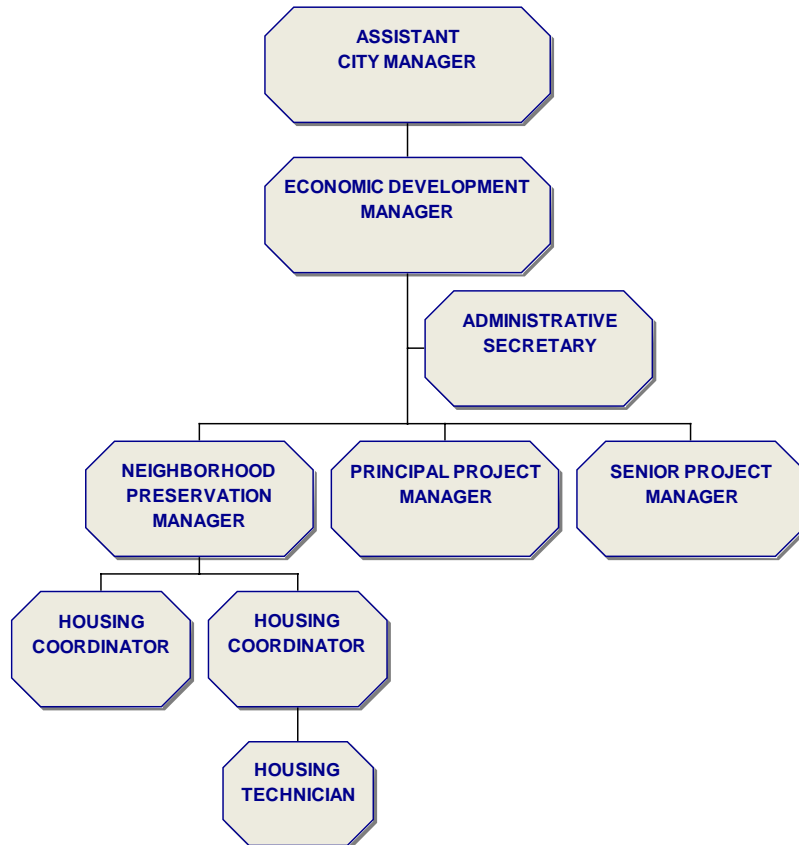


REDEVELOPMENT AGENCY



THE HOUSING DIVISION FUNDS FIVE CODE ENFORCEMENT OFFICERS WHO REPORT DIRECTLY TO THE SENIOR ENFORCEMENT OFFICER IN THE PLANNING DEPARTMENT AND ARE SHOWN ON THAT CHART

DEPARTMENT SUMMARY

Community Redevelopment Agency

The Community Redevelopment Agency (CRA) is directly involved in developing strategies and implementing programs to retain and expand local businesses as well as attract new businesses to the City. The Agency's primary purpose is to eliminate blighted areas within the City by encouraging development of residential, commercial, recreational, and public facilities.

About Community Redevelopment

The Community Redevelopment Agency is organized under the provisions of the California Community Redevelopment Law. The Agency is subject to the financial accountability of the City Council of the City of Palmdale and accordingly, is a component unit of the City although it is a separate legal entity. The five members of the City Council serve as members of the governing board of the Agency.

The Community Redevelopment Agency consists of two Divisions: Economic Development and Housing. The Agency receives tax increment revenue from the project areas based on the growth in assessed value above the respective base years. In accordance to Redevelopment Law, 20% of the gross tax increment received is used by the Housing Division to benefit low-to moderate-income residents. The remaining 80% of the tax increment revenue is available in the Economic Development Division.

The Economic Development Division goal is to encourage the creation of good paying jobs so that the employees will have disposable income to spend in the local economy, enhancing the economic vitality of Palmdale businesses. To accomplish this goal, the Economic Development Division manages the following six programs: Business Retention and Attraction, Aviation and Aerospace, Redevelopment, Conference Center, Power Plant and Hospital Program.

The Housing Division goal is to develop and assist in the implementation of a Citywide housing program. To accomplish this goal, the Housing Division manages the following nine programs: Debt Service, Mandated Costs, In-fill Housing, Mortgage Assistance, Rehabilitation, Senior and Multi-Family Housing, Transit Village, Code Enforcement, and Partners for a Better Palmdale Program.

