

## CITY OF ALAMEDA

### Memorandum

To: Honorable Mayor and  
Members of the City Council

Honorable Chair and  
Members of the Community Improvement Commission

From: Debra Kurita  
City Manager/Executive Director

Date: June 19, 2007

Re: Approve the Fiscal Year 2007-2008 Annual Operating and Capital  
Budget for the Bayport Project

### BACKGROUND

The Disposition and Development Agreement (DDA) for the Bayport Residential Project ("Project") defines certain budget procedures and reporting requirements for the Community Improvement Commission Project Budget, including the annual review of the project budget by the Community Improvement Commission (CIC). In conformance with Section 6.2.3.1 of the DDA, the Fiscal Year 2007-2008 CIC Project Budget has been prepared, in consultation with the Master Developer, and is being presented for review and approval at a joint meeting of the City Council and CIC on June 19, 2007.

### DISCUSSION

Pursuant to Section 6.2.3.2 of the DDA, the CIC Project Budget sets forth, on a reasonably itemized basis, the projected "Project Revenues" and the projected "Project-Related Expenses" to be incurred for the Project (including provisions for reasonable contingencies for Project-Related Expenses), for each fiscal year. Updates and reconciliations to the Project Budget have occurred on an ongoing basis and have been reviewed by staff and the Master Developer as a pre-condition to each of the three Residential Parcel Conveyances. A total of 450 lots had been conveyed as of May 31, 2007. The remaining 35 lots are scheduled to be conveyed by Fall 2007.

Anticipated Project Revenues and Project-Related Expenses as defined in Section 6.2 of the DDA include the following general categories:

- Project Revenues: 1) Land Sales Proceeds, 2) Reimbursements, 3) Residential Profit Participation, and 4) Tax Increment/Bonds.

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- Project Expenses: 1) Predevelopment; 2) Hard and soft costs including: a) demolition, b) backbone infrastructure costs, c) debt service, d) administrative and legal costs, and e) project management costs; 3) School District Payments; 4) Assistance for Park; and 5) Shortfall Loan Interest.

A summary of the Project Budgets for FY04/05 – FY07/08, in the format previously presented to the City Council and CIC, is shown in the following Tables:

**TABLE A**

		Budget Summary			
		FY 04/05	FY 05/06	FY 06/07	FY 07/08
<b>Project Revenue Sources (in \$M)</b>					
1	ARRA	\$0.6	\$0.6	\$0.6	\$0.6
2	BWIP Bonds	\$7.3	\$7.3	\$7.3	\$7.3
3	BWIP Affordable Housing Bonds	\$0.8	\$0.8	\$0.8	\$0.8
4	Land Sales Proceeds	\$28.5	\$28.5	\$28.5	\$28.5
5	Other & AIG Haz-Mat Insurance Reimbursements	\$3.8	\$4.8	\$5.0	\$5.1
6	CIC Residential Profit Participation	\$19.8	\$28.2	\$34.6	\$23.6
7	Maximum Estimated Tax Allocation Bonding Capacity (TAB)	\$13.0	\$14.1	\$14.1	\$12.0
8	<b>Total Project Revenue Projections</b>	<b>\$73.8</b>	<b>\$84.3</b>	<b>\$90.9</b>	<b>\$77.9</b>

The primary change in the FY07-08 budget from previous years is the decrease in projected CIC profit participation (Table A, line 6) and estimated bonding capacity (Table A, line 7). The FY07-08 projected profit participation of \$23.6 million is a reduction of \$11 million from the FY06-07 projection. The FY07-08 projected bonding capacity is a reduction of \$2 million. (Actual project participation received as of April 30, 2007, is \$15.3 million). Profit participation is based on actual builder costs and home sales and can fluctuate depending on the current market. The reduced projection is based on slowing market conditions, reduced sales prices, and slower sales, and assumes that those trends will continue. If the market improves over the next twelve months, projected profit participation revenues will improve. Under the terms of the DDA, all CIC land sales and profit participation are pledged to repay the developer advance of funds utilized to finance the backbone infrastructure improvements.

**TABLE B**

		Budget Summary			
		FY 04/05	FY 05/06	FY 06/07	FY 07/08
<b>Project Obligations / Expenses (in \$M)</b>					
1	Predevelopment (includes interest)	\$12.0	\$12.0	\$12.1	\$12.1
2	Total Estimated Soft & Hard Costs	\$49.7	\$49.5	\$50.2	\$50.3
3	Shortfall Loan Interest	\$4.6	\$3.1	\$3.8	\$3.8
4	Assistance for New K-8 School	\$3.2	\$3.2	\$3.2	\$3.2
5	Assistance for New Public Park & Community Building	\$1.3	\$1.6	\$1.6	\$2.0
6	<b>Total Project Obligations / Expense Projections</b>	<b>\$70.8</b>	<b>\$69.4</b>	<b>\$70.9</b>	<b>\$71.4</b>

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**TABLE C**

		<b>Budget Summary</b>			
		<b>FY</b>	<b>FY</b>	<b>FY</b>	<b>FY</b>
<b>Total Net Revenue Proforma Summary (in \$M)</b>		<b>04/05</b>	<b>05/06</b>	<b>06/07</b>	<b>07/08</b>
1	Total Revenues (as shown above)	\$73.8	\$84.3	\$90.9	\$77.9
2	Less Total Obligations (as shown above)	(\$70.8)	(\$69.4)	(\$70.9)	(\$71.4)
3	<b>Estimated Net Project Revenue including TAB</b>	<b>\$3.0</b>	<b>\$14.9</b>	<b>\$20.0</b>	<b>\$6.5</b>
4	Less Estimated TAB Capacity	(\$13.0)	(\$14.1)	(\$14.1)	(\$12.0)
5	<b>Estimated Net Project Revenue w/o TAB</b>	<b>(\$10.0)</b>	<b>\$0.8</b>	<b>\$5.9</b>	<b>(\$5.5)</b>

If the decreased projected profit participation continues, the CIC will be required to issue Tax Allocation Bonds (TAB's), secured by tax increment generated by the Bayport Project, to meet its financial obligations under the DDA to repay the developer loan. FY07-08 bonding capacity is estimated to be \$12 million. Based on current trends and related projections, approximately \$5.5 million in TAB's, in combination with land sale proceeds, profit participation, and other project revenues, will be required to retire all Bayport obligations (Table C, line 5). The balance of \$6.5 million from that bond is pledged to the Alameda Landing project.

