

REDONDO BEACH REDEVELOPMENT AGENCY

Adopted Budget

For Fiscal Year 2010-2011

CHAIRMAN
Steven Diels

VICE-CHAIRMAN
Steve Aspel

MEMBERS
Michael A. Gin
Bill Brand
Pat Aust
Matt Kilroy

EXECUTIVE DIRECTOR
William P. Workman

AGENCY GENERAL COUNSEL
Michael Webb

AGENCY TREASURER
Ernie O'Dell



THIS PAGE LEFT INTENTIONALLY BLANK



Redevelopment Agency

415 Diamond Street, P.O. Box 270
Redondo Beach, California 90277-0270
www.redondo.org

tel 310 372-1171
fax 310 379-9268

May 16, 2010

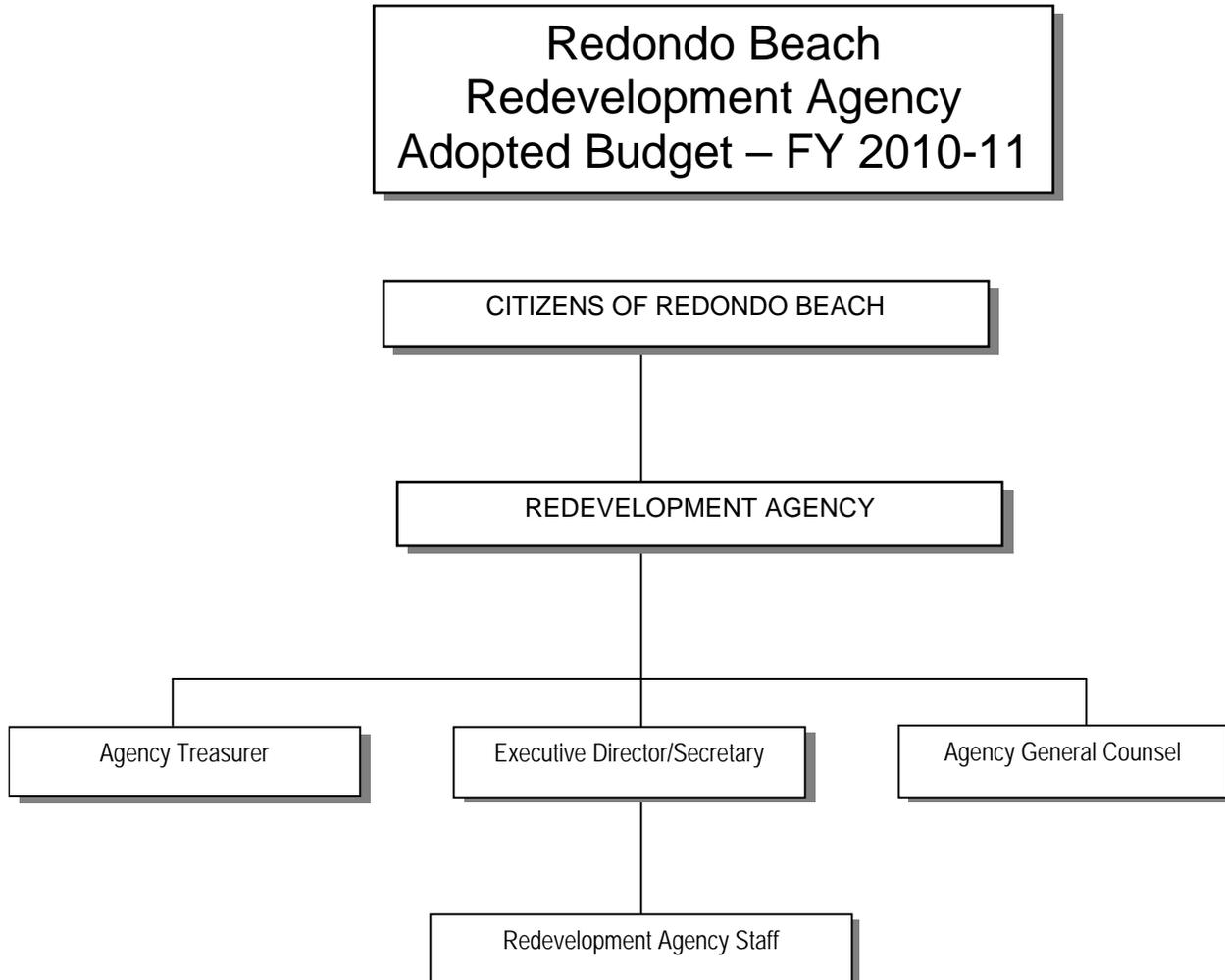
Chair and Members of the Redevelopment Agency
Redondo Beach Redevelopment Agency

Subject: Proposed Budget for Fiscal Year 2010-2011

In accordance with Section 33606 of the California Health and Safety Code, I respectfully submit the Redevelopment Agency Proposed Budget for Fiscal Year 2010-2011 which also includes the budget of the Public Financing Authority, a component unit of the Redevelopment Agency.

