

MEMORANDUM

CITY OF PASADENA

Department of Finance

DATE: June 8, 2009

TO: City Council/City Council Finance Committee

FROM: Andrew Green, Director of Finance

SUBJECT: Budget Follow-up Questions and Answers (From June 1, 2009 Joint Meeting)

The items below and attached are the follow-up materials for the Recommended Fiscal Year 2010 Operating Budget. Included are responses to questions posed at the Joint Finance Committee/City Council budget meetings.

1. Please provide information on the increase in budget in the Fire Department Administration Division.

Response: The Fire Administration budget narrative page in question included budget costs for Fire Administration and Disaster Services. The increase, \$36,960, is primarily due to allocating emergency telephone costs to Disaster Services Section. The overall FY10 department wide telephone cost remained fairly consistent compared to FY09, but the department reallocated the phone lines in FY10 to the appropriate areas to more accurately reflect actual activities. In summary, the phone allocation went up in Fire Administration, but a like amount went down in Fire Prevention Services.

2. Provide information on projects that are underway in housing and which ones are budgeted for inclusionary housing funds.

Response: Attached is a table of housing development projects that are currently in the development process pipeline or are in line for a funding allocation. These projects also include Inclusionary housing developments which are not subsidized by the City. Those projects in the table which are receiving a City subsidy from Inclusionary housing funds are designated accordingly in the column entitled "City Program". (Please see Attachment A.)

3. Please indicate the amount of housing funds that are received from PCDC tax increment.

Response: The following table indicates the tax increment amounts received for housing from PCDC:

Project Area	Tax Increment Funds for Affordable Housing		Calculation Method based on total tax increment received
	FY 2009 Actuals at 5-31-09	FY 2010 Recommended Budget	
Downtown Project	800,000	800,000	Fixed Amount
Old Pasadena Project	1,335,218	1,590,777	30%
Fair Oaks Project	174,361	182,684	20%
Lake Washington Project	54,671	83,540	20%
Lincoln Project	54,537	60,830	20%
Villa Parke Project	315,491	337,026	20%
Orange Grove Project	150,981	175,732	20%
Totals	<u>2,885,259</u>	<u>3,230,589</u>	

The following items summarize the changes between the Fiscal Year 2010 Recommended Operating Budget submitted by the City Manager on April 13 and the revised Fiscal Year 2010 Recommended Operating Budget:

1. **Planning and Development Department** - Transfer \$500,000 from the Building Fund Reserve for Technology to Building Fund balance to support appropriated amounts for operations.
2. **Planning and Development Department** - Reinstate 1.0 Senior Building Inspector to the Planning and Development Department funded by the Building Fund at an annual amount of \$101,135. This FTE was inadvertently eliminated during the budget preparation process.
3. **Public Health Department (PPHD)** - Add 5.75 FTE's (1.0 Nutritionist, 1.0 Staff Assistant III, .25 Community Service Representative III, 1.75 Community Service Representative II, 1.0 Management Analyst I and .75 Graduate Management Intern) to the Public Health Department (PPHD). Additional funding has been received for Maternal Child Health, Administration and Communicable Disease Divisions. (See next item.)
4. **Public Health Department (PPHD)** - Recognize additional revenue of \$149,892 from grant funding and appropriate it to the PPHD. Reduce appropriations to the PPHD Services and Supplies line items by \$189,693 in support of 2.25 FTEs listed above.

5. **Public Health Department (PPHD)** – Recognize and appropriate \$130,000 from General Fund unappropriated fund balance to the PPHD in support of environmental inspection programs for the first year of the new environmental fee schedule. Reduce estimated environmental health fee revenues by \$130,000.
6. **Police and Finance Departments** - Revise debt service schedule payments and appropriate funds from General Fund (\$88,006) and Printing Services Fund (152,150) to reflect actual department amounts owed on the 2005 Equipment Lease Financing debt as follows:

Police Department (General Fund)	\$ 88,006
Printing Services (Printing Fund)	\$ 152,150

