

THIS PAGE
INTENTIONALLY
LEFT BLANK

PROJECT AREA NO. 1 ADMINISTRATION

Program Narrative:

Project Area No. 1, as amended, contains approximately 11,235 parcels totalling over 5,850 acres. Adopted on July 16, 1975, the "Original Area" of Project Area No. 1 consists of commercial development along the City's primary commercial strip, Highway 111, generally bound by the Whitewater Storm Channel on the west, Alessandro Dr. on the north, El Paseo on the south and Deep Canyon Road on the east. The territory added on October 16, 1982 is made up of a broad range of land uses, including single and multifamily residential, retail and office commercial.

The Redevelopment Agency serves to alleviate blighted areas within the City through development and re-development. The Agency is responsible for providing financing for public infrastructure improvements, Joint Venture Public/Private Financing and help to provide low and moderate income housing. The Agency is also responsible for the Agency's administration, Redevelopment project implementation, and issuing or refinancing bond issues for both the City and the Agency.

Expenditure Summary	2009-2010 Actuals	2010-2011 Adopted	2010-2011 Projected	2011-2012 Budget	Percentage Change
SALARY AND BENEFITS	1,732,838	1,947,740	1,542,890	1,427,914	-26.69%
OTHER SERVICES	1,030,329	2,038,940	951,811	828,500	-59.37%
SUPPLIES	1,596	2,000	1,443	2,000	0.00%
CAPITAL OUTLAY	4,898	2,500	2,500	2,500	0.00%
TOTALS:	2,769,661	3,991,180	2,498,645	2,260,914	-43.35%

SIGNIFICANT CHANGES:

- A. Annual amount of settlement with ISMP for 2011/12 encumbered at 12 months for \$11,639.40 per month on PO#17162 for a total \$139,672.80
- B. Decreased based on reallocation of staff.
- C. Decreased based on prior year actuals.
- D. Positions are split with Housing Set-Aside based on duties performed.

**PALM DESERT REDEVELOPMENT AGENCY
BUDGET WORKSHEETS FY 2011-2012**

PROJECT AREA NO. 1 ADMINISTRATION				850	4195	
Account Code	Account Description	2009-2010 Actuals	2010-2011 Adopted	2010-2011 Projected	2011-2012 Budget	
850-4121-466.30-15	PROF-LEGAL	108,847	1,294,350	75,000	75,000	
850-4121-466.30-16	PROF-LEGAL (LITIGATION)	-	500	7,500	15,000	
850-4121-466.37-40	DAMAGE SETTLE/DEDUCTIBLES	139,673	3,090	142,000	-	A
850-4195-466.10-01	SALARIES-FULL TIME	1,261,295	1,294,350	1,000,000	983,724	B
850-4195-466.10-02	SALARIES-OVERTIME	254	500	-	500	
850-4195-466.10-10	MEETING COMPENSATION	3,300	3,090	3,090	3,090	
850-4195-466.11-15	RETIREMENT CONTRIBUTION	303,337	347,700	268,000	233,000	B
850-4195-466.11-16	MEDICARE CONTRB-EMP	15,087	17,100	13,000	17,100	
850-4195-466.11-17	RETIREE HEALTH	-	61,100	-	61,100	
850-4195-466.11-20	INS PREM - LTD	11,845	15,000	9,000	15,000	
850-4195-466.11-21	INS PREM - HEALTH	113,672	179,600	222,000	85,100	B
850-4195-466.11-24	INS PREM - LIFE	3,633	4,400	2,900	4,400	
850-4195-466.11-25	WORKER'S COMPENSATION	20,415	24,900	24,900	24,900	
850-4195-466.21-10	OFFICE SUPPLIES	793	1,500	1,193	1,500	
850-4195-466.21-85	SPLY-PHOTO/GRAPHIC ARTS	803	500	250	500	
850-4195-466.30-20	PROF-ACCOUNTING & AUDIT	10,764	15,000	15,000	15,000	
850-4195-466.30-35	PROF-TEMPORARY HELP	-	500	7,000	500	
850-4195-466.30-90	PROF-OTHER ADMINISTRATION	692,087	600,000	600,000	600,000	
850-4195-466.30-92	PROF-OTHER	28,902	40,000	42,000	40,000	
850-4195-466.31-15	MILEAGE REIMBURSEMENT	1,323	2,000	1,000	2,000	
850-4195-466.31-20	CONFERENCE/SEMINARS	8,929	15,000	10,000	12,500	C
850-4195-466.31-25	LOCAL MEETINGS	1,142	3,500	1,560	3,500	
850-4195-466.32-10	REQ. LEGAL ADVERTISING	598	1,000	1,000	1,000	
850-4195-466.33-30	R/M-OFFICE EQUIPMENT	988	20,500	10,000	20,500	
850-4195-466.36-10	PRINTING / DUPLICATING	249	5,000	2,500	5,000	
850-4195-466.36-20	SUBSCRIPTIONS/PUBLICATION	951	2,000	1,000	2,000	
850-4195-466.36-30	DUES	30,713	30,000	30,000	30,000	
850-4195-466.36-34	ASM DIST PPTY TAX PAYMENT	-	500	250	500	
850-4195-466.36-50	TELEPHONE	3,580	4,000	4,000	4,000	
850-4195-466.36-60	POSTAGE & FREIGHT	1,583	2,000	2,000	2,000	
850-4195-466.40-40	CAP-OFFICE EQUIPMENT	4,898	2,500	2,500	2,500	
PROJECT #1 ADMINISTRATION		2,769,661	3,991,180	2,498,645	2,260,914	
AUTHORIZED PERSONNEL		ADOPTED BUDGET FY 10-11		REQUESTED BUDGET FY 11-12		
Grade	Title	Full-Time	Filled	Full-Time	Part-Time	
151	ACM/REDEVELOPMENT	1	1	1		D
134	ECONOMIC DEVELOPMENT MGR	1	1	1		
131	REDEVELOPMENT MANAGER	1	1	1		
131	MARKETING MANAGER	1	1	0		
127	SENIOR MANAGEMENT ANALYST	1	1	1		
127	PROJECT ADMINISTRATOR	1	1	1		
121	PROJECT COORDINATOR	1	1	1		
121	ACCOUNTANT II	1	1	1		D
121	MANAGEMENT ANALYST I	1	1	1		
118	ECONOMIC DEVELOPMENT TECH	1	1	1		
113	ADMINISTRATIVE SECRETARY	1	1	1		D
113	REDEVELOPMENT FINANCE TECHNICIAN	1	1	1		D
104	OFFICE ASST II	1	1	1		
100	OFFICE ASST I	1	1	1		D
	TOTAL	14	14	13	0	

Program Narrative:

Economic Development promotes the City's long-range goal of establishing a "user-friendly" business community. With over seventy-five percent of Palm Desert's revenue provided by business, the typical City government-business relationship does not measure up to Palm Desert's standards. Consequently, Economic Development works hand in hand with both new businesses and existing businesses not only to create an economic base, but also to assist in redeveloping existing commercial areas within the redevelopment project areas to alleviate blight, creating a rejuvenated environment for businesses and residents. With a progressive, proactive City-business approach the City will be able to retain, promote, redevelop and expand our business nucleus.