The budget includes my recommendations as submitted to the Mayor and City Council in the City's proposed budget. It also incorporates the Redevelopment Agency's AB 1290 Implementation Plan and debt service requirements.

William P. Workman
Executive Director



STATISTICAL PROFILE

Redondo Plaza Project Area

Adopted November 9, 1964
Amendment #1 March 11, 1970
Amendment #2 October 26, 1970
Amendment #3 October 4, 1971
Amendment #4 October 17, 1989
Termination November 9, 2004
Incur Indebtedness by January 1, 2004
Pay Indebtedness by November 9, 2014

South Bay Center Project Area

Adopted November 21, 1983
Termination November 21, 2023
Incur Indebtedness by November 21, 2003
Pay Indebtedness by November 21, 2033

Aviation High School Project Area

Adopted February 27, 1984
Termination February 27, 2024
Incur Indebtedness by February 27, 2004
Pay Indebtedness by February 27, 2034

Harbor Center Project Area

Adopted December 1, 1980
Amendment #1 August 1, 1989
Termination December 1, 2020
Incur Indebtedness by December 1, 2000
Pay Indebtedness by December 1, 2030

SUMMARY OF ESTIMATED REVENUES & APPROPRIATIONS AND
ESTIMATED CHANGES IN FUND BALANCES

<i>Fund</i>	Estimated Fund Balances July 1, 2010	+	Adopted Revenues 2010-11	-	Adopted Appropriations 2010-11	+	Other Financing Source (Uses)	=	Estimated Fund Balances June 30, 2011
General Funds:									
South Bay Center	23,391		2,193,404		1,241,659		(839,710)		135,426
Aviation High School	1,189,163		1,337,443		569,848		27,010		1,983,768
Harbor Center	1,309,369		533,417		772,781		(90,316)		979,689
Sub-total	2,521,923		4,064,264		2,584,288		(903,016)		3,098,883
Housing Funds:									
Redondo Plaza	3,977,362		94,922		488,489		-		3,583,795
South Bay Center	6,236,980		675,125		792,638		-		6,119,467
Aviation High School	974,097		303,142		102,516		529,238		1,703,961
Harbor Center	1,391,841		140,870		1,400		-		1,531,311
Sub-total	12,580,280		1,214,059		1,385,043		529,238		12,938,534
Debt Service Funds:									
South Bay Center	29,763		1,120		828,436		839,710		42,157
Public Financing Authority	9,307,431		548,475		1,479,438		200,559		8,577,027
Sub-total	9,337,194		549,595		2,307,874		1,040,269		8,619,184
Grand Total	24,439,397		5,827,918		6,277,205		666,491		24,656,601

**SCHEDULE OF INTERFUND TRANSFERS
FISCAL YEAR 2010-2011**

	Transfer In	Transfer Out
General Funds:		
South Bay Center	-	839,710
Aviation High School	-	529,238
Harbor Center	-	200,559
Housing Funds:		
South Bay Center	529,238	-
Debt Service Funds:		
South Bay Center	839,710	-
Public Financing Authority	200,559	-
TOTAL	\$ 1,569,507	\$ 1,569,507

Notes:

- Transfers to the Debt Service Funds are for the payment of principal and interest on the South Bay Center and Pier Reconstruction bond issues.
- Transfer to the Housing Funds are for the Supplemental Education Revenue Augmentation Fund loan repayment.

**SUMMARY OF PERSONNEL
Adopted Budget - FY 2010-11**

Redevelopment Agency

City Attorney

0.30 Assistant City Attorney
0.30

City Manager

0.50 Assistant City Manager
0.50

Financial Services

0.50 Budget, Revenue and Payroll Manager
0.50

Recreation and Community Services

0.30 Recreation and Youth Services Manager
0.70 Analyst
0.20 Housing Manager
1.00 Housing Coordinator
0.70 Rehabilitation Inspector Estimator
2.90

Harbor, Business and Transit

0.50 Harbor Business and Transit Director
0.30 Harbor Facilities Manager
0.80

TOTAL PERSONNEL: 5.00

OVERVIEW OF ESTIMATED REVENUES

The Redevelopment Agency's primary revenue sources are tax increment and the investment earnings from the cash held by the Agency. Below is a summary of the FY 2010-2011 estimated revenues by revenue source as compared with the midyear budget of FY 2009-2010 as well as brief descriptions of the changes:

<i>Revenue Source</i>	Midyear FY 2009-10	Adopted FY 2010-11	Increase/ (Decrease)	
Tax Increment	\$3,378,751	\$4,734,772	1,356,021	40.1 %
Investment Earnings	794,325	635,461	(158,864)	(20.0)%
Developer Payments	337,430	137,007	(200,423)	(59.4)%
Rental Income	347,130	320,678	(26,452)	(7.6)%
Total Revenues	\$4,857,636	\$5,827,918	\$970,282	20.0 %

Tax Increment - The tax increment revenue estimates reflect an increase in the Aviation High project area. The FY 2009-10 revenue estimates were based on the elimination of debt with the prepayment of the outstanding bonds. The FY 2010-11 revenue estimates are based on the need to fund the Supplemental Education Revenue Augmentation Fund (SERAF) payment and loan from the Housing Funds with tax increment funds from the Aviation High Project Area.

