

# Economic Development Adopted Budget – FY 2006/07

Director of Economic Development

ADMINISTRATION  
10080101  
Administrative Assistant  
  
85780302  
Administrative Secretary

## REDEVELOPMENT

REDEVELOPMENT  
30580101  
Redevelopment Manager  
Economic Dev. Project Manager  
Assistant  
Development Specialist  
  
BUSINESS DEVELOPMENT  
10080101  
Economic Dev. Project Manager  
Economic Dev. Project Manager  
Assistant

## REAL ESTATE SERVICES AND HOUSING

REAL ESTATE SERVICES  
10080501  
Real Estate and Housing Manager  
Real Property Agent  
Administrative Aide  
  
COMMUNITY DEVELOPMENT  
BLOCK GRANT (CDBG)  
85780101  
Administrative Analyst Senior  
Economic Dev. Project Manager  
Assistant

# Economic Development

## Department & Division Descriptions

The Department of Economic Development is organized into two divisions: Real Estate Services and Housing, and Redevelopment. The goals of the department are to preserve and enhance the economic base of the community by business attraction, expansion and retention, to provide real estate services to other City departments, and to revitalize the Redevelopment Project Areas and enhance the City's stock of affordable housing using redevelopment and other resources.



### Real Estate Services and Housing

Real Estate Services assists City departments and the general public with various property related services such as: technical support for acquisition of land and easements, relocation, property disposition, appraisals and title research, leasing of land and facilities, strategic planning, and maintenance of City and agency property inventory.



Housing is involved in planning and formulating specific plans throughout the City to improve, both physically and economically, the current affordable housing stock while planning for future housing needs. Housing also oversees the Community Development Block Grant (CDBG) and HOME Investment Partnership programs and the funds received from the U.S. Department of Housing and Urban Development (HUD). These funds are designated to provide improvements and services to the low- and moderate-income residents of the City of Huntington Beach. The City's adopted Consolidated Plan establishes priorities for eligible activities. The primary objectives for the CDBG program are to provide a suitable living environment while expanding economic opportunities for persons with low- or moderate-incomes.

### Redevelopment

When redevelopment agencies make improvements to deteriorated areas, property values within those areas rise, resulting in an increase in property tax revenue. State law allows redevelopment agencies



to use a portion of this increase to repay the debt incurred to rehabilitate an area. Redevelopment agencies may use these funds to acquire property, build public improvements and infrastructure, clean up contaminated soil and other tasks necessary to improve the conditions of the property.

Redevelopment's commitment of funds attracts private investment and creates a chain reaction where the ultimate economic output is larger than the original public investment. The Redevelopment Division monitors and evaluates project implementation efforts, provides opportunities for public participation and disseminates information related to project implementation. In addition, Redevelopment is involved in planning new redevelopment projects areas, as well as formulating specific plans for certain parts of the City needing physical and economic improvement. Through the Housing Set Aside Fund, the Agency meets its housing production and replacement obligations, as well as monitors affordable housing units.

### Business Development

Business Development's mission is to retain, expand, and attract business to the city. Our mission is designed to accomplish one of the City's primary goals: to increase city revenue and the employment base in Huntington Beach.

## Real Estate Services and Housing Division

- Coordinate acquisition of land and easements, along with relocation when necessary
- Oversee sale of remaining trust deed properties within the City's deferred compensation program
- Coordinate property appraisals and title research
- Appraise, market, and sell surplus City-owned properties
- Manage leases and license agreements for City land and facilities
- Maintain City and Agency property inventory of more than 720 parcels
- Manage Set Aside Housing program per State regulations and other housing program
- Bond compliance monitoring of housing bond projects
- Generate and review proposals for the rehabilitation and development of affordable housing throughout the City
- Manage and direct the City's consolidated plan, in accordance with HUD guidelines
- Prepare and implement Annual Action Plan
- Monitor sub-grantees for compliance and performance
- Provide technical assistance to government or non-profit service providers



## Redevelopment

- Manage and administer redevelopment project areas
- Implement redevelopment projects including The Strand and Bella Terra
- Respond to potential developers
- Negotiate deal points and agreements for potential developments
- Manage Set Aside Housing program per State regulations
- Participate in regional programs



## Business Development

- Actively solicit high-end retail tenants for the city
- Provide technical assistance for existing and start-up businesses through ombudsman program
- Administer the Luis M. Ochoa Job Center
- Manage the city's sales tax sharing agreements
- Administer three Business Improvement Districts
- Administer the Conference and Visitors Bureau contract
- Market city for commercial and industrial attraction/retention/expansion
- Co-sponsor annual Economic Conference with the Chamber of Commerce
- Administer the city's Arts and Crafts Fair and Farmers Market
- Oversee Surf City Visa card program
- Conduct special projects such as new entry signage and pennants



# Economic Development

## Performance Measures

	FY 2005/06	FY 2006/07 Budget	FY 2006/07 Projected
<b>Objective:</b>			
1. Increase by 10% the number of visits to City's tourism-related web pages.			
<b>Measure:</b>			
% increase in visits to City's tourism-related web pages	N/A	10%	10%
<b>Objective:</b>			
2. Begin Beach Blvd. / Edinger Avenue revitalization plan process.			
<b>Measure:</b>			
Revitalization plan process for Beach Blvd. / Edinger Avenue begun	N/A	Yes	Yes
<b>Objective:</b>			
3. Complete audits of five City leases			
<b>Measure:</b>			
# of audits completed of City leases	N/A	5	5
<b>Objective:</b>			
4. Provide HUD-funded public services to 10,000 low-income residents.			
<b>Measure:</b>			
# of low-income residents to which HUD-funded public services provided	N/A	10,000	10,000
<b>Objective:</b>			
5. Commit \$1,000,000 of HOME/Set Aside funds towards affordable housing development			
<b>Measure:</b>			
Amount of HOME/Set Aside funds committed for affordable housing development	N/A	\$1,000,000	\$1,000,000



