

FY 2010-11 ADOPTED BUDGET
REDEVELOPMENT AGENCY OF THE CITY OF SAN FERNANDO

June 22, 2010





BUDGET MESSAGE

June 22, 2010

Honorable Chair and Agency Board Members:

It is a pleasure to present the San Fernando Redevelopment Agency's FY 2010-11 budget.

As the current fiscal year comes to an end, the Agency's fiscal condition is sound. In spite of tax increment decreases and the loss of over \$2.03 million to the State's raid on redevelopment funds, we will end this fiscal year in a positive position. This is the result of reorganizing and reprioritizing, and from the hard decisions on cuts in projects and programs made at mid-year.¹ Accounting for these adjustments, the Agency's FY 2010-11 budget also includes relevant Agency Board priorities and a final SERAF payment of nearly \$425,000.^{2,3}

BUDGET OVERVIEW

The Agency's FY 2010-11 budget totals \$6.18 million that includes a combined operating budget of \$1.65 million, debt and other obligations totaling \$3.83 million, and a projects and programs budget of \$451,000.⁴ A FY 2010-11 year-end Housing Fund balance of nearly \$251,000 will be used to slowly rebuild that fund and in anticipation of any further State actions.

Projects budgeted for FY 2010-11 are those recently prioritized and approved by the Agency Board. They include the completion of the Lopez Adobe retrofit and the next smaller phase of the Agency's redevelopment plan extensions (i.e. the 2011 Amendments or SB 211 plan amendments). Other projects planned for the coming year include technical assistance with the downtown business improvement district (PBID) feasibility and formation proceedings, and developing an "incentives toolbox" to attract downtown entertainment uses.

The Agency's commitment to affordable housing will also continue through financial subsidy and staff assistance. Specifically, the Agency will provide a total \$250,000 subsidy for the Gangi and LA Partnership affordable housing developments at 1320 and 1422 San Fernando Rd. Agency staff will also facilitate permit approvals and assist a development team in preparing a low-income housing tax credit application for 131 Park Ave. These efforts will collectively yield 57 new rental units for low-income families, 100 very low and low-income rental units for senior citizens, and a green open space opportunity at 551 Kalisher St.

BUDGET HIGHLIGHTS: PROJECT AREA FUNDS

The Agency's project area funds are used for a range of non-housing projects and activities, from capital improvements and new public facilities to neighborhood services and technical studies. The majority of funds cover the Agency's debt service and taxing entity pass-through payments.

Revenues in Project Areas

Tax increment comprises 91% of the Agency's total net project area revenue. The remaining 9% comes from other revenue sources like interest earnings and loan or sale proceeds.

Tax increment revenue in FY 2010-11 will remain relatively flat, i.e. an \$18,000 or .0025% decrease over adjusted FY 2009-10 gross revenues. This is in comparison to other agencies statewide that are facing significant declines in such revenue.

¹ Mid-year budget adjustments were approved by the Agency Board on January 19, 2010.

² Agency Board priorities for FY 2010-11 were approved on May 3, 2010.

³ Per AB x4 26; the Agency's final/FY 2010-11 SERAF payment is \$424,494.

⁴ The \$6.18 million figure is based on total funds available.

BUDGET MESSAGE

FY 2010-11 ADOPTED REDEVELOPMENT AGENCY BUDGET

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Revenue provided by the Agency's *other income* sources will also remain relatively flat. General interest earnings will yield lower returns, which are projected to decrease by nearly two-thirds over FY 2009-10 mid-year estimates.

Expenditures in Project Areas

The Agency's total budgeted expenditures for its project area funds will decrease by 36% or roughly \$2.19 million from FY 2009-10 mid-year adjustments. A majority of this decrease is attributed to the Agency's one-time SERAF payment of \$2.06 million in FY 2009-10. The remaining \$131,000 in net savings will come primarily through cuts in staffing and overhead, or cost allocation.

Agency staffing costs will become even leaner in the coming year with savings from labor concessions and the redistribution of staffing costs between the Agency and City; for instance, community preservation functions will be completely located in the *Police* budget as a management tool, and the Agency will take on a higher percentage of some other positions. Overall, the Agency will be paying a lower staffing cost due to its limited revenues. Net overhead costs will also decline in the coming year due to a recently updated cost allocation plan that added a new line item for leasing costs paid by the Agency and eliminated positions that will be paid directly or are no longer in the City. A line item was also added for legal costs due to litigation.

Non-housing projects for FY 2010-11 include the Lopez Adobe retrofit, the City's retail attraction strategy, incentives to attract downtown entertainment uses and the Agency's legally required five-year implementation plan. Work will also continue on longer-term, multi-year projects including the possible establishment of a downtown PBID, and analyses and milestones related to the proposed 2011 Amendments.

A majority or 82% of the Agency's project area expenditures (\$3.21 million) will be used to cover the Agency's debt service including its bonded debt, and general loan and other payments.

Debt Service. Roughly 43% of the Agency's financial obligations are tied to its 1998 and 2006 tax allocation bonds, which represent a fixed annual cost of nearly \$1.68 million. The 1998 bond, which refinanced the Agency's 1987 and 1991 bonds, is nearing its maturity date in 2014. The 2006 bond, which matures in 2020, financed the construction of the San Fernando Regional Pool Facility, the Maclay streetscape improvements and the City Yard relocation.

Loan Payments. This category represents 28% or nearly \$1.10 million of the Agency's FY 2010-11 project area expenditures. Under this budget, the Agency will pay-off two long-term debts including a 1994 City note that funded the formation of Project Area No. 4, and a loan agreement for the City's AIMS enterprise system. The Agency will also increase its principal payment for the City Yard relocation to reduce the loan balance and increase proceeds back into the City's General Fund. Finally, and as part of the recent mid-year budget balancing measures, the Agency will start the first of five subsequent loan payments back to the City's sewer enterprise fund, other project area funds and the Agency's Housing Fund.

Other Payments. The Agency will make its FY 2010-11 SERAF payment of \$424,494 from its project area funds. This action will allow the Agency to make the full payment without having to borrow from the Housing Fund and adding to the project areas' already high level of debt service.

