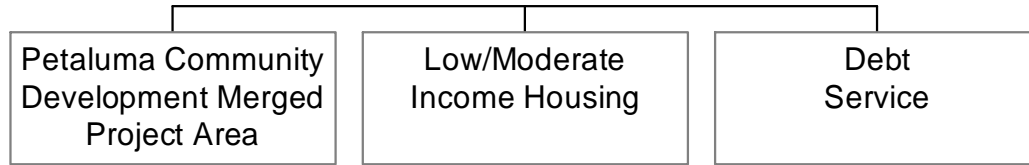


PETALUMA COMMUNITY DEVELOPMENT COMMISSION



PETALUMA COMMUNITY DEVELOPMENT COMMISSION

The Petaluma Community Development Commission (PCDC) was activated on December 1, 1975 and adopted the Redevelopment Plan for the Central Business District Project Area on September 27, 1976. In 1988, the PCDC adopted the Petaluma Community Development Project Area. In adopting the redevelopment project areas, the PCDC exercises all redevelopment powers authorized under the Constitution and the Health & Safety Code of the State of California. The seven members of the PCDC are the members of the Petaluma City Council. The City Manager acts as the Commission's Executive Director. In late July, 2006, the process to combine the PCD and CBD will be completed. The merged project area is presented in the FY 06-07 budget even though the merger will not be complete by 7-1-06.

The City Manager and Public Works Department administers PCDC projects consistent with the Redevelopment Plan, the PCDC Five-Year Implementation Plan, the River Access and Enhancement Plan, the Central Petaluma Specific Plan and the General Plan. The main focus of the departmental work plan involves the design and construction of capital improvements identified in the Five-Year Implementation Plan.

MISSION STATEMENT

Our mission is to enhance the quality of life in Petaluma by building affordable housing, eliminating urban blight, fostering economic revitalization, and providing an environment conducive to social and economic growth.

CHALLENGES FACING DEPARTMENT

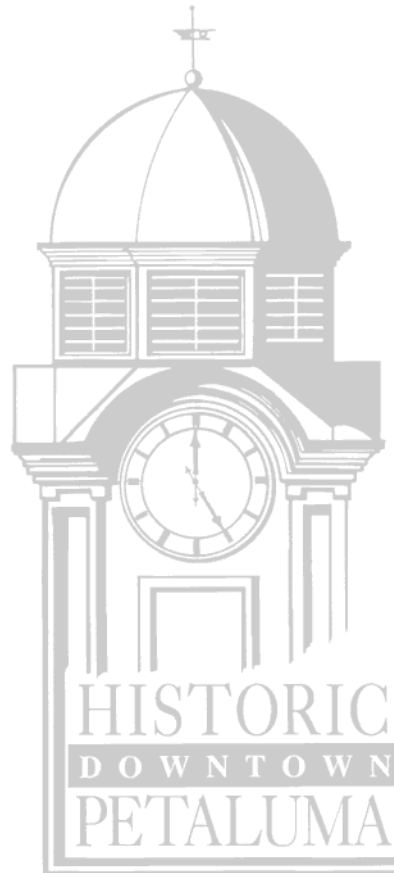
In FY 2004-05, the State of California shifted approximately \$1.1 million in local property tax increment away from the PCDC in a program called ERAF. In FY 2005-06, the State intends to continue to increase the shift. The impact of this is that there will be less funding available for discretionary programs. In addition there will be less financing available to purchase tax allocation bonds (TABs) in the future. TABs are the means by which capital improvement projects are financed and, without them, redevelopment capital projects may be substantially curtailed in the future. Redevelopment is one of the few remaining tools that local governments in California have to restore economic vitality to their downtown cores.

In FY 2006-07, the two project areas of PCD and CBD will have completed the process of merging the two agencies. No new area will be added. The primary purpose for combining the areas was financial. The CBD had inadequate tax increment to finance additional capital projects. Consequently, with the merged areas, the tax increment can now be shared so projects needing funding in the original CBD can be completed.

Tax increment is used to finance Tax Allocation Bonds (TABs) in order to build new capital projects. TABs are the means by which debt can be financed in order to build projects that will restore the economic vitality of downtown Petaluma. The PCDC plans to issue \$10 million in new TABs to complete the new projects identified in the 5-year PCDC Redevelopment Plan.