Expenditure Summary	2009-2010 Actuals	2010-2011 Adopted	2010-2011 Projected	2011-2012 Budget	Percentage Change
SALARY AND BENEFITS					
SUPPLIES	178	1,000	500	1,000	0.00%
OTHER SERVICES	222,505	457,550	779,115	313,550	-31.47%
CAPITAL OUTLAY	5,630	18,000	13,506	9,000	-50.00%
TOTALS:	228,313	476,550	793,121	323,550	-59.21%

SIGNIFICANT CHANGES:

Salaries & Benefits are shown in Project Area No. 1 Administration.

A. Visitors Center rent for 2011/12 has been encumbered for 12 months at \$5,333/month per lease agreement for a total of \$64,000

**PALM DESERT REDEVELOPMENT AGENCY
BUDGET WORKSHEETS FY 2011-2012**

ECONOMIC DEVELOPMENT				850	4430
Account Code	Account Description	2009-2010 Actuals	2010-2011 Adopted	2010-2011 Projected	2011-2012 Budget
850-4430-422.21-10	OFFICE SUPPLIES	178	1,000	500	1,000
850-4430-422.30-90	PROF - OTHER	-	6,000	3,000	6,000
850-4430-422.31-15	MILEAGE REIMBURSEMENT	171	300	300	300
850-4430-422.31-20	CONF, SEMINARS, WORKSHOPS	3,489	4,500	3,000	4,500
850-4430-422.31-25	LOCAL MEETINGS	2,933	3,000	3,020	3,000
850-4430-422.32-21	ADVERTISING PROMOTIONAL	-	40,000	40,000	10,000
850-4430-422.34-21	FACILITIES FEES	-	64,000	381,460	-
850-4430-422.36-10	PRINTING / DUPLICATING	5,417	7,500	7,500	7,500
850-4430-422.36-20	SUBSCRIPTIONS/PUBLICATION	-	250	100	250
850-4430-422.36-30	DUES	7,030	104,000	104,000	54,000
850-4430-422.36-60	POSTAGE & FREIGHT	84	500	250	500
850-4430-422.39-11	BUSINESS RETENTION PROGRAM	5,630	18,000	13,506	9,000
850-4430-422.40-40	CAP-OFFICE EQUIPMENT	1,830	2,500	2,500	2,500
850-4416-414.36-81	COURTESY CARTS	201,551	225,000	233,985	225,000
ECONOMIC DEVELOPMENT		228,313	476,550	793,121	323,550

A

ENERGY MANAGEMENT

FUND # 850

ENERGY MANGEMENT

DEPT. 4511

Program Narrative:

The program is designed to empower the community to save money and energy by reducing energy consumption and peak demand within the City by 30% (adjusted for growth) within five years through education, added financial incentives, new technologies and services, and a variety of City-wide efforts to heighten awareness and participation by Palm Desert residents.

Expenditure Summary	2009-2010 Actuals	2010-2011 Adopted	2010-2011 Projected	2011-2012 Budget	Percentage Change
SALARY AND BENEFITS	409,346	287,400	269,000	300,975	4.72%
SUPPLIES	178	250	125	250	0.00%
OTHER SERVICES	45,849	87,000	171,023	86,500	-0.57%
CAPITAL OUTLAY	1,647	2,200	2,200	2,200	0.00%
TOTALS:	457,021	376,850	442,348	389,925	3.47%

SIGNIFICANT CHANGES:

- A. Increased based on reallocation of staff.
- B. Decreased based on prior year actuals.

**PALM DESERT REDEVELOPMENT AGENCY
BUDGET WORKSHEETS FY 2011-2012**

ENERGY MANAGEMENT		850		4511		
Account Code	Account Description	2009-2010 Actuals	2010-2011 Adopted	2010-2011 Projected	2011-2012 Budget	
850-4511-442.10-01	SALARIES-FULL TIME	315,074	190,800	190,000	213,775	A
850-4511-442.10-02	SALARIES-OVERTIME	-	500	-	500	
850-4511-442.11-15	RETIREMENT CONTRIBUTION	56,124	55,100	52,000	51,000	
850-4511-442.11-16	MEDICARE CONTRB-EMP	2,704	2,800	2,300	2,800	
850-4511-442.11-17	RETIREE HEALTH	-	8,200	-	8,200	
850-4511-442.11-20	INS PREM - LTD	2,403	2,300	2,000	2,300	
850-4511-442.11-21	INS PREM - HEALTH	28,517	22,000	17,000	16,700	A
850-4511-442.11-24	INS PREM - LIFE	691	700	700	700	
850-4511-442.11-25	WORKER'S COMPENSATION	3,832	5,000	5,000	5,000	
850-4511-442.21-10	OFFICE SUPPLIES	178	250	125	250	
850-4511-442.30-90	PROFESSIONAL SERVICES	14,488	50,000	74,126	50,000	
850-4511-442.31-15	MILEAGE REIMBURSEMENT	427	1,000	750	1,000	
850-4511-442.31-20	CONFERENCE/SEMINARS	-	1,500	1,500	1,500	
850-4511-442.31-25	LOCAL MEETINGS	616	500	63,675	500	
850-4511-442.32-23	ADVERTISING PROMOTIONAL	7,090	10,000	7,439	10,000	
850-4511-442.36-10	PRINTING / DUPLICATING	550	1,000	1,000	1,000	
850-4511-442.36-30	DUES	20,033	21,000	21,000	21,000	
850-4511-442.36-50	TELEPHONES	1,443	1,000	840	500	B
850-4511-442.36-60	POSTAGE & FREIGHT	1,204	1,000	692	1,000	
850-4511-442.40-01	CAP-BUDGET	1,647	2,200	2,200	2,200	
ENERGY MANAGEMENT		457,021	376,850	442,348	389,925	
AUTHORIZED PERSONNEL		ADOPTED BUDGET FY 10-11		REQUESTED BUDGET FY 11-12		
Grade	Title	Full-Time	Filled	Full-Time	Part-Time	
114	PROJECT TECHNICIAN	1	1	1		
113	ADMINISTRATIVE SECRETARY	1	1	1		
	TOTAL	2	2	2	0	

PROJECT AREA NO. 2 ADMINISTRATION

Program Narrative:

Project Area No. 2 was formed on July 15, 1987. The Project Area is located within the City limits north of the Whitewater River beginning at Monterey Avenue and Gerald Ford Drive east to the Southern Pacific Railroad following the railroad east to an unmarked boundary between Avondale and Desert Falls Country Club; then south to Country Club Drive; then west to Cook Street; then south on Cook to Hovley Lane; then west to Portola Avenue; then north on Portola to Frank Sinatra Drive (excluding Silver Sands Country Club) then west returning to Monterey Avenue.

The primary objectives of the Redevelopment Plan include the improved traffic circulation; undergrounding of utilities; elimination of drainage deficiencies; elimination of irregularly shaped, inadequately sized parcels of land and the rehabilitation or removal of substandard buildings. The Plan also provides for the expansion of recreational facilities, open space and other public improvements necessary to promote the Redevelopment Plan.

The administrative costs for Project Area No. 2 include staff administration, City staff reimbursements, legal costs for developments such as Desert Willow, and consultants required for real estate analysis or the projects within the area.