It should be noted that the fiscal merger aspect of the recently adopted 2010 Plan Amendments will even out the project area fund balances. Regardless of such action, all project area fund balances total zero.

BUDGET HIGHLIGHTS: HOUSING FUND

The Housing Fund is used to increase and improve the community's supply of low and moderate-income housing. It is a restricted fund not available for non-housing uses. For FY 2010-11, the Fund budgets for programs and initiatives that allow for ongoing administration and project completion. This budget includes support for over 150 new rental units for persons of very low and low-income.

BUDGET MESSAGE

FY 2010-11 ADOPTED REDEVELOPMENT AGENCY BUDGET

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Revenues in the Housing Fund

More than 75% of Housing Fund revenue comes from the mandatory pass-through of 20% of the tax increment generated by project area funds. The remaining balance is provided through other income sources like general interest earnings, program income and loan proceeds from the Agency's project area funds.

Housing Fund revenues will see new proceeds starting in FY 2010-11 from the project area funds. Each of the project areas borrowed against the Housing Fund to pay the Agency's \$2.06 million SERAF obligation in FY 2009-10. These proceeds, totaling \$412,762 annually, will continue until 2014.⁵

Expenditures in the Housing Fund

Summarized below are the Housing Fund's expenditures and actions for FY 2010-11:

- Shift a fair share of costs to Agency projects and programs that support affordable housing, i.e. the 2011 Amendments, the Agency's new website, and administrative and updated overhead costs;
- Complete legally required projects like the Housing Element Implementation Ordinance and the Agency's five-year implementation plan;
- Pay-in-full or pay-down long-term loans, i.e. pay-off of the IBM loan for the City's AIMS enterprise system and a \$600,000 pay-down of the Agency's CHFA loan that partially funded the scattered site senior housing developments;⁶
- Account for unanticipated litigation costs; and
- Provide \$250,000 in financial subsidies for the proposed Gangi and LA Partnership affordable housing projects.

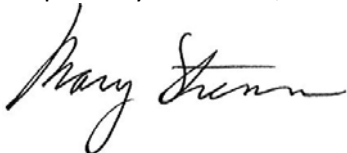
The Housing Fund is projected to have an ending fund balance of nearly \$251,000. This balance should be built upon for potential housing projects or for an unfortunate and future State raid of Agency funds.

CONCLUSION

The development of this budget has involved many staffers. In particular, I would like to thank Brian Haworth, Assistant to the City Administrator, Fred Ramirez, Senior Planner, Sonia Gomez-Garcia, Junior Accountant and our newest team member, Al Hernandez, Finance Manager. It has also involved the Agency Chair and Board Members who made the hard choices at mid-year as well as prioritized projects for FY 2010-11.

This budget represents the end of a difficult time for the Agency. Few redevelopment agencies have had to deal with the simultaneous problems of a fiscal rebirth concurrent with a multi-million dollar State raid of redevelopment funds. It will be years before debts are paid and fund balances grow to a level that significant subsidizes can be provided for key projects. But the arduous times are behind us. Even during these times, the Agency is completing projects.

