

**Summary**  
**Community Development Services**

Kirk Girard, Community Development Services Director

	<b>2003-04</b>	<b>2004-05</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2005-06</b>	<b>Increase/ (Decrease)</b>
<b>Departmental Summary</b>	<b>Actual</b>	<b>Adjusted</b>	<b>Actual</b>	<b>Request</b>	<b>Adopted</b>	
<b>Departmental Revenues</b>						
Attributable to Department	\$3,177,666	\$12,033,955	\$6,265,650	\$12,813,126	\$12,813,126	\$779,171
General Fund Contribution	797,752	720,372	754,168	797,234	797,234	76,862
(To)/From Non-GF Fund Balance	(88,816)	0	42,395	0	0	0
<b>Grand Total Revenues</b>	<b>\$3,886,602</b>	<b>\$12,754,327</b>	<b>\$7,062,213</b>	<b>\$13,610,360</b>	<b>\$13,610,360</b>	<b>\$856,033</b>
<b>Departmental Expenditures</b>						
Salaries & Benefits	\$2,348,767	\$2,837,404	\$2,624,445	\$3,273,897	\$3,273,897	\$436,493
Supplies & Services	557,017	705,225	549,160	741,829	741,829	36,604
Other Charges	1,150,901	9,751,996	4,351,135	10,145,391	10,145,391	393,395
Fixed Assets	13,306	10,701	11,986	34,420	34,420	23,719
Expense Transfer	(183,389)	(550,999)	(474,513)	(585,177)	(585,177)	(34,178)
<b>Grand Total Expenditures</b>	<b>\$3,886,602</b>	<b>\$12,754,327</b>	<b>\$7,062,213</b>	<b>\$13,610,360</b>	<b>\$13,610,360</b>	<b>\$856,033</b>
<b>Departmental Staffing</b>	<b>41.00</b>	<b>49.25</b>	<b>49.25</b>	<b>56.46</b>	<b>56.46</b>	<b>7.21</b>

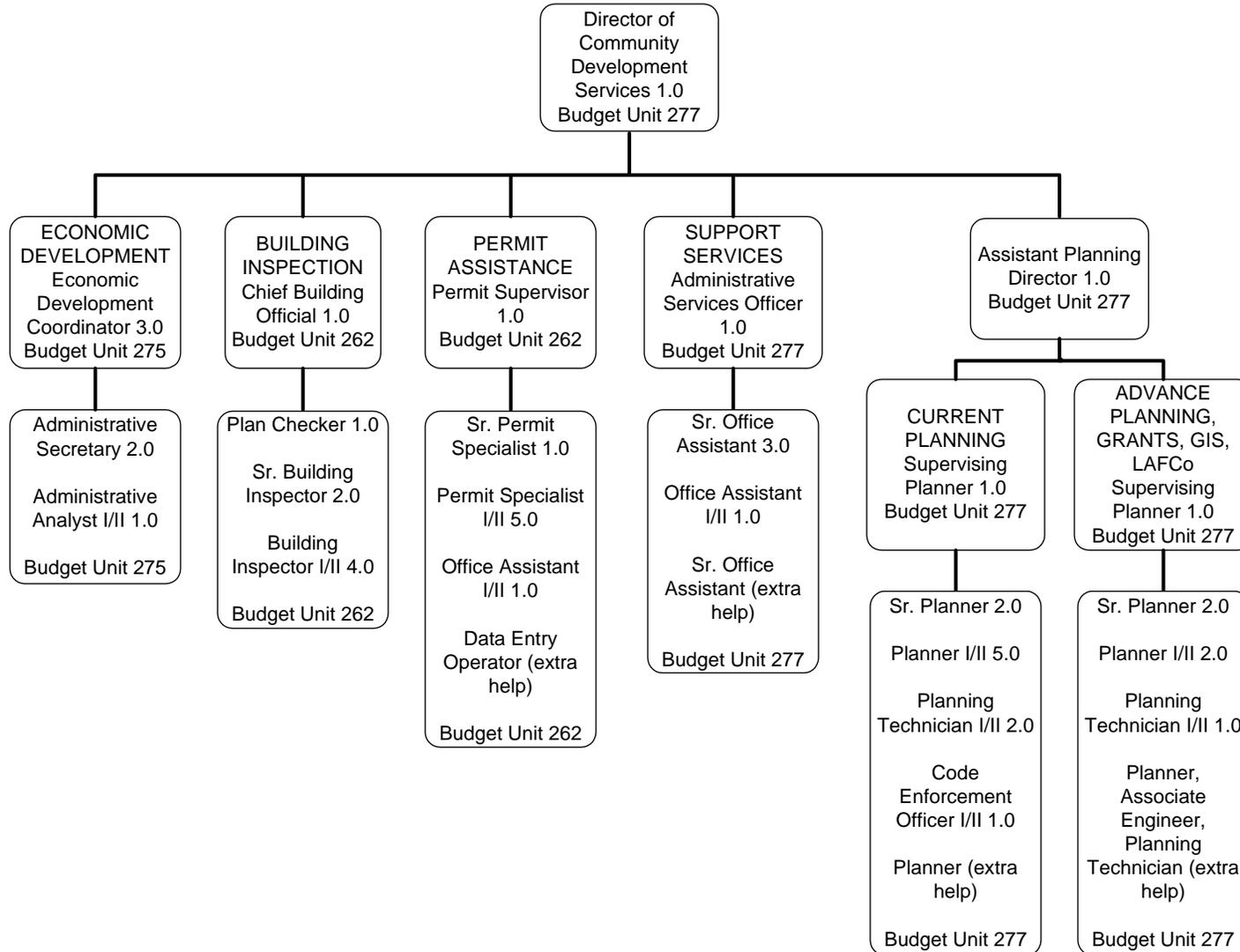
The Community Development Services Department includes the following budget units:

- 1100 262 Building Inspections
- 1100 277 Planning
- 1100 284 LAFCO
- 1120 275 Economic Development
- 1120 286 Headwaters Fund
- 1120 287 Workforce Development
- 1120 288 Redevelopment

*Summary*  
*Community Development Services*

Kirk Girard, Community Development Services Director

**Organizational Chart:**



	2003-04	2004-05	2004-05	2005-06	2005-06	Increase/
1100 - General Fund	Actual	Adjusted	Actual	Request	Adopted	(Decrease)
<b>Revenues</b>						
Licenses & Permits	\$855,119	\$971,590	\$947,998	\$1,132,553	\$1,132,553	\$160,963
Charges for Services	11,816	8,000	10,716	8,000	8,000	0
Other Revenues	634	42,676	52	0	0	(42,676)
<b>General Fund Support</b>	153,101	136,065	169,041	163,425	163,425	27,360
<b>Total Revenues</b>	<b>\$1,020,670</b>	<b>\$1,158,331</b>	<b>\$1,127,807</b>	<b>\$1,303,978</b>	<b>\$1,303,978</b>	<b>\$145,647</b>
<b>Expenditures</b>						
Salaries & Benefits	\$792,105	\$948,583	\$896,157	\$1,062,646	\$1,062,646	\$114,063
Supplies & Services	131,149	108,184	128,123	145,558	145,558	37,374
Other Charges	107,796	111,735	111,884	112,565	112,565	830
Fixed Assets	5,791	6,000	7,814	10,000	10,000	4,000
Expense Transfer	(16,171)	(16,171)	(16,171)	(26,791)	(26,791)	(10,620)
<b>Total Expenditures</b>	<b>\$1,020,670</b>	<b>\$1,158,331</b>	<b>\$1,127,807</b>	<b>\$1,303,978</b>	<b>\$1,303,978</b>	<b>\$145,647</b>
Allocated Positions	15.00	16.00	16.00	18.00	18.00	2.00
Temporary (FTE)	N/A	1.03	1.03	1.03	1.03	0.00
<b>Total Staffing</b>	<b>15.00</b>	<b>17.03</b>	<b>17.03</b>	<b>19.03</b>	<b>19.03</b>	<b>2.00</b>