Investment Earnings - Investment earnings are projected to decline in FY 2010-11. This decline is attributable to lower interest rates available within the investment marketplace resulting from the slowing economy. However, the majority of the investment earnings are pursuant to the South Bay Center bond agreements between the Redevelopment Agency and the Public Financing Authority.

Developer Payments – The estimates for developer payments are based upon the payment schedules included in the South Bay Galleria and Crowne Plaza agreements. The developer payment from the Crowne Plaza terminates in November 2010 with the expiration of the 20-year Disposition and Development Agreement.

Rental Income – The rental income estimate includes the minimum rent, percentage rent and Pier Association reimbursement from Kincaid's Restaurant.

TWO-YEAR COMPARISON OF ESTIMATED REVENUES BY FUND

<i>Fund</i>	Midyear 2009-10	Adopted 2010-11	Increase/ (Decrease)	
General Funds:				
South Bay Center	2,091,537	2,193,404	101,867	4.9%
Aviation High School	205,233	1,337,443	1,132,210	551.7%
Harbor Center	650,607	533,417	(117,190)	(18.0%)
Sub-total	2,947,377	4,064,264	1,116,887	37.9%
Housing Funds:				
Redondo Plaza	115,818	94,922	(20,896)	(18.0%)
South Bay Center	667,288	675,125	7,837	1.2%
Aviation High School	265,031	303,142	38,111	14.4%
Harbor Center	142,394	140,870	(1,524)	(1.1%)
Sub-total	1,190,531	1,214,059	23,528	2.0%
Debt Service Funds:				
South Bay Center	1,181	1,120	(61)	(5.2%)
Public Financing Authority	718,547	548,475	(170,072)	(23.7%)
Sub-total	719,728	549,595	(170,133)	(23.6%)
Grand Total	4,857,636	5,827,918	970,282	20.0%

TAX INCREMENT

DESCRIPTION

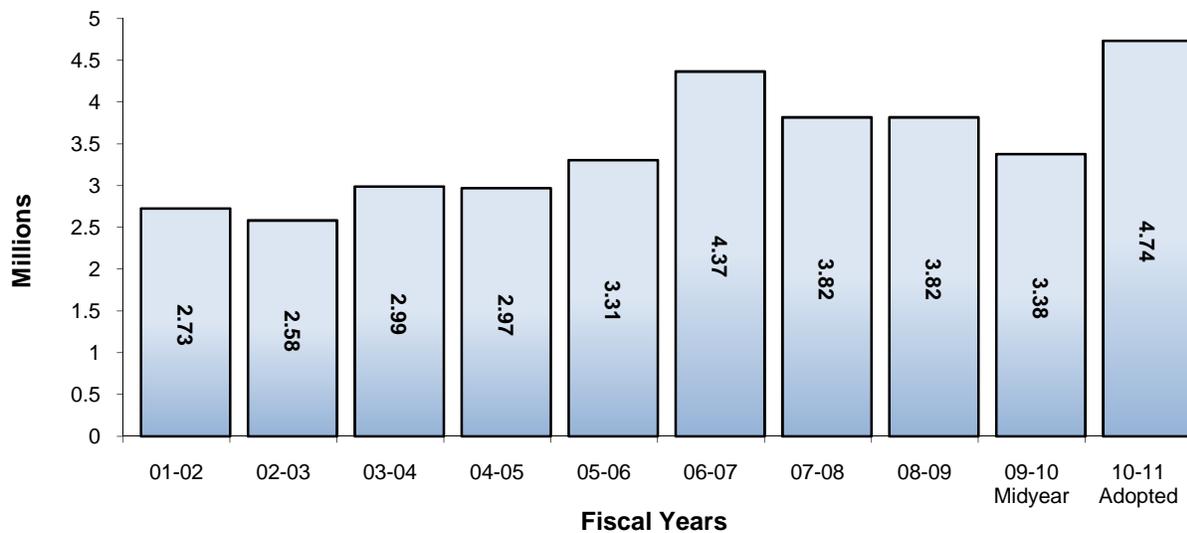
Tax increment is based upon an allocation of taxes equalized prior to adoption of the redevelopment plan (the "base roll"). Taxes collected on any increase in taxable valuation over the base roll are allocated to the Redevelopment agency.