Respectfully submitted,

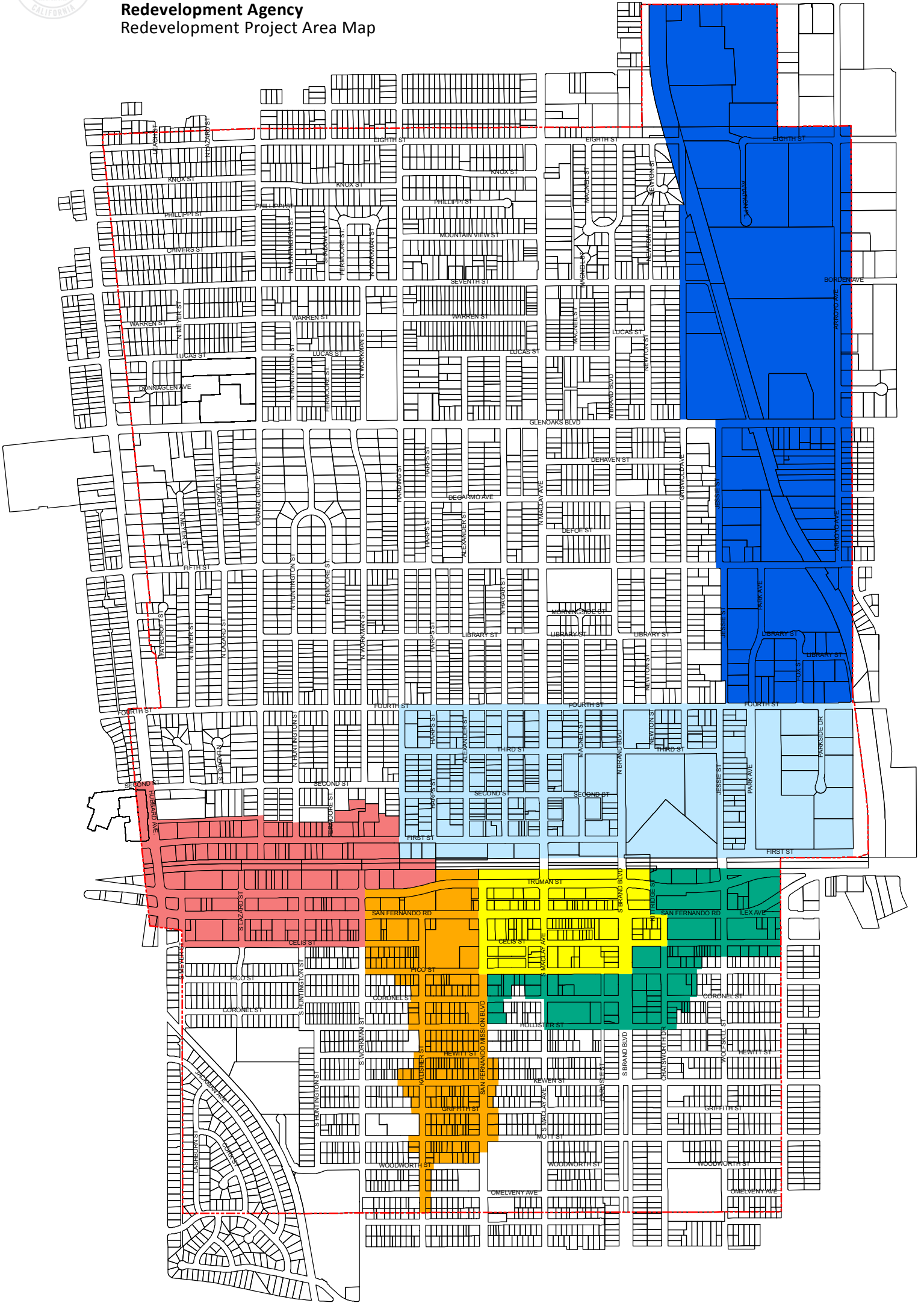


Mary Strenn
Executive Director

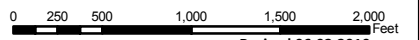
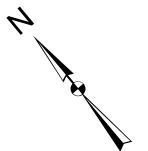
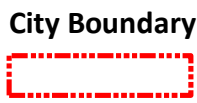
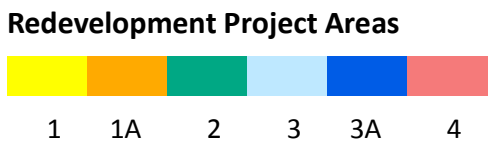
⁵ This action is authorized under AB x4 26 and was approved by the Agency Board on January 19, 2010.

⁶ The \$1.4 million CHFA loan originated in 2004; source: California Housing Finance Agency. The loan matures in 2012; an \$800,000 balance will remain after the proposed \$600,000 payment is made.

Redevelopment Agency
 Redevelopment Project Area Map



LEGEND



**SAN FERNANDO REDEVELOPMENT AGENCY
FY 2010-11 ADOPTED BUDGET
FUND SUMMARY**

	PROJECT AREA FUNDS						TOTAL	HOUSING FUND
	NO. 1	NO. 1A	NO. 2	NO. 3	NO. 3A	NO. 4		
JULY 1, 2010 BALANCE (EST.)	\$ 879,213	\$ (941,441)	\$ 52,879	\$ (1,630,528)	\$ 1,604,419	\$ 29,682	\$ (5,775)	\$ 370,586
TAX INCREMENT								
Gross Tax Increment	\$ 552,500	\$ 533,500	\$ 572,000	\$ 1,347,500	\$ 3,523,500	\$ 505,000	\$ 7,034,000	
Transfer-Out to Housing Fund	(110,500)	(106,700)	(114,400)	(269,500)	(704,700)	(101,000)	(1,406,800)	
County Administrative Fees	(6,000)	(6,000)	(7,000)	(15,500)	(40,500)	(6,000)	(81,000)	
County Deferral of Pass-Throughs		(200,000)					(200,000)	
Tax Sharing and Pass-Throughs	(35,000)	(19,000)	(28,000)	(79,000)	(1,388,000)	(119,000)	(1,668,000)	
NET TAX INCREMENT	\$ 401,000	\$ 201,800	\$ 422,600	\$ 983,500	\$ 1,390,300	\$ 279,000	\$ 3,678,200	
INCOMES								
Interest Earnings	\$ 1,200	\$ 2,200	\$ 1,000	\$ 300	\$ 300	\$ 1,107	\$ 6,107	\$ 10,000
Loan and Sale Proceeds			2,600	13,200	328,284	2,386	\$ 346,470	412,762
Program Income								28,000
Transfer-In to Housing Fund								1,406,800
SUBTOTAL: INCOMES	\$ 1,200	\$ 2,200	\$ 3,600	\$ 13,500	\$ 328,584	\$ 3,493	\$ 352,577	\$ 1,857,562
TOTAL REVENUES	\$ 402,200	\$ 204,000	\$ 426,200	\$ 997,000	\$ 1,718,884	\$ 282,493	\$ 4,030,777	\$ 1,857,562
TOTAL FUNDS AVAILABLE	\$ 1,281,413	\$ (737,441)	\$ 479,079	\$ (633,528)	\$ 3,323,303	\$ 312,175	\$ 4,025,002	\$ 2,228,148
ADMINISTRATIVE EXPENSES								
Salaries and Overhead	\$ 38,335		\$ 82,344		\$ 179,123		\$ 299,802	\$ 726,558
Advertising and Outreach	4,201		1,799		4,000		10,000	16,000
Other Expenses	2,550		2,250		4,500		9,300	9,951
SUBTOTAL: ADMINISTRATIVE EXPENSES	\$ 45,086		\$ 86,393		\$ 187,623		\$ 319,102	\$ 752,509
PROFESSIONAL SERVICES								
Administrative and Legal Services	\$ 74,520		\$ 12,020		\$ 60,710		\$ 147,250	\$ 182,250
Financial and Auditing Services	5,142		800	3,000	7,748	600	17,290	29,260
Technical Services	925		9,704		50,559	20,108	81,296	144,161
SUBTOTAL: PROFESSIONAL SERVICES	\$ 80,587		\$ 22,524	\$ 3,000	\$ 119,017	\$ 20,708	\$ 245,836	\$ 355,671
PROJECTS								
Entertainment Overlay Zone	\$ 25,000						\$ 25,000	
Hsg. Element Implementation Ord. Lopez Adobe Retrofit			150,000				150,000	4,000
PBID/BID Feasibility Assessment	22,000						22,000	
Project Assistance: Housing Projects								250,000
SUBTOTAL: PROJECTS	\$ 47,000		\$ 150,000				\$ 197,000	\$ 254,000
DEBT SERVICE								
1998 Tax Allocation Bond	\$ 120,069			\$ 563,256			\$ 683,325	
2006 Tax Allocation Bond				995,295			995,295	
SUBTOTAL: DEBT SERVICE	\$ 120,069			\$ 1,558,551			\$ 1,678,620	
LOAN PAYMENTS								
Agency & City Notes/Loans		\$ 50,000			\$ 220,000	\$ 229,000	\$ 499,000	
California Housing Finance Agency								600,000
Other Loans	15,000						15,000	15,000
Letter of Credit					20,286		20,286	
Housing Fund (FY 2009-10 SERAF)	33,021	30,778	33,538	79,017	206,732	29,675	412,761	
PFA Loans	58,482		152,104			2,316	212,902	
SUBTOTAL: LOAN PAYMENTS	\$ 106,503	\$ 80,778	\$ 185,642	\$ 79,017	\$ 447,018	\$ 260,991	\$ 1,159,949	\$ 615,000
OTHER PAYMENTS								
FY 2010-11 SERAF	\$ 33,373	\$ 32,226	\$ 34,520	\$ 81,290	\$ 212,609	\$ 30,476	\$ 424,494	
SUBTOTAL: OTHER PAYMENTS	\$ 33,373	\$ 32,226	\$ 34,520	\$ 81,290	\$ 212,609	\$ 30,476	\$ 424,494	
TOTAL EXPENDITURES	\$ 432,618	\$ 113,004	\$ 479,079	\$ 1,721,858	\$ 966,267	\$ 312,175	\$ 4,025,001	\$ 1,977,180
JUNE 30, 2011 BALANCE (EST.)	\$ 848,795	\$ (850,445)	\$ -	\$ (2,355,386)	\$ 2,357,036	\$ -	\$ 0	\$ 250,968