**Economic Development**  
**Adopted Budget - FY 2006/07**  
**Department Budget Summary**  
**All Funds by Object Account**



**DEPARTMENT**

Expenditure Object Account	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Percent Change From Prior Year
<b>PERSONAL SERVICES</b>							
Salaries, Permanent	1,177,799	1,210,317	970,472	1,213,394	1,183,394	1,110,147	-8.51%
Salaries, Temporary	96,457	42,767	95,192			12,540	
Salaries, Overtime	320	178	894				
Termination Pay Outs	17,316	16,206	58,619				
Benefits	308,680	333,644	276,547	472,417	472,417	391,256	-17.18%
<b>PERSONAL SERVICES</b>	<b>1,600,572</b>	<b>1,603,111</b>	<b>1,401,724</b>	<b>1,685,811</b>	<b>1,655,811</b>	<b>1,513,943</b>	<b>-10.19%</b>
<b>OPERATING EXPENSES</b>							
Utilities	63,338	61,415	33,557	1,200	1,200	1,589	32.42%
Equipment and Supplies	77,908	53,589	48,451	86,607	116,607	78,810	-9.00%
Repairs and Maintenance	41,080	41,066	77,665	555,200	555,200	1,027,400	85.05%
Conferences and Training	26,136	16,889	16,404	34,384	38,884	32,000	-6.93%
Professional Services	658,200	854,597	605,310	1,026,000	1,353,427	649,250	-36.72%
Other Contract Services	246,886	238,633	1,902,967	1,560,660	2,223,378	1,766,317	13.18%
Rental Expense	4,021	5,068	1,316	6,000	6,000		-100.00%
Contribution to Private Agency						664,500	
Payments to Other Governments	42,013	18,339	22,657	22,500	22,500	97,500	333.33%
Interdepartmental Charges				23,525	23,525	24,630	4.70%
Expense Allowances	8,175	6,115	6,685	4,200	4,200		-100.00%
Other Expenses	149,461	249,355	8,139	32,722	913,918	959,978	2833.74%
<b>OPERATING EXPENSES</b>	<b>1,317,217</b>	<b>1,545,065</b>	<b>2,723,150</b>	<b>3,352,998</b>	<b>5,258,840</b>	<b>5,301,974</b>	<b>58.13%</b>
<b>CAPITAL EXPENDITURES</b>							
Land Purchase		8,176,855			4,000,000		
Improvements	1,603,873	12,213,891	11,990,468	4,990,000	6,616,361	3,739,631	-25.06%
<b>CAPITAL EXPENDITURES</b>	<b>1,603,873</b>	<b>20,390,746</b>	<b>11,990,468</b>	<b>4,990,000</b>	<b>10,616,361</b>	<b>3,739,631</b>	<b>-25.06%</b>
<b>NON-OPERATING EXPENSES</b>							
Debt Service Expenses	260,261	557,560	258,482	257,057	301,400	2,628,513	922.54%
Pass Through Payments	125,321	382,985	631,164	522,000	522,000	160,000	-69.35%
Transfers to Other Funds	428,500	4,601,194	425,278	383,000	1,119,140	383,000	0.00%
Depreciation	93,245	93,245	93,245	82,045	82,045		-100.00%
Loans Made	488,257	409,464	394,978	500,000	500,000	670,000	34.00%
<b>NON-OPERATING EXPENSES</b>	<b>1,395,583</b>	<b>6,044,447</b>	<b>1,803,146</b>	<b>1,744,102</b>	<b>2,524,585</b>	<b>3,841,513</b>	<b>120.26%</b>
<b>Grand Total(s)</b>	<b>5,917,245</b>	<b>29,583,369</b>	<b>17,918,489</b>	<b>11,772,911</b>	<b>20,055,597</b>	<b>14,397,061</b>	<b>22.29%</b>
General Fund	1,088,802	842,304	776,061	1,114,581	1,324,708	1,545,939	38.70%
Other Funds	4,828,446	28,741,067	17,142,430	10,658,330	18,730,888	12,851,122	20.57%
<b>Grand Total(s)</b>	<b>5,917,248</b>	<b>29,583,371</b>	<b>17,918,491</b>	<b>11,772,911</b>	<b>20,055,596</b>	<b>14,397,061</b>	<b>22.29%</b>
<b>Personnel Summary</b>	<b>14.00</b>	<b>14.00</b>	<b>14.00</b>	<b>13.00</b>	<b>13.00</b>	<b>13.00</b>	<b>0.00</b>



**Economic Development**  
**Adopted Budget - FY 2006/07**  
**Department Budget Summary**  
**General Fund Division by Object Account**