**Purpose**

The Building Inspection Division is responsible for processing permits and approvals and collecting associated fees. Another major function of the Building Inspection Division is field inspection and the resolution of violations. The inspectors

provide a source of public information in the field and office. Additionally, the Division has a plan checking function. Residential plans, and plans for projects that do not require complex engineering, are checked in-house.

### Major Budget Changes

#### Salaries & Employee Benefits

- \$62,238 General salary and benefits increases.
- \$44,825 Addition of one Department Information Systems Technician and one Data Entry Operator I.
- \$7,000 Increase in overtime expenditures for peak period building inspections.

#### Services & Supplies

- \$2,025 Increase in equipment maintenance expenses.
- \$15,000 Increase in professional and specialized services for commercial project plan reviews.
- \$13,000 Increase in transportation and travel costs due to increased gasoline prices.

#### Fixed Assets & Capital Improvements

- \$6,237 7 replacement computers
- \$3,200 Replacement color printer.

#### Cost Reimbursements

- \$10,620 Increase in reimbursements for Building Inspection staff working at Planning Counter.

#### Revenues

- \$160,963 Increase in construction permit fee revenue due to workload growth.
- (\$42,676) Decrease in transfer from Building Division Trust Fund.

### Program Discussion

The Building Inspection Division has three primary functions:

#### Permit Processing

Permit Specialists process building permit applications, interpret zoning regulations, and verify completeness of applications. The Permit Specialists determine and apply appropriate regulations for each proposed project from a variety of planning and building regulations, codes, and ordinances. These staff members are responsible in meeting with both the permit applicants and the general public to advise them of what will be required, review their applications, obtain the required approvals, calculate permit fees, and determine fees applicable for other departments. They issue the permits and maintain the required records.

The Building Inspection Division process permits and approvals and collects fees for the following departments:

Environmental Health, the Real Property Division of the Public Works Department, and the Planning Division. In addition, Building Inspection collects development impact fees and special drainage program fees for the McKinleyville Community Service District, and also collects developer fees for McKinleyville Union School District, Hydesville Elementary School District, and Pacific Union School District.

### **Inspection & Violations**

The second major function of the Building Inspection Division is field inspections, and the continued efforts of each inspector to work with people to resolve violations. The inspector inspects all facets of new construction, additions, and remodels from the beginning to the end of the project. They interpret and enforce the Model Codes, State Energy Standards, and local ordinances.

Building Inspectors also perform Planning investigations, check building plans, perform health and safety inspections, check structures for conformance with their business licenses, and investigate alleged violations.

### **Plan Checking**

Residential plans, and plans for projects that do not require complex engineering are checked in-house. The “fast check” review is available for single story conventionally framed residential buildings and is used to expedite the plan review process. Building Inspection has a “modified review” option to expedite plan check reviews for two-story conventionally framed residential buildings.

Complex plans, and most commercial and industrial construction plans, are sent out to one of four private-sector firms for review.

### **New Positions**

Permit fees provide the majority of revenue for the Building Inspections Division. The adopted FY 2005-06 budget totals \$1,353,978. General Fund revenues comprise \$163,425, or 12%, of that amount. The FY 2005-06 budget includes two new positions: a Data Entry Operator and a Department Information Systems Technician.

Building Inspections has initiated a scanning project to digitize all existing and future permit records. The program will allow public access to information that is currently only available through a staff member. The program will ensure that aging documents will not be destroyed. A Data Entry Operator position is being added to complete this project.

Building Inspection’s existing information system, which is used to issue building permits, is 12 years old and in need of an upgrade. The adopted budget includes the addition of a new Department Information Systems Technician to keep the current system operating and design an upgraded system.

### **Building Inspection Trust Fund**

In years of high building activity, any revenue from building permits that is not fully expended for the building permit program is held in the Building Inspection Trust Fund #3564 to be used to fund the program in years when building activity is low. The Trust Fund’s balance has grown from \$126,810 in June 2002 to \$900,285 in June 2005.

2004-05 Accomplishments

1. Achieved a record number of clients and projects, resulting in an all-time record increase in revenue for the Division.
2. Re-organized the Division to make an in-house inspector available to assist with general and plan checking questions as well as assisting the plan checker in reviewing plans, resulting in a positive response from clients and a reduction in the plan check turnaround time from 8-10 weeks to 2-3 weeks. Initiated a digital imaging program to assure permanent maintenance of records.

2005-06 Objectives

1. To continue providing superior personal customer service.
2. To complete Phase I of the digital imaging process of stored documents.
3. To upgrade or replace Building Permit software program.
4. To convert existing storage area to office space to accommodate the growth of the Division.

<b>Building Inspection Division Workload Data</b>					
	2002	Actual 2003	2004	Estimated	
				2005	2006
<b><u>Building Permits Issued</u></b>					
New Single-Family Residences	247	262	310	322	350
Single Family Additions/Alterations	491	566	541	510	551
Multi-Family Residences (total units)	40	6	37	28	38
Mobile Residences	41	40	58	55	57
<i>Total Permits Issued:</i>	819	874	946	915	996
<b><u>Value of Building Permits Issued</u></b>					
New Single-Family Residences	\$21,953,811	\$22,954,097	\$26,521,448	\$27,548,085	\$29,943,571
Single Family Additions/Alterations	5,677,230	7,331,758	7,892,789	\$6,815,451	\$8,038,682
Multi-Family Residences	1,634,049	335,675	1,581,049	\$2,188,924	\$1,623,779
Mobile Residences	464,837	430,070	669,405	\$669,000	\$693,000
<i>Total Value of Permits Issued:</i>	\$29,729,927	\$31,051,600	\$36,664,691	\$37,221,460	\$40,299,032