The CIC's obligation under the DDA to complete demolition and to provide backbone infrastructure improvements necessary to serve the Bayport Project is scheduled to be complete by the end of 2007. The adjoining 62-unit affordable housing development was completed in Spring 2006. The new seven-acre school and four-acre community park opened in September 2006. Build-out of the entire residential development is scheduled for completion in FY 08-09.

**BUDGET CONSIDERATION/FINANCIAL IMPACT**

The FY07-08 Project Budget summarized in the above tables shows that CIC land sales proceeds, residential profit participation revenues, and TAB's supported by the project are necessary to fund the Bayport Project obligations. The \$6.5 million in projected net revenue to the CIC assumes issuance of a \$12 million tax allocation bond, full repayment of the predevelopment and shortfall loan, interest, and principal. Any net revenues received by the CIC at the conclusion of the Bayport Project are pledged to the Alameda Landing project pursuant to the DDA approved in December 2006.

Honorable Mayor and  
Members of the City Council

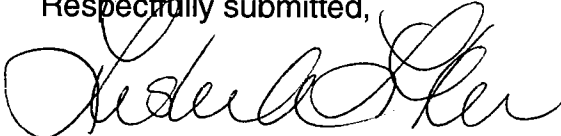
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Members of the Community Improvement Commission

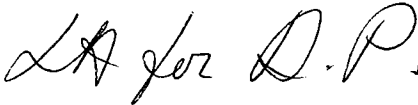
RECOMMENDATION

Approve the FY07-08 Bayport Project Annual Operating and Capital Budget as presented.

Respectfully submitted,



Leslie A. Little  
Development Services Director



By: Debbie Potter  
Base Reuse and Community Development Director

LL/DP/DC:dc

## **CITY OF ALAMEDA**

### Memorandum

To: Honorable Mayor and  
Members of the City Council

Honorable Chair and  
Members of the Community Improvement Commission

From: Debra Kurita  
City Manager/Executive Director

Date: June 19, 2007

Re: Hold a Joint Public Hearing to Review and Approve Development of  
Affordable Rental Housing at Island High as an Eligible Use of the  
District Housing Fund

### BACKGROUND

In 1991, the Community Improvement Commission (CIC) and the Alameda Unified School District (AUSD) entered into an agreement (the "Agreement") whereby the CIC annually sets aside 8% of the total tax increment from the Business and Waterfront Improvement Project (BWIP), specifically 40% of the Housing Low and Moderate-Income Housing Fund, into a special fund called the District Housing Fund. The agreement requires the AUSD to use the money from the District Housing Fund to increase and improve the supply of low or moderate-income housing. The agreement also requires that prior to March 1<sup>st</sup> of each year, the AUSD present the CIC with a prioritized list of housing programs and projects for use of these funds.

Under the terms of the Agreement, prior to July 1<sup>st</sup> of each year, the CIC and City Council are to hold a joint public hearing to review the proposed housing projects or programs. The purpose of the joint public hearing is to determine whether the proposed housing projects meet the requirements of the Community Redevelopment Law and the terms and conditions of the Agreement as to the District Housing Fund, the Guyton Settlement Agreement, which requires that BWIP housing funds assist very low and low-income households, and the City's Housing Element of the General Plan. The Agreement states that the CIC shall approve those projects which meet the applicable requirements.

### DISCUSSION

As required by the original Agreement, AUSD submitted a letter dated March 1, 2007, which states, "AUSD intends to utilize all of the funds in the District Housing Fund, including deposits for fiscal year 2007-08, for an affordable housing development on the Island High School site" (Attachment 1). The use of the District Housing Fund for

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development of affordable rental housing at Island High was previously reviewed and approved by the City Council and CIC during a joint public hearing held June 21, 2005. At the time, the AUSD had conceptually described a project at Island High, but did not have a specific development plan.

On October 5, 2005, the CIC approved a Predevelopment Agreement with the AUSD to provide the disbursement of a maximum of \$145,000 from the District Housing Fund in order to facilitate AUSD's planning and design of the proposed project at Island High. The original one-year term of the Predevelopment Agreement was extended for a second year on November 1, 2006. To date, predevelopment work completed has included Phase I and Phase 2 Environmental reviews, a site unit yield analysis, and some financial analysis. During the course of this work, AUSD has come to the conclusion that it does not have the time or resources for the development and management of affordable housing, which is a departure from its core mission.

Recently, AUSD staff asked City staff to explore the alternative of a City entity, such as the Housing Authority or the CIC, leasing the Island High site from AUSD and developing the affordable rental project on behalf of the school district. City staff reviewed this suggestion and concluded that the CIC could develop the site on behalf of the school district using the money from the District Housing Fund. In order to fund project construction, the CIC could bond the tax increment deposits to the District Housing Fund in conjunction with the CIC bond issuance anticipated as part of the Alameda Landing financing plans.

Project completion could be expected as early as 2011. If approved by the CIC, staff would negotiate a long-term lease with AUSD for Island High and negotiate an amendment to the original CIC/AUSD Agreement to transfer control of the District Housing Fund to the CIC for use in development of the Island High project.

The proposed development concept conforms to the City's Housing Element, which identifies the District Housing Fund as a funding source to develop new units on a site to be determined. The Island High site is ideally situated for the development of new housing because it is less than a block from Park Street public transportation, shops, and businesses, and within half a mile of Bridgeside Shopping Center, Edison School, and McKinley Park.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

The District Housing Fund currently contains \$2,013,825 and is expected to receive another \$369,606 in tax increment at the end of this fiscal year. Total project costs cannot be determined until a project has been identified, but based on the housing funds cash flow, a project can be financed using housing resources available for

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affordable housing projects, including bonding future deposits to the District Housing Fund. There is no impact on the General Fund.