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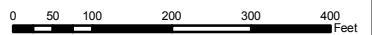
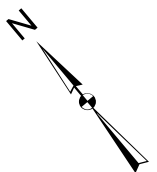
Redevelopment Project Areas



Project Area 1



City Boundary



**SAN FERNANDO REDEVELOPMENT AGENCY
FISCAL YEAR 2010-11 ADOPTED BUDGET
PROJECT AREA NO. 1**

FUNDS 80 & 81		FY 2009-10 ACTUALS (EST.)	FY 2010-11 ADOPTED BUDGET
JULY 1, 2010 BALANCE (EST.)		\$ 711,004	\$ 879,213
Restricted Cash 1/		(120,361)	
ADJUSTED BEGINNING BALANCE (EST.)		\$ 590,643	\$ 879,213
REVENUES	TAX INCREMENT		
	Gross Tax Increment	\$ 554,000	\$ 552,500
	Transfer-Out to Housing Fund	(110,800)	(110,500)
	County Administrative Fees	(7,640)	(6,000)
	SB 211 Statutory Tax Sharing	(36,000)	(35,000)
	NET TAX INCREMENT	\$ 399,560	\$ 401,000
	OTHER INCOME		
	Housing Fund Proceeds/Transfer-In (FY 2009-10 SERAF)	\$ 162,131	
	Interest Earnings	1,342	1,200
	PFA Loan Proceeds		
From PAs No. 2 and 4 (2010-Budget Balancing)	498,492		
SUBTOTAL: OTHER INCOME	\$ 661,965	\$ 1,200	
TOTAL REVENUES		\$ 1,061,525	\$ 402,200
TOTAL FUNDS AVAILABLE		\$ 1,652,168	\$ 1,281,413
EXPENDITURES	ADMINISTRATIVE EXPENSES		
	Salaries and Overhead		
	Salaries and Benefits	\$ 256,815	\$ 29,916
	Cost Allocation	65,700	8,419
	Advertising and Outreach		
	General Advertising and Outreach		4,201
	Specific Notifications (Retail Strategy)	200	
	Other Expenses		
	Meetings/Travel/Mileage Reimbursement		75
	Memberships		1,725
	Supplies		500
	Training		250
	SUBTOTAL: ADMINISTRATIVE EXPENSES	\$ 322,715	\$ 45,086
	PROFESSIONAL SERVICES		
	Administrative and Legal Services		
	Executive Director/Managerial Support	\$ 20,201	\$ 7,020
	Legal: General		5,000
	Legal: Litigation		62,500
	Financial and Auditing Services		
	Annual Audit		2,350
	Bond Arbitrage	600	
	Cost Allocation Update	700	
	Financial: Data and Analyses		2,792
	Technical Services		
	2010 Amendments (AB 1290 and Fiscal Merger)	61,355	
	2010-15 Implementation Plan		675
	Retail Strategy	8,000	
	Spanish Translation (Oral and Written)		250
	SUBTOTAL: PROFESSIONAL SERVICES	\$ 90,856	\$ 80,587
	PROJECTS		
	Entertainment Overlay Zone		\$ 25,000
	PBID/BID Feasibility Assessment	10,000	22,000
SUBTOTAL: PROJECTS	\$ 10,000	\$ 47,000	
NEIGHBORHOOD SERVICES			
Street and Sidewalk Improvements	\$ 47,436		
Tree Trimming	5,000		
SUBTOTAL: NEIGHBORHOOD SERVICES	\$ 52,436		
DEBT SERVICE			
1998 Tax Allocation Bond	\$ 119,925	\$ 120,069	
SUBTOTAL: DEBT SERVICE	\$ 119,925	\$ 120,069	
LOAN PAYMENTS			
Housing Fund (FY 2009-10 SERAF)		\$ 33,021	
IBM (2007-Edgesoft/AIMS)	14,892	15,000	
PFA Loans			
Payment to PA No. 3A (2002-Starbucks)		53,496	
Payment to PAs No. 2 and 4 (2010-Budget Balancing)		4,986	
SUBTOTAL: LOAN PAYMENTS	\$ 14,892	\$ 106,503	
OTHER PAYMENTS			
FY 2009-10 SERAF	\$ 162,131		
FY 2010-11 SERAF		33,373	
SUBTOTAL: OTHER PAYMENTS	\$ 162,131	\$ 33,373	
TOTAL EXPENDITURES		\$ 772,955	\$ 432,618
JUNE 30, 2011 BALANCE (EST.)		\$ 879,213	\$ 848,795

1/ The Agency's 1998 tax allocation bond requires cash held by fiscal agent.