	2003-04	2004-05	2004-05	2005-06	2005-06	Increase/ (Decrease)
1100 - General Fund	Actual	Adjusted	Actual	Request	Adopted	
<b>Revenues</b>						
Other Gov't Agencies	\$280,011	\$478,287	\$260,390	\$500,000	\$500,000	\$21,713
Charges for Services	574,600	778,619	673,487	1,060,443	1,060,443	281,824
Other Revenues	2,415	2,500	2,895	2,500	2,500	0
<b>General Fund Support</b>	636,110	575,399	576,644	622,099	622,099	46,700
<b>Total Revenues</b>	<b>\$1,493,136</b>	<b>\$1,834,805</b>	<b>\$1,513,416</b>	<b>\$2,185,042</b>	<b>\$2,185,042</b>	<b>\$350,237</b>
<b>Expenditures</b>						
Salaries & Benefits	\$1,253,287	\$1,470,560	\$1,373,077	\$1,663,079	\$1,663,079	\$192,519
Supplies & Services	319,383	320,840	227,843	349,196	349,196	28,356
Other Charges	60,097	220,422	47,314	304,396	304,396	83,974
Fixed Assets	0	0	0	19,520	19,520	19,520
Expense Transfer	(139,631)	(177,017)	(134,818)	(151,149)	(151,149)	25,868
<b>Total Expenditures</b>	<b>\$1,493,136</b>	<b>\$1,834,805</b>	<b>\$1,513,416</b>	<b>\$2,185,042</b>	<b>\$2,185,042</b>	<b>\$350,237</b>
<b>Staffing</b>						
Allocated Positions	21.00	24.00	24.00	24.00	24.00	0.00
Temporary (FTE)	N/A	2.36	2.36	3.71	3.71	1.35
<b>Total Staffing</b>	<b>21.00</b>	<b>26.36</b>	<b>26.36</b>	<b>27.71</b>	<b>27.71</b>	<b>1.35</b>

**Purpose**

The Planning Division is responsible for planning and facilitating land use development based on the policies of the General Plan, Community Plans, County Codes and Ordinances as well as State and Federal regulations. Planning

works with many facets of the community to gather comments regarding proposed developments and provide input into the formation of policies and plans to guide the development of the County. The Planning Department is comprised of three sections: Support Services, Current Planning, and Advance Planning, Grants and Computer Services.

State planning law is codified within Government Code §65000. The Department also implements other State and federally mandated programs including flood hazard protection, geologic and/or seismic safety, timber production zoning, administration of Williamson Act contracts and Coastal planning and permit authority.

### Major Budget Changes

#### Salaries & Employee Benefits

- \$78,614 General salary and benefits increases, includes continuation of voluntary work furlough for one employee.
- \$103,905 Increase for extra-help expenses.
- \$10,000 Increase in overtime expenses.

#### Services & Supplies

- \$30,000 Increase in software licensing expenses for web-based geographic information system (GIS).

#### Other Charges

- \$100,000 New Title 3 conservation easement expenditures.
- (\$20,000) Decrease in Title 3 grant program expenditures.

#### Fixed Assets & Capital Improvements

- \$16,000 12 replacement computer CPU's.
- \$1,595 Conference table
- \$1,925 Computer workstation

#### Revenues

- (\$54,000) Close-out of Coastal Assistance Grant
- (\$20,000) Decrease in U.S. Forest Service revenue
- (\$46,000) Decrease in countywide fire plan revenue
- \$150,000 New Title 3 conservation easements revenue.
- (\$8,287) Elimination of CalTrans Traffic Planning Grant revenue.
- (\$251,807) Decrease in planning & engineering services fees, based on historical experience.
- \$273,738 Increase in outside planning revenue.
- \$217,376 Increase in General Plan user fee revenue.
- \$23,740 Increase in project facilitation revenue.

### Program Discussion

The Community Development-Planning Department consists of three main functions: Current Planning Division, the Advanced Planning Division and the Support Services Division.

#### Current Planning

Current Planning Division's principal work is processing permit applications, such as subdivisions, lot line adjustments and use permits. Approximately 20 land use permits are processed per month. In addition, Current Planning provides public information, operates a code enforcement program, reviews building applications and business licenses, and assigns addresses and street names.

This budget includes funding for the building and planning Code Compliance Officer position approved in FY 2004-05. Historically, this effort has been staffed with Planners. More recently, the position has been filled with extra help. The code compliance effort is generating significant revenues through a double-fee permit program, which is charged for all projects that were started without necessary permits. The Code Compliance Officer position will be partially funded through code enforcement revenue recovery.

Permit fees provide the majority of revenue for Current Planning. Due to increased permit volumes and improved productivity, planning revenues have increased. Revenues in excess of the amount needed for current-year expenditures are placed in the Current Planning Trust Fund as a hedge against low-revenue years. The Current Planning Trust Fund's balance has grown steadily over the last three years, from \$61,556 in June 2002 to \$217,425 in June 2005. No transfers from the Current Planning Trust Fund are anticipated for FY 2005-06.

#### Advance Planning

The Advance Planning Division prepares and updates the General

Plan and Land Use and Development codes, including Community Plans, Housing Element and Local Coastal Plans. Staff provides citizen advisory committee support and public information related to advance planning. Specialists within Advance Planning provide information services support to the entire department; including geographic information system (GIS) support, database and network management, and web page production and maintenance. Advance Planning also implements an advanced planning and resource management grant program.

Advance Planning's primary goal is to accelerate the work on the General Plan update. At the conclusion of the Sketch Plan Alternatives phase, the Board directed the Department to conduct detailed assessments of urban infilling and growth scenarios with a focus on housing availability and infrastructure costs. These growth scenarios and the balance of a draft General Plan and Environmental Impact Report (EIR) will be prepared and circulated for public comment in FY 2005-06. The Division will also support the newly formed Williamson Act Advisory Committee. New grant programs the Division will administer include the Countywide Fire Department and Fire Safe Council grant program and the Countywide Conservation Easement program. The Division will implement the Humboldt County Association of Governments (HCAOG) transportation modeling grant. This budget includes funding for increased consultant assistance and extra-help to support these programs.

The Division is also developing a Web-based GIS system that will allow the general public to access the department's GIS resources. The Department also anticipates initiating implementation of the McKinleyville Community Plan with a focus on the Town Center and working cooperatively with the Department of Public Works on a Drainage Plan.

Extra-help employees will be hired to conduct General Plan Update transportation and infrastructure planning. Consultants will be retained for a General Plan Economic Study and a Web-based GIS system. These programs require increases in computer software and

hardware expenses, office equipment and re-modeling of office space.

The Advance Planning Division has successfully obtained several grants to supplement the General Plan update. This revenue, combined with increases in General Plan user fees will be available to Advance Planning in FY 2005-06 to build staffing levels and renew the use of consultants in the General Plan Update program.

US Forest Service Title III revenues allocated by the Board are supporting a Fire Department and Fire Safe Council grant program and a Conservation Easement Grant Program.

The Advance Planning Division also has a trust fund, derived from valuation fees on construction permits and GIS product sales. The Advance Planning Trust Fund's balance has fluctuated over the last several years, from \$175,405 in June 2002 to a low of \$107,065 in June 2003. As of June 2005, the balance stood at \$237,408. No transfer of funds from the Advance Planning Trust Fund is anticipated in FY 2005-06.

### Support Services

The Support Services Division performs fiscal and accounting functions, provides clerical support, assists in the processing of permits, and acts as the recording secretary to the Planning Commission and the Local Agency Formation Commission (LAFCo).