**DIVISION**

Expenditure Object Account	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Percent Change From Prior Year
<b>Business Development</b>							
<b>PERSONAL SERVICES</b>							
Salaries, Permanent	238,992	191,240	166,377	182,730	182,730	145,116	-20.58%
Salaries, Temporary	19,733		32,916			4,620	
Salaries, Overtime			74				
Benefits	63,307	57,117	49,566	57,788	57,788	62,526	8.20%
<b>PERSONAL SERVICES</b>	<b>322,033</b>	<b>248,357</b>	<b>248,932</b>	<b>240,518</b>	<b>240,518</b>	<b>212,262</b>	<b>-11.75%</b>
<b>OPERATING EXPENSES</b>							
Utilities	1,466						
Equipment and Supplies	18,957	9,559	4,867	7,400	7,400	11,000	48.65%
Conferences and Training	10,981	5,194	4,623	6,500	6,500	4,000	-38.46%
Professional Services	394,845	290,811	141,107	424,000	601,532	29,000	-93.16%
Other Contract Services	95,431	77,249	104,698	16,000	16,000	23,000	43.75%
Contribution to Private Agency						664,500	
Expense Allowances	115						
Other Expenses			106	500	500		-100.00%
<b>OPERATING EXPENSES</b>	<b>521,795</b>	<b>382,812</b>	<b>255,401</b>	<b>454,400</b>	<b>631,932</b>	<b>731,500</b>	<b>60.98%</b>
<b>CAPITAL EXPENDITURES</b>							
<b>NON-OPERATING EXPENSES</b>							
Pass Through Payments						160,000	
<b>NON-OPERATING EXPENSES</b>						<b>160,000</b>	
<b>Business Development</b>	<b>843,827</b>	<b>631,170</b>	<b>504,333</b>	<b>694,918</b>	<b>872,450</b>	<b>1,103,762</b>	<b>58.83%</b>

**Significant Changes**

In Operating Expenses, the most significant increase is to Contribution to Private Agency. In FY2006/07, \$609,500 has been budgeted for the City of Huntington Beach Conference and Visitor's Bureau (CVB). As part of an agreement approved by the City Council, 10% of estimated Transient Occupancy Tax (TOT) revenue will be provided annually to the CVB to assist with various outreach efforts to market Huntington Beach as a "Destination City." The \$664,500 budget also includes \$55,000 for the Community Job Center. Under Other Contract Services, the \$23,000 is budgeted for printing, advertising, and marketing. The increase in Non-Operating Expenses is due to changes in how sales tax rebates are budgeted. As part of the City's business retention efforts, sales tax rebates are provided to various qualifying businesses. In previous fiscal years, this expense was budgeted under Professional Services. For FY2006/07, this amount will be more properly budgeted under Non-Operating Expenses, "Pass Through Payments" object code.

Permanent Personnel	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Change from Prior Year
Econ Development Proj Mgr	1.00	1.00	1.00	1.00	1.00	1.00	0.00
Econ Development Proj Mgr Asst	1.00	1.00	1.00	1.00	1.00	1.00	0.00
Development Specialist	1.00	1.00	1.00	0.00	0.00	0.00	0.00
Administrative Assistant	0.25	0.25	0.25	0.25	0.25	0.25	0.00
<b>Total</b>	<b>3.25</b>	<b>3.25</b>	<b>3.25</b>	<b>2.25</b>	<b>2.25</b>	<b>2.25</b>	<b>0.00</b>



**Economic Development**  
**Adopted Budget - FY 2006/07**  
**Department Budget Summary**  
**General Fund Division by Object Account**



**DIVISION**

Expenditure Object Account	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Percent Change From Prior Year
<b>Real Estate Services</b>							
<b>PERSONAL SERVICES</b>							
Salaries, Permanent	144,054	136,497	154,873	216,210	216,210	204,190	-5.56%
Salaries, Temporary			5,878				
Salaries, Overtime		108					
Benefits	36,569	48,122	38,993	69,553	69,553	63,737	-8.36%
<b>PERSONAL SERVICES</b>	<b>180,623</b>	<b>184,727</b>	<b>199,745</b>	<b>285,763</b>	<b>285,763</b>	<b>267,927</b>	<b>-6.24%</b>
<b>OPERATING EXPENSES</b>							
Equipment and Supplies	2,661	1,367	1,727	5,700	5,700	5,000	-12.28%
Conferences and Training	1,236	501	1,075	4,000	4,000	4,000	0.00%
Professional Services	48,416	24,143	60,250	100,000	132,595	60,250	-39.75%
Other Contract Services	9,893	396	5,435	20,000	20,000	25,000	25.00%
Payments to Other Governments						80,000	
Expense Allowances	2,146		3,496	4,200	4,200		-100.00%
<b>OPERATING EXPENSES</b>	<b>64,352</b>	<b>26,407</b>	<b>71,983</b>	<b>133,900</b>	<b>166,495</b>	<b>174,250</b>	<b>30.13%</b>
<b>CAPITAL EXPENDITURES</b>							
<b>NON-OPERATING EXPENSES</b>							
<b>Real Estate Services</b>	<b>244,975</b>	<b>211,134</b>	<b>271,728</b>	<b>419,663</b>	<b>452,258</b>	<b>442,177</b>	<b>5.36%</b>

**Significant Changes**

Other Contract Services increases slightly to provide abatement services (contract) at several city-owned properties. Also under Operating Expenses is a budgeted item for City property tax payments to the County (\$80,000). In previous years, this expense was budgeted in Non-Departmental; beginning in FY2006/07, this expense will be budgeted in Economic Development in an effort to better account for and track these expenses.