MUNICIPAL CODE/POLICY DOCUMENT CROSS REFERENCE

This project is consistent with the Housing Element of the General Plan.

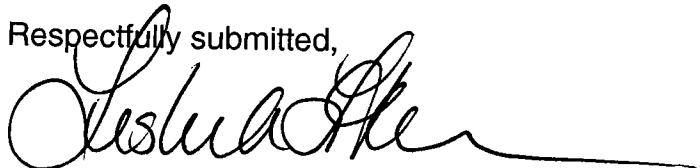
ENVIRONMENTAL REVIEW

Environmental review would be required and conducted at the point where a complete project description exists, as part of project approval.

RECOMMENDATION

Review and approve the development of affordable rental housing at Island High as an eligible use of the District Housing Fund and direct staff to work with AUSD to negotiate a lease agreement and an amendment to the original Agreement.

Respectfully submitted,



Leslie A. Little  
Development Services Director



By: Dorene E. Soto  
Manager, Business Development Division



By: Rachel Silver  
Development Manager, Housing

LAL/DES/RS:rv

Attachment:

1. Letter from Alameda Unified School District dated March 1, 2007



**Alameda Unified School District**  
*We Serve Children*

**Business Services**  
2200 Central Avenue, Room 105-E  
Alameda, CA 94501  
(510) 337-7066 Fax (510) 521-0529

March 1, 2007

Community Improvement Commission  
City Hall  
2263 Santa Clara Ave.  
Alameda, CA 94501

Dear CIC Members:

This letter is intended to meet the requirements of Section 6a of the Agreement between the Community Improvement Commission of the City of Alameda and the Alameda Unified School District (AUSD) dated November 12, 1991. In 2005, the district identified the Island High School site as a priority project. AUSD intends to utilize all of the funds in the District Housing Fund, including deposits for fiscal year 2007-08, for an affordable housing development on the Island High School site.

To date, the AUSD has completed both the Phase 1 and Phase 2 Environmental Site Assessments for Island High School. An architect has completed a preliminary site yield analysis. We continue to work with the Alameda Development Corporation to bring this project to fruition.

Sincerely,

A handwritten signature in black ink that reads 'Luz T. Cázares'. The signature is fluid and cursive.

Luz T. Cázares  
Chief Financial Officer

**Special Joint CC/ARRA/CIC  
Public Hearing  
Attachment to  
Agenda Item #3-A  
06-19-07**

**CITY OF ALAMEDA**

Memorandum

To: Honorable Mayor and Members of the City Council  
  
Honorable Chair and Members of Alameda Reuse and Redevelopment Authority  
  
Honorable Chair and Members of the Community Improvement Commission

From: Debra Kurita  
City Manager

Date: June 19, 2007

Re: Adopt a Resolution Approving and Adopting the Alameda Reuse and Redevelopment Authority Operating Budget for Fiscal Year 2007-2008, and Appropriating Certain Moneys for the Expenditures Provided in Said Fiscal Year;

Adopt a Resolution Approving and Adopting the Community Improvement Commission Operating Budget for Fiscal Year 2007-2008, and Appropriating Certain Moneys for the Expenditures Provided in Said Fiscal Year; and,

Adopt a Resolution Approving and Adopting the City of Alameda Operating and Capital Improvements Budget for Fiscal Year 2007-2008, and Appropriating Certain Moneys for the Expenditures Provided in Said Fiscal Year

Adopt a Resolution Establishing Guidelines for Reimbursement of Per Diem Allowance for City of Alameda Business Travel

BACKGROUND

On July 5, 2006, the City Council, the Alameda Reuse and Redevelopment Authority (ARRA), and the Community Improvement Commission (CIC) approved the Budget and Financial Plan for Fiscal Years 2006-2007 and 2007-2008. The action taken in 2006 adopted the budget and appropriated moneys for Fiscal Year 2006-2007 and set forth a plan for Fiscal Year 2007-2008. The proposed Operating and Capital Improvement Budget for Fiscal Year 2007-2008 reflects the second-year plan of this two-year budget. It also includes recommended enhancements to the appropriations as needed to meet contractual agreements and improved service levels.

**Special Joint CC/ARRA/CIC**

**Report Re:**

**Agenda Item #3-B**

**06-19-07**

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Honorable Chair and Members of the Alameda Reuse and  
Redevelopment Authority

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The budget document includes appropriations for the General Fund and other funds as well as for the ARRA and the CIC. By law, the CIC is required to review and approve the redevelopment plan, approve its funding, and stipulate certain administrative expenses as necessary. Further, each regulatory body must act to adopt operating budgets and capital improvement budgets for their respective funds. In addition to adopting the budget resolutions for the ARRA, the CIC, and the General Fund, the City Council must adopt a resolution setting the per diem rate for business travel reimbursement based on the Internal Revenue Service rates as published each January.

## DISCUSSION

The total City of Alameda budget is \$287,231,394 for all funds. The Fiscal Year 2007-2008 budget continues the City's emphasis on maintaining the highest quality of public safety and general services, addressing new or enhanced service areas, improving the City's infrastructure, adjusting the reserves, and augmenting customer service by defining and implementing improvements to the City's internal operations and systems. The proposed changes to the second year plan of the two-year budget include: salary increases for bargaining groups with Council-approved contracts; funding for three new positions, two of which are related to Planning and Building activities and one which is a Parks Maintenance position funded through the Bayport Municipal Service District; the reduction of ten positions at Alameda Power & Telecom; and augmenting the staffing of the new Main Library.

In addition, the budget includes a change in funding for cultural arts programs. Under this new program, \$50,000 will be set aside for cultural arts programs, including the subsidy for the Alameda Museum. Any funds remaining after the subsidy is paid will be made available to other cultural arts groups on a competitive basis. Should Council approve this change, staff will work with the Public Arts Commission to develop a process for distributing these competitive grant funds.