LEGEND

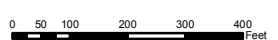
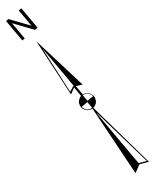
Redevelopment Project Areas

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Project Area 1A



City Boundary



**SAN FERNANDO REDEVELOPMENT AGENCY
FISCAL YEAR 2010-11 ADOPTED BUDGET
PROJECT AREA NO. 1A**

FUNDS 82 & 83		FY 2009-10 ACTUALS (EST.)	FY 2010-11 ADOPTED BUDGET
JULY 1, 2010 BALANCE (EST.)		\$ (93,741)	\$ (941,441)
Land Held for Resale 1/		(1,000,000)	
ADJUSTED BEGINNING BALANCE (EST.)		\$ (1,093,741)	\$ (941,441)
REVENUES	TAX INCREMENT		
	Gross Tax Increment	\$ 536,000	\$ 533,500
	Transfer-Out to Housing Fund	(107,200)	(106,700)
	County Administrative Fees	(10,248)	(6,000)
	County Deferral of Pass-Throughs 2/	(200,000)	(200,000)
	HSC Pass-Throughs 3/	(18,752)	(19,000)
	NET TAX INCREMENT	\$ 199,800	\$ 201,800
	OTHER INCOME		
	Housing Fund Proceeds/Transfer-In (FY 2009-10 SERAF)	\$ 156,864	
	Interest Earnings	2,500	2,200
SUBTOTAL: OTHER INCOME	\$ 159,364	\$ 2,200	
TOTAL REVENUES	\$ 359,164	\$ 204,000	
TOTAL FUNDS AVAILABLE	\$ (734,577)	\$ (737,441)	
EXPENDITURES	LOAN PAYMENTS		
	DDA (1989-SF Mission Partners)	\$ 50,000	\$ 50,000
	Housing Fund (FY 2009-10 SERAF)		30,778
	SUBTOTAL: LOAN PAYMENTS	\$ 50,000	\$ 80,778
	OTHER PAYMENTS		
	FY 2009-10 SERAF	\$ 156,864	
	FY 2010-11 SERAF		32,226
	SUBTOTAL: OTHER PAYMENTS	\$ 156,864	\$ 32,226
	TOTAL EXPENDITURES	\$ 206,864	\$ 113,004
	JUNE 30, 2011 BALANCE (EST.)	\$ (941,441)	\$ (850,445)

1/ Represents an asset held for resale (1320 San Fernando Rd.).

2/ Accounts for the deferral of pass-through payments pursuant to the PA No. 1A County Agreement.

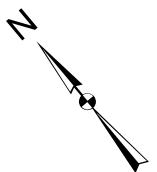
3/ Pursuant to CRL Sections 33401 and/or 33676.



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Redevelopment Project Areas

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- 1A
- 2
- 3
- 3A
- 4
- Project Area 2**
- City Boundary**



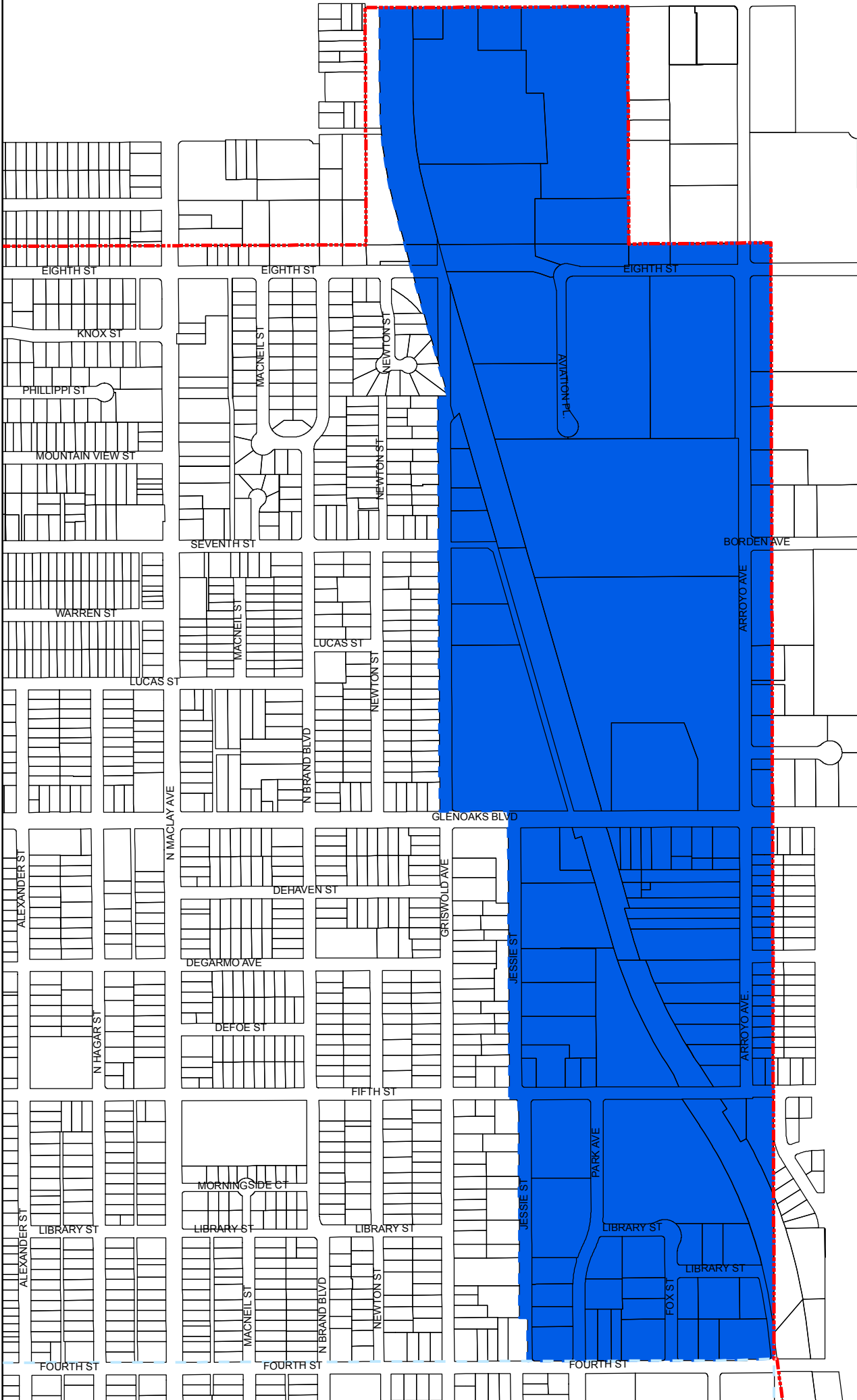
**SAN FERNANDO REDEVELOPMENT AGENCY
FISCAL YEAR 2010-11 ADOPTED BUDGET
PROJECT AREA NO. 2**