Permanent Personnel	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Change from Prior Year
Real Estate Services Manager	1.00	1.00	1.00	1.00	1.00	1.00	0.00
Real Property Agent	1.00	1.00	1.00	1.00	1.00	1.00	0.00
Administrative Aide	0.50	0.50	0.50	0.50	0.50	0.50	0.00
<b>Total</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>	<b>0.00</b>



**Economic Development**  
**Adopted Budget - FY 2006/07**  
**Department Budget Summary**  
**Other Funds by Object Account**  
**OTHER FUNDS**



Expenditure Object Account	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Percent Change From Prior Year
<b>Redevelopment Agency (305, 306, 315, 316, 407, 409)</b>							
<b>PERSONAL SERVICES</b>							
Salaries, Permanent	276,394	257,738	203,244	314,154	284,154	406,558	29.41%
Salaries, Temporary	28,933	3,234				7,920	
Salaries, Overtime	191		459				
Termination Pay Outs	10,058	11,741	43,610				
Benefits	62,401	61,530	55,245	100,608	100,608	139,829	38.98%
<b>PERSONAL SERVICES</b>	<b>377,976</b>	<b>334,243</b>	<b>302,557</b>	<b>414,762</b>	<b>384,762</b>	<b>554,307</b>	<b>33.64%</b>
<b>OPERATING EXPENSES</b>							
Utilities			27				
Equipment and Supplies	20,815	14,394	11,180	35,500	65,500	33,000	-7.04%
Repairs and Maintenance		95	576	200	200	1,000	400.00%
Conferences and Training	9,223	10,059	8,356	16,000	13,500	12,000	-25.00%
Professional Services	108,449	327,458	160,838	467,000	524,332	535,000	14.56%
Other Contract Services	4,165	9,520	2,840	29,000	29,000	38,000	31.03%
Rental Expense	4,021	4,747	1,316	6,000	6,000		-100.00%
Payments to Other Governments	40,000	10,843	13,728	15,000	15,000	10,000	-33.33%
Expense Allowances	4,484	4,583	2,469				
Other Expenses	143,756	-969	7,905		171,196		
<b>OPERATING EXPENSES</b>	<b>334,912</b>	<b>380,730</b>	<b>209,233</b>	<b>568,700</b>	<b>824,728</b>	<b>629,000</b>	<b>10.60%</b>
<b>CAPITAL EXPENDITURES</b>							
Land Purchase		8,176,855			4,000,000		
Improvements	1,349,368	10,952,915	11,728,614	4,650,000	4,864,347	3,310,000	-28.82%
<b>CAPITAL EXPENDITURES</b>	<b>1,349,368</b>	<b>19,129,770</b>	<b>11,728,614</b>	<b>4,650,000</b>	<b>8,864,347</b>	<b>3,310,000</b>	<b>-28.82%</b>
<b>NON-OPERATING EXPENSES</b>							
Debt Service Expenses		298,000				2,368,230	
Pass Through Payments	125,321	382,985	631,164	522,000	522,000		-100.00%
Transfers to Other Funds	45,500	4,218,194	142,090		86,140		
<b>NON-OPERATING EXPENSES</b>	<b>170,821</b>	<b>4,899,179</b>	<b>773,254</b>	<b>522,000</b>	<b>608,140</b>	<b>2,368,230</b>	
<b>Economic Development</b>	<b>2,233,077</b>	<b>24,743,921</b>	<b>13,013,658</b>	<b>6,155,462</b>	<b>10,681,978</b>	<b>6,861,537</b>	<b>11.47%</b>

**Significant Changes**

Personal Services expenses realized changes due to portions of various FTEs no longer being funded from CDBG revenue beginning FY2006/07. These staff funding changes were made to better align funding/expenses with work activities and projects.

Permanent Personnel	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Change from Prior Year
Director of Econ Development	0.75	0.75	0.75	0.75	0.75	0.75	0.00
Housing & Redevelopment Mgr.	0.75	0.75	0.75	0.75	0.75	0.75	0.00
Econ Development Proj Mgr Asst	0.68	0.68	0.68	0.68	0.68	0.68	0.00
Admin Analyst Sr MEO (Transfer in)	0.00	0.00	0.00	0.00	<b>0.00</b>	<b>0.50</b>	<b>0.50</b>
Development Specialist (Transfer in)	0.00	0.00	0.00	0.00	<b>0.00</b>	<b>0.90</b>	<b>0.90</b>
Administrative Aide	0.50	0.50	0.50	0.50	0.50	0.50	0.00
Administrative Assistant	0.50	0.50	0.50	0.50	0.50	0.50	0.00
Administrative Secretary	0.25	0.25	0.25	0.25	0.25	0.25	0.00
<b>Total</b>	<b>3.43</b>	<b>3.43</b>	<b>3.43</b>	<b>3.43</b>	<b>3.43</b>	<b>4.83</b>	<b>1.40</b>
Revenue Summary	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Change from Prior Year
00305 Rda Cap Project Area	5,943,472	3,909,449	13,480,409	1,069,000	1,069,000	1,115,000	46,000
00306 Low Income Housing-Inc	2,627,575	2,093,977	2,496,911	2,237,600	2,237,600	3,580,000	1,342,400
00315 Southeast Coastal Project		951	261,049				0
00316 Bella Terra		25,060,389	209,339	120,000	120,000	120,000	0
00407 Rda Hb Debt Svc Project Area	47,190,954	10,478,287	13,576,601	12,180,000	12,180,000	14,825,000	2,645,000
00409 Debt Svc Southeast Coastal	732	618,812	181,364	173,700	173,700	174,000	300
<b>Total</b>	<b>55,762,733</b>	<b>42,159,963</b>	<b>30,205,673</b>	<b>15,780,300</b>	<b>15,780,300</b>	<b>19,814,000</b>	<b>4,033,700</b>