BACKGROUND

Growth of tax increment is realized from the two percent (2%) annual increase allowed by Proposition 13, as well as increased valuations occurring when property is sold or improved and subsequently reassessed. Reductions are realized with property owners seeking downward reassessments in the taxable value of the properties in the project area and subsequent devaluations. The Redondo Plaza project area ceased to generate tax increment during fiscal year 1999-00 with receipt of its lifetime allocation of \$25,000,000 called for in the amended redevelopment plan. The property tax revenue has reverted back to the taxing agencies, including the City.

OUTLOOK

The tax increment revenue estimates reflect an increase in the Aviation High project area. The FY 2009-10 revenue estimates were based on the elimination of debt with the prepayment of the outstanding bonds. The FY 2010-11 revenue estimates are based on the need to fund the Supplemental Education Revenue Augmentation Fund (SERAF) payment and loan from the Housing Funds with tax increment funds from the Aviation High project area.



INVESTMENT EARNINGS

DESCRIPTION

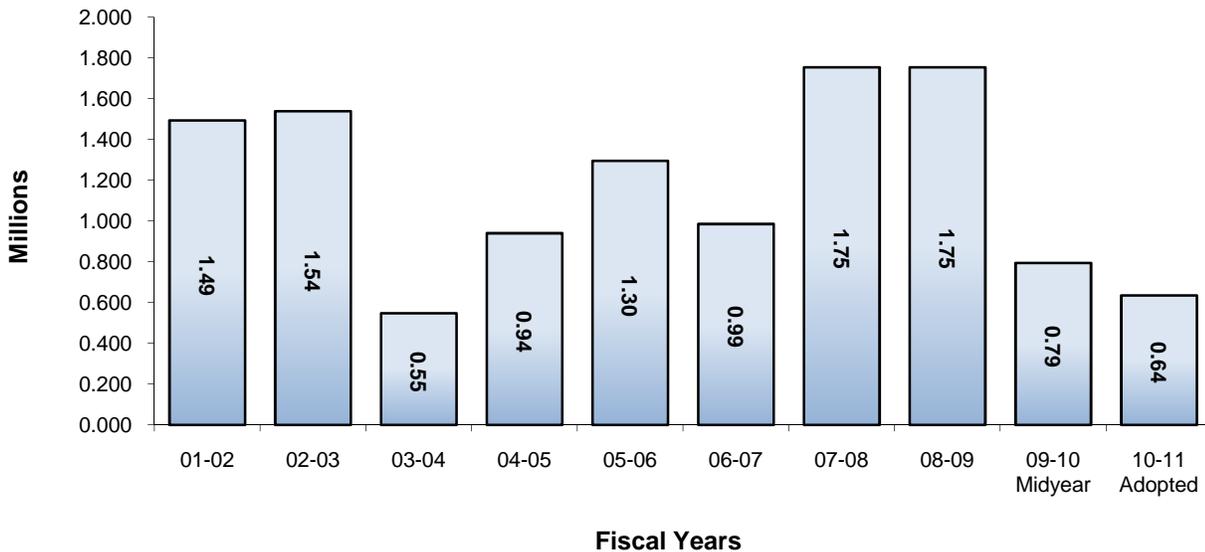
Revenue from investment earnings comes from the prudent investment of the Redevelopment Agency's idle funds.

BACKGROUND

All investments held by the Redevelopment Agency have been authorized by the City of Redondo Beach's Statement of Investment Policy. The policy covers the investments of the City and its component units, including the Redevelopment Agency. Debt issue proceeds are invested through trustees in accordance with the associated trust indentures.

OUTLOOK

Investment earnings are projected to decline in FY 2010-11. This decline is attributable to lower interest rates available within the investment marketplace resulting from the slowing economy. However, the majority of the investment earnings are pursuant to the South Bay Center bond agreements between the Redevelopment Agency and the Public Financing Authority.