Expenditure Summary	2009-2010 Actuals	2010-2011 Adopted	2010-2011 Projected	2011-2012 Budget	Percentage Change
SALARY AND BENEFITS					
SUPPLIES					
OTHER SERVICES	328,077	572,500	556,681	572,500	0.00%
CAPITAL OUTLAY					
TOTALS:	328,077	572,500	556,681	572,500	2.84%

SIGNIFICANT CHANGES:

**PALM DESERT REDEVELOPMENT AGENCY
BUDGET WORKSHEETS FY 2011-2012**

PROJECT AREA NO. 2 ADMINISTRATION		851		4195	
Account Code	Account Description	2009-2010 Actuals	2010-2011 Adopted	2010-2011 Projected	2011-2012 Budget
851-4121-466.30-15	PROF-LEGAL	10,026	30,000	15,000	30,000
851-4195-466.30-90	PROF-OTHER ADMINISTRATION	295,578	500,000	500,000	500,000
851-4195-466.30-92	PROF-OTHER	20,835	40,000	40,000	40,000
851-4195-466.31-20	CONFERENCE/SEMINARS	-	-	-	-
851-4195-466.31-25	LOCAL MEETINGS	574	500	250	500
851-4195-466.32-10	REQ. LEGAL ADVERTISING	1,064	2,000	1,431	2,000
PROJECT #2 ADMINISTRATION		328,077	572,500	556,681	572,500

PROJECT AREA NO. 3 ADMINISTRATION

Program Narrative:

Project Area No. 3 was formed on July 17, 1991. The Project area is located within the City limits and bound by Portola Avenue and Cook Street to the west, the City limits and Carlotta Drive to the east, Hovley Lane and Running Springs Drive to the north, and the Whitewater River Channel to the south. The area is considered primarily light industrial.

The primary objectives of the Redevelopment Plan include the improvement of traffic circulation, undergrounding of utilities, the elimination of drainage deficiencies, the elimination of irregularly shaped and inadequate sized parcels of land and the rehabilitation or removal of substandard buildings. The plan also provides for the expansion of recreational facilities, open space, off-street parking and loading facilities, and other public infrastructure.

Expenditure Summary	2009-2010 Actuals	2010-2011 Adopted	2010-2011 Projected	2011-2012 Budget	Percentage Change
SALARY AND BENEFITS					
SUPPLIES					
OTHER SERVICES	92,856	146,500	143,250	146,500	0.00%
CAPITAL OUTLAY					
TOTALS:	92,856	146,500	143,250	146,500	0.00%

SIGNIFICANT CHANGES:

**PALM DESERT REDEVELOPMENT AGENCY
BUDGET WORKSHEETS FY 2011-2012**

PROJECT AREA NO. 3 ADMINISTRATION		853		4195	
Account Code	Account Description	2009-2010 Actuals	2010-2011 Adopted	2010-2011 Projected	2011-2012 Budget
853-4121-466.30-15	PROF-LEGAL	1,545	3,000	1,500	3,000
853-4195-466.30-90	PROF-OTHER ADMINISTRATION	91,086	140,000	140,000	140,000
853-4195-466.30-92	PROF-OTHER	224	2,500	1,250	2,500
853-4195-466.32-10	REQ. LEGAL ADVERTISING	-	1,000	500	1,000
PROJECT #3 ADMINISTRATION		92,856	146,500	143,250	146,500

PROJECT AREA NO. 4 ADMINISTRATION

Program Narrative:

Project Area No. 4 was formed July 19, 1993. The area is south of Country Club Drive to Fred Waring Drive and west from El Dorado Drive and the city limits to Washington.

Project area No. 4 is the newest project area that includes Palm Desert Country Club, and mainly residential areas. Project and infrastructure improvements include parks, open space, and redevelopment projects necessary to carry out the Redevelopment Plan.

Expenditure Summary	2009-2010 Actuals	2010-2011 Adopted	2010-2011 Projected	2011-2012 Budget	Percentage Change
SALARY AND BENEFITS					
SUPPLIES					
OTHER SERVICES	286,448	350,500	358,868	350,500	0.00%
CAPITAL OUTLAY					
TOTALS:	286,448	350,500	358,868	350,500	0.00%

SIGNIFICANT CHANGES:

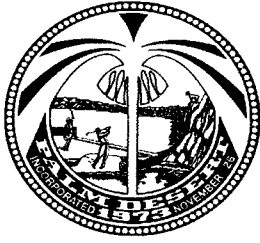
**PALM DESERT REDEVELOPMENT AGENCY
BUDGET WORKSHEETS FY 2011-2012**

PROJECT AREA NO. 4 ADMINISTRATION				854	4195
Account Code	Account Description	2009-2010 Actuals	2010-2011 Adopted	2010-2011 Projected	2011-2012 Budget
854-4121-466.30-15	PROF-LEGAL	22,049	10,000	6,866	10,000
854-4195-466.30-90	PROF-OTHER ADMINISTRATION	250,594	300,000	300,000	300,000
854-4195-466.30-92	PROF-OTHER	13,804	40,000	51,381	40,000
854-4195-466.31-25	LOCAL MEETINGS	-	-	18	-
854-4195-466.32-10	REQ. LEGAL ADVERTISING	-	500	603	500
PROJECT #4 ADMINISTRATION		286,448	350,500	358,868	350,500