Fiscal Year 2011-12 Budget Highlights

Economic Development Division:

- ✓ Continue working to amend the Merged Project Area to add territory.
- ✓ Reapply to the State to extend the time limit for the Enterprise Zone.
- ✓ Proactively market the City to attract new and retain and expand existing businesses

Housing Division:

- ✓ Continue to provide rehabilitation programs for houses and mobile homes, and concentrate on two Focus Neighborhoods.
- ✓ Begin construction of Transit Village affordable housing project near the City MetroLink station.
- ✓ Send out to RFP, select a developer, and begin construction of Courson Connection Phase 3 of affordable senior rental housing project.
- ✓ Continue to work with local non-profit groups to create and preserve Affordable Housing.

DEPARTMENT SUMMARY

Community Redevelopment Agency

Economic Development Division Expenditures and Staffing Summary
(4606110, 4616200, 5616250, 4626300, 5626350)

	<u>Actual 2009-10</u>	<u>Budget 2010-11</u>	<u>Estimated 2010-11</u>	<u>Adopted 2011-12</u>
Authorized Positions (FTE)	4.25	4.00	4.00	3.75
Expenditures				
Personnel	693,619	688,330	662,880	606,360
Training and Meetings	10,611	29,530	13,870	15,240
Operating Expenditures	12,333,332	14,994,970	18,754,430	11,222,170
Inter-Governmental Tax Sharing	32,711,332	21,905,160	23,136,250	19,485,900
Capital	2,856,429	198,310	7,042,760	-
Debt	9,439,128	9,742,640	9,607,950	9,836,690
Total Division Expenditures	58,044,451	47,558,940	59,218,140	41,166,360

The Community Redevelopment Agency is budgeted in the Redevelopment Agency Fund and Housing Fund.

PROGRAMS AND SERVICES

ECONOMIC DEVELOPMENT PROGRAMS

➤ **Business Retention and Attraction**

Redevelopment
 Aviation and Aerospace
 Conference Center
 Power Plant
 Hospital

HOUSING PROGRAMS

Mandated Costs
 In-fill housing
 Mortgage Assistance
 Senior Housing
 Transit Village
 Partners for a Better Palmdale Program
 Code Enforcement
 Debt Service
 Rehabilitation

RECENT PROGRAM ACHIEVEMENT

- ✧ Celebrated Macy's opening at the Mall, and disbursed payments for rehab pursuant to the DDA.



Macy's Grand Opening

"The City of Palmdale is an extraordinary partner for retail! They are committed to our community and will do whatever it takes to strengthen the local economy"

Business Retention and Attraction (46061101, 46061102, 46162001, 46263001)

Mission Statement

To seek, retain, and expand local businesses and attract new businesses to Palmdale resulting in good paying jobs for our residents. Seek to strengthen the workforce through training, assist job seekers and employers in matching the proper applicant to the proper position, provide assistance with various incentive programs, and overall expand the economic vitality of the City.

Program Activities

- Promote the Antelope Valley Enterprise Zone and Foreign-Trade Zone incentives.
- Promote the City through comprehensive marketing efforts.
- Build and enhance professional relationships that assist and promote business retention and expansion.
- Conduct Business Visits in order to build relationships, provide information on tools available to help business succeed, and establish point of contact with the City.
- Provide entrepreneurial assistance to self employed individuals.
- Promote workforce development through job training programs at the South Valley Work Source Center.

Key Goals & Objectives for Fiscal Year 2011-12

- Complete at least 10 business visits per year and conduct quarterly Business Round Table meetings.
- Hold Business Appreciation Breakfast once per year.
- Publish Growth Factors.
- Update the Agency portion of the City's website.
- Reapply to the State to extend the Enterprise Zone time limits.
- Establish job-training programs with Antelope Valley College.
- Continue to make available financing for industrial projects through the Industrial Development Authority (IDA).