DEVELOPER PAYMENTS / RENTAL INCOME

DESCRIPTION

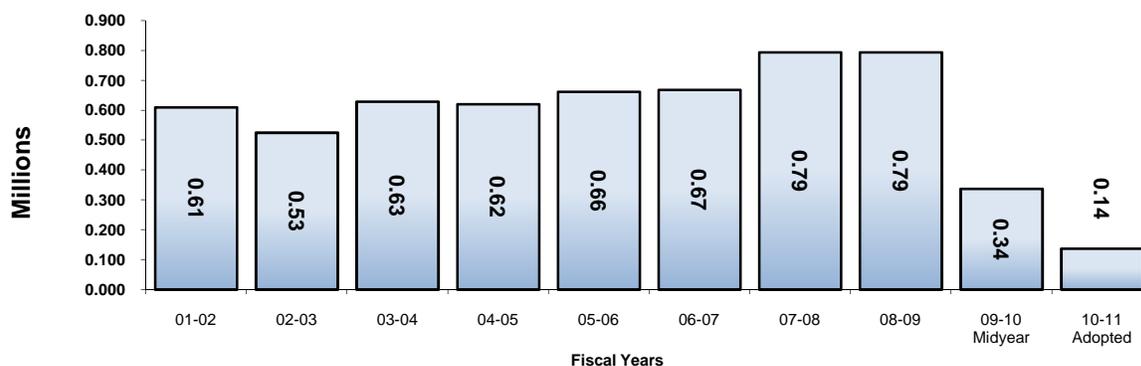
Developer payments are received from the Holiday Inn/Crowne Plaza pursuant to the August 22, 1983 Disposition and Development Agreement (DDA) and from the South Bay Galleria pursuant to the June 18, 1984 Owner Participation Agreement (OPA). However, these payments did not commence until fiscal year 1990-91. In addition, the Public Financing Authority began receiving payments from the RUI One Corp (Kincaid's Restaurant) in January 1999 pursuant to a leasehold agreement dated October 7, 1997.

BACKGROUND

The DDA obligated the Redevelopment Agency to assist with property acquisition and in turn obligated the Developer to reimburse the Redevelopment Agency over a 20-year term for costs incurred in connection with such acquisition. The OPA obligated the Redevelopment Agency to, among other things, provide public financing to allow the construction of a public parking facility which would be leased to the Owner. In return, among other things, the Owner was obligated to make rental payments for a term of 40 years. The financing arrangement with Kincaid's provided for RUI One Corp to construct the restaurant building. The Public Financing Authority purchased the building using a take-out loan repaid from income generated by the lease.

OUTLOOK

Both the DDA and the fixed portion of the OPA include scheduled payment increases. The DDA's 20-year term expires in November 2010 per Crowne Plaza. With its expiration, developer payments are expected to decline significantly. The variable portion of the OPA is based in part upon the extent to which available space is leased in the South Bay Galleria. Space is anticipated to be substantially leased. The leasehold agreement called for a fixed lease payment in the first year of operation. The Public Financing Authority began receiving a percentage of gross sales in February 2000.



REVENUE DETAIL
FISCAL YEARS 2007-2011

<i>Fund</i>	Actual 2006-07	Actual 2007-08	Actual 2008-09	Midyear 2009-10	Adopted 2010-11
General Funds:					
Tax Increment:					
South Bay Center	1,904,934	1,897,311	2,056,339	1,955,000	2,052,800
Aviation High School	887,556	953,712	1,020,713	179,751	1,299,529
Harbor Center	701,378	203,484	401,877	412,000	511,043
Investment Earnings:					
Redondo Plaza	-	-	-	-	-
South Bay Center	-	1,083	2,645	3,587	3,597
Aviation High School	34,293	28,387	23,535	25,482	37,914
Harbor Center	74,069	51,667	35,258	34,127	22,374
Developer Payments:					
South Bay Center	122,589	214,307	144,862	132,950	137,007
Harbor Center	160,050	175,911	195,350	204,480	-
Miscellaneous:					
Harbor Center	-	-	2,000	-	-
Sub-total	3,884,869	3,525,862	3,882,580	2,947,377	4,064,264
Housing Funds:					
Tax Increment:					
South Bay Center	476,233	474,328	514,085	489,000	513,200
Aviation High School	221,889	238,428	255,178	240,000	258,000
Harbor Center	175,345	50,871	100,469	103,000	100,200
Investment Earnings:					
Redondo Plaza	139,060	133,061	119,978	115,818	94,922
South Bay Center	199,355	201,973	182,559	178,288	161,925
Aviation High School	19,509	24,351	25,457	25,031	45,142
Harbor Center	47,147	47,598	41,062	39,394	40,670
Miscellaneous:					
Redondo Plaza	48,698	24,719	477,242	-	-
South Bay Center	48,698	24,719	477,242	-	-
Sub-total	1,375,934	1,220,048	2,193,273	1,190,531	1,214,059

REVENUE DETAIL
FISCAL YEARS 2007-2011

<i>Fund</i>	Actual 2006-07	Actual 2007-08	Actual 2008-09	Midyear 2009-10	Adopted 2010-11
<i>Debt Service Funds:</i>					
Investment Earnings:					
South Bay Center	78,089	48,032	32	1,181	1,120
Public Financing Authority	393,252	1,217,952	1,174,226	371,417	227,797
Bond Proceeds					
Aviation High School	-	-	700,000	-	-
Public Financing Authority	-	7,820,972	165,712	-	-
Rental Income:					
Public Financing Authority	385,416	403,864	339,686	347,130	320,678
Sub-total	856,757	9,490,820	2,379,655	719,728	549,595
TOTAL REDEVELOPMENT AGENCY	6,117,560	14,236,730	8,455,508	4,857,636	5,827,918

OVERVIEW OF APPROPRIATIONS

The appropriations for fiscal year 2010-2011 reflect the following selected programs and activities:

SOUTH BAY CENTER

Galleria Security – In June 1993, the Redevelopment Agency first entered into an agreement with the City to fund security at the Galleria South Bay. The City has a cost sharing agreement with the Galleria at South Bay whereby off-duty Redondo Beach police officers are hired as mall security. The agreement has fixed the costs at \$108,000 annually.