FUNDS 85 & 86		FY 2009-10 ACTUALS (EST.)	FY 2010-11 ADOPTED BUDGET
JULY 1, 2010 BALANCE (EST.)		\$ (157,058)	\$ 52,879
REVENUES	TAX INCREMENT		
	Gross Tax Increment	\$ 573,000	\$ 572,000
	Transfer-Out to Housing Fund	(114,600)	(114,400)
	County Administrative Fees	(8,060)	(7,000)
	SB 211 Statutory Tax Sharing	(31,222)	(28,000)
	NET TAX INCREMENT	\$ 419,118	\$ 422,600
	OTHER INCOME		
	Housing Fund Proceeds/Transfer-In (FY 2009-10 SERAF)	\$ 167,692	
	Interest Earnings	880	1,000
	Misc. Revenue	14,099	
PFA Loan Proceeds			
From PA No. 1 (2010-Budget Balancing)		2,600	
From Sewer Fund (2010-Budget Balancing)	231,550		
SUBTOTAL: OTHER INCOME	\$ 414,221	\$ 3,600	
TOTAL REVENUES	\$ 833,339	\$ 426,200	
TOTAL FUNDS AVAILABLE	\$ 676,281	\$ 479,079	
EXPENDITURES	ADMINISTRATIVE EXPENSES		
	Salaries and Overhead		
	Salaries and Benefits	\$ 27,733	\$ 65,832
	Cost Allocation	76,026	16,512
	Advertising and Outreach		
	General Advertising and Outreach		1,799
	Specific Notifications (2010 Amendments)	2,000	
	Other Expenses		
	Meetings/Travel/Mileage Reimbursement		75
	Memberships		1,425
	Supplies		500
	Training		250
	SUBTOTAL: ADMINISTRATIVE EXPENSES	\$ 105,759	\$ 86,393
	PROFESSIONAL SERVICES		
	Administrative and Legal Services		
	Executive Director/Managerial Support	\$ 20,000	\$ 7,020
	Legal: General		5,000
	Financial and Auditing Services		
	Annual Audit		800
	Technical Services		
	2010 Amendments (AB 1290 and Fiscal Merger)	70,000	
	2010-15 Implementation Plan		1,608
	Spanish Translation (Oral and Written)		250
	Website Development		7,846
	SUBTOTAL: PROFESSIONAL SERVICES	\$ 90,000	\$ 22,524
PROJECTS			
Lopez Adobe Retrofit		\$ 150,000	
SUBTOTAL: PROJECTS		\$ 150,000	
LOAN PAYMENTS			
Housing Fund (FY 2009-10 SERAF)		\$ 33,538	
PFA Loans			
Payment to PA No. 3A (2002-Rydell)		149,788	
Payment to Sewer Fund (2010-Budget Balancing)		2,316	
Transfer to PA No. 1 (2010-Budget Balancing)	259,951		
SUBTOTAL: LOAN PAYMENTS	\$ 259,951	\$ 185,642	
OTHER PAYMENTS			
FY 2009-10 SERAF	\$ 167,692		
FY 2010-11 SERAF		34,520	
SUBTOTAL: OTHER PAYMENTS	\$ 167,692	\$ 34,520	
TOTAL EXPENDITURES	\$ 623,402	\$ 479,079	
JUNE 30, 2011 BALANCE (EST.)	\$ 52,879	\$ -	

**SAN FERNANDO REDEVELOPMENT AGENCY
FISCAL YEAR 2010-11 ADOPTED BUDGET
PROJECT AREA NO. 3**

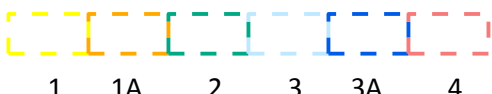
FUNDS 88 & 89		FY 2009-10 ACTUALS (EST.)	FY 2010-11 ADOPTED BUDGET
JULY 1, 2010 BALANCE (EST.)		\$ 679,945	\$ (1,630,528)
Restricted Cash 1/		(1,731,864)	
ADJUSTED BEGINNING BALANCE (EST.)		\$ (1,051,919)	\$ (1,630,528)
REVENUES	TAX INCREMENT		
	Gross Tax Increment	\$ 1,350,000	\$ 1,347,500
	Transfer-Out to Housing Fund	(270,400)	(269,500)
	County Administrative Fees	(18,100)	(15,500)
	SB 211 Statutory Tax Sharing	(76,900)	(79,000)
	NET TAX INCREMENT	\$ 984,600	\$ 983,500
	OTHER INCOME		
	DDA Proceeds (2003-Library Plaza)		\$ 13,200
	Housing Fund Proceeds/Transfer-In (FY 2009-10 SERAF)	395,086	
	Interest Earnings	155	300
SUBTOTAL: OTHER INCOME	\$ 395,241	\$ 13,500	
TOTAL REVENUES		\$ 1,379,841	\$ 997,000
TOTAL FUNDS AVAILABLE		\$ 327,922	\$ (633,528)
EXPENDITURES	PROFESSIONAL SERVICES		
	Financial and Auditing Services		
	Bond Arbitrage	\$ 1,500	\$ 3,000
	SUBTOTAL: PROFESSIONAL SERVICES	\$ 1,500	\$ 3,000
	DEBT SERVICE		
	1998 Tax Allocation Bond	\$ 566,094	\$ 563,256
	2006 Tax Allocation Bond	995,770	995,295
	SUBTOTAL: DEBT SERVICE	\$ 1,561,864	\$ 1,558,551
	LOAN PAYMENTS		
	Housing Fund (FY 2009-10 SERAF)		\$ 79,017
SUBTOTAL: LOAN PAYMENTS		\$ 79,017	
OTHER PAYMENTS			
FY 2009-10 SERAF	\$ 395,086		
FY 2010-11 SERAF		81,290	
SUBTOTAL: OTHER PAYMENTS	\$ 395,086	\$ 81,290	
TOTAL EXPENDITURES		\$ 1,958,450	\$ 1,721,858
JUNE 30, 2011 BALANCE (EST.)		\$ (1,630,528)	\$ (2,355,386)

1/ The Agency's 1998 and 2006 tax allocation bonds require cash held by fiscal agent.