## Economic Development Adopted Budget - FY 2006/07 Department Budget Summary Other Funds by Object Account



### OTHER FUNDS

Expenditure Object Account	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Percent Change From Prior Year
<b>Community Development Block Grant (857-868)</b>							
<b>PERSONAL SERVICES</b>							
Salaries, Permanent	448,305	505,642	363,465	390,868	390,868	289,389	-25.96%
Salaries, Temporary	47,792	39,533	56,397				
Salaries, Overtime	130	70	361				
Termination Pay Outs	7,258	4,466	15,009				
Benefits	121,053	140,250	111,735	210,466	210,466	104,051	-50.56%
<b>PERSONAL SERVICES</b>	<b>624,538</b>	<b>689,960</b>	<b>546,967</b>	<b>601,334</b>	<b>601,334</b>	<b>393,440</b>	<b>-34.57%</b>
<b>OPERATING EXPENSES</b>							
Utilities	1,089			1,200	1,200	1,589	32.42%
Equipment and Supplies	13,274	8,666	15,512	31,007	31,007	26,810	-13.54%
Repairs and Maintenance		97					
Conferences and Training	4,427	1,135	2,350	7,384	14,384	12,000	62.51%
Professional Services	38,188	150,886	206,695	30,000	46,968	20,000	-33.33%
Other Contract Services		146	15,186	237,427	240,241	352,084	48.29%
Expense Allowances	1,430	1,531	720				
Other Expenses	5,600					18,000	
<b>OPERATING EXPENSES</b>	<b>64,008</b>	<b>162,461</b>	<b>240,463</b>	<b>307,018</b>	<b>333,800</b>	<b>430,483</b>	<b>40.21%</b>
<b>CAPITAL EXPENDITURES</b>							
Improvements	254,505	123,812	261,854	340,000	876,194	429,631	26.36%
<b>CAPITAL EXPENDITURES</b>	<b>254,505</b>	<b>123,812</b>	<b>261,854</b>	<b>340,000</b>	<b>876,194</b>	<b>429,631</b>	<b>26.36%</b>
<b>NON-OPERATING EXPENSES</b>							
Debt Service Expenses	260,261	259,560	258,482	257,057	257,057	260,283	1.25%
Transfers to Other Funds					650,000		
<b>NON-OPERATING EXPENSES</b>	<b>260,261</b>	<b>259,560</b>	<b>258,482</b>	<b>257,057</b>	<b>907,057</b>	<b>260,283</b>	<b>1.25%</b>
<b>Economic Development</b>	<b>1,203,311</b>	<b>1,235,793</b>	<b>1,307,767</b>	<b>1,505,409</b>	<b>2,718,385</b>	<b>1,513,837</b>	<b>0.56%</b>

#### Significant Changes

Personal Services expenses realized changes due to portions of various positions no longer being funded from Community Development Block Grant (CDBG) revenue beginning FY2006/07. These staff expenses were transferred to the Redevelopment Agency and related funds. A summary appropriation is entered for the FY2006/07 CDBG budget under Other Expenses, until line item budget allocations recently approved by City Council are identified. CDBG revenue funds a portion of 1.0 FTE Literacy Specialist and 1.50 FTE Code Enforcement Officers. These positions, while funded through CDBG revenue, are supervised and counted in the respective departments of Library Services and Planning. There are also several positions in Community Services -- not listed below -- which have small percentages of their Personal Services costs funded through CDBG grant revenue.

	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Change from Prior Year
<b>Permanent Personnel</b>							
Director of Econ Development	0.25	0.25	0.25	0.25	0.25	0.25	0.00
Housing & Redevelopment Mgr.	0.25	0.25	0.25	0.25	0.25	0.25	0.00
Admin Analyst Sr MEO (Transfer out)	1.00	1.00	1.00	1.00	<b>1.00</b>	<b>0.50</b>	<b>(0.50)</b>
Development Specialist (Transfer out)	1.00	1.00	1.00	1.00	<b>1.00</b>	<b>0.10</b>	<b>(0.90)</b>
Administrative Assistant	0.25	0.25	0.25	0.25	0.25	0.25	0.00
Administrative Secretary	0.75	0.75	0.75	0.75	0.75	0.75	0.00
Literacy Specialist (partially funded in CDBG but counted in Library Services Department)							
Code Enforcement Officer II (1.5 partially funded in CDBG but counted in Planning Department)							
<b>Total</b>	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>	<b>2.10</b>	<b>(1.40)</b>

	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Change from Prior Year
<b>Revenue Summary</b>							
00857 - 00868 CDBG	965,905	1,830,983	1,566,393	1,591,169	2,040,169	1,428,837	-162,332
<b>Total</b>	<b>965,905</b>	<b>1,830,983</b>	<b>1,566,393</b>	<b>1,591,169</b>	<b>2,040,169</b>	<b>1,428,837</b>	<b>-162,332</b>