The Support Services Division plans to scan historical permit records into a document imaging system in FY 2005-06.

### Permit Reform Initiative

The Community Development Department is proposing a Permit Reform Initiative that includes a suite of new permit services offered by a Customer Support Group. The Customer Support Group is expected to enhance application assistance and customer service and

communication. This will be accomplished by developing an Applicant Support Division, an Application Assistance Program for Self-Help Applicants to help customers prepare their permit/subdivision applications, an Expedited (E+) Permit Program for Infill Residential Subdivisions providing expedited permit processing for residential subdivisions and low-income housing projects, and a Permit Process Management and Tracking System (On Track).

### Departmental Reorganization With Regional Focus

The Department is also proposing a re-organization of planners into groups with regional expertise and focus. The re-organization of planners into regional work groups will improve planners' judgment and analysis of permit applications, and increase the connections between the Advance Planning, Economic Development and Current Planning Divisions. Implementation of these new programs will require an increase in salaries, extra-help and overtime allocations. This is not anticipated to increase Planning's net county cost. Revenues will be reviewed during the year to ensure they keep pace with budget expectations. If targets are not attained, expenses will be reduced.

## 2004-05 Accomplishments

1. Hired an additional Planner in Current Planning to process permits, and implemented a new on-site posting procedure for certain types of land use projects.
2. Continued progress on updating the County's General Plan. Reviewed alternative patterns of development with the public, and the recommended alternatives were ultimately approved by the Board of Supervisors.
3. Installed a new accounting system, and a reminder system for notifying applicants of permit expiration dates.

**277 - Community Development - Planning**

Kirk Girard, Community Development Services Director

**2005-06 Objectives**

1. To implement Current Planning’s Permit Reform Initiative and re-organize staff into regional assignments.
2. To complete the draft General Plan Update and EIR.
3. To develop a web-based GIS system.
4. To complete the County Fire Plan.
5. To begin implementation of the McKinleyville Community Plan.

**284 - Local Agency Formation Commission**

Kirk Girard, Community Development Services Director

	2003-04	2004-05	2004-05	2005-06	2005-06	Increase/
<b>1100 - General Fund</b>	<b>Actual</b>	<b>Adjusted</b>	<b>Actual</b>	<b>Request</b>	<b>Adopted</b>	<b>(Decrease)</b>
<b>Revenues</b>						
Charges for Services	\$22,191	\$20,316	\$18,516	\$25,922	\$25,922	\$5,606
<b>General Fund Support</b>	8,541	8,908	8,483	11,710	11,710	2,802
Total Revenues	\$30,732	\$29,224	\$26,999	\$37,632	\$37,632	\$8,408
<b>Expenditures</b>						
Supplies & Services	\$3,078	\$4,290	\$2,065	\$4,850	\$4,850	\$560
Other Charges	27,653	24,934	24,934	32,782	32,782	7,848
Total Expenditures	\$30,732	\$29,224	\$26,999	\$37,632	\$37,632	\$8,408

**Purpose**

The Humboldt County Local Agency Formation Commission (LAFCo) is a State mandated agency (Government Code Section 56325) whose purpose (Government Code Section

56001) is to discourage urban sprawl and to encourage the orderly formation and development of local governmental agencies based upon local conditions and circumstances. LAFCo’s membership is comprised of two County supervisors, two City Council members, two elected representatives of special districts, and one public member. Commission

membership also includes an alternate for each category of voting members.

### Major Budget Changes

#### Other Charges

- \$7,848 Increase in administrative charges to Planning Division.

#### Revenues

- \$2,803 Increase in program support from incorporated cities.
- \$2,803 Increase in program support from special districts.

### Program Discussion

LAFCo reviews and approves or disapproves all proposals for changes in the boundaries of cities and special districts in the county. Such changes include annexations, detachments, city incorporations, district formations, or dissolution of a city or district.

LAFCo is also required to determine and adopt the "Sphere of Influence" of each local governmental agency in the county. The sphere of influence is defined as a plan for the probable ultimate physical boundary and service area of the affected agency. This planning tool is used by the Commission, the affected agency, county departments state and federal agencies, and concerned citizens to determine when and where various services will be available. California Government Code (GC)

§56425f mandates that spheres of influence for all local agencies in Humboldt County be updated "as necessary, not less than once every 5 years."

GC §56430 mandates that LAFCo "conduct a service review of the municipal services provided in the county" and shall "comprehensively review all of the agencies that provide the identified service or services." In doing so, LAFCo follows the LAFCo Municipal Service Review Guidelines released by the Governor's Office in October 2002.

Staff support for LAFCo is provided by Community Development's Planning Division (#277); these costs are then charged out to the LAFCo budget. Humboldt County, the cities, and the special districts all provide a share of the funding for LAFCo. Pursuant to GC §56381(b), the County pays for 1/3<sup>rd</sup> of LAFCo's annually adopted budget. LAFCo adopted its FY 2005-06 budget on May 25, 2005.

During FY 2005-06, LAFCo staff will be working on Municipal Service Reviews (MSRs) for the cities of Arcata, Blue Lake, Eureka, Fortuna, plus the McKinleyville Community Service District (CSD), Fieldbrook CSD, and Humboldt CSD, as part of the County General Plan Update. The local cities and districts will be asked to complete the infrastructure planning work that will support drafting their MSRs, draft Spheres of Influence, and the County General Plan. With the help of these local agencies, staff has scheduled completion of their MSRs in FY 2005-06. The cities' MSRs are essential components of the County General Plan Update and Environmental Impact Report that must be completed prior to adoption of Sphere of Influence Reports for the larger cities and districts in the county.

These activities will require that LAFCo staff commit additional time to helping local agencies complete this work. It

will also require LAFCo to participate in the review of agency boundaries to insure that the MSRs and draft Spheres of Influence are consistent with LAFCo mandates. In addition, LAFCo will be managing a multi-year work program to update all sphere of influence reports in concert with the County General Plan Update and local agency infrastructure/service planning.

The two-year staffing agreement between the County and LAFCo ends in June 2005, and will need to be extended for another two-year period to continue providing County facilities and staff support for LAFCo. This agreement will be brought to the Board in the near future.

## **2004-05 Accomplishments**

1. Worked with local cities and districts in identifying urban development areas as part of the County Sketch Plan work.
2. Completed extensive public outreach as part of the County Fire Planning work.
3. Completed MSRs and Spheres of Influence for the Kneeland, Petrolia, Telegraph Ridge, and Whitethorn Fire Protection Districts.

## **2005-06 Objectives**

1. To support four local cities and three of the larger CSDs in completing their draft MSRs part of the County General Plan update.
2. To manage a multi-year work program to update all Sphere of Influence reports.
3. To review agency boundaries to insure that MSRs and draft Spheres of Influence are consistent with LAFCo's legal mandates.