One of the City's strategic objectives is to annually appropriate funds toward the Pavement Management Program with the goal of bringing the City's total infrastructure asset to a "good" condition and to maintain it at that level. In Fiscal Year 2006-2007, this was accomplished through a combination of resources that included Proposition 42 funds and the allocation of General Fund Reserves during the mid-year review. The Pavement Management Program for this fiscal year has a target appropriation of \$2.2 million but falls short by \$470,000. Consistent with the approach to the Fiscal Year 2006-2007 budget, staff will present recommendations during the mid-year review for fully funding the Pavement Management Program at its target level.

Honorable Mayor and Members of the City Council  
Honorable Chair and Members of the Alameda Reuse and  
Redevelopment Authority  
Honorable Chair and Members of the Community Improvement Commission

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*General Fund Revenues, Expenditures, and Reserves*

The General Fund operating budget of \$80.8 million constitutes 28% of the total City budget and is 3% greater than the Fiscal Year 2006-2007 amended budget of \$77.2 million. General Fund revenues are projected to grow by 4 percent over 2006-2007 fiscal year revenues. The major revenue items show the following projected growth:

Property Taxes	7.0%
Sales Taxes	3.0%
Property Transfer Tax	3.0%
Utility Users Taxes	3.0%
Motor Vehicle In-Lieu	5.3%

All of these sources, with the exception of property and motor vehicle in-lieu taxes, are affected by local economic conditions and may fluctuate with moderate economic changes. On the expenditure side, the budget includes costs associated with the enhanced service levels in several departments, including the Alameda Free Library.

With this budget, reserves will represent approximately 22 percent of total operating expenditures, which is within the City Council-adopted 20 to 25 percent target range for reserves. Rebuilding the reserve to the 25 percent level is one of the City's strategic planning objectives; however, the application of any excess resources toward the reserve redirects revenues that may otherwise be appropriated to address competing priorities, such as deferred maintenance of infrastructure projects. A systematic analysis of the status of the reserves will be reported quarterly for Council review.

*Other Major Funds*

Economic Development, Community Development, and Housing, which are all under the aegis of Development Services, total \$38.1 million. The majority of this revenue comes from lease revenues, tax increment revenues, draw downs from previously sold bonds, federal grants and loans, and other state or county grants.

*Alameda Reuse and Redevelopment Authority*

The Alameda Reuse and Redevelopment Authority budget may need to be revisited as conditions and events warrant during the fiscal year. The following is a summary:

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Honorable Chair and Members of the Alameda Reuse and  
Redevelopment Authority  
Honorable Chair and Members of the Community Improvement Commission

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	<u>Estimated Revenues</u>	<u>Appropriations</u>
Lease Revenues	\$11,195,902	\$9,490,249
Debt Service	-	\$2,710,336
TOTAL	<u>\$11,195,902</u>	<u>\$12,200,585</u>

### *Community Improvement Commission*

State law requires the Community Improvement Commission's review and approval of Economic Development/Redevelopment and Housing funds. State law also requires that the Commission annually approve the agency's determination that its planning and administrative expenses are necessary for the production, improvement, or preservation of low- and moderate-income housing. This budget is a minimalist budget with only a small amount allocated for unanticipated projects. Several major goals are included:

- Shinsei Gardens – the design, financing, and construction of 39 affordable housing units;
- Catellus Phase II (Alameda Landing) – environmental, financial, and infrastructure work, including Stargell Avenue Extension;
- Alameda Point – in cooperation with ARRA, secure conveyance and begin the entitlement process and California Environmental Quality Act activities;
- Civic Center Parking Garage, Alameda Theater Rehabilitation and Cinema Multiplex – finalize construction and operations planning;
- Other public/private projects – Grand Marina housing project, parking study, and Park Street Streetscape Phase II; and
- Business retention – relationships with employers and commercial brokers.

Honorable Mayor and Members of the City Council  
 Honorable Chair and Members of the Alameda Reuse and  
 Redevelopment Authority  
 Honorable Chair and Members of the Community Improvement Commission

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The following chart summarizes the Revenues and Expenditures for the Community Improvement Commission:

	<u>Estimated Revenues</u>	<u>Appropriations</u>
<u>Econ.Dev./Redev</u>		
BWIP	\$ 7,601,654	\$ 6,507,554
WECIP	\$ 4,587,927	\$ 4,950,665
APIP	\$ 431,648	\$ 335,165
FISC	\$ 2,605,086	\$ 809,777
	<u>\$ 15,226,315</u>	<u>\$ 12,603,161</u>
<u>Housing</u>		
BWIP	\$ 1,277,777	\$ 438,268
WECIP	\$ 967,240	\$ 943,438
APIP	\$ 136,225	\$ 60,540
	<u>\$ 2,381,242</u>	<u>\$ 1,442,246</u>
GRAND TOTAL	<u>\$ 17,607,557</u>	<u>\$ 14,045,407</u>

*Other Funds*

Measure B (ACTIA) provides approximately \$2.4 million in revenues to be used for designated purposes. The majority of these funds are used for Capital Improvement Projects. Enterprise Funds (Golf, Sewer Service, and Ferry Services) have significant revenues that are generated from rates set by the Council to meet operating and capital costs.

*Other Funds Appropriations*

The Capital Projects Funds total \$6.98 million in Fiscal Year 2007-2008. Recommendations for additional appropriations to the Resurfacing project will be brought to the City Council after the audit of Fiscal Year 2006-2007 is completed.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The proposed General Fund operating budget, which is balanced, totals \$80.8 million and constitutes 28% of the total City budget. This budget is 3% greater than the Fiscal Year 2006-2007 amended budget of \$77.2 million.