**PALM DESERT REDEVELOPMENT AGENCY
FIVE YEAR IMPLEMENTATION PLAN**

PROPOSED PROJECT LIST	PURPOSE OF PROJECT	FUNDING	AMOUNT
Project Area #1			
Alessandro Alleyway	ROW acquisition and public parking improvements	Bonds	5,271,187
Core Commercial Improvements	Improvements in Core Commercial Areas	Bonds/Cash	6,500,000
El Paseo Courtesy Carts	Marketing program for shopping district in PA 1	Cash	1,155,000
El Paseo Image Extension (74 to 111)	Construction of improvements along El Paseo	Bonds	4,429,587
Entrada del Paseo (All Projects)	Development of 12 Acre Site	Bonds	150,000
Fire Station Renovation #33	Renovation and other improvements at Stn 33	Bonds/Cash	900,000
Fred Wanning and Monterey Ave Turn Pockets	Widening of Fred Wanning at Monterey	Bonds	572,710
Monterey Avenue from FW to Gerald Ford	Widening of Monterey Ave in PA 1	Bonds	987,225
Portola Street Improvements	Street and sidewalk improvements along Portola	Bonds	974,135
Property Acquisition	Acquisition of properties with blighting conditions	Cash	4,543,917
Public Safety Academy	Construction of police academy at COD	Cash	100,000
RDA Projects	Improvements at Adobe Villas/Portola Properties	Cash	137,025
TOTAL PROJECT AREA #1			25,720,786
Project Area #2			
Aquatic Facility		Bonds	10,000,000
Cal State Campus Improvements	Improvements of public educational facility	Bonds	1,597,368
Core Commercial Improvements	Improvements in Core Commercial Areas	Bonds/Cash	8,500,000
Desert Arc	Parking Easement	Cash	13,930
Desert Willow Lakeview Terrace Expansion	Improvements of public recreation facilities	Bonds	1,000,000
Desert Willow Kitchen Expansion	Improvements of public recreation facilities	Bonds	3,950,000
Desert Willow Overflow Parking Lot	Improvements of public recreation facilities	Bonds	1,500,000
Desert Willow Pad Stabilization	Stabilization of pads at Desert Willow	Cash	373,980
Desert Willow Penmeter Landscape	Improvements of medians entering Desert Willow Drive		170,000
Fire Station Renovation #71	Renovation and other improvements at Stn 71	Bonds	900,000
Monterey @ I-10 (Public Works)	Construction of ramp modifications @ I-10	Bonds	769,584
Monterey Avenue from FW to Gerald Ford	Widening of Monterey Ave in PA 2	Bonds	1,000,000
New Fire Station (North Sphere)	Construction of a fire station in PA 2	Bonds	7,174,924
No Sphere Infrastructure (CVWD Well Sites)	Construction of new well sites for CVWD	Cash	1,990,435
Public Safety Academy	Construction of police academy at COD	Cash	500,000
Portola Interchange @ I-10	Construction of new ramp @ I-10	Bonds	4,300,000
TOTAL PROJECT AREA #2			\$43,740,221
Project Area #3			
Cook Street Improvements (Public Works)	Widening of Cook Street in PA 3	Bonds	2,690,535
Neighborhood Undergrounding	Placement of utilities under ground	Bonds	2,000,000
Public Safety Academy	Construction of police academy at COD	Cash	500,000
Portola Interchange @ I-10	Construction of new ramp @ I-10	Bonds	8,200,000
TOTAL PROJECT AREA #3			13,390,535
Project Area #4			
Casey's Restaurant	Construction costs associated with H & S issues	Cash	350,000
Fire Station	Construction of a fire station in PA 4	Bonds	4,000,000
Kansas Street Property	Improvements of public recreation facilities	Bonds	122,111
Public Safety Academy	Construction of police academy at COD	Cash	500,000
Utility Undergrounding (Artenals, Neighborhoods, Facilities)	Placement of utilities under ground	Bonds	15,796,874
TOTAL PROJECT AREA #4			\$20,768,985
Housing Set-Aside			
Acquisition, Rehabilitation & Resale	Acquisition of SFH for resale to qualified buyers	Cash	2,973,620
California Villas Rehabilitation	Rehabilitation of Agency owned Property	Bonds	431,444
Catalina Rehabilitation	Rehabilitation of Agency owned Property	Cash	500,000
Cost to Maintain Affordability	Provides assistance to Desert Rose/Falcon Crest	Cash	452,718
Country Village Reconstruction	Reconstruction of Country Village Apts	Bonds	20,000,000
Desert Point Rehabilitation	Rehabilitation of Agency owned Property	Cash	4,000,000
Home Buyer Assistance Program	Provide assistance to qualified buyers	Cash	1,847,861
Home Buyer Subsidies	Provide assistance to qualified buyers	Cash	5,000,000
Home Improvement Program	Provide assistance to homeowners for improvements	Cash	1,743,809
Mortgage Assistance Program	Provide assistance to qualified buyers	Cash	153,540
Multi-Family Assistance Program	Provide assistance to qualified buyers	Cash	30,377
Owner Assisted Subsidy	Provide assistance to developers providing low income opp's	Cash/Housing Mitigation	10,873,941
Property Acquisition	Acquire properties throughout Palm Desert	Cash/Bonds	7,844,631
Property Acquisition/Rehabilitation*	Acquire properties and remedy any H & S issues	Bonds*	46,538,397
Rental Assistance Program	Provide assistance to qualified renters	Cash	642,648
Sagecrest Rehabilitation/Reconstruction	Rehabilitation of Agency owned Property	Cash	6,700,000
Self Help Housing	Provide assistance to 14 units	Cash	480,000
Taos Palms Rehabilitation	Rehabilitation of Agency owned Property	Cash	500,000
Workforce Housing Grant	Capital Improvements to parks, fire, cmty bldgs	Cash	29,975
TOTAL HOUSING SET-ASIDE			\$110,742,961
GRAND TOTAL			\$ 214,363,488

*Dependent on future bond issuance and the viability of the bond market



PALM DESERT REDEVELOPMENT AGENCY

MEMORANDUM

TO: HONORABLE CHAIR AND MEMBERS OF AGENCY BOARD
FROM: JUSTIN McCARTHY, ACM/REDEVELOPMENT AGENCY
DATE: JUNE 23, 2011
SUBJECT: REDEVELOPMENT AGENCY GOALS AND ACHIEVEMENTS

REVIEW OF 2010-2011 GOALS AND ACHIEVEMENTS

Project Area No. 1		
NAME OF PROJECT	GOALS	ACHEIVEMENTS
Alessandro Alleyway Improvements	The purpose of this project is to improve traffic flow and parking needs on the north side of Highway 111 from Las Palmas Avenue to Monterey Avenue, which is behind a section of the core commercial corridor (current alleyway). The plan will provide 169 parking spaces along the north side of the alley and a barrier wall protecting the adjoining residential properties. Property acquisition, through the extension of fair market letters, is necessary for full completion of the project as currently conceptualized.	The preliminary engineering design of the project was completed in May 2006. The actual construction drawings were completed in November 2009. Authorization for property acquisition was granted by the Agency Board in June 2007. Agency staff continues to work toward completion of the acquisition phase. In addition, staff completed removal of those blighted properties acquired by the City for this purpose.
Aquatic/Community Facility	The Aquatic/Community Facility, will provide a public pool/aquatic recreational facility, which will directly benefit residents of the City of Palm Desert and facilitates the COD aquatics program.	The project broke ground in the summer of 2010 and is expected to be completed in Summer 2011.
El Paseo Revitalization	The El Paseo Revitalization Project formerly referred to as El Paseo Landscape Revitalization Project will provide energy efficient lighting and water conservation in the City of Palm Desert's central business district and commercial corridor. Located off of Highway 111, El Paseo is a pedestrian friendly densely populated commercial district that includes both retail and business services for residents and visitors. The revitalization will also provide continuity in	The conceptual design is currently in process with signage phase expected to commence in summer, 2011.

REVIEW OF 2010-2011 GOALS AND ACHIEVEMENTS

Project Area No. 1		
NAME OF PROJECT	GOALS	ACHEIVEMENTS
	the signage within the district which will assist with both pedestrian and vehicle traffic circulation.	
Fire Station No. 33 Renovation	Request for Proposals are currently being developed for the capital improvements and renovations at Fire Station 33, which serves the downtown area. Improvements are to include ADA compatibility upgrades for both public and office areas as well as rehabilitation of interior locations including: ceilings, walls, kitchen, pantry, dormitory rooms, dressing areas and restrooms. Exterior and/or facility improvements will include apparatus bay replacement, stucco upgrades, and landscape improvements. Repair/replacement of rear drive approach is complete.	Contract for the improvements was approved on February 24, 2011. The project is expected to be complete by Fall, 2011.
Fred Waring Drive Turn-Pockets	In order to improve traffic flow on Fred Waring Drive and alleviate traffic congestion on Monterey Avenue, it is proposed to increase the number of lanes along Monterey Avenue and add various dedicated turn pockets along Fred Waring Drive including a right turn pocket at the westbound entrance to the Civic Center; a right turn pocket at northbound San Pablo Drive to eastbound Fred Waring Drive; and a free right turn from westbound Fred Waring Drive to northbound Monterey Avenue. The central section of Monterey Avenue will be widened to four northbound lanes from Fred Waring to Park View Drive, three northbound lanes from Park View Drive to Magnesia Falls and three southbound lanes from the City limits to Park View Drive. Additionally, storm drain improvements will be made on Monterey Avenue from Fred Waring Drive to the Whitewater Channel and sliver widening of westbound Fred Waring just west of San Pablo to eliminate a slight skew through the intersection will be constructed. To accommodate these improvements and	The project is currently in the design phase. City staff is working with College of the Desert to procure the necessary right-of-way.