OPERATING AND PERFORMANCE MEASURES

	<u>Actual 2009-10</u>	<u>Budget 2010-11</u>	<u>Estimated 2010-11</u>	<u>Adopted 2011-12</u>
Authorized Positions (FTE)	3.69	3.60	3.60	2.74
Expenditures				
Personnel	594,871	599,650	572,530	435,650
Training and Meetings	10,611	29,530	13,870	15,240
Operating Expenditures	2,814,916	2,661,670	6,994,970	651,520
Capital	381,613	4,210	5,940,900	-
Debt	36,066	38,250	38,250	38,280
Total Program Expenditures	3,838,077	3,333,310	13,560,520	1,140,690

	<u>Actual 2009-10</u>	<u>5-Year Target</u>	<u>Estimated 2010-11</u>	<u>Projected 2011-12</u>
Program Performance Measures				
Number of Business Visits Annually	25	20	10	10
Quarterly Business Round Table Meetings	-	4	-	2
Number of leads responses annually	14	40	15	15
Number of businesses served by SVWSC	194	300	400	500
Number of employees placed by SVWSC	457	450	600	800
Number of businesses / entrepreneurs Counseled annually (SBDC)	65	100	150	200

PROGRAMS AND SERVICES

ECONOMIC DEVELOPMENT PROGRAMS

Business Retention and Attraction

➤ **Redevelopment**

Aviation and Aerospace

Conference Center

Power Plant

Hospital

HOUSING PROGRAMS

Mandated Costs

In-fill housing

Mortgage Assistance

Senior Housing

Transit Village

Partners for a Better Palmdale Program

Code Enforcement

Debt Service

Rehabilitation

RECENT PROGRAM ACHIEVEMENTS

- ✧ Continued process to amend the Merged Project Area to add over 7,780 acres of land, including Plant 42 and the Power Plant site.
- ✧ Refinanced obligations to AC Warnack with Tax Allocation Refunding Revenue Notes.

Redevelopment (46061104, 46263003, 46162002, 56162501, 56263501)

Mission Statement

To maximize the Agency's ability to eliminate blight and enhance the City's economic vitality by issuing debt to be repaid with tax increment revenues. To account for and meet contractual and statutory obligations by paying the Agency's debt obligations, pass through payments, and other similar items for each of the project areas. To seek and identify additional land to create new project areas.

Program Activities

- Pay and track debt service payments on the Revenue Bonds, Bond Anticipation Notes, Tax Allocation Bonds, Developer Agreements, and the Warnack Trust Tax Allocation Refunding Revenue Notes.
- Track and pay in accordance with tax sharing agreements and statutory requirements an allocation of tax increment funds to various taxing entities.
- Pay 20% of tax increment revenues to the Housing Fund.
- Prepare and distribute annual disclosure information as required in Bond documents.
- Prepare and file the Statement of Indebtedness (SOI) and State Controller's Report annual reports.

Key Goals & Objectives for Fiscal Year 2011-12

- Pay all debt payments; pass through payments, and Housing Set Aside payments accurately and timely.
- Prepare all annual reports accurately and timely.
- Continue working to amend the Merged Project Area to add territory.

OPERATING AND PERFORMANCE MEASURES

	<u>Actual 2009-10</u>	<u>Budget 2010-11</u>	<u>Estimated 2010-11</u>	<u>Adopted 2011-12</u>
Authorized Positions (FTE)	0.24	0.20	0.20	0.53
Expenditures				
Personnel	40,638	38,180	43,870	89,460
Training and Meetings	-	-	-	-
Operating Expenditures	9,351,925	12,156,300	11,389,230	10,173,020
Inter-Governmental Tax Sharing	32,711,332	21,905,160	23,136,250	19,485,900
Capital	771,670	-	(672,550)	
Debt	9,403,063	9,704,390	9,569,700	9,798,410
Total Program Expenditures	52,278,628	43,804,030	43,466,500	39,546,790

	<u>Actual 2009-10</u>	<u>5-Year Target</u>	<u>Estimated 2010-11</u>	<u>Projected 2011-12</u>
Program Performance Measures				
Debt payments timely and accurately made	100%	100%	100%	100%
Annual disclosure reports timely filed with appropriate repository	100%	100%	100%	100%
Annual reports timely filed with County and State agencies	100%	100%	100%	100%

PROGRAMS AND SERVICES

ECONOMIC DEVELOPMENT PROGRAMS

Business Retention and Attraction

Redevelopment

➤ **Aviation and Aerospace**

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RECENT PROGRAM ACHIEVEMENTS

- ✧ Continued negotiations regarding the airport lease with LAWA, the Air Force and the FAA.
- ✧ Completed negotiations for the purchase of Site 9.
- ✧ Reestablished Aerospace Alliance and established the Aerospace & Defense Coalition.