Honorable Mayor and Members of the City Council  
Honorable Chair and Members of the Alameda Reuse and  
Redevelopment Authority

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Honorable Chair and Members of the Community Improvement Commission

RECOMMENDATION

Adopt the resolution to approve and adopt the Alameda Reuse and Redevelopment Authority Operating Budget for Fiscal Year 2007-2008, and appropriate certain moneys for the expenditure provided in said fiscal year.

Adopt the resolution to approve the Community Improvement Commission Operating Budget for Fiscal Year 2007-2008, and appropriate certain moneys for the expenditure provided in said fiscal year.

Adopt the resolution to approve the City of Alameda Operating Budget and Capital Improvements for Fiscal Year 2007-2008, and appropriate certain moneys for the expenditures provided in said fiscal year.

Adopt the resolution establishing guidelines for reimbursement of per diem allowance for City of Alameda business travel.

Respectfully submitted,

  
Juelle-Ann Boyer  
Chief Financial Officer

Prepared by

  
Annette Brisco  
Financial Analyst

JB/dl

CITY OF ALAMEDA RESOLUTION NO. \_\_\_\_\_

APPROVING AND ADOPTING THE OPERATING BUDGET AND CAPITAL IMPROVEMENTS AND APPROPRIATING CERTAIN MONEYS FOR THE EXPENDITURES PROVIDED IN FISCAL YEAR 2007-2008

WHEREAS, there has been submitted to and filed with this Council at this meeting, a budget representing a financial plan for conducting the affairs of the City of Alameda for the Fiscal Year beginning July 1, 2007 and ending June 30, 2008, attached hereto as Exhibit A; and

WHEREAS, it is the intention of the City Council to waive the Payment in Lieu of Taxes (PILOT) payable by the Housing Authority of the City of Alameda; and

WHEREAS, the City Council has considered this spending plan.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ALAMEDA that said budget as submitted to this Council at this meeting, and each and every part thereof, be, and the same is hereby approved and adopted as the Operating Budget and Capital Improvement Budget for the City of Alameda for the Fiscal Year 2007-2008, and that the expenditure of the various sums of money therein provided to be spent for salaries and wages, maintenance and operation, capital outlay and capital improvements by each department therein listed in detail are hereby approved and authorized in total as the appropriations for the Fiscal Year ending June 30, 2008.

BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF ALAMEDA that the Payment in Lieu of Taxes (PILOT) payable by the Housing Authority of the City of Alameda is hereby waived and not payable.

\* \* \* \* \*

Approved as to Form  
*Zelma R. Hyatt-Smith*  
City Attorney

**Budget Profile - All Funds**  
**Fiscal Year 2007-2008**

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<b>General Fund</b>		\$ 80,802,262	42.0%
<b>Special Revenue Fund Group:</b>		\$ 53,430,891	27.8%
Police/Fire Const. Impact	82,000		
Const Improvement Fund	1,399,000		
CIC-WECIP	4,950,665		
2003 CIC Tax Allo 2003A1	-		
2003 CIC Tax Allo 2003A2	-		
2003 CIC Tax Allo 2003B	-		
FISC/Catellus Land Sale	-		
CIC-WECIP Housing	943,438		
CIC-BWIP	6,507,554		
CIC-BWIP Housing	438,268		
CIC-BWIP Hsg 2002 Bond Proceeds	-		
CIC-Housing In-Lieu Fee	-		
AUSD Housing Fund	-		
CIC-APIP	335,165		
CIC-APIP Housing	60,540		
Alameda City Library Fund	3,557,648		
Gas Tax Fund	1,325,500		
XIXB Trans Improvement Fund	-		
Traffic Safety Fund	150,000		
County Measure B Fund	-		
Measure B - Local St & Rd	1,477,894		
Measure B - Bicycle Ped Imp	180,606		
Measure B - Transbay Ferry	952,930		
Measure B - Para Transit	157,288		
Measure B - Capital Projects	-		
Measure B - Transp Sr & Disab	-		
Tidelands Fund	413,095		
Narcotics Asset Seizure	2,000		
Dwelling Unit Fund	465,000		
Parking In-Lieu Fund	-		
Parking Meter Fund	508,532		
TSM/TDM Fund	-		
Commercial Revitalization	409,500		
Theatre Project/Parking Garage	9,212,691		
Home Fund	304,626		
CDBG	1,782,189		
Home Repymt Fund	-		
Rehab Repayment Fund	185,000		
FISC Lease Revenue Fund	658,916		
FISC - Catellus	150,861		
FISC - Catellus Ph II	-		
FISC - Catel/ProLogis Ala Landing	-		
Vehicle Registr. AB434	-		
Housg Developmt-HA Reimb	-		
HA Section 8 Projects	-		
Affordable Housing	56,040		
Human Services	65,951		
CHRPO/LEAD	-		

**Budget Profile - All Funds**  
**Fiscal Year 2007-2008**

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Garbage Subcharge Fund	125,000
Curbside Recycling	-
Waste Reduction Surcharge	911,829
City Waste Management Program	33,600
Island City Maint 84-2	-
Island City Maint 84-2 Z1	4,500
Island City Maint 84-2 Z2	17,500
Island City Maint 84-2 Z3	15,500
Island City Maint 84-2 Z4	57,000
Island City Maint 84-2 Z5	670,000
Island City Maint 84-2 Z6	305,000
Island City Maint 84-2 Z7	16,000
Marina Cove Maint Dist 01-1	116,000
Reserve Marina Cove 01-01	-
Bayport AD 03-1	322,000
Athletic Fund	1,746,193
Public Art Fund	-
Historical Advisory Board	-
Equip. Acquisition Fund	-
Sr Citizen Transportation	157,288
Alameda Reuse & Redevelop	12,200,585
Dike Maintenance Fund	-

