED this 19th day of October, 2011.

Janice S. Parvin, Mayor

ATTEST:

Maureen Benson, City Clerk

Attachment: Exhibit A – Budget Amendment

EXHIBIT A

**BUDGET AMENDMENT FOR
Allocation of Funds from General Fund (1000) and City Affordable Housing Fund (2201)
to Cover Various Expenses Previously Paid for with Redevelopment Funds**

FUND ALLOCATION FROM:

Fund	Account Number	Amount
City Affordable Housing (2201)	2201-5500	\$ 98,750.00
Net General Fund (1000)	1000-5500	\$ 124,150.00
Total		\$ 222,900.00

DISTRIBUTION OF APPROPRIATION TO EXPENSE ACCOUNTS:

Project	Account Number	Current Budget	Revision	Amended Budget
1063 Walnut Canyon	2201.2420.5054.9252	\$ -	\$ 1,100.00	\$ 1,100.00
1073 Walnut Canyon	2201.2420.5055.9252	\$ -	\$ 1,100.00	\$ 1,100.00
1095 Walnut Canyon	2201.2420.5042.9252	\$ -	\$ 1,100.00	\$ 1,100.00
1113 Walnut Canyon	2201.2420.5041.9252	\$ -	\$ 1,100.00	\$ 1,100.00
1123 Walnut Canyon	2201.2420.5058.9252	\$ -	\$ 1,100.00	\$ 1,100.00
1293 Walnut Canyon	2201.2420.5049.9252	\$ -	\$ 1,100.00	\$ 1,100.00
1331 Walnut Canyon	2201.2420.5050.9252	\$ -	\$ 1,100.00	\$ 1,100.00
282 E. Los Angeles/Fremont	2201.2420.5066.9252	\$ -	\$ 1,500.00	\$ 1,500.00
780 Walnut Street	2201.2420.5060.9252	\$ -	\$ 500.00	\$ 500.00
765 Walnut Street	2201.2420.5070.9252	\$ -	\$ 2,000.00	\$ 2,000.00
81 Charles Street	2201.2420.5028.9252	\$ -	\$ 650.00	\$ 650.00
Spring/Charles	2201.2420.5051.9252	\$ -	\$ 1,100.00	\$ 1,100.00
81 First Street	2201.2420.5029.9252	\$ -	\$ 4,000.00	\$ 4,000.00
81 First Street	2201.2420.5029.9613	\$ -	\$ 16,000.00	\$ 16,000.00
112 First Street	2201.2420.5082.9252	\$ -	\$ 500.00	\$ 500.00
124 First Street	2201.2420.5083.9252	\$ -	\$ 500.00	\$ 500.00
124 First Street	2201.2420.5083.9611	\$ -	\$ 13,750.00	\$ 13,750.00
780 Walnut Street	2201.2420.5060.9611	\$ -	\$ 11,250.00	\$ 11,250.00
FTHB Advertising	2201.2420.5025.9234	\$ -	\$ 3,000.00	\$ 3,000.00
FTHB Translation Svcs.	2201.2420.5025.9102	\$ -	\$ 1,200.00	\$ 1,200.00
250 Los Angeles Ave.	2201.2420.5065.9331	\$ -	\$ 1,100.00	\$ 1,100.00
798 Moorpark Ave.	2201.2420.5071.9331	\$ -	\$ 1,500.00	\$ 1,500.00
798 Moorpark Ave.	2201.2420.5071.9252	\$ -	\$ 500.00	\$ 500.00
782 Moorpark Ave.	2201.2420.5072.9331	\$ -	\$ 1,500.00	\$ 1,500.00
782 Moorpark Ave.	2201.2420.5072.9252	\$ -	\$ 500.00	\$ 500.00
Misc. Demolition Activities	2201.2420.0000.9611	\$ -	\$ 30,000.00	\$ 30,000.00
Sub-Total		\$ -	\$ 98,750.00	\$ 98,750.00

Project	Account Number	Current Budget	Revision	Amended Budget
347 Moorpark Ave.	1000.2410.5073.9252	\$ -	\$ 1,100.00	\$ 1,100.00
467 High Street	1000.2410.5064.9252	\$ -	\$ 1,100.00	\$ 1,100.00
15404 Princeton Ave.	1000.2410.5078.9252	\$ -	\$ 31,100.00	\$ 31,100.00
192 High Street	1000.2410.5038.9252	\$ -	\$ 1,000.00	\$ 1,000.00
661 Moorpark Ave & 2nd lot	1000.2410.5074.9252	\$ -	\$ 1,100.00	\$ 1,100.00
661 Moorpark Ave & 2nd lot	1000.2410.5074.9331	\$ -	\$ 1,500.00	\$ 1,500.00
675 Moorpark Ave.	1000.2410.5075.9252	\$ -	\$ 600.00	\$ 600.00
Cal Trans Yard	1000.2410.5063.9252	\$ -	\$ 1,100.00	\$ 1,100.00
18 High Street	1000.2410.5079.9331	\$ -	\$ 850.00	\$ 850.00
Second Street Demolition	1000.2410.5081.9611	\$ -	\$ 15,000.00	\$ 15,000.00
Urban Futures/AB 26/27	1000.2410.0000.9103	\$ -	\$ 500.00	\$ 500.00

Project	Account Number	Current Budget	Revision	Amended Budget
33 High Street landscape	1000.2410.5040.9331	\$ -	\$ 1,500.00	\$ 1,500.00
33 High Street maintenance	1000.2410.5040.9252	\$ -	\$ 2,000.00	\$ 2,000.00
450 High Street maintenance	1000.2410.5084.9252	\$ -	\$ 500.00	\$ 500.00
450 High Street demolition	1000.2410.5084.9611	\$ -	\$ 30,000.00	\$ 30,000.00
HSAC advertising (J&H)	1000.2610.5044.9234	\$ -	\$ 200.00	\$ 200.00
Ken Rayzor Sound Design	1000.2610.0000.9102	\$ -	\$ 35,000.00	\$ 35,000.00
	Sub-Total	\$ -	\$ 124,150.00	\$ 124,150.00

Approved as to form 