REVIEW OF 2010-2011 GOALS AND ACHIEVEMENTS

Project Area No. 1		
NAME OF PROJECT	GOALS	ACHEIVEMENTS
	traffic patterns within the project limit, two existing bus stops will become bus turnouts, and the landscaping within the project limit will be modified as required.	
Larkspur Lane Improvements	Completed perimeter landscape improvements and pad stabilization on Larkspur Way.	Project completed March, 2011.
Monterey Ave Widening- Fred Waring to Gerald Ford	This project is widening a major north/south arterial street to facilitate the ease of movement throughout the City, improve traffic flow, and access to business and future residential developments. Also due to the growth in the northern section of the City, Monterey will benefit from medians and turn pockets being constructed as a means of increasing safety and controlling left turns. Sidewalks are also being built to provide a safe pedestrian environment. Minor storm drain improvements will also be added to provide for City flood control. These improvements will encourage commercial and residential growth.	This project is currently 50% complete.
Portola Wall and Sidewalk Improvements	The Portola Avenue Wall and Sidewalk Relocation project will relocate an existing curb adjacent sidewalk along the east side of Portola Avenue between Fred Waring Drive and Rutledge Way, installing, where possible within the current right-of-way line, a landscape buffer between the street and the sidewalk. A new uniform wall will be constructed and the project will underground utility services currently fed from overhead lines on poles at the same location.	The design is complete with the exception of any changes necessary to accommodate the utility undergrounding. SCE is working on an undergrounding design and is expected to be under construction in the near future. Construction of the wall and the sidewalk relocation will begin upon completion of the utility undergrounding.
Pueblos East Apartments	The four-unit complex was acquired in January 2008. The complex consists of one three-bedroom home and three one-bedroom apartment units. The rear of the property is vacant and is adjacent to the Joslyn Senior Center, and an Agency-owned vacant property that fronts on San Pasqual.	A conceptual design presented by the Joslyn Senior Center has received a consensus of the Council to allow the Senior Center to consider the use of the vacant portions as part of an expansion of their facility.

REVIEW OF 2010-2011 GOALS AND ACHIEVEMENTS

Project Area No. 2		
NAME OF PROJECT	GOALS	ACHEIVEMENTS
Cal State University Ring Road	Began design, development, and construction on the Ring Road at the Palm Desert Cal State Campus.	Contract for the improvements was approved February 24, 2011. The project is expected to be complete by Fall, 2011.
DW Kitchen Renovation/Building Expansion	The improvements to the Desert Willow Clubhouse include a 5,264 square foot expansion to the kitchen/building at the east end of clubhouse, remodel of the existing lobby and bar area to accommodate an expanded bar area with the relocation of two offices, expansion of the lobby/ballroom hallway to eliminate a pinch point, enclosure of the existing ballroom to reduce noise, and modification to the ballroom audio visual, window shading, and lighting.	This project was completed in January, 2011.
DW Lake View Terrace Expansion	The improvements to the Lake View Terrace provide a variety of amenities to enhance the outdoor dining and seating venue at Desert Willow. The proposed expansion increases the outdoor terrace seating capacity by 100 seats and banquet capacity by 250. In addition, the expansion adds flexibility to host multiple events simultaneously while preserving the ability to service residents.	This project was completed in December, 2010.
DW Overflow Parking Lot Improvements	The improvements to the overflow parking area at Desert Willow address current and future parking needs.	The Public Works Department completed constructing the overflow parking lot in October, 2010.
Fire Station No. 71 Renovations	Request for Proposals are currently being developed for the capital improvements and renovations at Fire Station No. 71, which serves the northeast area of the City. Improvements will include front/rear cement apron renovations; stucco and wall upgrades; landscape improvements; interior rehabilitation including walls and ceiling surfaces as well as restroom renovations.	Contract for the improvements was approved February 24, 2011. The project is expected to be complete by Fall, 2011.
Monterey Avenue Widening (North)	This project is widening a major north/south arterial street to facilitate the ease of movement throughout the City,	The Project is approximately 50 percent complete.

REVIEW OF 2010-2011 GOALS AND ACHIEVEMENTS

Project Area No. 2		
NAME OF PROJECT	GOALS	ACHEIVEMENTS
	improve traffic flow, and access to business and future residential developments in the northern section of the City. Monterey will also benefit from medians and turn pockets being constructed by increasing safety and controlling left turns. Sidewalks will provide a safe pedestrian environment. Minor storm drain improvements will also be added to provide flood control. These improvements will encourage commercial and residential growth.	
Monterey & I-10 Interchange	Consultants began providing for a comprehensive revision plan for the Monterey Interchange at I-10. The plan will work to improve arterial access inbound and outbound from Interstate 10. The project is currently in the Project Approval and Environmental Documentation Phase. A Modified Access report was prepared that is being reviewed and approved by Caltrans and FHWA.	The project is currently in the Design Phase.
North Sphere Fire Station	Preparation of a Request for Proposals (RFP) for a design-build of a fire station to serve the North area of the City is in process.	The project is currently on hold due to delayed growth in the area. Project will be considered at such time as development continues.
Portola and I-10 Interchange	The project will extend and align Portola Avenue to connect with the proposed new interchange on I-10. A contract is in place with Dokken Engineering, in the amount of \$833,839 to complete the project approval phase and the environmental documentation phase, which is now approximately 90% complete.	Interchange design and development for Portola and I-10 has been temporarily delayed in order to reevaluate traffic patterns in the area. New connection report was approved by the FHWA.
Public Safety Academy	Provided schedule installment payment reimbursing College of the Desert for the construction of the Public Safety Academy.	Installment payment 2 of 5 through fiscal year ending 2014.

REVIEW OF 2010-2011 GOALS AND ACHIEVEMENTS

Project Area No. 3		
NAME OF PROJECT	GOALS	ACHEIVEMENTS
Cook Street Improvements	Infrastructure improvements will allow for better traffic flow on Cook Street. Cook Street is a north/south arterial that provides the only access to the City of Palm Desert's industrial business district. It is also a major arterial in the City, which provides access from Interstate 10 to several east and west arterials.	Contract was approved on February 24, 2011. The Pre-Construction Meeting was held on June 7, 2011 with the Notice to Proceed anticipated for the end of June, 2011. Construction should be complete by the end of 2011.
Portola and I-10 Interchange	The project will extend and align Portola Avenue to connect with the proposed new interchange on I-10. A contract is in place with Dokken Engineering, in the amount of \$833,839 to complete the project approval phase and the environmental documentation phase, which is now approximately 90% complete.	Interchange design and development for Portola and I-10 has been temporarily delayed in order to reevaluate traffic patterns in the area. New connection report was approved by the FHWA.