Administration – The administration costs represent the County's \$27,200 administrative fee.

Pass Through Payments – In November 1983, the Redevelopment Agency and the County of Los Angeles entered into an agreement for reimbursement of tax increment funds. It was recognized that the South Bay Center project area needed to utilize a substantial portion of the annual tax increment reimbursement in the early years to finance its redevelopment activities. Therefore, the County taxing entities agreed to defer receipt of tax increment reimbursement from the Redevelopment Agency. With the issuance of the South Bay Center 1996 tax allocation bonds, the deferral process was revised. Pursuant to the agreement reached with the County revising the deferral process, the pass through payments are only deferred to the extent that sufficient revenue is received by the Agency to make its debt service payments required by the bond issue.

Tax Allocation Bonds – In July 1996, the Redevelopment Agency issued \$8,660,000 in tax allocation bonds for the purpose of financing improvements within the project area. The principal and interest payments funded from tax increment revenues are paid to the Public Financing Authority (the holder of the bonds).

AVIATION HIGH SCHOOL

Administration – The administration costs represent the \$13,600 County administrative fee.

Pass Through Payments – In February 1984, the Redevelopment Agency and the County of Los Angeles entered into an agreement for reimbursement of tax increment funds. It was recognized that the Aviation High School project area needed to utilize a substantial portion of the annual tax increment in the early years to finance its redevelopment activities. Therefore, the County taxing entities agreed to defer receipt of tax increment reimbursement from the Redevelopment Agency. This agreement remained unchanged with the refinance of tax allocation bonds in 2001 and again with the refinance of the tax allocation bonds in 2008. The pass through payments and proceeds of long-term debt reflect the amounts to be deferred.

OVERVIEW OF APPROPRIATIONS

Supplemental Education Revenue Augmentation Fund (SERAF) - In July 2009, the State Legislature passed and the Governor signed ABX4-26, as part of the budget package, a devastating \$2.05 billion raid of redevelopment funds for FY 2009-10 and FY 2010-11. The California Redevelopment Association (CRA) filed a lawsuit challenging the bill's constitutionality. The court upheld the bill, and although the CRA has filed an appeal, the FY 2009-10 had to be made and the FY 2010-11 budget includes the second payment. The FY 2009-10 payment was made from the Aviation High project area's tax increment together with a loan from the housing funds. It is anticipated that the repayment of that loan will be made in FY 2010-11 again from the Aviation High project area's tax increment.

HARBOR CENTER

Administration – The administration costs include the \$5,600 County administrative fee. In addition, the accumulated developer payment revenue serves as a portion of the "General Fund" of the Agency for funding administration costs of \$190,184 in personnel expenditures and \$266,513 in maintenance and operations.

City Advance – In June 1990, the Redevelopment Agency entered into an agreement with the City to repay amounts advanced by the City for land acquisition in connection with the Harbor Center project area. Per the agreement, interest accrued on the outstanding balance at the current rate of the Local Agency Investment Fund (LAIF). Beginning in FY 2007-08, the Redevelopment Agency resumed repayments on the advance based on available revenue and is committed to continue such repayments as revenue is available.

Pier Reconstruction Bond Issue – In October 2001, the Public Financing Authority issued Pier Reconstruction refunding revenue bonds. These bonds were issued to refund the Redevelopment Agency's 1993 tax allocation bonds. They are secured by tax increment from the Harbor Center project area. Therefore, the transfer of tax increment is reflected in the Harbor Center project area while the principal and interest expenses on the bond issue are reflected in the Public Financing Authority.

HOUSING

Administration – The administration costs include personnel expenditures of \$271,149. The maintenance and operations expenditures include the County's \$11,600 administrative fee.

Handyperson Program – The handyperson program provides eligible low-income homeowners with exterior improvements and certain interior repairs to their homes and properties. The work is completed by a contracted handyperson crew at no cost to the homeowner.

Owner Rehabilitation Loan Program – A program which provides loans of up to approximately \$20,000 for rehabilitation to low-income households was previously funded by the Community Development Block Grant (CDBG). The Agency has reinstated the program and will receive the deferred interest and principal payments upon the sale or refinance of the home.

OVERVIEW OF APPROPRIATIONS

Inclusionary Housing Program – In FY 2008-09, the Redevelopment Agency began providing counseling and assistance to homebuyers and developers with the inclusionary housing program. The program performs monitoring tasks associated with units that are “set-aside” for rent or purchase by low and moderate income persons. It also enhances the livability of neighborhoods and promotes economic growth in the community.