**Economic Development**  
**Adopted Budget - FY 2006/07**  
**Department Budget Summary**  
**Other Funds by Object Account**



**OTHER FUNDS**

Expenditure Object Account	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Percent Change From Prior Year
<b>Parking In Lieu (308), Pacific City CFD (318), Emerald Cove (503), Ocean View Estates (510), BID (701,709,710) Bella Terra (711) HOME (843-854), Other Grants (215, 766, 808, 856)</b>							
<b>PERSONAL SERVICES</b>							
Salaries, Permanent	70,053	119,200	82,514	109,432	109,432	64,895	-40.70%
Benefits	25,349	26,624	21,009	34,002	34,002	21,113	-37.91%
<b>PERSONAL SERVICES</b>	<b>95,402</b>	<b>145,824</b>	<b>103,522</b>	<b>143,434</b>	<b>143,434</b>	<b>86,007</b>	<b>-40.04%</b>
<b>OPERATING EXPENSES</b>							
Utilities	60,784	61,415	33,530				
Equipment and Supplies	22,200	19,603	15,165	7,000	7,000	3,000	-57.14%
Repairs and Maintenance	41,080	40,874	77,089	555,000	555,000	1,026,400	84.94%
Conferences and Training	269			500	500		-100.00%
Professional Services	68,303	61,299	36,419	5,000	48,000	5,000	0.00%
Other Contract Services	137,397	151,322	1,774,809	1,258,233	1,918,137	1,328,233	5.56%
Rental Expense		321					
Payments to Other Governments	2,013	7,496	8,929	7,500	7,500	7,500	0.00%
Interdepartmental Charges				23,525	23,525	24,630	4.70%
Other Expenses	105	250,325	128	32,222	742,222	941,978	2823.40%
<b>OPERATING EXPENSES</b>	<b>332,151</b>	<b>592,655</b>	<b>1,946,070</b>	<b>1,888,980</b>	<b>3,301,884</b>	<b>3,336,741</b>	<b>76.64%</b>
<b>CAPITAL EXPENDITURES</b>							
Improvements		1,137,165			875,819		
<b>CAPITAL EXPENDITURES</b>		<b>1,137,165</b>			<b>875,819</b>		
<b>NON-OPERATING EXPENSES</b>							
Debt Service Expenses					44,343		
Transfers to Other Funds	383,000	383,000	283,188	383,000	383,000	383,000	0.00%
Depreciation	93,245	93,245	93,245	82,045	82,045		-100.00%
Loans Made	488,257	409,464	394,978	500,000	500,000	670,000	34.00%
<b>NON-OPERATING EXPENSES</b>	<b>964,502</b>	<b>885,708</b>	<b>771,410</b>	<b>965,045</b>	<b>1,009,388</b>	<b>1,053,000</b>	<b>9.11%</b>
<b>Economic Development</b>	<b>1,392,055</b>	<b>2,761,352</b>	<b>2,821,003</b>	<b>2,997,459</b>	<b>5,330,525</b>	<b>4,475,748</b>	<b>49.32%</b>

**Significant Changes**

In Operating Expenses, the Other Expenses line item includes a summary entry amount for the FY2006/07 HOME and ADDI programs. Expenses will be allocated to individual projects once approved by City Council. Debt service on Emerald Cove -- the Senior Apartment community -- is accounted for under Non-Operating Expenses, Transfers to Other Funds. Also under Non-Operating Expenses, Loans Made accounts for "Housing Rehab Loan Program" (Fund 215) loans made to qualifying individuals.

Permanent Personnel	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Change from Prior Year
Econ Development Proj Mgr Asst*	1.32	1.32	1.32	1.32	1.32	1.32	0.00
<i>*There are two separate FTEs which add up to 1.32 "total" FTEs funded by Other Funds grant revenue.</i>							
<b>Total</b>	<b>1.32</b>	<b>1.32</b>	<b>1.32</b>	<b>1.32</b>	<b>1.32</b>	<b>1.32</b>	<b>0.00</b>



**Economic Development**  
**Adopted Budget - FY 2006/07**  
**Department Budget Summary**  
**Other Funds by Object Account**



**OTHER FUNDS**

**Parking In Lieu (308), Pacific City CFD (318),  
 Emerald Cove (503), Ocean View Estates (510),  
 BID (701,709,710) Bella Terra (711) HOME (843-854),  
 Other Grants (215, 766, 808, 856)**

<b>Revenue Summary</b>	<b>FY 2002/03 Actual</b>	<b>FY 2003/04 Actual</b>	<b>FY 2004/05 Actual</b>	<b>FY 2005/06 Adopted</b>	<b>FY 2005/06 Revised</b>	<b>FY 2006/07 Adopted</b>	<b>Change from Prior Year</b>
00215 Rehab Loans	597,547	672,555	493,360	171,400	215,743	294,500	123,100
00308 In Lieu Parking Downtown	64,047	48,135	46,263	6,400	177,596	40,000	33,600
00503 Emerald Cove	787,071	815,662	915,278	843,400	843,400	1,107,000	263,600
00510 Ocean View Estates MHP	265,303	280,476	300,637	335,800	335,800	370,000	34,200
00701 BID - Auto	127,508	124,612	228,102	160,000	340,000	227,000	67,000
00709 BID - Hotel/Motel	314,584	23,803	685,084	700	530,700	535,000	534,300
00710 BID - Downtown					60,200	61,300	61,300
00766 ADDI 04/05				28,222	28,222		-28,222
00808 Rapid Response Grant	50,435	18,495	1,552	56,400	56,400		-56,400
00843-00854 HOME Program	292,276	1,196,334	60,125	823,233	1,699,052	773,895	-49,338
00856 ADDI 06/07						14,083	14,083
<b>Total</b>	<b>2,498,771</b>	<b>3,180,072</b>	<b>2,730,401</b>	<b>2,425,555</b>	<b>4,287,113</b>	<b>3,422,778</b>	<b>997,223</b>