Aviation and Aerospace (46061103)

Mission Statement

To strengthen the City's relationship with the local aerospace companies (Lockheed, Northrop and Boeing), U.S. Air Force (Plant 42), and NASA, each a major employer in our community. To reestablish operational control of the Palmdale Regional Airport; and to develop the scientific educational opportunities in Palmdale. To manage the Palmdale Airport Authority and provide oversight of Palmdale Airport.

Program Activities

- Increase interaction with aerospace companies, NASA, and U.S. Air Force (Plant 42) to provide community support in those areas that will enhance their ability to do business in the Antelope Valley and to retain their internal competitiveness.
- Continue the Aerospace Alliance among the local aerospace contractors.
- Manage the Aerospace & Defense Coalition and the UAV Corridor Committee.
- Work with U.S. Air Force and NASA to expand federal presence at Plant 42 and Site 9.
- Manage the Palmdale Airport Authority.
- Assume operational control of the Palmdale Airport and reestablish FAA certification.
- Promote and support the AERO Institute.

Key Goals & Objectives for Fiscal Year 2011-12

- To hold quarterly meetings with the aerospace contractors.
- Expand federal presence at Plant 42.
- Negotiate the return of the lease and Joint Use Agreement on Palmdale Airport.
- Negotiate with LAWA for the purchase of Site 9.
- Work to reestablish operational control of the Palmdale Regional Airport and reestablish FAA certification.
- Assist with the Redevelopment Plan Amendment to add territory that will include Plant 42 and surrounding areas.

OPERATING AND PERFORMANCE MEASURES

	<u>Actual 2009-10</u>	<u>Budget 2010-11</u>	<u>Estimated 2010-11</u>	<u>Adopted 2011-12</u>
Authorized Positions (FTE)	0.24	0.10	0.10	0.28
Expenditures				
Personnel	25,705	22,920	17,810	44,140
Training and Meetings	-	-	-	-
Operating Expenditures	166,490	177,000	187,000	187,000
Capital	-	-	-	-
Total Program Expenditures	192,195	199,920	204,810	231,140

	<u>Actual 2009-10</u>	<u>5-Year Target</u>	<u>Estimated 2010-11</u>	<u>Projected 2011-12</u>
Program Performance Measures				
Meetings with aerospace Contractors	8	8	12	10
Meetings with the FAA	2	4	3	4
Meetings with Plant 42 Command	10	6	5	5
Meetings with Aerospace Alliance, Aerospace & Defense Coalition, Committees	-	4	4	4
Participation in AERO Inst. and NASA Events	7	10	5	5

PROGRAMS AND SERVICES

ECONOMIC DEVELOPMENT PROGRAMS

Business Retention and Attraction

Redevelopment

Aviation and Aerospace

➤ **Conference Center**

Power Plant

Hospital

HOUSING PROGRAMS

Mandated Costs

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RECENT PROGRAM ACHIEVEMENTS

- ✧ Obtained entitlements for the Conference Center.

Conference Center (46061105, 46263004)

Mission Statement

To build a conference center in the Palmdale Trade and Conference Center in order to promote economic activity related to hosting conferences, weddings, meetings, and other events, attracting visitors from outside the area to stay in Palmdale hotels, eat in local restaurants, and shop in Palmdale stores.

Program Activities

- Focus efforts on constructing the proposed conference center. Construction is on hold until the economy improves and financing can be identified.

Key Goals & Objectives for Fiscal Year 2011-12

- Subject to the recovery of the economy, evaluate financing alternatives for the construction of the Conference Center.
- If financing is identified, obtain construction bids and begin construction.