	<b>2003-04</b>	<b>2004-05</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2005-06</b>	<b>Increase/</b>
<b>1120 - Economic Dev Fund</b>	<b>Actual</b>	<b>Adjusted</b>	<b>Actual</b>	<b>Request</b>	<b>Adopted</b>	<b>(Decrease)</b>
<b>Beginning Fund Balance</b>	(\$266,530)	(\$177,713)	(\$177,713)	(\$220,108)	(\$220,108)	(\$42,395)
<b>Program Revenues</b>						
Economic Development	1,292,775	5,461,828	2,200,063	6,280,144	6,280,144	\$818,316
Headwaters Fund	138,106	464,527	221,129	487,676	487,676	23,149
Workforce Investment	0	3,595,612	1,904,966	3,156,960	3,156,960	(438,652)
Redevelopment	0	210,000	25,438	158,928	158,928	(51,072)
<b>Total Revenues</b>	<b>\$1,430,881</b>	<b>\$9,731,967</b>	<b>\$4,351,596</b>	<b>\$10,083,708</b>	<b>\$10,083,708</b>	<b>\$351,741</b>
<b>Expenditures</b>						
Economic Development	\$1,234,542	\$5,461,828	\$2,108,669	\$6,280,144	\$6,280,144	\$818,316
Headwaters Fund	107,522	464,527	226,629	487,676	487,676	23,149
Workforce Investment	0	3,595,612	1,887,360	3,156,960	3,156,960	(438,652)
Redevelopment	0	210,000	171,333	158,928	158,928	(51,072)
<b>Total Expenditures</b>	<b>\$1,342,064</b>	<b>\$9,731,967</b>	<b>\$4,393,991</b>	<b>\$10,083,708</b>	<b>\$10,083,708</b>	<b>\$351,741</b>
<b>Ending Fund Balance</b>	<b>(\$177,713)</b>	<b>(\$177,713)</b>	<b>(\$220,108)</b>	<b>(\$220,108)</b>	<b>(\$220,108)</b>	<b>(\$42,395)</b>

The Fund 1120 Summary includes the following four budget units:

- 1120 275 Economic Development
- 1120 286 Headwaters Fund
- 1120 287 Workforce Investment
- 1120 288 Redevelopment Agency

<b>1120 - Economic Development Fund</b>	<b>2003-04 Actual</b>	<b>2004-05 Adjusted</b>	<b>2004-05 Actual</b>	<b>2005-06 Request</b>	<b>2005-06 Adopted</b>	<b>Increase/ (Decrease)</b>
<b>Revenues</b>						
Other Gov't Agencies	\$1,292,775	\$5,461,828	\$2,200,063	\$6,280,144	\$6,280,144	\$818,316
(To/From) Non-GF Fund Balance	(58,233)	0	(91,394)	0	0	0
<b>Total Revenues</b>	<b>\$1,234,542</b>	<b>\$5,461,828</b>	<b>\$2,108,669</b>	<b>\$6,280,144</b>	<b>\$6,280,144</b>	<b>\$818,316</b>
<b>Expenditures</b>						
Salaries & Benefits	\$239,085	\$418,261	\$355,211	\$548,172	\$548,172	\$129,911
Supplies & Services	97,482	94,966	87,999	96,098	96,098	1,132
Other Charges	918,048	5,301,712	1,984,811	6,038,211	6,038,211	736,499
Fixed Assets	7,515	4,700	4,172	4,900	4,900	200
Expense Transfer	(27,587)	(357,811)	(323,524)	(407,237)	(407,237)	(49,426)
<b>Total Expenditures</b>	<b>\$1,234,542</b>	<b>\$5,461,828</b>	<b>\$2,108,669</b>	<b>\$6,280,144</b>	<b>\$6,280,144</b>	<b>\$818,316</b>
<b>Staffing</b>						
Allocated Positions	4.00	4.00	4.00	6.00	6.00	2.00
Temporary (FTE)	N/A	1.86	1.86	3.72	3.72	1.86
<b>Total Staffing</b>	<b>4.00</b>	<b>5.86</b>	<b>5.86</b>	<b>9.72</b>	<b>9.72</b>	<b>3.86</b>

**Purpose**

The Economic Development Division works to strengthen the economy and workforce of Humboldt County. It promotes private-sector investments by helping businesses overcome constraints and access resources. It builds community infrastructure to promote business development, affordable housing and the elimination of depressed living conditions. It

strengthens the County’s workforce through the activities of the Workforce Investment Board and the administration of the Workforce Investment Act. The work is guided by the County’s comprehensive economic development strategy: “Prosperity! The North Coast Strategy.”

## Major Budget Changes

### Salaries & Employee Benefits

- \$59,116 General salary and benefits increases. Includes addition of 2.0 new positions, tentatively classified as an Administrative Analyst II and an Administrative Secretary.
- \$70,795 Increase in extra-help expenses for grant administration.

### Services & Supplies

- \$9,655 Increase in insurance costs.
- (\$3,279) Decrease in memberships expense.
- \$3,522 Increase in equipment expense.

### Other Charges

- (\$22,656) Decrease in administrative charges from Planning Division.
- \$265,000 Increase in Redway HOME program expenditures.
- \$900,000 Increase in Willow Creek housing HOME program expenditures.
- \$500,000 Increase in Redway multiple assistance center CDBG expenditures.

- \$95,000 Increase in housing rehabilitation expenditures.
- \$300,000 Increase in owner-occupied home rehabilitation CalHome expenditures.
- (\$334,000) Elimination of one-time expenditure for food bank truck purchased under CDBG grant.
- (\$296,000) Reduction in CASA building acquisition grant expenditures.
- (\$108,000) Reduction in Samoa brownfield rehabilitation grant expenditures.

### Fixed Assets

- \$2,900 2 new computers for extra-help personnel.
- \$2,000 Replacement printer.

### Revenues

- \$818,316 Increases in numerous state and federal grant and loan programs.

## Program Discussion

The Economic Development Division works to strengthen the economy of Humboldt County. It promotes private-sector investments by helping businesses overcome constraints and access resources. It redevelops and builds community infrastructure to promote business development, affordable housing and the

elimination of depressed living conditions. It strengthens the County's workforce through the activities of the Workforce Investment Board.

Within the Economic Development Division are three programs that are primarily funded with state and federal grants: affordable housing development, business & workforce development, and infrastructure development.

The Economic Development Division also manages the functions of three additional budget units: the Headwaters Fund (#286), the Workforce Investment Board (#287), and the Redevelopment Agency (#288).

The majority of Economic Development's activities are funded through state and federal grant sources. However, some administrative and management labor, service and supply costs cannot be charged to external grants. Non-recoverable costs can include grant acquisition, coordination with cities and economic development organizations, business information and assistance, program management, unanticipated special projects and implementation of County sponsored programs. The adopted budget for the Economic Development Division for FY 2005-06 assumes contributions from three separate budget entities: the Headwaters Fund, the Redevelopment Agency, and the Workforce Investment unit. These funds will augment the projected \$6 million dollars in federal and state grant revenue.

The overarching goals of the Economic Development Division remain the same as prior years:

- Economic development and infrastructure planning.
- Promoting the growth of industry clusters.
- Building local capacity for coordinated economic development initiatives.