## Economic Development

### Adopted Budget - FY 2006/07

#### Department Budget Summary

#### All Funds by Business Unit



### BUSINESS UNITS

Division / Business Unit	FY 2002/03 Actual	FY 2003/04 Actual	FY 2004/05 Actual	FY 2005/06 Adopted	FY 2005/06 Revised	FY 2006/07 Adopted	Percent Change From Prior Year
<b>ECD Economic Development</b>							
<b>BD Business Development</b>							
10080101 Business Development Admin	843,827	631,170	504,333	694,918	872,450	1,103,762	58.83%
<b>BD Business Development</b>	<b>843,827</b>	<b>631,170</b>	<b>504,333</b>	<b>694,918</b>	<b>872,450</b>	<b>1,103,762</b>	58.83%
<b>RS Real Estate Services</b>							
10080501 Real Estate Services	244,975	211,134	271,728	419,663	452,258	442,177	5.36%
<b>RS Real Estate Services</b>	<b>244,975</b>	<b>211,134</b>	<b>271,728</b>	<b>419,663</b>	<b>452,258</b>	<b>442,177</b>	5.36%
<b>Other Funds</b>							
21580301 Rehab Loans	488,257	409,464	394,978	500,000	544,343	700,000	40.00%
30580101 Admin RDA	1,803,649	9,188,251	998,386	561,761	1,074,537	773,035	37.61%
30580202 Business Development	-7,756	7					
30581004 Waterfront Beach Maint. Fac.	29,999						
30680301 Housing Set Aside	281,303	4,462,549	516,626	2,974,809	2,984,623	3,043,272	2.30%
30681026 Berge DDA				650,000	650,000		-100.00%
30880101 Parking In Lieu		250,000					
31580101 Southeast Coastal Project	562	69,285	322,812	1,446,892	1,450,818	677,000	-53.21%
31640101 Bella Terra		10,519,341	10,402,581		4,000,000		
31880101 Pacific City CFD					43,000		
40780201 RDA 1999 Tax Allocation Bond						750,000	
40780202 RDA 2002 Tax Allocation Bond						1,618,230	
40780401 Pass Through Payments	125,321	267,042	703,382	472,000	472,000		-100.00%
40980101 Dbt Svc Southeast Coastal		121,503	34,441				
40980401 Pass Through Southeast Coastal		115,943	35,431	50,000	50,000		-100.00%
50380101 Emerald Cove Admin	750,871	792,387	682,447	1,358,753	1,358,753	1,923,158	41.54%
51080501 Ocean View Estates MHP	57,525	62,077	119,072	185,123	186,114	241,379	30.39%
70180101 BID - Auto			573,224		180,000		
70980101 BID - Hotel/Motel			969,686		587,034		
71080101 BID - Downtown			20,100		97,800		
71180101 Parking Structure-Bella Terra					504,079		
76680101 ADDI 04/05				28,222	28,222		-100.00%
80880101 Rapid Response Grant	393	54,990	1,200	20,000	20,000		-100.00%
84381002 Sher Lane		380,000			380,000		
84481002 Sher Lane		91,200			91,200		
84581001 HOME Program		89,550			89,550		
84681001 HOME Program		95,700			95,700		
84780401 HOME Program	-14	249,842			2,919		
84980401 HOME Program 01/02	40,171	195,116			216,450		
85080401 HOME Program 02/03	54,852	91,025					
85180401 HOME Program 03/04			16,561				
85280401 HOME Program 04/05			43,767				
85380401 HOME Program 05/06				905,361	905,361	823,233	-9.07%
85480401 HOME Program 06/07						773,895	
85680101 ADDI 06/07						14,083	
85780302 CDBG Administration 06/07						285,767	
85781015 Rehab Loan Program						150,000	
85781019 Code Enforcement						173,831	
85781502 City Gym/Pool						260,283	
85782001 Job Center						157,504	
85782006 Senior Outreach						41,821	
85782008 Project Self Sufficiency						15,000	



**Economic Development**  
**Adopted Budget - FY 2006/07**  
**Department Budget Summary**  
**All Funds by Business Unit**