Above: A rendering of the proposed Conference Center

OPERATING AND PERFORMANCE MEASURES

	<u>Actual 2009-10</u>	<u>Budget 2010-11</u>	<u>Estimated 2010-11</u>	<u>Adopted 2011-12</u>
Authorized Positions (FTE)	0.08	0.10	0.10	0.05
Expenditures				
Personnel	32,403	27,580	28,670	13,480
Training and Meetings	-	-	-	-
Operating Expenditures	-	-	183,230	190,630
Capital	1,703,148	194,100	515,750	-
Total Program Expenditures	1,735,551	221,680	727,650	204,110

Program Performance Measures

	<u>Actual 2009-10</u>	<u>5-Year Target</u>	<u>Estimated 2010-11</u>	<u>Projected 2011-12</u>
Percent completion of design phases:				
Conceptual Design	100%	100%	100%	100%
Schematic Design	100%	100%	100%	100%
Design Development	100%	100%	100%	100%
Construction Drawings	90%	100%	100%	100%
Percent completion of construction	-	100%	-	-

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➤ **Power Plant**

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Power Plant (46263005)

Mission Statement

To build a power plant that will generate safe, affordable, and reliable power to the business community, enhancing their ability to create and maintain local jobs.

Program Activities

- Focus efforts on obtaining permits and financing for the power plant.

Key Goals & Objectives for Fiscal Year 2011-12

- Obtain permit for the power plant.
- Determine financing strategy for the power plant.
- Identify best power off take option for sale of electricity.



OPERATING AND PERFORMANCE MEASURES

	<u>Actual 2009-10</u>	<u>Budget 2010-11</u>	<u>Estimated 2010-11</u>	<u>Adopted 2011-12</u>
Authorized Positions (FTE)	-	-	-	-
Expenditures				
Personnel	-	-	-	-
Training and Meetings	-	-	-	-
Operating Expenditures	-	-	-	-
Capital	-	-	1,258,660	-
Total Program Expenditures	-	-	1,258,660	-
	<u>Actual 2009-10</u>	<u>5-Year Target</u>	<u>Estimated 2010-11</u>	<u>Projected 2011-12</u>
Program Performance Measures				
Obtain Permit	80%	100%	100%	100%
Construction Completion	-	100%	-	-

PROGRAMS AND SERVICES

ECONOMIC DEVELOPMENT PROGRAMS

Aviation and Aerospace
Conference Center
Power Plant
Business Retention and
Attraction
Redevelopment

➤ **Hospital**

Housing Programs

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Mortgage Assistance
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Transit Village
Partners for a Better
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Code Enforcement
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RECENT PROGRAM ACHIEVEMENTS

- ✧ The new Palmdale Regional Medical Center opened in December 2010 with 121 beds and the largest emergency room in the Antelope Valley (35 beds).

Hospital (46061106)

Mission Statement

To provide for the development of the Palmdale Regional Medical Center 250-bed hospital in order to offer improved medical services for all residents. Encourage attraction of medical offices and other ancillary development in support of the medical uses in the area surrounding the Palmdale Regional Medical Center.

Program Activities

- Promote the area surrounding the Palmdale Regional Medical Center for development of medical offices and other ancillary projects in support of medical uses.
- Attract medical groups and doctors offering medical specialties to the area surrounding the Palmdale Regional Medical Center.

Key Goals & Objectives for Fiscal Year 2011-12

- Initiate marketing program in cooperation with Palmdale Regional Medical Center in order to attract medical uses to the surrounding area.
- 100% tenant occupancy of first medical office building on hospital site.



Above: Palmdale Regional Medical Center

OPERATING AND PERFORMANCE MEASURES

	<u>Actual 2009-10</u>	<u>Budget 2010-11</u>	<u>Estimated 2010-11</u>	<u>Adopted 2011-12</u>
Authorized Positions (FTE)	-	-	-	0.15
Expenditures				
Personnel	-	-	-	23,630
Training and Meetings	-	-	-	-
Operating Expenditures	-	-	-	20,000
Capital	-	-	-	-
Total Program Expenditures	-	-	-	43,630

	<u>Actual 2009-10</u>	<u>5-Year Target</u>	<u>Estimated 2010-11</u>	<u>Projected 2011-12</u>
Program Performance Measures				
Beds Open at Hospital	-	250	121	-
Medical Office Buildings Open on Site	-	2	1	-

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