PERFORMANCE MEASURES FY 06-07

- Issue approximately \$15 million in bonds to complete twelve capital improvement projects.
- Acquire the final sign-off on all Theater District projects
- Fiscally merge the two RDA project areas. This will allow for capital projects to be completed in the original core downtown area.



Petaluma Community Development Commission Merged Project Area

Summary of Expenses, Appropriations, Revenue and Transfers In

Department/ Division	FY 2005-06 Funded Positions	FY 2006-07 Funded Positions	FY 2006-07 Total Budget
Merged Project Area	2.40	1.50	\$ 23,819,268
Capital Projects	5.00	2.25	\$ 8,820,000
Debt Service	0.00	0.00	\$ 3,277,100
Sub-Total	7.40	3.75	\$ 35,916,368
Donations/Grants**			** \$ 1,813,000
Low/Mod Inc. Housing*	1.60	1.60	* \$ 3,318,550
Total Positions	9.00	5.35	Total Appropriations \$ 41,047,918
Part Time			
Full Time Equivalent	0.38	0.38	
Part Time Hours	800	800	

*Included in Special Revenue Fund Section & Comm. Development Dept.

**Included in Special Revenue Fund Section

Budget Comparison to Prior Years

Description	FY 2003-04 Actual	FY 2004-05 Actual	FY 2005-06 Budget	FY 2006-07 Budget	% Change From Budget
General and Administrative	\$ 92,666	\$ 525,769	\$ 257,300	\$ 306,600	19%
Salaries	610,965	726,164	1,024,700	685,750	-33%
Benefits	82,934	141,477	255,750	153,250	-40%
Services/Supplies	1,342,446	1,956,894	560,450	279,400	-50%
Other Debt Expenditures	813,181	-	-	57,000	100%
Program Expenditures	199,212	731,328	2,518,400	4,431,900	76%
Program Loans	-	-	200,000	-	-100%
Capital Equipment/Assets	17,744	40,930	-	-	0%
Capital Projects	5,696,178	22,767,949	3,390,800	8,471,000	150%
Debt Service Principal	544,000	2,830,497	582,000	1,140,000	96%
Debt Service Interest	2,616,862	-	2,242,700	2,066,400	-8%
Pass-Through Payments	4,110,616	4,903,722	5,170,000	4,400,000	-15%
Interfund Interest	70,075	412,878	300,000	-	-100%
Transfers Out	<u>26,397,800</u>	<u>22,939,800</u>	<u>5,277,450</u>	<u>18,284,918</u>	246%
Sub-Total	42,594,679	57,977,408	21,779,550	40,276,218	85%
Intragovernmental	<u>872,482</u>	<u>1,365,053</u>	<u>415,000</u>	<u>771,700</u>	86%
Totals	<u>\$ 43,467,161</u>	<u>\$ 59,342,461</u>	<u>\$ 22,194,550</u>	<u>\$ 41,047,918</u>	85%

PCDC Merged Project Area

Budget Comparison to Prior Years

Description	FY 2003-04 Actual	FY 2004-05 Actual	FY 2005-06 Budget	FY 2006-07 Budget
General and Administrative	\$ 10,000	\$ 176,043	\$ 197,700	\$ 246,000
Salaries	391,303	274,005	322,700	255,750
Benefits	51,177	56,777	71,450	46,450
Services/Supplies	944,467	566,918	303,050	268,200
Interest and Fees	70,075	412,878	300,000	-
Program Expenditures	58,519	172,608	406,000	1,460,000
Program Loans	-	-	200,000	-
Capital Equipment	-	-	-	-
ERAF/Pass-Through Payments	4,110,616	4,903,722	5,170,000	4,400,000
Transfers Out	<u>26,397,800</u>	<u>22,789,800</u>	<u>2,586,450</u>	<u>16,471,918</u>
Sub-Total	32,033,957	29,352,751	9,557,350	23,148,318
Intragovernmental Charges	<u>502,450</u>	<u>54,500</u>	<u>330,700</u>	<u>670,950</u>
Totals	\$ 32,536,407	\$ 29,407,251	\$ 9,888,050	\$ 23,819,268