**Capital Project Fund Group:**

		\$	11,032,699	5.7%
Waste Water Capital Reserve	-			
Capital Improvement Proj.	6,982,000			
FISC Catellus Traffic Fee	-			
Marina Village A.D. 89-1	-			
H.B.I. 92-1 Assessmt Dist	-			
Library Construction Fund	-			
Open Space Improvement Fund	-			
2003 AP Rev Bond Project Fund	-			
CDF-WE Traffic Safety	-			
CDF-WE Parks & Rec	-			
CDF-WE Public Facilities	-			
CDF-WE Public Safety	-			
CDF-NW Traffic Safety	-			
CDF-NW Park & Recreation	-			
CDF-NW Public Safety	-			
CDF-NW Public Safety	-			
CDF-CEE Traffic Safety	-			
CDF-CEE Parks & Recreation	-			
CDF-CEE Public Facilities	-			
CDF-CEE Public Safety	-			
CDF-BF Traffic Safety	-			
CDF-BF Parks & Recreation	-			
CDF-BF Public Facilities	-			
CDF-BFPublic Safety	-			
Transportation Impmt. Fund	1,478,585			
Urban Runoff	2,572,114			
CFD #1 Harbor Bay	-			
CFD #2 Paragon Gateway	-			

**Budget Profile - All Funds**  
**Fiscal Year 2007-2008**

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<b>Debt Service Fund Group:</b>		\$	7,633,259	4.0%
Debt Svc-1990 Police Bldg	237,615			
Debt Svc-Library/Golf Proj	394,156			
Debt Svc-Library Bond 2003	666,450			
Debt Svc-HUD 108 Ln-Parking/Theatre	216,517			
Debt Svc-Debt Serv CIC Tx All Bd	-			
Debt Svc-CIC Sub Bond	783,626			
Debt Svc-Refin CityHall 2002	830,488			
Debt Svc 2003 Tax Allo Refd BWIP	1,262,569			
Debt Svc 2003 CIC Tax Alloc Bd	2,740,239			
Debt Svc 2003 AP Rev Bond	501,600			
<b>Enterprise Fund Group:</b>		\$	16,314,464	8.5%
Golf Course Fund	5,208,486			
Sewer Service Fund	5,338,601			
Ferry Service Fund	-			
East End Ferry	1,879,203			
West End Ferry	3,888,174			
<b>Internal Service Fund Group:</b>		\$	8,864,531	4.6%
Central Stores Fund	47,000			
Central Garage Fund	-			
Techology Serv Fund	981,969			
Worker's Comp Self Insur	3,533,571			
Risk Management Fund	2,342,822			
Unemployment Insurance	31,169			
Post Employment Fund	1,928,000			
<b>Trust &amp; Agency Fund Group:</b>		\$	14,210,003	7.4%
Debt Svc for 508 84-3A	-			
Debt Svc for 510 84-3B	-			
Police/Fire Pension 1079	2,915,000			
Police/Fire Pension 1082	40,000			
Debt Svc for 512 89-1	3,491,228			
Debt Svc for 513 92-1	-			
1998 Revenue Bond Debt Fd	2,771,193			
1999 Revenue Bond Debt Fd	3,235,130			
2002 Revenue Bond	-			
Assessment District CFD#1	1,577,103			
Assessment District CFD#2	180,350			
<b>Total All Funds</b>		\$	<u>192,288,109</u>	100.0%
Memo only:				
Housing Authority		\$	28,192,408	
Alameda Power & Telecom (pre-final)			<u>66,750,877</u>	
<b>All Inclusive Total</b>		\$	<u>287,231,394</u>	

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the \_\_\_\_\_ day of \_\_\_\_\_, 2007, by the following vote to wit:

AYES

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the seal of said City this \_\_\_\_ day of \_\_\_\_\_, 2007.

---

Lara Weisiger, City Clerk  
City of Alameda

ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY  
RESOLUTION NO. \_\_\_\_\_

APPROVING AND ADOPTING THE OPERATING BUDGET  
AND APPROPRIATING CERTAIN MONEYS FOR  
THE EXPENDITURES PROVIDED IN FISCAL YEAR 2007-2008

WHEREAS, there has been submitted to and filed with this Authority at this meeting, a budget representing a financial plan for conducting the affairs of the Alameda Reuse and Redevelopment Authority for the Fiscal Year beginning July 1, 2007, and ending June 30, 2008, attached hereto as Exhibit A, and

WHEREAS, the Authority has considered this spending plan.

NOW, THEREFORE, BE IT RESOLVED BY THE ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY that said budget as submitted to this Authority at this meeting, and each and every part thereof, be, and the same is hereby approved and adopted as the Operating Budget for the Alameda Reuse and Redevelopment Authority for the Fiscal Year 2007-2008, and that the expenditure of the various sums of money therein provided to be spent for salaries and wages, maintenance and operation, and capital outlay listed in detail are hereby approved and authorized in total as the appropriations for the Fiscal Year ending June 30, 2008.

\* \* \* \* \*

Approved as to Form  
*Zorua D. Stephens*  
General Counsel

**Budget Profile**  
**Alameda Reuse & Redevelopment Authority (ARRA)**  
**Fiscal Year 2007-2008**

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Alameda Reuse & Redevelopment                   \$   12,200,585

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Governing Board of the Alameda Reuse and Redevelopment Authority in regular meeting assembled on the \_\_\_\_ day of \_\_\_\_\_, 2007, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the official seal of the said Authority this \_\_\_\_ day of \_\_\_\_\_, 2007.