PUBLIC FINANCING AUTHORITY

Kincaid’s Pass-Through – In October 1997, a leasehold agreement with RUI One Corp (Kincaid’s Restaurant) was signed. Pursuant to the agreement, any rental income received from Kincaid’s that is not needed for the Public Financing Authority’s financial obligations is to be “passed through” to the City.

Administration – The October 1997 agreement referred to above also states that the Public Financing Authority is responsible for the restaurant’s water utility, sewer user fee, and possessory interest payments. These payments are reflected in the administration costs. In addition, on-going consultant fees in connection with the bond issues are included.

Revenue Bonds – In July 1996, the Public Financing Authority issued \$10,330,000 in revenue bonds to acquire the South Bay Center tax allocation bonds and to finance certain public capital improvements within the City. In February 2008, those bonds were refinanced to secure a lower interest rate, shorten the length of the debt, and strengthen the ability to make debt service payments. The bonds are secured by the investment earnings received from the principal and interest payments of the South Bay Center tax allocation bonds.

Refunding Revenue Bonds – In October 2001, the Public Financing Authority issued \$3,500,000 in refunding revenue bonds to refinance the Redevelopment Agency’s 1993 Pier Reconstruction tax allocation and revenue bonds and to finance certain redevelopment activities within or of benefit to the Harbor Center project area.

City Note – In April 1999, the Public Financing Authority entered into a \$1,750,000 loan agreement with First California Bank (formerly South Bay Bank) which was amortized at a variable interest rate. Proceeds of the loan were used to purchase the building on the Redondo Beach Municipal Pier Deck leased by Kincaid’s Restaurant. The loan was refinanced in 2002 to extend the term until May 2009 which was later extended again by resolution to August 2009. In August 2009, before the maturity date, an internal refinancing with the City to repay First California Bank was executed.

TWO-YEAR COMPARISON OF APPROPRIATIONS BY FUND

<i>Fund</i>	Midyear 2009-10	Adopted 2010-11	Increase/ (Decrease)	
<i>General Funds:</i>				
South Bay Center	1,188,145	1,241,659	53,514	4.5%
Aviation High School	289,437	569,848	280,411	96.9%
Harbor Center	906,567	772,781	(133,786)	(14.8%)
Sub-total	2,384,149	2,584,288	200,139	8.4%
<i>Housing Funds:</i>				
Redondo Plaza	442,136	488,489	46,353	10.5%
South Bay Center	746,856	792,638	45,782	6.1%
Aviation High School	102,573	102,516	(57)	(0.1%)
Harbor Center	1,400	1,400	-	0.0%
Sub-total	1,292,965	1,385,043	92,078	7.1%
<i>Debt Service Funds:</i>				
South Bay Center	830,218	828,436	(1,782)	(0.2%)
Public Financing Authority	1,692,931	1,479,438	(213,493)	(12.6%)
Sub-total	2,523,149	2,307,874	(215,275)	(8.5%)
Grand Total	6,200,263	6,277,205	76,942	1.2%

APPROPRIATIONS SUMMARY BY FUND / BY EXPENDITURE TYPE
FISCAL YEAR 2010-2011

<i>Fund</i>	Personnel	Maintenance & Operations	Internal Service	Capital Outlay	Total
<i>General Funds:</i>					
South Bay Center	-	1,181,814	59,845	-	1,241,659
Aviation High School	-	569,848	-	-	569,848
Harbor Center	190,184	399,140	183,457	-	772,781
Sub-total	190,184	2,150,802	243,302	-	2,584,288
<i>Housing Funds:</i>					
Redondo Plaza	162,913	272,560	53,016	-	488,489
South Bay Center	366,275	348,510	77,853	-	792,638
Aviation High School	67,787	26,450	8,279	-	102,516
Harbor Center	-	1,400	-	-	1,400
Sub-total	596,975	648,920	139,148	-	1,385,043
<i>Debt Service Funds:</i>					
South Bay Center	-	828,436	-	-	828,436
Public Financing Authority	-	1,453,834	25,604	-	1,479,438
Sub-total	-	2,282,270	25,604	-	2,307,874
Grand Total	787,159	5,081,992	408,054	-	6,277,205