Project Area No. 4		
NAME OF PROJECT	GOALS	ACHEIVEMENTS
Infrastructure Improvements at Ave of the States	The project site located at the corner of Avenue of the States and Washington bordered by both residential and commercial developments. Currently the parcel is set up in a non-conforming manner and the existing commercial area needs to be separated from the affordable housing component in order to maintain its viability. The site improvements are to include development and construction of public facilities for emergency services, affordable housing, façade improvements to existing structures, and infrastructure improvements. The Agency will also reconfigure the parking and access, ADA improvements, provide site lighting, drainage and landscape reconfiguration.	This project is currently in the preliminary stages of the design phase.

REVIEW OF 2010-2011 GOALS AND ACHIEVEMENTS

Project Area No. 4		
NAME OF PROJECT	GOALS	ACHEIVEMENTS
Palm Desert Country Club Undergrounding	The Agency is considering the feasibility of a project for the future undergrounding of utilities in Project Area No. 4. The Agency Board authorized engineering deposits to all impacted utilities (Time Warner, Verizon, and SCE), in order to provide a cost estimate for the proposed project, and calculate the potential assessment to the residents. Staff is the processing of conducting a series of outreach forums, in order to educate and inform the potentially impacted residents.	The proposed assessment was considered by the Agency Board on March 24, 2011 and it was determined that the project would be put on a 24-month deferral until the community is prepared to support the project.
Kansas Street Retention Basin	The Agency acquired the property located at 42135 Kansas Street (southwest corner of Kansas Street and Hovley Lane East) as it has been the site of numerous traffic collisions over the years and has become a health and safety issue. Due to the number of incidences, it was determined that the best use of the property would be to deconstruct the single-family dwelling and replace it with a xeriscaped open space and retention basin to capture water runoff during heavy rain events.	Deconstruction was completed December, 2010 and improvements should be completed by June, 2011.

Housing Set-Aside		
NAME OF PROJECT	GOALS	ACHEIVEMENTS
Acquisition and Rehabilitation Program	The Agency continues to assist current owners in Desert Rose and Falcon Crest communities when they desire to sell their home. A waiting list has been established with households that desire to purchase homes within Desert Rose and Falcon Crest. When a home becomes available, the appropriate size income qualified household is selected from the list to pre-qualify for a mortgage loan. In the event there is no eligible buyer on the waiting list or when a home is identified in need of substantial repairs, the Agency will exercise its option to acquire the property in order to preserve affordable housing.	During 2010-11 the Agency acquired two Desert Rose properties (Lots 110 & 42) and five Falcon Crest properties (Lots 6, 31, 36, 49 & 88) in order to rehabilitate and preserve the property as affordable with the intent to resell to very low, low and moderate-income households. During the same time, the Agency re-sold one of the Desert Rose properties (Lot 110) that were previously acquired to qualified buyers. In total, the Agency currently owns eleven properties.

REVIEW OF 2010-2011 GOALS AND ACHIEVEMENTS

Housing Set-Aside		
NAME OF PROJECT	GOALS	ACHEIVEMENTS
Capital Reserve Study	A replacement reserve study for the purpose of planning and budgeting for upcoming capital replacement needs.	The Reserve Study was approved by the Agency Board in February, 2011. Implementation of the first five years of the plan has been implemented with a review set in year three.
Carlos Ortega Villas	An existing 66 unit complex was acquired on September 30, 2005. After evaluating the condition of the 50 year old property, the existing condition of the property demonstrated multiple deficiencies that could not be mitigated effectively with rehabilitation. The Agency deconstructed the existing units with the intent of developing affordable rental units.	The conceptual design for a new energy efficient 72 unit affordable complex is currently in the entitlement review process.
Home Buyer Assistance	The Agency provides financial assistance for eligible very low, low, and moderate-income households to acquire homes throughout Palm Desert. Subsidies to each buyer are available in varying amounts depending on need, and are in the form of silent subordinate trust deeds.	During 2010, the Agency provided financial assistance to two eligible households to purchase homes at Desert Rose and Palma Village in the form of 2nd Trust Deeds as well as a recorded restricted agreement (DR Lot 110 and El Cortez).
Home Improvement Program	The Home Improvement Program (HIP) has been successful and continues to offer a variety of grants and loans to very low, low, and moderate income households. The program participation has grown dramatically, improving homes and neighborhoods throughout Palm Desert. The program has helped 239 households that would otherwise not be able to maintain or improve the current condition or remove code violations.	During 2010-11 six residents were assisted through HIP. The most recent program changes were approved by the City Council and Agency Board in July 2007. The addition of manufactured homes and energy efficiency upgrades now included in the program will benefit a large number of Palm Desert residents who otherwise would not have been able to participate or be included for improvement of deteriorated and outdated equipment.

REVIEW OF 2010-2011 GOALS AND ACHIEVEMENTS

Housing Set-Aside		
NAME OF PROJECT	GOALS	ACHEIVEMENTS
Indian Springs Mobilehome Park Conversion – Financing Program	The Agency has submitted draft loan documents to the owner for the purpose of submission of the condominium conversion request to the State's Department of Real Estate (DRE). Upon approval by the DRE, and at such time as the Owner offers the lots for sale, staff will hold informational meetings regarding the purchase application process. The actual acquisition is expected to be lengthier than a 'normal' escrow based on the Owner's expectations in his proposed plan.	According to the DRE the Owner has not yet submitted a request for conversion, which is necessary in order to proceed with this project.
Neighborhood Stabilization Program – One-time Federal Funding Grant	As part of a joint application with the cities of Palm Springs, Coachella and the County of Riverside, Palm Desert has submitted the required paperwork for the NSP monies for the purpose of assisting qualified buyers to purchase properties that have been foreclosed on.	The Agency has acquired two single family homes and is in the process of rehabilitation prior to the sale to a lower income household.
PDHA Properties Renovations	The Agency-owned affordable rental properties currently has a number of interior renovations taking place. When opportunity permits and as units become available, the Agency is assessing units at existing older properties such as Desert Pointe and Neighbors to implement several renovations that include plumbing, electrical, structural integrity, accessibility, efficiencies, and any other features that will provide long term sustainability and annual saving to the Tenants and the Agency.	The Agency has renovated, constructed, or acquired approximately 30% of the total inventory of units.

REVIEW OF 2010-2011 GOALS AND ACHIEVEMENTS

Housing Set-Aside		
NAME OF PROJECT	GOALS	ACHEIVEMENTS
Sagecrest Apartments (Relocation)	<p>Property Acquisition of Sagecrest Apartments (multi-family complex) and Sagecrest Single-Family Dwelling was accomplished in the Agency's interest to uphold its primary goal to provide decent, safe, sanitary, and affordable housing as well as to preserve and improve the existing older neighborhoods in the City of Palm Desert.</p> <p>In keeping with this goal, the Agency is in the preliminary stages of working with an architect to develop a yield study and site utilization plan.</p>	<p>During the 2009/10 fiscal year the relocation plan was approved and implemented. Tenants were relocated as provided in the relocation plan. The deconstruction of these properties was completed June 2011.</p>
San Benito Lots (Donation)	<p>The Agency is in the process of donating two vacant lots to Habitat for Humanity of the Coachella Valley, Inc. to build single-family dwelling units in connection with a vocational program with College of the Desert for the development of a new energy efficient and sustainable construction single-family dwelling to be purchased by very low-income families in consideration for a forty-five (45) year affordability restriction that will be recorded against the property to maintain its affordability.</p>	<p>Staff is currently working with Habitat to convey the property.</p>
Self-Help Housing 14 Unit For-Sale Project	<p>The Agency went out to RFP for the Merle Street Self-Help Project in July 2009. The Agency offered the 14 lots to developers and non-profits with experience in self-help programs to stick-build homes utilizing 'sweat equity' of qualified low income homebuyers. The Agency's upfront investment was to be the value of the lots. There were no responses to the RFP. Although staff believes that this is more related to the lack of affordable housing funding options available because of the economy (i.e., federal and state tax credits), staff is looking at revisions that could make the project more feasible.</p>	<p>Staff will be requesting authorization to go out to RFP when funding options are sufficient to complete the project.</p>