---

Irma Glidden, Secretary  
Alameda Reuse and Redevelopment Authority

APPROVING AND ADOPTING THE OPERATING BUDGET  
AND APPROPRIATING CERTAIN MONEYS FOR  
THE EXPENDITURES PROVIDED IN FISCAL YEAR 2007-2008

WHEREAS, there has been submitted to and filed with this Commission at this meeting, a budget representing a financial plan for conducting the affairs of the Community Improvement Commission for the City of Alameda for the Fiscal Year beginning July 1, 2007, and ending June 30, 2008, attached hereto as Exhibit A; and

WHEREAS, the budget as presented includes several major goals as follows:

- Shinsei Gardens – the design, financing, and construction of thirty-nine affordable housing units;
- Catellus Phase II (Alameda Landing) – environmental, financial, and infrastructure work, including Stargell Avenue extension;
- Alameda Point – in cooperation with ARRA, secure conveyance and begin the entitlement process and California Environmental Quality Act activities;
- Civic Center Parking Garage, Alameda Theater Rehabilitation and Cinema Multiplex – finalize construction and operations planning;
- Other public/private projects – Grand Marina housing project , parking study, and Park Street Streetscape Phase II;
- Business retention – relationships with employers and commercial brokers; and

WHEREAS, the Authority has considered this spending plan.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY IMPROVEMENT COMMISSION that said budget as submitted to this Commission at this meeting, and each and every part thereof, be, and the same is hereby approved and adopted as the Operating Budget for the Community Improvement Commission of the City of Alameda for the Fiscal Year 2007- 2008, and that the expenditure of the various sums of money therein provided to be spent for salaries and wages, maintenance and operation, and capital outlay listed in detail are hereby approved and authorized in total as the appropriations for the Fiscal Year ending June 30, 2008.

BE IT FURTHER RESOLVED that, the Commission hereby determines that pursuant to California Health & Safety Code 33334.3 (Low and moderate income housing fund) the planning and administrative expenses incurred are necessary for the production, improvement or preservation of low-and-moderate income housing.

\* \* \* \* \*

Approved as to Form

*Zelma D. Stephens*  
General Counsel

**Budget Profile**  
**Community Improvement Commission (CIC)**  
**Fiscal Year 2007-2008**

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CIC-BWIP	6,507,554	46.3%
CIC-WECIP	4,950,665	35.2%
CIC-WECIP Housing	943,438	6.7%
FISC Lease Revenue Fund	658,916	4.7%
CIC-BWIP Housing	438,268	3.1%
CIC-APIP	335,165	2.4%
FISC - Catellus	150,861	1.1%
CIC-APIP Housing	60,540	0.4%
FISC - Catellus Ph II	-	0.0%
FISC - Catel/ProLogis Ala Landing	-	0.0%
	<u>\$ 14,045,407</u>	100.0%

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Community Improvement Commission of the City of Alameda in a Special Community Improvement Commission meeting assembled on the \_\_\_\_ day of \_\_\_\_\_, 2007, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the official seal of said Commission this \_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
Lara Weisiger, Secretary  
Community Improvement Commission

\_\_\_\_\_  
Beverly Johnson, Chair  
Community Improvement Commission

CITY OF ALAMEDA RESOLUTION NO. \_\_\_\_\_

APPROVING INTERIM EXPENDITURES PRIOR TO ADOPTION OF THE  
OPERATING BUDGET AND CAPITAL IMPROVEMENTS FOR  
FISCAL YEAR 2007-2008

WHEREAS, State law requires that the City of Alameda adopt an annual budget representing a financial plan for conducting the affairs of the City of Alameda for the fiscal year beginning July 1, 2007, and ending June 30, 2008; and

WHEREAS, there will be submitted to the City Council at the meeting of July 3, 2007, the Operating Budget and Capital Improvements for Fiscal Year 2007-2008; and

WHEREAS, the proposed Operating Budget and Capital Improvements for Fiscal Year 2007-2008 includes several expenditures prior to the adoption of the City of Alameda Operating Budget and Capital Improvements.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Alameda hereby approves interim expenditures of the City of Alameda prior to the approval of the City of Alameda Operating Budget and Capital Improvements for Fiscal Year 2007-2008 at the levels set by the City Operating and Capital Improvement Budget for 2006-2007 to allow payment of routine expenses including payroll and vendor expenses at prior year's level.

\* \* \* \* \*

Approved as to Form

*Debra D. Hyatt*  
City Attorney

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the \_\_\_\_\_ day of \_\_\_\_\_, 2007, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the seal of said City this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

---

Lara Weisiger, City Clerk  
City of Alameda

ALAMEDA REUSE AND REDEVELOPMENT AUTHORITY  
RESOLUTION NO. \_\_\_\_\_

APPROVING INTERIM EXPENDITURES PRIOR TO ADOPTION OF THE  
OPERATING BUDGET AND CAPITAL IMPROVEMENTS FOR  
FISCAL YEAR 2007-2008

Approved as to Form  
*Debra P. Highsmith*  
General Counsel

WHEREAS, State law requires that the Alameda Reuse and Redevelopment Authority adopt an annual budget representing a financial plan for conducting the affairs of the Alameda Reuse and Redevelopment Authority for the fiscal year beginning July 1, 2007, and ending June 30, 2008; and

WHEREAS, there will be submitted to the Alameda Reuse and Redevelopment Authority at a future meeting the Operating Budget and Capital Improvements for Fiscal Year 2007-2008; and

WHEREAS, the proposed Operating Budget and Capital Improvements for Fiscal Year 2007-2008 includes several expenditures prior to the adoption of the Alameda Reuse and Redevelopment Authority Operating Budget and Capital Improvements.

NOW, THEREFORE, BE IT RESOLVED that the Alameda Reuse and Redevelopment Authority hereby approves interim expenditures of the Alameda Reuse and Redevelopment Authority prior to the approval of the Operating Budget and Capital Improvements for Fiscal Year 2007-2008 at the levels set by the City Operating and Capital Improvement Budget for 2006-2007 to allow payment of routine expenses including payroll and vendor expenses at prior year's level.

\* \* \* \* \*

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Alameda Reuse and Redevelopment Authority in a regular meeting assembled on the \_\_\_\_\_ day of \_\_\_\_\_, 2007, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the seal of said Authority this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
Irma Glidden, Secretary  
Alameda Reuse and Redevelopment Authority

\_\_\_\_\_  
Beverly Johnson, Chair  
Alameda Reuse and Redevelopment Authority

COMMUNITY IMPROVEMENT COMMISSION  
OF THE CITY OF ALAMEDA RESOLUTION NO. \_\_\_\_\_

APPROVING INTERIM EXPENDITURES PRIOR TO ADOPTION OF THE  
OPERATING BUDGET AND CAPITAL IMPROVEMENTS FOR  
FISCAL YEAR 2007-2008

WHEREAS, State law requires that the Community Improvement Commission of the City of Alameda adopt an annual budget representing a financial plan for conducting the affairs of the Community Improvement Commission for the fiscal year beginning July 1, 2007, and ending June 30, 2008; and

WHEREAS, there will be submitted to the Community Improvement Commission at a future meeting the Operating Budget and Capital Improvements for Fiscal Year 2007-2008; and

WHEREAS, the proposed Operating Budget and Capital Improvements for Fiscal Year 2007-2008 includes several expenditures prior to the adoption of the Community Improvement Commission Operating Budget and Capital Improvements.