LEGEND

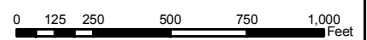
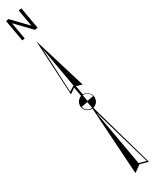
Redevelopment Project Areas



Project Area 3A



City Boundary

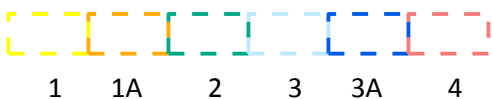


**SAN FERNANDO REDEVELOPMENT AGENCY
FISCAL YEAR 2010-11 ADOPTED BUDGET
PROJECT AREA NO. 3A**

FUNDS 91 & 92		FY 2009-10 ACTUALS (EST.)	FY 2010-11 ADOPTED BUDGET
JULY 1, 2010 BALANCE (EST.)		\$ 364,483	\$ 1,604,419
REVENUES	TAX INCREMENT		
	Gross Tax Increment	\$ 3,532,000	\$ 3,523,500
	Transfer-Out to Housing Fund	(706,000)	(704,700)
	County Administrative Fees	(40,500)	(40,500)
	SB 211 Statutory Tax Sharing	(156,500)	(155,000)
	Taxing Agency Pass-Throughs	(1,236,000)	(1,233,000)
	NET TAX INCREMENT	\$ 1,393,000	\$ 1,390,300
	OTHER INCOME		
	Housing Fund Proceeds/Transfer-In (FY 2009-10 SERAF)	\$ 1,033,661	
	Interest Earnings	219	300
	PFA Loan Proceeds		
	Payment from PA No. 1 (2002-Starbucks)		53,496
	Payment from PA No. 2 (2002-Rydell)		149,788
	Sale Proceeds (2007-City Yard/Swap Meet)	125,000	125,000
SUBTOTAL: OTHER INCOME	\$ 1,158,880	\$ 328,584	
TOTAL REVENUES	\$ 2,551,880	\$ 1,718,884	
TOTAL FUNDS AVAILABLE	\$ 2,916,363	\$ 3,323,303	
EXPENDITURES	ADMINISTRATIVE EXPENSES		
	Salaries and Overhead		
	Salaries and Benefits	\$ 75,000	\$ 110,395
	Cost Allocation	10,302	68,728
	Advertising and Outreach		
	General Advertising and Outreach		4,000
	Other Expenses		
	Meetings/Travel/Mileage Reimbursement		150
	Memberships	6,050	2,850
	Supplies		1,000
	Training		500
	SUBTOTAL: ADMINISTRATIVE EXPENSES	\$ 91,352	\$ 187,623
	PROFESSIONAL SERVICES		
	Administrative and Legal Services		
	Executive Director/Managerial Support	\$ 17,514	\$ 34,710
	Legal: General	57,000	26,000
	Financial and Auditing Services		
	Annual Audit	6,945	1,000
	Financial: Advisory		6,000
	Financial: Data and Analyses	15,800	748
	Technical Services		
	2010 Amendments (AB 1290 and Fiscal Merger)	26,755	
	2010-15 Implementation Plan		309
	2011 Amendments (SB 211)		30,000
	Retail Strategy	8,000	20,000
	Spanish Translation (Oral and Written)		250
	SUBTOTAL: PROFESSIONAL SERVICES	\$ 132,014	\$ 119,017
	NEIGHBORHOOD SERVICES		
Tree Trimming	\$ 12,389		
SUBTOTAL: NEIGHBORHOOD SERVICES	\$ 12,389		
LOAN PAYMENTS			
Housing Fund (FY 2009-10 SERAF)		\$ 206,732	
Property Purchase (2004-City Yard)	19,505	220,000	
Section 108 Letter of Credit (2006-Pool Facility)	23,023	20,286	
SUBTOTAL: LOAN PAYMENTS	\$ 42,528	\$ 447,018	
OTHER PAYMENTS			
FY 2009-10 SERAF	\$ 1,033,661		
FY 2010-11 SERAF		212,609	
SUBTOTAL: OTHER PAYMENTS	\$ 1,033,661	\$ 212,609	
TOTAL EXPENDITURES	\$ 1,311,944	\$ 966,267	
JUNE 30, 2011 BALANCE (EST.)	\$ 1,604,419	\$ 2,357,036	



