



CITY COUNCIL AGENDA REPORT

MEETING DATE: 12/07/10

ITEM NUMBER: Item Number

SUBJECT: COSTA MESA REDEVELOPMENT AGENCY'S 2010 ANNUAL REPORT

DATE: NOVEMBER 19, 2010

FROM: FINANCE DEPARTMENT/ BOBBY YOUNG, BUDGET & RESEARCH OFFICER

PRESENTATION BY: FINANCE DEPARTMENT/ BOBBY YOUNG, BUDGET & RESEARCH OFFICER

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RECOMMENDATION:

Receive and file Costa Mesa Redevelopment Agency's 2010 Annual Report.

BACKGROUND:

Pursuant to Health and Safety Code Section 33080.1 "Every redevelopment agency shall present an annual report to its legislative body within six months of the end of the agency's fiscal year." The annual report shall contain; 1) an independent financial audit report for the previous fiscal year; 2) a fiscal statement for the previous fiscal year; 3) a description of the agency's activities in the previous fiscal year affecting housing and displacement; 4) a description of the agency's progress, including specific actions and expenditures, in alleviating blight in the previous fiscal year; 5) a list and status of all loans made by the redevelopment agency that are fifty thousand (\$50,000) or more, that in the previous fiscal year were in default; 6) a description of the total number and nature of the properties that the agency owns and those properties the agency has acquired in the previous fiscal year; and, 7) any other information that the agency believes useful to explain its programs.

ANALYSIS:

To comply with these requirements, the following documents are attached:

- 1) Agency's Annual Financial Report as of June 30, 2010.
- 2) Agency's Financial Transactions Report as of June 30, 2010.
- 3) A description of the agency's activities in the previous fiscal year affecting housing and displacement.

During the reporting period and through the City's Urban Master Plan, which allows for new types of urban housing developments and ownership opportunities such as; mixed-use, live/work units and conversion of industrial uses to artist lofts in the City's Westside, the following projects have been approved:

- 1974 Meyer Place: Proposed construction of a three-story, five-unit residential condominium complex.
- 2013-2029 Anaheim Avenue: Proposed construction of a three-story, 28-unit residential condominium complex.
- 2033-2037 Anaheim Avenue: Proposed construction of a 9-unit condominium development.
- 616 Center Street & 613 Plumer Street: Proposed construction of a 7-unit condominium project.
- 1046 W. 18th Street: Proposed construction of a three-story live/work development comprised of 34 live/work units.

These projects, which have initiated entitlements, are expected to stimulate and revitalize the City's Westside as they move forward through the plan-check process to construction.

Also during the reporting year, funds that had been previously allocated to an at-risk senior housing project ("Bethel Towers") were released due to the owner of the project having notified the City that it was no longer interested in receiving assistance. As a result, the funds were re-allocated to a new senior housing construction project ("Harpers-Pointe") which is currently in the process of applying for a tax-credit allocation. If successful, it is anticipated the project will begin construction in FY11-12. The project will provide 53 affordable rental units for low-income seniors.

In process during the FY09-10 was the continued negotiation and implementation of the Neighborhood Stabilization Program I, an American Recovery and Reinvestment Act (ARRA) grant. This grant is being combined with Low-Mod funds to develop an acquisition/rehabilitation/disposition program for foreclosed vacant properties within the City. Two properties in the City were identified and entered into escrow for purchase. It is anticipated the properties will be purchased, rehabilitated and sold on the open market to low and moderate income homebuyers in FY10-11.

The Single Family Rehabilitation Program, in conjunction with the City's HOME Rehab Program, assisted 57 units with the rehabilitation of their owner-occupied units.

The Redevelopment Agency does not have any loans that are fifty thousand dollars (\$50,000) or more, or any amount, that were in default during the previous fiscal year. Also, the Redevelopment Agency does not own nor did it acquire any property in the previous fiscal year.

The attached documents fully satisfy the aforementioned Health and Safety Code requirements. These documents may be acted upon by the City Council on a "receive and file basis".

ALTERNATIVES CONSIDERED:

None.

FISCAL REVIEW:

Fiscal review is not required for this item.

LEGAL REVIEW:

Legal review is not required for this item.

CONCLUSION:

Transmittal of the attached documents to the City Council (Legislative Body for the Redevelopment Agency) is required pursuant to the Health and Safety Code. This requirement may be satisfied by acting upon the recommended motion on a “receive and file” basis. Staff will then submit the report to the State Controller as prescribed under Health and Safety Code 33080.

BOBBY YOUNG
Budget and Research Officer

CHRISTINE TSAO
Accounting Supervisor

KIMBERLY BRANDT
Agency Executive Director

MURIEL ULLMAN
Neighborhood Improvement Manager

- ATTACHMENTS:
- 1 [Basic Financial Statements, Year Ended June 30, 2010](#)
 - 2 [Agency’s Financial Transaction Report as of June 30, 2010](#)
 - 3 [Description of Agency’s Activities for Fiscal Year 2009-2010](#)
 - Appendix 1 – List of all deposits to Low-Mod Housing Fund for Fiscal Year 2009-2010
 - Appendix 2 – List of all withdrawals from Low-Mod Housing Fund for Fiscal Year 2009-2010