7. **Finance Department** - Reinstate 1.0 Accountant position and eliminate 1.0 Principal Operations Specialist to the Finance Department. This will have a net impact to the General Fund of \$18,015. It was recommended that these FTEs be exchanged during the budget preparation process.
8. **Public Works Department** - Add 1.0 Work Experience Aide and appropriate Fleet Maintenance Fund balance to the Public Works Fleet Maintenance Division, \$30,238. A Garage Attendant was eliminated in the budget preparation process and was to be replaced with a Work Experience Aide. This FTE was inadvertently omitted.
9. **Public Works Department** - Appropriate \$541,700 from the Building Maintenance Fund for increased water and electric charges to Public Works Building Maintenance Division as follows: water - \$61,151 and electric - \$480,546. The internal service rates include these amounts for recovery from departments.
10. **Human Services and Recreation Department** - Recognize and appropriate \$215,000 to Workforce Investment Act Fund for the Human Services and Recreation Department. The City received notice on May 27, 2009 of an additional federal economic stimulus package award for the Foothill Workforce Investment Board.
11. **Housing Department** - Reduce appropriations of \$414,541 and 4.0 FTEs from the Housing Department budget and adjust a Project Planner to a program Coordinator III, \$11,428. (The FTEs include: 1.0 Project Manager, 1.0 Program Coordinator II, 1.0 Staff Assistant III and 1.0 Housing Assistant I.)
12. **Housing Department** - Recognize and appropriate \$64,600 in new compliance monitoring fees to the Housing Department.
13. **Housing Department** - Adjust \$104,769 in American Recovery and Reinvestment Act (ARRA) funds in the Housing Department to agree

with the HUD award guidelines for program to administration ratios. This action corrects amounts as follows for administration costs: \$59,349 for CDBG and \$45,420 for the Homeless Prevention. Additionally it corrects the following for program costs: \$862,975 for Homeless Prevention and \$534,147 for CDBG programs.\

- 14. Transportation Department** – Appropriate \$150,000 from General Fund unappropriated fund balance to the Transportation Department for the General Plan Mobility Element. These funds are needed for outreach and travel demand modeling and were inadvertently omitted.

The following items summarize the changes between the Fiscal Year 2010-2014 Capital Improvement Program portion of the recommended budget submitted by the City Manager on April 13 and the revised recommended budget:

- 15. Preventive Maintenance – Asphalt Streets (73580)** – Staff recommends appropriating \$4,331,000 in American Recovery and Reinvestment Act (ARRA) funds (Federal stimulus dollars) to this project to resurface approximately 10 miles of selected streets in the City and unappropriating \$271,250 in Sewer Maintenance and Construction Funds. This project was selected to receive this ARRA funding as guidelines mandated only 75 days to receive projects approved and necessitating funding going to “shovel ready” projects.
- 16. Intelligent Transportation System Project – Phase II (75910)** – Staff recommends appropriating \$300,000 in Private Capital to this project. This money was collected as a condition of development on the Huntington Hospital expansion project and was based on the development’s fair share trip calculation.
- 17. Preventative Maintenance – Curb and Gutters (76358)** – Staff recommends appropriating \$149,373 in Private Capital received from property owners as part of their fair share contribution for repairs to damaged sidewalks abutting their properties.
- 18. Sewer Capacity Upgrades at Various Locations (76999)** – Staff recommends appropriating \$100,000 in Sewer Facility Charge funds and unappropriating \$100,000 in Sewer Maintenance and Construction Funds. The Sewer Facility Charge was established in 2008 as a one-time charge on new development for current and future sewer capacity upgrade projects. The Sewer Facility Charge will be the primary funding source for this project.
- 19. Gold Line Phase I Project Enhancements – Information Kiosks (75515)** – Staff recommends appropriating \$10,000 in Private Capital to this project. This money was received from the Rotary Club of Pasadena for the work on the information kiosks.

20. Resurfacing of Jackie Robinson Center Parking Lot (NEW) – Staff recommends appropriating \$60,000 in Residential Impact Fees (West) to this project. This funding will allow this project to be completed in FY 2010.

21. School Park Site Improvements (78801) – Staff recommends unappropriating \$270,000 in Residential Impact Fees (West) from this project, leaving an appropriation of \$30,000. Due to community concerns about the scope of this project, staff will work with the councilmember and community members in designing this project in FY 2010.

22. Gold Line Phase I – Project Enhancements – Pasadena Light Rail Train Tracking and Network Monitoring System (75517) – Staff recommends expanding the scope of this project to include the deployment of adaptive traffic controls and the installation of serial communication between the light rail grade crossing equipment and the traffic signal control equipment to enhance the safety and mobility at the intersections of Del Mar Boulevard, California Avenue and Glenarm Street. This will increase the total project cost by \$1,476,800. Staff has applied for funding for this portion of the project in the 2009 MTA Call for Projects.

23. Intelligent Transportation System Project – Phase I – Parking and Traffic (75701) - Staff recommends combining the scope and funding of the *Intelligent Transportation System (ITS) project – Phase I – Transit Vehicle Arrival Information (75521)* project with this project to form one project called *Intelligent Transportation System Project – Phase I (75701)*. Project 75521 will be closed. The new project's description will now match the description as earmarked in the Federal SAFETEA-LU Reauthorization Bill. This action will allow the City to list the project in the same manner as was approved by the granting agency.

In addition, staff recommends expanding the scope of this project to include enhanced passenger information program to supplement the ARTS Vehicle Arrival Information System with interactive voice response and wayside signs. This will increase the total project cost by \$850,000. Staff has applied for funding for this portion of the project in the 2009 MTA Call for Projects.