Redevelopment Project Areas



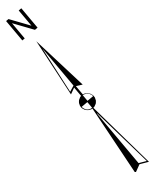
Project Area 4



City Boundary



LEGEND



0 50 100 200 300 400 Feet

Revised 06.02.2010

**SAN FERNANDO REDEVELOPMENT AGENCY
FISCAL YEAR 2010-11 ADOPTED BUDGET
PROJECT AREA NO. 4**

FUNDS 93 & 95		FY 2009-10 ACTUALS (EST.)	FY 2010-11 ADOPTED BUDGET
JULY 1, 2010 BALANCE (EST.)		\$ 403,470	\$ 29,682
REVENUES	TAX INCREMENT		
	Gross Tax Increment	\$ 507,000	\$ 505,000
	Transfer-Out to Housing Fund	(101,400)	(101,000)
	AB 1290 Tax Sharing	(134,134)	(119,000)
	County Administrative Fees	(8,949)	(6,000)
	NET TAX INCREMENT	\$ 262,517	\$ 279,000
	OTHER INCOME		
	Housing Fund Proceeds/Transfer-In (FY 2009-10 SERAF)	\$ 148,377	
	Interest Earnings	1,107	1,107
	PFA Loan Proceeds		
From PA No. 1 (2010-Budget Balancing)		2,386	
From Sewer Fund (2010-Budget Balancing)	231,550		
SUBTOTAL: OTHER INCOME	\$ 381,034	\$ 3,493	
TOTAL REVENUES	\$ 643,551	\$ 282,493	
TOTAL FUNDS AVAILABLE	\$ 1,047,021	\$ 312,175	
EXPENDITURES	ADMINISTRATIVE EXPENSES		
	Salaries and Overhead		
	Salaries and Benefits	\$ 129,558	
	Cost Allocation	181,168	
	Advertising and Outreach		
	Specific Notifications (2010 Amendments)	2,000	
	SUBTOTAL: ADMINISTRATIVE EXPENSES	\$ 312,726	
	PROFESSIONAL SERVICES		
	Administrative and Legal Services		
	Executive Director/Managerial Support	\$ 17,248	
	Financial and Auditing Services		
	Annual Audit		600
	Cost Allocation Update	4,200	
	Financial: Advisory	3,375	
	Technical Services		
	2010 Amendments (AB 1290 and Fiscal Merger)	20,000	
	2010-15 Implementation Plan		108
	2011 Amendments (SB 211)		20,000
	Retail Strategy	4,000	
	SUBTOTAL: PROFESSIONAL SERVICES	\$ 48,823	\$ 20,708
NEIGHBORHOOD SERVICES			
Street and Sidewalk Improvements	\$ 23,394		
Tree Trimming	34,000		
SUBTOTAL: NEIGHBORHOOD SERVICES	\$ 57,394		
LOAN PAYMENTS			
City Note (1994-PA No. 4 Formation)	\$ 211,478	\$ 229,000	
Housing Fund (FY 2009-10 SERAF)		29,675	
PFA Loans			
Payment to Sewer Fund (2010-Budget Balancing)		2,316	
Transfer to PA No. 1 (2010-Budget Balancing)	238,541		
SUBTOTAL: LOAN PAYMENTS	\$ 450,019	\$ 260,991	
OTHER PAYMENTS			
FY 2009-10 SERAF	\$ 148,377		
FY 2010-11 SERAF		30,476	
SUBTOTAL: OTHER PAYMENTS	\$ 148,377	\$ 30,476	
TOTAL EXPENDITURES	\$ 1,017,339	\$ 312,175	
JUNE 30, 2011 BALANCE (EST.)	\$ 29,682	\$ -	

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**SAN FERNANDO REDEVELOPMENT AGENCY
FISCAL YEAR 2010-11 ADOPTED BUDGET
HOUSING FUND**

FUND 94		FY 2009-10 ACTUALS (EST.)	FY 2010-11 ADOPTED BUDGET
JULY 1, 2010 BALANCE (EST.)		\$ 2,207,563	\$ 370,586
REVENUES	INCOME		
	Tax Increment 1/	\$ 1,410,400	\$ 1,406,800
	OTHER INCOME		
	Interest Earnings	\$ 13,000	\$ 10,000
	Loan Proceeds (FY 2009-10 SERAF)		412,762
	Program Income		
	Equity Share (First Time Homebuyers Program)	33,236	10,000
	Loan Repayments (Rehab Loan Program)	120,400	18,000
	SUBTOTAL: OTHER INCOME	\$ 166,636	\$ 450,762
	TOTAL REVENUES	\$ 1,577,036	\$ 1,857,562
TOTAL FUNDS AVAILABLE	\$ 3,784,599	\$ 2,228,148	
EXPENDITURES	ADMINISTRATIVE EXPENSES		
	Salaries and Overhead		
	Salaries and Benefits	\$ 537,907	\$ 412,700
	Cost Allocation	409,490	313,858
	Advertising and Outreach		
	General Advertising and Outreach	1,419	16,000
	Specific Notifications (2010 Amendments)	5,000	
	Other Expenses		
	Meetings/Travel/Mileage Reimbursement	336	500
	Memberships	695	3,500
	Supplies	3,000	1,451
	Title Reports		2,000
	Training		500
	Tuition Reimbursement	3,500	2,000
	SUBTOTAL: ADMINISTRATIVE EXPENSES	\$ 961,347	\$ 752,509
	PROFESSIONAL SERVICES		
	Administrative and Legal Services		
	Executive Director/Managerial Support	\$ 33,860	\$ 48,750
	Legal: General	15,000	36,000
	Legal: Litigation	140,000	97,500
	Financial and Auditing Services		
	Annual Audit		3,300
	Financial: Advisory		14,000
	Financial: Assessment		8,000
	Financial: Data and Analyses		1,460
	Transaction Report		2,500
	Technical Services		
	2010 Amendments (AB 1290 and Fiscal Merger)	26,264	44,033
	2010-15 Implementation Plan		15,300
	2011 Amendments (SB 211)		70,000
	Spanish Translation (Oral and Written)		5,250
	Website Development		9,578
	SUBTOTAL: PROFESSIONAL SERVICES	\$ 215,124	\$ 355,671
	NEIGHBORHOOD PRESERVATION		
	CAPP: Prosecutor Services	\$ 57,826	
CAPP: Staff Overtime	21,984		
SUBTOTAL: NEIGHBORHOOD PRESERVATION	\$ 79,810		
HOUSING PROGRAMS			
Rehabilitation Loans	\$ 78,813		
SUBTOTAL: HOUSING PROGRAMS	\$ 78,813		
HOUSING AND RELATED PROJECTS			
Housing Element Implementation Ordinance		\$ 4,000	
Project Assistance			
131 Park Ave. (Park Avenue LLC) 2/			
1320 SF Rd. (Gangi)		160,000	
1422 SF Rd. & 551 Kalisher St. (LA Housing Partnership)		90,000	
SUBTOTAL: HOUSING AND RELATED PROJECTS		\$ 254,000	
LOAN PAYMENTS AND TRANSFERS			
California Housing Finance Agency (2004-Senior Housing)		\$ 600,000	
IBM (2007-Edgesoft/AIMS)	15,108	15,000	
Loan/Transfer-Out to Project Areas (FY 2009-10 SERAF)	2,063,811		
SUBTOTAL: LOAN PAYMENTS AND TRANSFERS	\$ 2,078,919	\$ 615,000	
TOTAL EXPENDITURES	\$ 3,414,013	\$ 1,977,180	
JUNE 30, 2011 BALANCE (EST.)	\$ 370,586	\$ 250,968	

1/ Based on 20% of the Agency's total gross tax increment.

2/ Staff assistance will be provided in lieu of any direct financial subsidies (FY 2010-11).