



City Auditor

Redevelopment Agency of the City of Long Beach

Office of the City Auditor
Gary Burroughs, CPA
November 16, 2004



Redevelopment Agency City of Long Beach

LOCAL NEWS

Press-Telegram / Monday, January 21, 1998

SERVING THE SOUTHLAND

Audit: L.B. project may run out of funds

Council urged to look at agency

By Don Currie
Staff writer

LONG BEACH — Unless the local economy improves, the largest part of the city's redevelopment agency could run out of money by the year 2001, according to a study by the city auditor.

Declining property values and a near halt in the construction of new projects could mean that the

downtown redevelopment project area would spend all \$32.6 million it has in the bank, auditor Gary Burroughs said in a report scheduled to be presented Tuesday to the City Council.

Burroughs said the agency is in no immediate danger of running out of money, but his figures indicate the council should be taking a more active role in

managing the agency.

"I think there's reason for the council to pay close attention to this," he said Friday. "There are items that can be controlled by the council, and they should be."

Burroughs declined to specify actions he thinks the council should take, saying he wanted to present those suggestions on Tuesday.

But 9th District Councilman Warren Harwood, long the most ardent critic of redevelopment,

used Burroughs' report to call for council control of agency activities.

"I absolutely think so. We have been virtually rubber-stamping things (from the agency) for years," Harwood said.

Currently, the council approves the agency's annual budget, but the agency's five-member board of directors has broad control over day-to-day activities and can make substantial changes without council

approval.

Redevelopment Agency Executive Director Susan Shick downplayed the significance of the report.

"It shows that the agency is still financially sound," Shick said Sunday.

Shick noted that she made a similar forecast when the city and redevelopment agency issued \$135 million in bonds last year

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Redevelopment Agency

City of Long Beach

RDA Support to the General Fund

	2002	2003	2004E
Parks	729,334	415,231	1,890,638
Libraries	61,659	3,719,867	4,542,030
Public Works	878,392	3,232,568	9,021,303
Police Station		2,543,115	6,856,885
Parking			4,750,000
Neighborhood Centers	265,288	769,679	1,500,000
Planning & Building Support		24,114	105,000
Economic Development Support	1,077,290	1,420,894	4,185,000
Total RDA Support to General Fund	3,011,963	12,125,468	32,850,856
Total Redevelopment Expenditures	30,746,000	35,724,000	84,015,020
GF Support as a % of Total RDA Expenditures	9.8%	33.94%	39.10%

Redevelopment Agency City of Long Beach

Council Authority:

- Plan adoption and amendments
- Annual budget
- Disposition and development agreements related to the sale of land purchased with tax increment funds
- Issuing debt (excluding loans)
- Approve board membership

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Council Action:

- Establish Accountability
- Joint Study Sessions
- Evaluate Performance
- Define Line Between Redevelopment & General Fund Expenditures