

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: September 19, 2011
Reviewed by: BP

SUBJECT: Ordinance No. 2011-03, an Ordinance of the City Council of the City of Albany enacted pursuant to Health and Safety Code Section 34193 to elect and implement participation by the City of Albany and the Albany Community Reinvestment Agency in the Alternative Voluntary Redevelopment Program pursuant to Part 1.9 of the California Community Redevelopment Law (ABx1 27, the Voluntary Program Act)

REPORT BY: Beth Pollard, City Manager

STAFF RECOMMENDATION

That the City Council adopt Ordinance No. 2011-03 to “Opt-In” to an Alternative Voluntary Redevelopment Program under ABx1 27, the Voluntary Program Act, to maintain the operations of the Albany Community Reinvestment Agency (RDA) – Pass to print.

BACKGROUND

At the meeting of September 6, 2011, the City Council waived reading and introduced Ordinance No. 2011-03. This ordinance allows the Albany Community Reinvestment Agency to continue to operate under the provisions of State Legislation, ABx1 26 and ABx1 27. It requires the City to make “voluntary” payments to the State.

See the staff report for the September 6, 2011 meeting for more information.

FISCAL IMPACT

The Agency currently has \$182,000 cash in its Capital Projects and Debt Service Funds that may be used for the fiscal year 2011-12 voluntary payment. The shortfall of \$6,000 will be covered either by revenues received prior to the required payment date, or by short term borrowing from either the General Fund or the Reinvestment Housing Fund. The projected net tax increment revenue to the Capital Projects Fund for fiscal year 2011-12 is \$350,000, and budgeted debt service payment are \$170,000, leaving unencumbered net revenue of \$180,000 available for operating expenses, special projects and the voluntary payment of \$45,000.

While unencumbered net revenue may fluctuate in future years, if debt service commitments are not increased, the unencumbered revenue will provide a comfortable coverage margin for future voluntary payments to the State.

Attachments

1. Ordinance No. 2011-03