POSITIONS	FY 2005-06 Funded Positions	FY 2006-07 Funded Positions
Admin Assistant	1.00	0.00
City Manager	0.40	0.50
Dir. Admin Services	0.00	0.20
Dir. Of Public Works	0.00	0.20
Dir. Of Redevelopment/Economic Development	1.00	0.00
Secretary	0.00	0.50
Sr. Redev. Project Mgr	<u>0.00</u>	<u>0.10</u>
Total Division Positions	<u>2.40</u>	<u>1.50</u>
Full Time Equivalent	0.00	0.00
Part Time Hours	0	0

Petaluma Community Development Commission Merged Project Area Debt Service

Budget Comparison to Prior Years

Description	FY 2003-04 Actual	FY 2004-05 Actual	FY 2005-06 Budget	FY 2006-07 Budget
General and Administrative	\$ 33,766	\$ 301,826	\$ 11,700	\$ 13,700
Other Debt Expenditures	813,181	-	-	57,000
Debt Service Principal	544,000	2,830,497	582,000	1,140,000
Debt Service Interest	<u>2,616,862</u>	<u>-</u>	<u>2,242,700</u>	<u>2,066,400</u>
Sub-Total	4,007,809	3,132,323	2,836,400	3,277,100
Intragovernmental Charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Totals	\$ 4,007,809	\$ 3,132,323	\$ 2,836,400	\$ 3,277,100

Petaluma Community Development Commission Merged Project Area Low/Mod Inc. Housing

Summary of Expenses and Appropriations

Budget Comparison to Prior Years

Description	FY 2003-04 Actual	FY 2004-05 Actual	FY 2005-06 Budget	FY 2006-07 Budget
General and Administrative	\$ 48,900	\$ 47,900	\$ 47,900	\$ 46,900
Salaries	87,148	96,323	118,100	146,100
Benefits	10,260	19,449	40,300	41,700
Services/Supplies	182,183	96,223	74,600	11,200
Program Expenditures	140,693	558,720	2,112,400	2,971,900
Transfers Out	-	150,000	-	-
Sub-Total	469,184	968,615	2,393,300	3,217,800
Intragovernmental Charges	65,650	70,000	84,300	100,750
Totals	\$ 534,834	\$ 1,038,615	\$ 2,477,600	\$ 3,318,550

POSITIONS	FY 2005-06 Funded Positions	FY 2006-07 Funded Positions
Housing Administrator (2130)	0.60	0.60
Housing Program Manager (2130)	1.00	1.00
Total Division Positions	<u>1.60</u>	<u>1.60</u>
Full Time Equivalent	0.00	0.00
Part Time Hours	0	0

Petaluma Community Development Commission Merged Project Area Merged PCDC Cap Projects

Budget Comparison to Prior Years

Description	FY 2003-04 Actual	FY 2004-05 Actual	FY 2005-06 Budget	FY 2006-07 Budget
Salaries	\$ 132,514	\$ 355,836	\$ 583,900	\$ 283,900
Benefits	21,497	65,251	144,000	65,100
Services/Supplies	215,796	1,293,753	182,800	-
Capital Equipment/Assets	17,744	40,930	-	-
Capital Imp. Projects	<u>5,696,178</u>	<u>22,767,949</u>	<u>3,390,800</u>	<u>8,471,000</u>
Sub-Total	6,083,729	24,523,719	4,301,500	8,820,000
Intragovernmental Charges	<u>304,382</u>	<u>1,240,553</u>	-	-
Totals	\$ 6,388,111	\$ 25,764,272	\$ 4,301,500	\$ 8,820,000
POSITIONS			FY 2005-06 Funded Positions	FY 2006-07 Funded Positions
Redev. Program Manager			1.00	0.00
Redev. Project Manager			3.00	1.00
Sr. Redev. Program Manager			1.00	0.50
Financial Analyst CIP			0.00	0.30
Budget/Grants Project Manager			0.00	0.10
Inspection Supervisor			<u>0.00</u>	<u>0.35</u>
Total Division Positions			<u>5.00</u>	<u>2.25</u>
Full Time Equivalent			0.00	0.00
Part Time Hours			0	0