- Obtaining grants and leveraging economic development funds.
- Developing and redeveloping rural communities.
- Assisting economically depressed populations and areas.
- Strengthening the county workforce.

There will be three key changes in Economic Development in FY 2005-06: (1) an emphasis on infrastructure development; (2) integration of workforce and economic development efforts; and (3) increased extra-help staffing to implement newly-funded projects and programs.

Deterioration and a lack of rural infrastructure has been identified as a core constraint to future economic and housing development within the County. The Economic Development Division will work more closely with the County's Planning Division and other jurisdictions to specify rural infrastructure needs and secure funding. Adoption of the Redevelopment Agency 5-year Implementation Plan will allow crucial funding for future infrastructure investments. The funding for this work will come through existing and future grants as outlined in the Redevelopment Agency budget (#288).

Integration of workforce and economic development efforts to better serve the needs of employers in local industries will be a key focus in FY 2005-06, with funding for these efforts coming from project-specific grants and formula-allocated funding administered under the Workforce Investment Board budget (#287).

The Economic Development Division recognizes the need to add permanent staff and hire extra help staff to implement the projects and programs outlined in its objectives for FY 2005-06. The volume of grant funding secured in the last two years requires additional staffing to properly implement those projects and programs. The adopted budget includes \$98,522 to add two new positions (the exact job titles are pending, but were tentatively budgeted as an

Administrative Analyst II and an Administrative Secretary) and an increase of \$70,795 to add 2.14 FTE of extra-help staffing. This staffing increase is a carefully planned phase-in of staff.

### Economically Depressed Rural Communities

The Division is working diligently to prepare a 5-year plan for redevelopment of economically depressed rural communities in the County. Complete establishment of the County Redevelopment Agency will provide the key leverage funding to alleviate infrastructure constraints, and pave the way for economic recovery and increased tax revenues in the long term.

### 2004-05 Accomplishments

1. Grant writing and resource development: wrote and received nine new grants totaling over \$5 million and received revolving loan payments totaling \$75,000.
2. Completed several infrastructure projects, including the Orick Wastewater Study, Samoa Industrial Park Development, and Living in a Networked World study.
3. Worked with development partners on Proposition 50 funding and Buckhorn Summit road project.
4. Prepared update of Comprehensive Economic Development Strategy, *Prosperity!*, for adoption by cities and the County.
5. Assisted 11 low-income households through the FTHB and Housing Rehabilitation programs.
6. Provided gap rehabilitation funds to fund the recently-opened Multiple Assistance Center in Eureka.

### 2005-06 Objectives

1. To increase funding available through additional grant writing and resource development, including increasing revolving loan funds.
2. To work with development partners on Proposition 50 funding and Buckhorn Summit financing.
3. To complete a variety of studies, including a Natural Meat Market Development Study; Marketing for Dairy, Agriculture and Tourism industries; living wage job growth opportunities in the local labor market, and a supportive housing needs assessment (Section 504) study.
4. To complete predevelopment work for Orick wastewater, Samoa industrial park, and other infrastructure projects.
5. To update three industry cluster workplans and implement industry cluster development projects.
6. To complete the 20-unit multi-family low-income housing development in Redway.
7. To obtain a truck for the food bank.
8. To complete the Habitat Homebuyer project.

	2003-04	2004-05	2004-05	2005-06	2005-06	Increase/
1120 - Economic Dev Fund	Actual	Adjusted	Actual	Request	Adopted	(Decrease)
<b>Revenues</b>						
Other Gov't'l Agencies	\$30,583	\$0	\$0	\$0	\$0	\$0
Other Revenues	107,522	464,527	221,129	487,676	487,676	23,149
(To)/From Non-GF Fund Balance	(30,583)	0	5,500	0	0	0
<b>Total Revenues</b>	<b>\$107,522</b>	<b>\$464,527</b>	<b>\$226,629</b>	<b>\$487,676</b>	<b>\$487,676</b>	<b>\$23,149</b>
<b>Expenditures</b>						
Salaries & Benefits	\$64,290	\$0	\$0	\$0	\$0	\$0
Supplies & Services	5,925	30,052	1,964	50,252	50,252	20,200
Other Charges	37,307	434,474	224,665	437,424	437,424	2,950
Fixed Assets	0	1	0	0	0	(1)
<b>Total Expenditures</b>	<b>\$107,522</b>	<b>\$464,527</b>	<b>\$226,629</b>	<b>\$487,676</b>	<b>\$487,676</b>	<b>\$23,149</b>
<b>Staffing</b>						
Allocated Positions	1.00	0.00	0.00	0.00	0.00	0.00
Temporary (FTE)	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Staffing</b>	<b>1.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Purpose**

The Headwaters Fund is a public fund for the advancement of economic and community development in Humboldt County. The Headwaters Fund offers business loans, loans/grants for infrastructure projects, and economic development grants via the following three programs:

The **Revolving Loan Fund** makes loans to businesses and non-profit organizations in Humboldt County. These loans fill gaps in the market for available financing, while maintaining sound banking practices. Loan applicants apply directly to contracted financial institutions, not the Headwaters Fund itself.

The **Community Investment Fund** is a loan and grant program for infrastructure and related projects that will result

in permanent and tangible economic benefits to the community.

The **Grant Fund** provides grants for projects benefiting base industries in Humboldt County. Non-profit organizations and government jurisdictions in Humboldt County are eligible to apply.

The Headwaters Fund Unit implements the programs and projects of the Headwaters Fund. The Headwaters Fund is overseen by the Headwaters Fund Board that is appointed by and makes recommendations to the Board of Supervisors.

### Major Budget Changes

#### Services & Supplies

- \$22,500 Increase in professional and specialized services for legal services and loan underwriters.

#### Revenues

- (\$14,679) Decrease in drawdown from Liquidity Fund.
- \$40,000 Increase in income from Community Investment Fund.

### Program Discussion

In 1999, the state and federal governments purchased the 3,000-acre old-growth Headwaters Grove. While this landmark acquisition preserved internationally significant forest habitat, it also removed significant timber resources from Humboldt County's economy.

Local officials and community leaders argued that the Headwaters acquisition should include an appropriation to offset local economic losses. A local effort resulted in a combined \$22 million state and federal appropriation to the County of Humboldt.

On October 19, 1999, the Board of Supervisors voted to reserve the bulk of the funds for the "economic prosperity and quality of life for all Humboldt County residents". In December 2002, the Board adopted a final *Headwaters Fund Charter* that outlines the purpose and structure of the Fund.

The mission of the Headwaters Fund is to use the values, principles, and strategies of the County's Comprehensive Economic Development Strategy, currently known as *Prosperity! The North Coast Strategy*, to:

- Support the growth of specified industry clusters and increase the number of sustainable jobs that pay near or above the median income.
- Enhance the County's quality of life through social and environmental projects that promote healthy communities and which protect and enhance the natural environment.

The Economic Development/Headwaters Fund Division of the Community Development Department is responsible for implementation and monitoring of Headwaters Fund programs. The Division facilitates the strategic funding of projects and organizations that foster community economic development within Humboldt County. The Division supports the Headwaters Fund Board, a community board that, along with the Board of Supervisors, oversees the programs and policies of the Headwaters Fund. The Division is funded through income from the Headwaters Trust Fund(s).