NOW, THEREFORE, BE IT RESOLVED that the Community Improvement Commission of the City of Alameda hereby approves interim expenditures of the Community Improvement Commission prior to the approval of the Community Improvement Commission Operating Budget and Capital Improvements for Fiscal Year 2007-2008 at the levels set by the City Operating and Capital Improvement Budget for 2006-2007 to allow payment of routine expenses including payroll and vendor expenses at prior year's level.

\* \* \* \* \*

Approved as to Form  
*Debra R. Hyatt-Smith*  
General Counsel

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Community Improvement Commission of the City of Alameda in a Special Community Improvement Commission meeting assembled on the \_\_\_\_ day of \_\_\_\_\_, 2007, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the official seal of said Commission this \_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
Lara Weisiger, Secretary  
Community Improvement Commission

\_\_\_\_\_  
Beverly Johnson, Chair  
Community Improvement Commission

CITY OF ALAMEDA RESOLUTION NO. \_\_\_\_\_

ESTABLISHING GUIDELINES FOR REIMBURSEMENT OF  
PER DIEM ALLOWANCE  
FOR CITY OF ALAMEDA BUSINESS TRAVEL

Approved as to Form  
*Debra D. Highsmith*  
City Attorney

WHEREAS, Section 22-7 of the Charter of the City of Alameda requires that the Council annually fix the per diem allowance for traveling expenses of officers and employees of the City; and

WHEREAS, the Internal Revenue Service publishes its recommended Per Diem rates for travel within the United States.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Alameda that the Per Diem allowance for all officers and employees of the City of Alameda while attending to official duties, both within and outside the City limits of the City of Alameda, shall not exceed the amount of the actual expense incurred Per Diem by such officer or employee, in addition to the costs of transportation actually incurred.

BE IT FURTHER RESOLVED that the Per Diem allowance for meals will be \$64 per day (tax and tip included). When Per Diem is claimed and some meals are included in the registration, a deduction should be made as follows:

\$13.00	Breakfast
\$19.00	Lunch
<u>\$32.00</u>	Dinner
\$64.00	

BE IT FURTHER RESOLVED that such expenditures shall be repaid to such officer or employee by the City of Alameda upon submission of a statement of such expense in from satisfactory to the Chief Financial Officer of the City of Alameda.

BE IT FURTHER RESOLVED that such allowance herein fixed shall be effective until superceded by any change in Federal per diem requirements or specific City Council resolution.

\* \* \* \* \*

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the \_\_\_\_\_ day of \_\_\_\_\_, 2007, by the following vote to wit:

AYES

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the seal of said City this \_\_\_\_ day of \_\_\_\_\_, 2007.

---

Lara Weisiger, City Clerk  
City of Alameda

**CITY OF ALAMEDA**

Memorandum

REVISED

To: Honorable Mayor and  
Members of the City Council

From: Debra Kurita  
City Manager

Date: June 19, 2007

Re: Authorize the City Manager to Negotiate a Grant Agreement Between the  
City of Alameda and the Alameda Historical Museum

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**BACKGROUND**

The Alameda Historical Museum was first established in 1948 with the purpose of collecting and conserving tangible artifacts relevant to the cultural and architectural heritage of Alameda. The Museum first received an annual rent subsidy from the City in 1991 when it relocated to the Masonic Building on Alameda Avenue. The Council authorized funding Fiscal Year 1999-2000 rent in the amount of \$38,400, noting that approximately one-third of the collection consisted of City artifacts. During the ensuing years, rent subsidies have been included in the City's adopted budget. For Fiscal Year 2006-2007, the Museum's annual rent subsidy allocation was \$46,160.

**DISCUSSION**

Each relationship between the City and a grantee organization should have an agreement that outlines the responsibilities of each party. However, there is no existing written agreement between the City and the Alameda Historical Museum (Museum). In its negotiations with the Museum, City staff has offered to provide the Museum \$3,462 per month, or \$41,544 for Fiscal Year 2007-2008. This constitutes a reduction of 10% of the \$46,160 rent subsidy for Fiscal Year 2006-2007. In exchange for the funds, the City has proposed that the Museum develop and implement an annual work plan that contains its goals and strategies for self-sufficiency as well as a funding and technical assistance plan to implement the Museum's business plan. This subsidy is subject to Council approval through the adoption of the budget. The Museum recently sent a letter to the Mayor and City Council, which is attached, asking that the rent subsidy not be reduced.

Staff also proposes including a provision requiring that an informal performance report be submitted by May 30, 2008. The report should include a narrative of program operations, a report of business plan milestones completed, a report of contributions, donations, and bequests, and a summation of volunteers engaged in educational endeavors for the Museum. Any agreement should also stipulate the types and amounts of insurance coverage the Museum is required to carry and name the City as an additional insured.

**Special Joint CC/ARRA/CIC**

**Report Re:**

**Agenda Item #3-B II.**

**06-19-07**

BUDGET CONSIDERATION/FINANCIAL IMPACT

The Fiscal Year 2007-2008 Budget as presented for adoption includes sufficient funds in the Non-Departmental Cultural Arts line item to fund a grant agreement in the amount of \$41,544.

RECOMMENDATION

Authorize the City Manager to negotiate the grant agreement between the City of Alameda and the Alameda Historical Museum for an amount not to exceed \$41,544.

Attachment