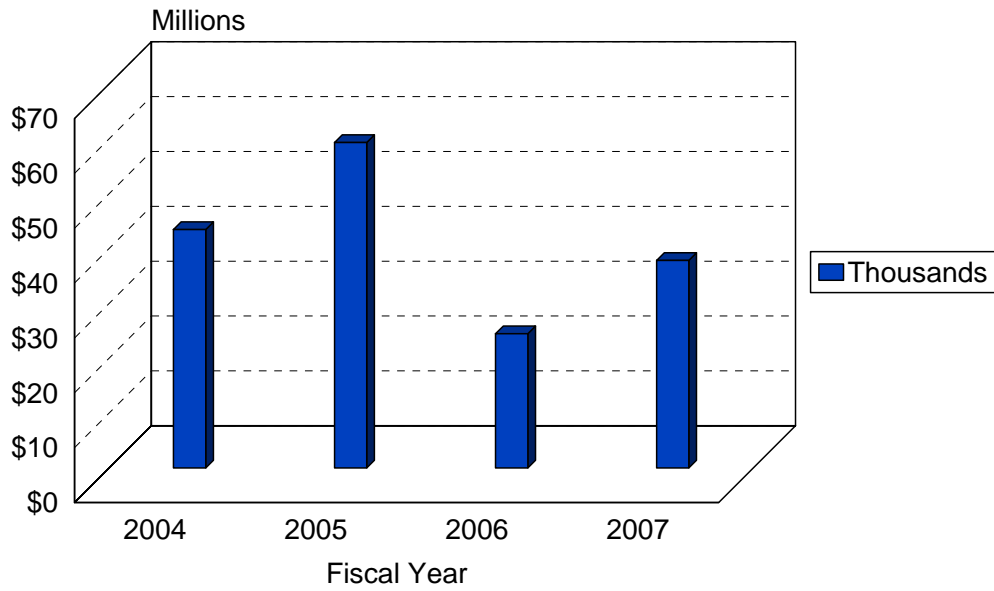
PETALUMA COMMUNITY DEVELOPMENT COMMISSION

FULL TIME POSITION ALLOCATION BY FUND
 FY 06-07

DEPARTMENT POSITION	FY 03-04 Positions	FY 04-05 Positions	FY 05-06 Positions	FY 06-07 Positions	General Fund	OTHER FUNDS		
						Water	Sewer	Others
ECONOMIC DEV./REDEVELOPMENT								
Administrative Assistant	1.00	1.00	1.00	0.00				0.00
Budget/Grants Project Manager	0.00	0.00	0.00	0.10				0.10
City Manager	0.40	0.40	0.40	0.50				0.50
Dir. Of Admin Services	0.00	0.00	0.00	0.20				0.20
Dir. Of Econ Develop/Redevelop	1.00	1.00	1.00	0.00				0.00
Dir. Of Public Works	0.00	0.00	0.00	0.20				0.20
Financial Analyst CIP	0.00	0.00	0.00	0.30				0.30
Housing Administrator	1.00	0.60	0.60	0.60				0.60
Housing Project Coordinator	1.00	1.00	1.00	1.00				1.00
Inspection Supervisor	0.00	0.00	0.00	0.35				0.35
Redevelopment Program Manager	2.00	2.00	2.00	0.00				0.00
Redevelopment Project Manager	3.00	3.00	3.00	1.00				1.00
Secretary	0.00	0.00	0.00	0.50				0.50
Sr. Redev. Program Manager	0.00	0.00	0.00	0.60				0.60
Total Econ. Dev./Redevelopment	9.40	9.00	9.00	5.35	0.00	0.00	0.00	5.35

- The Housing Administrator and Project Coordinator are funded by Low & Moderate Income Housing funds but are part of the Community Development Department organization.
- The Senior Redevelopment Program Manager, Project Managers, Budget/Grants Project Manager, Dir. Of Public Works, Inspection Supervisor and Secretary are funded by PCDC Capital Project funds but are part of the Public Works Department. The Financial Analyst CIP is also funded, but is part of the Administrative Services Department.
- The Dir. Of Admin Services and the City Manager are funded by the Merged Redevelopment District but are part of their individual departments.

PETALUMA COMMUNITY DEVELOPMENT COMMISSION ANNUAL BUDGET COMPARISON



PCDC APPROPRIATIONS