2011-2012 FISCAL YEAR WORK PROGRAM - GOALS

Project Area No. 1	
NAME OF PROJECT	GOALS
Alessandro Alleyway Improvements	This project will continue as its ultimate goal is to improve traffic flow and parking needs on the north side of Highway 111 from Las Palmas Avenue to Monterey Avenue, which is behind a section of the core commercial corridor (current alleyway). The plan will provide 169 parking spaces along the north side of the alley and a barrier wall protecting the adjoining residential properties. Necessary acquisition should be complete by Summer, 2011. Phase 1 should go out to bid soon with construction set to begin in Fall, 2011.
Core Commercial Area Improvements	Staff will be looking at improvements related to much needed parking facilities on El Paseo near Highway 74. Deconstruction of structures should begin Summer, 2011 with completion in November, 2011.
El Paseo Revitalization	The El Paseo Revitalization Project formerly referred to as El Paseo Landscape Revitalization Project will provide energy efficient lighting and water conservation in the City of Palm Desert's central business district and commercial corridor. The revitalization will also provide continuity in the signage within the district which will assist with both pedestrian and vehicle traffic circulation. Phase 1 should be complete by Fall, 2011 with Phase 2 construction drawings to follow thereafter.
Fire Station No. 33 Renovation	The capital improvements and renovations at Fire Station 33, which serves the downtown area. Improvements are to include ADA compatibility upgrades for both public and office areas as well as rehabilitation of interior locations including: ceilings, walls, kitchen, pantry, dormitory rooms, dressing areas and restrooms. Exterior and/or facility improvements will include apparatus bay replacement, stucco upgrades, and landscape improvements. The contract for these improvements was approved on February 24, 2011 with construction anticipated to be completed by Fall, 2011.
Fred Waring Drive Turn-Pockets	The Fred Waring Drive project will alleviate traffic congestion on Monterey Avenue, by increasing the number of lanes along Monterey Avenue and adding various dedicated turn pockets along Fred Waring Drive including a right turn pocket at the westbound entrance to the Civic Center; a right turn pocket at northbound San Pablo Drive to eastbound Fred Waring Drive; and a free right turn from westbound Fred Waring Drive to northbound Monterey Avenue. The City is currently working on Right-of-Way Acquisition and anticipates beginning construction within the 2011/12 fiscal year.
Monterey Ave Widening- Fred Waring to Gerald Ford	This project is widening a major north/south arterial street to facilitate the ease of movement throughout the City, improve traffic flow, and access to business and future residential developments. Sidewalks are also being built to provide a safe pedestrian environment. Minor storm drain improvements will also be added to provide for City flood control. Staff will continue to implement this project throughout the 2011/12 fiscal year. These improvements will facilitate commercial and residential growth.

2011-2012 FISCAL YEAR WORK PROGRAM - GOALS

Project Area No. 1	
NAME OF PROJECT	GOALS
Portola Wall and Sidewalk Improvements	The Portola Avenue Wall and Sidewalk Relocation project will relocate an existing curb adjacent sidewalk along the east side of Portola Avenue between Fred Waring Drive and Rutledge Way, installing, where possible within the current right-of-way line, a landscape buffer between the street and the sidewalk. A new uniform wall will be constructed and the project will underground utility services currently fed from overhead lines on poles at the same location. Progress on this project is contingent on SCE's advancement on the utility undergrounding.
Pueblos East Apartments	The four-unit complex was acquired in January 2008. The complex consists of one three-bedroom home and three one-bedroom apartment units. The rear of the property is vacant and is adjacent to the Joslyn Senior Center, and an Agency-owned vacant property that fronts on San Pasqual.
Property Acquisition	The Agency anticipates the need to acquire and assimilate properties in blighted areas for the purpose of redevelopment in order to improve the viability of the various project areas.

Project Area No. 2	
NAME OF PROJECT	GOALS
Fire Station No. 71 Renovations	The capital improvements and renovations at Fire Station No. 71, which serves the northeast area of the City, will include front/rear cement apron renovations; stucco and wall upgrades; landscape improvements; interior rehabilitation including walls and ceiling surfaces as well as restroom renovations. The contract for these improvements was approved on February 24, 2011 with construction anticipated to be completed by Fall, 2011.
Monterey Avenue Widening (North)	This project is widening a major north/south arterial street to facilitate the ease of movement throughout the City, improve traffic flow, and access to business and future residential developments in the northern section of the City. Also due to the growth in the northern section of the City, Monterey will benefit from medians and turn pockets being constructed as a means of increasing safety and controlling left turns. Sidewalks are also being built to provide a safe pedestrian environment. Minor storm drain improvements will also be added to provide for City flood control. Staff will continue to implement this project throughout the 2011/12 fiscal year. These improvements will facilitate commercial and residential growth.

2011-2012 FISCAL YEAR WORK PROGRAM - GOALS

Project Area No. 2	
NAME OF PROJECT	GOALS
Monterey & I-10 Interchange	The improvements at the Monterey Interchange at I-10 will work to improve arterial access inbound and outbound from Interstate 10. The project is currently in the Project Approval and Environmental Documentation Phase. A Modified Access report was prepared that is being reviewed and approved by Caltrans and FHWA. It is anticipated that plans will be 100% complete in 2011/12 with construction slated to begin by Summer, 2012.
North Sphere Fire Station	Preparation of a Request for Proposals (RFP) for a design-build of a fire station to serve the North area of the City is in process. The project is currently on hold due to delayed growth in the area. Project will be considered at such time as development continues.
Portola and I-10 Interchange	The project will extend and align Portola Avenue to connect with the proposed new interchange on I-10. A contract is in place with Dokken Engineering, in the amount of \$833,839 to complete the project approval phase and the environmental documentation phase, which is now approximately 90% complete. A critical step in this process is the approval of a New Connection Report by Caltrans and the FHWA in Washington, D.C.

Project Area No. 3	
NAME OF PROJECT	GOALS
Cook Street Improvements	Infrastructure improvements will allow for better traffic flow on Cook Street. Cook Street is a north/south arterial that provides the only access to the City of Palm Desert's industrial business district. It is also a major arterial in the City, which provides access from Interstate 10 to several east and west arterials. Construction should be complete by January, 2012.
Portola and I-10 Interchange	The project will extend and align Portola Avenue to connect with the proposed new interchange on I-10. A contract is in place with Dokken Engineering, in the amount of \$833,839. to complete the project approval phase and the environmental documentation phase, which is now approximately 90% complete. A critical step in this process is the approval of a New Connection Report by Caltrans and the FHWA in Washington, D.C.