Several items have been identified as potential add backs to the budget. The list includes restoring or adding funding for the following:

- Twelve police officers - \$1,198,865
- Tree trimming services - \$86,073
- City Prosecutor and Investigator positions - \$227,624
- Code Compliance Officer positions - \$306,679
- FTEs to administer the Water Department Conservation Plan - \$690,000

HOUSING DEPARTMENT PROJECTS IN THE PIPELINE

Project Address	Project Name	Tenure	Total Units	Resmed Units	City Program	Project Status
537-545 Cypress Ave.	Cypress Townhomes	Owner	4	2 Moderate	Subsidy	Under construction
1350 N. El Molino Ave.	El Molino Townhomes	Owner	8	4 Moderate	Subsidy (Inclusionary Fund)	Developer obtaining construction financing. Project is In Plan Check.
824-834 California Blvd.	Haskett Court	Owner	7	4 Low 2 Moderate	Inclusionary	Under construction.
1424 N. Fair Oaks Ave.	Fair Oaks Terrace	Owner	12	2 Moderate	Inclusionary & Density Bonus	Under construction.
270 E. Parke St.	Parke Street Apts	Rental	8	8	Subsidy	Project is being restructured
1150 N. Allen Ave.	Brigden-Allen	Owner	6	1 Moderate 2 Workforce	Subsidy	Predevelopment stage. Demo scheduled for week of 6/1/09
2490 S. Mohawk St. 97-105 S. Altadena Dr.	Lamanda Park	Rental	18	15 Very Low 3 Workforce	Subsidy (Inclusionary Fund)	Amended transaction terms are being negotiated.
144 W. Valley St.	Westgate Pasadena	Rental	820	96 Very Low	Inclusionary & Density Bonus	Under construction
123 S. Los Robles Ave.	Livingston Hotel	Owner	34	5 Moderate	Inclusionary	In Plan Check
877 N Orange Grove Blvd.	Nehemiah Court	Rental	7	6 Very Low Perm. Supportive Housing	Subsidy	Predevelopment stage. Developer in process of securing necessary funding.
1267 N Hudson Ave.	Hudson Oaks	Rental	45	44 Very Low Seniors	Subsidy (FY 2009 Inclusionary Fund)	Developer has acquired property. Staff funding recommendation forthcoming.
859 N. Fair Oaks Ave.	859 N. Fair Oaks	Owner	14	1 Low 1 Moderate	Inclusionary	In Plan Check

(continued on next page)

Attachment A

Project Address	Project Name	Tenure	Total Units	Reserved Units	City Program	Project Status
422 Linda Rosa Ave.	422 Linda Rosa	Rental	7	1 Low	Density Bonus	Under contract but on hold.
710-790 N. Fair Oaks Ave. 25 E. Orange Grove Blvd	Heritage Square	Rental	TBD	TBD	Subsidy (Inclusionary Fund)	Planning stage
135 N. Mar Vista Ave.	Boardway Apartments	Rental	18	TBD	Subsidy	No funding application received
750 N. Fair Oaks Ave.	Decker House	TBD	TBD	TBD	Subsidy	Planning stage
1111 N. Los Robles 1121-1123 N. Los Robles 392-406 Douglas	Douglas Oaks	Owner	23	23 Moderate	Subsidy	Funding application received
129 Raymond Ave.	Raymond Renaissance	Owner	49	None	Inclusionary	In-Lieu Fee \$22,917 projected to be paid by end FY 2009
88 N. Roosevelt Ave.	Roosevelt Villa	Owner	22	None	Inclusionary	In-Lieu Fee \$188,867 projected to be paid by end FY 2009
68 N. Allen Ave.	Sienna Village	Owner	11	None	Inclusionary	In-Lieu Fee \$107,298 projected to be paid by end FY 2009
251 S. Hudson Ave.	Hudson Terrace	Owner	17	None	Inclusionary	In-Lieu Fee \$157,626 projected to be paid by end FY 2009
480 S. Los Robles Ave.	480 S. Los Robles	Owner	10	None	Inclusionary	In-Lieu Fee \$103,820 projected to be paid in FY 2010
633 S. Lake Ave.	Chateau de Lis	Owner	12	None	Inclusionary	In-Lieu Fee \$148,584 projected to be paid in FY 2010
155 E. Cordova St.	Terra Bella	Owner	28	None	Inclusionary	In-Lieu Fee \$63,165 projected to be paid in FY 2010

*Subsidy – The project is receiving financial assistance from the City other than Inclusionary Funds.

*Subsidy (Inclusionary Fund) – City Financial assistance for the project will include Inclusionary Funds.

*Inclusionary – Project is not receiving any financial assistance from the City and either affordable housing units will be provided or developer will pay the In-Lieu Fee.

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