**BUSINESS UNITS**

Division / Business Unit	FY 2002/03	FY 2003/04	FY 2004/05	FY 2005/06	FY 2005/06	FY 2006/07	Percent Change From Prior Year
	Actual	Actual	Actual	Adopted	Revised	Adopted	
85782013 Hotline of Southern California						250,000	
85782014 Interval House						50,000	
85782015 OC Council on Aging						44,631	
86182020 Slipline Deteriorated Sewer		2,954					
86245506 Oak View Community Center	726						
86260301 Code Enforcement	363						
86270212 Job Center	442						
86280301 Housing Rehab CDBG	2,206						
86287026 City Gym/Pool	-165,230						
86288007 Storm Drain Repair	2,865	1,438	6,064	300,000	760,436	50,000	-83.33%
86290006 Street Improvements	226,974	37,268					
86445102 Project Self Sufficiency 01/02							
86445502 Senior Outreach 01/02			-49				
86460301 Code Enforcement 01/02	7,429	-3					
86480212 Job Center 01/02	1,482						
86480301 Housing Rehab CDBG 01/02	694	2					
86480302 CDBG Administration 01/02	1,302	-1					
86486001 Oak View Skateboard Prk 01/02	4,497	94,500					
86488007 Storm Drain Repair 01/02	14,544	8,046	1,390				
86489008 Sewer Repairs 01/02	24,797						
86545102 Project Self Sufficiency 02/03	57,265	2,654					
86545502 Senior Outreach 02/03	50,603	1,331					
86545506 Oak View Community Ctr 02/03	9,525	-1					
86550601 Oak View Library Lit. 02/03	37,522	-4					
86560301 Code Enforcement 02/03	133,587	1,447	19				
86580212 Job Center 02/03	59,992						
86580301 Housing Rehab CDBG 02/03	102,569	8,472					
86580302 CDBG Administration 02/03	233,018	1,373					
86582002 Subgrantees 02/03	10,000						
86582010 Community Svcs Program 02/03	29,622						
86582012 HB Community Clinic 02/03	23,000						
86582030 Fair Housing 02/03	40,272						
86587026 City Gym/Pool 02/03	260,261						
86588008 Alabama Storm Drain 02/03	23,642	31,531	-14				
86645102 Project Self Sufficiency 03/04		69,985					
86645502 Senior Outreach 03/04		48,060	447				
86650601 Oak View Library Lit. 03/04		33,737	640				
86660301 Code Enforcement 03/04		142,142	1,638				
86680301 Housing Rehab CDBG 03/04	2,161	100,294	14,617				
86680302 CDBG Administration 03/04	7,183	271,180	20,327				
86680506 Oak View Community Ctr 03/04		36,617	14,190				
86682002 Subgrantees 03/04		22,000					
86682010 Community Svcs Program 03/04		20,086	6,686				
86682030 Fair Housing 03/04		39,216					
86687026 City Gym/Pool 03/04		259,560					
86687501 ADA Compliance/Civic Center			238,200		66,935		
86745102 Project Self Sufficiency 04/05		639	41,019				
86745502 Senior Outreach 04/05		338	48,886				
86745505 Lake View Clubhouse 04/05				40,000	40,000	35,000	-12.50%
86745507 Oak View Com Ctr Imp 04/05			34,968		8,823		



**Economic Development**  
**Adopted Budget - FY 2006/07**  
**Department Budget Summary**  
**All Funds by Business Unit**



**BUSINESS UNITS**

Division / Business Unit	FY 2002/03	FY 2003/04	FY 2004/05	FY 2005/06	FY 2005/06	FY 2006/07	Percent Change From Prior Year
	Actual	Actual	Actual	Adopted	Revised	Adopted	
86750404 Oak View Library Imp 04/05			11,413				
86750601 Oak View Library Lit. 04/05			29,969				
86760301 Code Enforcement 04/05		934	142,621				
86780301 Housing Rehab CDBG 04/05			68,762		16,968		
86780302 CDBG Administration 04/05			213,653		259,814		
86780303 CDBG Unprogrammed 04/05					400,000		
86780506 Oak View Community Ctr 04/05			53,000				
86782002 Subgrantees 04/05			32,500				
86782010 Community Svcs Program 04/05			27,000				
86782030 Fair Housing 04/05			39,768				
86787026 City Gym/Pool 04/05			258,482				
86845102 Project Self Sufficiency 05/06			387	21,802	21,802		-100.00%
86845502 Senior Outreach 05/06			1,015	61,869	61,869		-100.00%
86845503 Beach Wheelchair 05/06				14,130	14,130		-100.00%
86850601 Oak View Library Lit. 05/06				17,500	17,500		-100.00%
86860301 Code Enforcement 05/06				173,831	173,831		-100.00%
86880301 Housing Rehab CDBG 05/06			170	163,482	163,482		-100.00%
86880302 CDBG Administration 05/06				281,082	281,082		-100.00%
86880506 Oak View Community Ctr 05/06				53,004	53,004		-100.00%
86882002 Subgrantees 05/06				57,500	57,500		-100.00%
86882010 Community Svcs Program 05/06				27,000	27,000		-100.00%
86882030 Fair Housing 05/06				37,152	37,152		-100.00%
86887026 City Gym/Pool 05/06				257,057	257,057		-100.00%
<b>Other Funds</b>	<b>4,828,446</b>	<b>28,741,067</b>	<b>17,142,430</b>	<b>10,658,330</b>	<b>18,730,888</b>	<b>12,851,122</b>	<b>20.57%</b>
General Fund	1,088,802	842,304	776,061	1,114,581	1,324,708	1,545,939	38.70%
Other Funds	4,828,446	28,741,067	17,142,430	10,658,330	18,730,888	12,851,122	20.57%
<b>Grand Total(s)</b>	<b>5,917,248</b>	<b>29,583,371</b>	<b>17,918,491</b>	<b>11,772,911</b>	<b>20,055,596</b>	<b>14,397,061</b>	<b>22.29%</b>