The adopted budget for FY 2005-06 totals \$487,677, an increase of \$23,150 from the FY 2004-05 budget of \$464,527.

### Revolving Loan Fund

The Revolving Loan Fund makes loans to businesses and non-profit organizations in the County to fill gaps in the market for available loan financing. Loan applicants apply directly to contracted financial institutions, not to the Headwaters Fund itself. Eligible loans must demonstrate a minimum potential for job creation/retention or economic development.

The Revolving Loan Fund loans have totaled over \$3.4 million since the Fund's inception in 2003. Of this amount, the Headwaters Fund provided slightly over \$1.3 million, and private lenders have provided the remainder. There have been loans to 19 borrowers ranging from consumer product manufacturers, food manufacturers, retails, restaurants, and furniture/fixture manufacturers. Loans have led to the creation of 69 jobs, the retention of 178 jobs, and the continued growth of local businesses. These jobs and businesses have a multiplicative effect in the economy; income from jobs and businesses circulates locally through purchases by businesses and their employees.

### Grant Fund

The Grant Fund provides grants for community projects to non-profit organizations and government jurisdictions within the county to develop base industries as identified in *Prosperity!* Although the Grant Fund has only been in existence since late 2003, it has already achieved several successes. A \$50,000 grant for advocacy efforts to upgrade Highway 299 has helped lead to the U.S. House of Representatives allocating \$8 million to the project; final funding is pending, dependent upon approval by the Senate and the President

A \$10,000 grant to support air service expansion helped secure Horizon Airlines flights from Arcata to Los Angeles beginning in April 2005. The grant demonstrated local commitment to the project, and helped to obtain a \$500,000 Federal Aviation Administration grant to jump-start the new air service.

### Community Investment Fund

The Community Investment Fund is a loan and grant program for infrastructure and related projects that will result in permanent and tangible economic benefits to the community.

The Community Investment Fund was launched in late 2004. It has approved a grant for \$200,000 to support the Fisherman's Terminal area in Eureka. This project was the first-priority implementation project for the Fisheries, Processing, and Aquaculture cluster listed in *Prosperity!* The fishing industry is expected to benefit from more competition for buying and processing of their products, as well as an additional off-loading facility. The adjacent Fisherman's Terminal Building is already under development, and will provide the fish processing industry with the space and

## 286 - Headwaters Fund

Kirk Girard, Community Development Services Director

opportunity to develop additional specialty products. In addition to increasing access to Humboldt Bay, it is anticipated that the Seafood Café and retail counter will draw both residents and tourists to the waterfront and Old Town district. This will provide new opportunities to Arts and Tourism, another base industry cluster.

The Community Investment Fund's loan volume is anticipated to increase markedly in FY 2005-06. These loans are often

large, complex loans involving multiple agencies for large infrastructure projects. In-house – or even local – expertise is not always available for all facets of executing and managing loans. Therefore, an increase in loan volume involves increased costs for Community Development staff support, loan underwriters, attorneys, and loan for loan execution and management. However, this cost increase will be completely funded by fees charged to loan borrowers, so there will not be any net drawdown of Headwaters Fund resources.

## 287 - Workforce Investment

Kirk Girard, Community Development Services Director

	2003-04 Actual	2004-05 Adjusted	2004-05 Actual	2005-06 Request	2005-06 Adopted	Increase/ (Decrease)
<b>1120 - Economic Dev Fund</b>						
<b>Revenues</b>						
Other Gov't Agencies	\$0	\$3,595,612	\$1,904,326	\$3,156,960	\$3,156,960	(\$438,652)
Other Revenues	0	0	640	0	0	0
(To)/From Non-GF Fund Balance	0	0	(17,606)	0	0	0
<b>Total Revenues</b>	\$0	\$3,595,612	\$1,887,360	\$3,156,960	\$3,156,960	(\$438,652)
<b>Expenditures</b>						
Supplies & Services	\$0	\$19,445	\$6,228	\$43,625	\$43,625	\$24,180
Other Charges	0	3,576,167	1,881,132	3,113,335	3,113,335	(462,832)
<b>Total Expenditures</b>	\$0	\$3,595,612	\$1,887,360	\$3,156,960	\$3,156,960	(\$438,652)

**Purpose**

The Workforce Investment Division serves as the Workforce Area Administrator, Fiscal Agent, and staff to the Workforce Investment Board (WIB). The Workforce Investment Division receives Workforce Investment Act (WIA) grant funds allocated to the local area, and is responsible for financial reporting to the state and the WIB, state monitoring and auditing, oversight of service providers, contract supervision, processing invoices and reimbursements and fund management.

As fiscal and administrative agent staff for WIA funds and the WIB appointed by the Board of Supervisors, the unit oversees WIA formula funds and integrates economic and workforce development programs to better serve the needs of employers in Humboldt County.

**Major Budget Changes**

**Services & Supplies**

- \$9,000 Increase in insurance costs.
- \$4,000 Increase in professional memberships in statewide organizations for resource and rural policy development.
- \$8,000 Increase in professional and specialized services for training for program operators.

- (\$2,945) Decrease in fees for promoting services, website design, and costs of conducting Board meetings.
- \$5,625 Increase in training and travel expenses for training and participation in state grant programs.

**Other Charges**

- \$40,000 Increase in centrally-allocated costs.
- \$76,845 Increase in charges from Economic Development division for staffing costs associated with administering WIB grant funds.

**Revenues**

- (\$46,966) Decrease in Groundfish Disaster Grant carry-over funding.
- (\$28,095) Decrease in Disability Navigator funding.
- \$625,068 Increase in Nurse Workforce Initiative carry-over funding.
- (\$15,453) Decrease in WIA adult program funding.
- (\$113,090) Decrease in WIA youth program funding.
- (\$227,403) Decrease in dislocated worker funding.

- (\$629,507) Decrease in rapid response funding.
- (\$147,038) Decrease in miscellaneous funds.

### Program Discussion

The Workforce Investment unit secures and oversees funding for workforce training programs, employer services delivery, and workforce projects to benefit local industry clusters.

The WIA formula allocated funds for FY 2005-06 decreased by approximately 12% below the funding allocation for FY 2004-05. However, additional funds of approximately \$2.44 million for special projects were secured in FY 2004-05 and will be available for the program's use in FY 2005-06.

The Workforce Investment unit intends to facilitate the development of six strategic workforce system initiatives:

- Increase capacity of local training centers to graduate professionals along the nursing career ladder.
- Develop a professional growth center.
- Develop a custom incumbent worker training program.
- Enhance capacity of the one-stop system to deliver business services valuable to employers.
- Produce and disseminate valuable information on trends in the local workforce and economy.
- Enhance youth program delivery.

Training opportunities for workers who have been laid off are being expanded through a \$1.445 million grant of WIA Rapid Response funds.

### Redwood Coast Nursing Career Training Project

A Governor's WIA 15% Discretionary grant of \$800,000 will fund implementation of the Redwood Coast Nursing Career Training project. It is a two-year project expanding the capacity of healthcare career programs and providing training for people in and entering the healthcare field.