2011-2012 FISCAL YEAR WORK PROGRAM - GOALS

Project Area No. 4	
NAME OF PROJECT	GOALS
Casey's Restaurant	Facilitate the redevelopment of the Casey's Restaurant Site, currently owned by the Agency as a result of the acquisition of Country Village Apartments, an affordable housing multi-unit complex.
Infrastructure Improvements at Ave of the States	The project site located at the corner of Avenue of the States and Washington bordered by both residential and commercial developments. The corner provides an entrance to Project Area 4 which is at the easterly boundary of the city. The site improvements are to include development and construction of public facilities for emergency services, affordable housing, façade improvements to existing structures, and infrastructure improvements. The Agency will also reconfigure the parking and access, ADA improvements, provide site lighting, drainage and landscape reconfiguration. It is anticipated that the Agency will begin design of Paramedic/Fire Station on Avenue of the States.
Palm Desert Country Club Undergrounding	The Agency is considering the feasibility of a project for the future undergrounding of utilities in Project Area No. 4. The Agency Board authorized engineering deposits to all impacted utilities (Time Warner, Verizon, and Southern California Edison), in order to provide a cost estimate for the proposed project, and calculate the potential assessment to the residents. On March 24, 2011 the Agency Board approved a 24-month deferral of this project to provide an opportunity for homeowners to reconsider an assessment for the project after the economy improves.

Housing Set-Aside	
NAME OF PROJECT	GOALS
Acquisition and Rehabilitation Program	The Agency will continue to assist current owners in Desert Rose and Falcon Crest communities when they desire to sell their home. A waiting list has been established with households that desire to purchase homes within Desert Rose and Falcon Crest. When a home becomes available, the appropriate size income qualified household is selected from the list to pre-qualify for a mortgage loan. In the event there is no eligible buyer on the waiting list or when a home is identified in need of substantial repairs, the Agency will exercise its option to acquire the property in order to preserve affordable housing.

2011-2012 FISCAL YEAR WORK PROGRAM - GOALS

Housing Set-Aside	
NAME OF PROJECT	GOALS
Capital Reserve Study	The Agency completed a replacement reserve study for the purpose of planning and budgeting for upcoming capital replacement needs. In 2011-12, the Agency will implement year 2 improvements based on the study and current need at the complexes.
Carlos Ortega Villas	The Agency will complete design through construction documents on a 72 unit affordable senior community that will incorporate energy efficiencies, as well as design features to ensure that this is not only affordable, but also a sustainable development.
Home Buyer Assistance	<p>The Agency will provide financial assistance for eligible very low, low, and moderate-income households to purchase homes at both of these developments. Subsidies to each buyer are available in varying amounts depending on need, and are in the form of silent subordinate trust deeds.</p> <p>In order to maintain the continued affordability in the development, every buyer is required to sign an agreement maintaining affordability for a period of up to 45 years. The agreement includes, but is not limited to, resale price restrictions, occupancy restrictions, and limitations on encumbrances and transfers, among other limitations and restrictions.</p>
Home Improvement Program	<p>The Home Improvement Program (HIP) has been successful and continues to offer a variety of grants and loans to very low, low, and moderate income households. The program participation has grown dramatically, improving homes and neighborhoods throughout Palm Desert. The program has helped 239 households that would otherwise not be able to maintain or improve the current condition or remove code violations.</p> <p>The addition of manufactured homes and energy efficiency upgrades now included in the program will benefit a large number of Palm Desert residents who otherwise would not have been able to participate or include for improvement of deteriorated and outdated equipment.</p>
Indian Springs Mobilehome Park Conversion Financing Program	The Agency has submitted draft loan documents to the owner for the purpose of submission of the condominium conversion request to the State's Department of Real Estate (DRE). Upon approval by the DRE, and at such time as the Owner offers the lots for sale, staff will hold informational meetings regarding the purchase application process. The actual acquisition is expected to be lengthier than a 'normal' escrow based on the Owner's expectations in his proposed plan. Agency progress during the 2011/12 fiscal year will be dependent upon the owners submission to the DRE.

2011-2012 FISCAL YEAR WORK PROGRAM - GOALS

Housing Set-Aside	
NAME OF PROJECT	GOALS
Neighborhood Stabilization Program – One-time Federal Funding Grant	The Agency is in the process of rehabilitation of two homes and will be assisting qualified buyers to purchase the acquired properties.
PDHA Properties Renovations	The Agency-owned affordable rental properties currently have a number of interior renovations taking place. The Agency will continue to assess units at existing older properties such as Desert Pointe and Neighbors to implement renovations that include plumbing, electrical, structural integrity, accessibility, efficiencies, and any other features that will provide long term sustainability and annual saving to the Tenants and the Agency.
Property Acquisition	The Agency anticipates the need to acquire and assimilate properties in blighted areas for the purpose of affordable housing in order to improve the opportunities for residents with qualified incomes.
Sagecrest Apartments (Relocation)	The Agency is in the preliminary stages of working with an architect to develop a yield study and site utilization plan.
San Benito Lots (Donation)	The Agency is in the process of donating two vacant lots to Habitat for Humanity of the Coachella Valley, Inc. to build single-family dwelling units in connection with a vocational program with College of the Desert for the development of a new energy efficient and sustainable construction single-family dwelling to be purchased by very low-income families in consideration for a forty-five (45) year affordability restriction that will be recorded against the property to maintain its affordability.
Self-Help Housing 14 Unit For-Sale Project	The Agency went out to RFP for the Merle Street Self-Help Project in July 2009. The Agency offered the 14 lots to developers and non-profits with experience in self-help programs to stick-build homes utilizing 'sweat equity' of qualified low income homebuyers. The Agency's upfront investment was to be the value of the lots. There were no responses to the RFP. Although staff believes that this is more related to the lack of affordable housing funding options available because of the economy (i.e., federal and state tax credits), staff is looking at revisions that could make the project more feasible.

JM:JMM:VT:pl

**LEGAL NOTICE
CITY OF PALM DESERT
PUBLIC HEARING RELATIVE TO CITY MANAGER'S
PROPOSED BUDGET**

NOTICE IS HEREBY GIVEN that a Public Hearing will be held before the Palm Desert City Council to consider the adoption of the City Budget for the Fiscal Year 2011-2012, commencing July 1, 2011.

SAID PUBLIC HEARING will be held on Thursday, June 23, 2011, at 4:00 p.m. in the Council Chamber of the Palm Desert Civic Center, 73-510 Fred Waring Drive, Palm Desert. All citizens are invited to present oral or written comments relative to the proposed budget. Any citizen unable to attend may submit written comments to the City Clerk prior to the Public Hearing.


Copies of the budget may be reviewed at the Civic Center, Monday through Friday between the hours of 8:00 a.m. and 5:00 p.m.

The proposed budget expenditures are as follows:

**All FUNDS BUDGET - APPROPRIATIONS
Fiscal Year 2011-2012**

SERVICES	AMOUNT	PERCENT
General Government	9,903,591	4.5%
Public Safety	27,101,515	12.2%
Public Works	9,918,374	4.5%
Housing, Economic & Comm. Dev.	55,358,014	25.0%
Parks & Recreation	15,755,118	7.1%
Debt Service	42,125,221	19.0%
Capital Improvement Projects	4,099,344	1.8%
Transfers To Other Funds	57,593,854	26.0%
Total All Funds	221,855,031	100.0%

Date: June 8, 2011


RACHELLE D. KLASSEN, CITY CLERK
CITY OF PALM DESERT, CALIFORNIA