The program targets:

- Youth, entry-level adult, and dislocated workers considering the healthcare field.
- Registered nurses working in hospitals with no access to additional specialty training in areas of greatest demand.
- Healthcare workers at the mid-stage of their training who may be unable to access career ladder opportunities and continue advancing due to financial constraints.
- Increasing capacity to train phlebotomists, certified nursing assistants, licensed vocational nurses, registered nurses and nurses completing a bachelor's degree.

### One-Stop System

A WIA Rapid Response special project grant of \$195,780 will fund development, integration and delivery of employer services into the One-Stop System. Many agencies deliver services to job seekers through the Job Markets in Eureka, Garberville, Hoopa and McKinleyville. The WIA

encourages employers to be served as well, with services such as human resources assistance, information, handbook development, and employee screening. A broad spectrum of the business and training communities are providing input into the system upgrade.

### **Professional Growth Center and Custom Incumbent Worker Training Program**

The WIB will facilitate development of a Professional Growth Center, a Custom Incumbent Worker Training program, and continue dissemination of information on the local economy and labor market, three of the WIB's strategic initiatives.

The envisioned Professional Growth Center would serve business owners and management seeking to develop professional skills. Training, education, certification and degree programs would be offered in the evenings and on weekends in convenient locations throughout the community. Through input from industry cluster leaders, the WIB has determined this to be a high priority, and will facilitate the development of the Professional Growth Center by working with Humboldt State University and College of the Redwoods.

The Custom Incumbent Worker Training program is being developed based on input from industry leaders and employers, which indicates that customized training for employed workers could increase their wage-earning capabilities, open up more jobs, and make companies more competitive in a global marketplace. The WIB is convening training agencies to determine how customized training needs can be better assessed and met.

## 2004-05 Accomplishments

1. Integrated fiscal and administrative agency of the Workforce Investment Act funding into division
2. Built staffing infrastructure for WIB and oversight of workforce programs
3. Developed a strategic plan for workforce development
4. Raised \$2.44 million in funds for workforce development programs and projects
5. Provided research and analysis on rural regional economic development policy, best practices, and local economic and labor market performance.

## 2005-06 Objectives

1. To raise additional funds for workforce, industry cluster and employer service programs and projects.
2. To contribute to state and local understanding of rural economic and workforce needs.
3. To implement the WIB strategic plan.

<b>1120 - Economic Development Fund</b>	<b>2003-04 Actual</b>	<b>2004-05 Adjusted</b>	<b>2004-05 Actual</b>	<b>2005-06 Request</b>	<b>2005-06 Adopted</b>	<b>Increase/ (Decrease)</b>
<b>Revenues</b>						
Other Gov't Agencies	\$0	\$36,000	\$25,438	\$25,000	\$25,000	(\$11,000)
Other Revenues	0	174,000	0	133,928	133,928	(40,072)
(To)/From Non-GF Fund Balance	0	0	145,895	0	0	0
<b>Total Revenues</b>	<b>\$0</b>	<b>\$210,000</b>	<b>\$171,333</b>	<b>\$158,928</b>	<b>\$158,928</b>	<b>(\$51,072)</b>
<b>Expenditures</b>						
Supplies & Services	\$0	\$127,448	\$94,938	\$52,250	\$52,250	(\$75,198)
Other Charges	0	82,552	76,395	106,678	106,678	24,126
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$210,000</b>	<b>\$171,333</b>	<b>\$158,928</b>	<b>\$158,928</b>	<b>(\$51,072)</b>

**Purpose**

The Redevelopment Agency was formed by ordinance in December 2002 in response to the need for economic development in deteriorating communities affected by the downturn in the resource based industries. If the Board of Supervisors adopts a formal Redevelopment Plan, the Agency will use incremental property tax increases to leverage state, federal, and private funds for community and economic development.

The Redevelopment Agency will work with selected communities to stimulate economic and community development. It builds community infrastructure to promote

business development, affordable housing and the elimination of depressed living conditions. It promotes private-sector investments by offering a variety of loan and other programs.

**Major Budget Changes**

**Services & Supplies**

- (\$72,698) Decrease in professional and specialized services due to completion of draft redevelopment report.

## 288 - Redevelopment Agency

Kirk Girard, Community Development Services Director

- \$26,564 Increase in administrative charges from Economic Development Division.

### Revenues

- (\$36,000) Elimination of one-time U.S. Forest Service and Community Development Block Grants.
- (\$98,519) Decrease in loan from Headwaters Capital Improvement Fund.
- \$25,000 New Brownfield Grant
- \$59,447 Increase in economic development set-aside funds.

### Program Discussion

If the County's Redevelopment Plan is adopted by the Board of Supervisors, the Redevelopment Agency's mission will be to implement the Redevelopment Plan. This includes administering tax increment financing to implement a variety of economic development projects and programs. The first Five-Year Implementation Plan is focused on infrastructure development to facilitate future economic and housing growth.

The Redevelopment Agency's goal is to adopt a Redevelopment Plan in Spring 2006. The proposed Redevelopment Plan targets redevelopment areas in the five communities of Alton/Fields Landing, Glendale, Manila/Fairhaven/Samoa, Orick, and Willow Creek. During the adoption phase, the Redevelopment Agency was funded by loans and grants. If the Final Redevelopment Plan is adopted, the Redevelopment Agency will come to the Board for an

amended budget to include partial-year revenues from tax increment financing, and project-related expenditures.

This nascent Redevelopment Agency would have three major tasks:

- Adoption of the Redevelopment Plan – including public outreach and meetings.
- Issuance of a Bond to pay back existing debt and securing financing to implement the Five-Year Implementation Plan.
- Phasing-in dedicated staff to implement redevelopment projects. Staff support for the Redevelopment Agency is currently provided by the Economic Development Division. The proposed new staffing would include a full-time project manager to manage economic development projects and a housing project manager to implement the redevelopment housing set-aside. Initially, these positions will be grant funded as part of the Economic Development Division (#275).

### 2004-05 Accomplishments

1. Prepared, circulated and adopted the Preliminary Report for Redevelopment, a 375 page report that included the legal framework for Redevelopment; a blight survey encompassing 2,178 parcels and 3,576 acres; identified projects and programs to eliminate physical and economic blight; and a fiscal analysis of the proposed projects and programs.
2. Conducted over 25 Redevelopment meetings with community organizations, districts, and individuals.

3. Began an area-wide brownfield (properties perceived to contain toxic materials) inventory and prioritization project, received an EPA grant to assess brownfields in redevelopment areas, and entered brownfield sites into the GIS system for future reference for developers in the redevelopment area.

3. To issue a bond to finance the implementation of the first 5-10 years of projects identified in the Redevelopment Plan.
4. To phase in full-time staff to implement the Five-Year Implementation Plan.
5. To conduct additional countywide brownfields inventory and prioritization projects.

## 2005-06 Objectives

1. To conduct another series of community and community organizational meetings.
2. To adopt the final Redevelopment Plan before June 2006.