FIVE-YEAR OVERVIEW OF APPROPRIATIONS
FISCAL YEARS 2006-2007 TO 2010-2011

<i>Fund</i>	Actual 2006-07	Actual 2007-08	Actual 2008-09	Midyear 2009-10	Adopted 2010-11
General Funds:					
Galleria Security:					
South Bay Center	108,000	108,000	197,406	108,000	108,000
Administration:					
Redondo Plaza	84,102	-	-	-	-
South Bay Center	64,972	25,961	33,064	26,400	27,200
Aviation High School	20,088	15,120	41,324	12,800	13,600
Harbor Center	333,725	337,671	593,869	477,366	462,297
Pass Through Payments:					
South Bay Center	1,147,983	1,067,558	1,103,678	1,053,745	1,106,459
Aviation High School	485,517	511,641	547,788	96,886	556,248
Principal Payments:					
South Bay Center	327,462	-	122,005	-	-
Aviation High School	-	945,383	-	175,000	-
Harbor Center	-	750,218	-	217,053	200,241
Interest Expense:					
Aviation High School	-	90,017	391,284	4,751	-
Harbor Center	399,331	475,703	251,905	212,148	110,243
Sub-total	2,971,180	4,327,272	3,282,323	2,384,149	2,584,288

FIVE-YEAR OVERVIEW OF APPROPRIATIONS
FISCAL YEARS 2006-2007 TO 2010-2011

<i>Fund</i>	Actual 2006-07	Actual 2007-08	Actual 2008-09	Midyear 2009-10	Adopted 2010-11
<i>Housing Funds:</i>					
Administration:					
South Bay Center	156,888	304,042	292,423	304,720	304,149
Aviation High School	70,741	104,163	98,787	102,573	102,516
Harbor Center	2,969	1,711	1,420	1,400	1,400
Inclusionary Housing:					
Redondo Plaza	-	-	32,282	86,428	86,428
South Bay Center	-	-	32,282	86,428	86,428
Handyperson Program:					
Redondo Plaza	47,307	97,378	191,665	255,708	277,061
South Bay Center	47,307	97,378	191,916	255,708	277,061
Owner Rehabilitation Loan Program:					
Redondo Plaza	45,341	158,957	73,447	100,000	125,000
South Bay Center	45,341	158,957	73,447	100,000	125,000
Sub-total	415,894	922,585	987,669	1,292,965	1,385,043

FIVE-YEAR OVERVIEW OF APPROPRIATIONS
FISCAL YEARS 2006-2007 TO 2010-2011

<i>Fund</i>	Actual 2006-07	Actual 2007-08	Actual 2008-09	Midyear 2009-10	Adopted 2010-11
<i>Debt Service Funds:</i>					
Administration:					
Aviation High School	-	-	399	-	-
Public Financing Authority	142,484	140,395	124,491	287,009	111,457
Interest Expense:					
Aviation High School	-	-	9,687	-	-
South Bay Center	349,498	1,016,273	665,657	650,218	633,436
Public Financing Authority	950,055	1,020,362	420,000	831,286	801,850
Debt Issuance:					
Public Financing Authority	-	163,018	-	-	-
Principal Payments:					
Aviation High School	-	-	525,000	-	-
South Bay Center	140,000	315,000	180,000	180,000	195,000
Public Financing Authority	430,257	9,070,452	3,501,824	442,685	461,535
Kincaid's Pass-Through:					
Public Financing Authority	172,609	175,561	127,525	131,951	104,596
Sub-total	2,184,903	11,901,061	5,554,583	2,523,149	2,307,874
TOTAL REDEVELOPMENT AGENCY	5,571,977	17,150,918	9,824,575	6,200,263	6,277,205

FIVE-YEAR OVERVIEW OF OTHER FINANCING SOURCES (USES)
FISCAL YEARS 2006-2007 TO 2010-2011

<i>Fund</i>	Actual 2006-07	Actual 2007-08	Actual 2008-09	Midyear 2009-10	Adopted 2010-11
<i>General Funds:</i>					
Proceeds of Long-term Debt:					
South Bay Center	-	-	180,000	-	-
Aviation High School	485,442	511,641	547,788	96,886	556,248
Harbor Center	399,331	407,415	-	212,148	110,243
Transfer from Debt Service Funds:					
Harbor Center	-	676,147	-	-	-
Aviation Bond Debt Service:					
Aviation High School	(806,075)	-	17,279	-	-
Pier Bond Debt Service:					
Harbor Center	(361,123)	-	-	(194,947)	(200,559)
South Bay Center Bond Debt Service:					
South Bay Center	(836,465)	(838,040)	(838,273)	(858,800)	(839,710)
SERAF Loan Repayment:					
Aviation High School	-	-	-	-	(529,238)
Sub-total	(1,118,890)	757,163	(93,205)	(744,713)	(903,016)
<i>Housing Funds:</i>					
SERAF Loan Repayment:					
Aviation High School	-	-	-	-	529,238
Sub-total	-	-	-	-	529,238
<i>Debt Service Funds:</i>					
Debt Service:					
Aviation High School	-	-	534,687	-	-
South Bay Center	493,233	9,597,831	838,273	858,800	839,710
Public Financing Authority	555,097	10,562,275	-	194,947	200,559
Transfer to General Funds:					
Aviation High School	-	-	(700,000)	-	-
South Bay Center	-	(10,562,275)	-	-	-
Public Financing Authority	-	(9,435,937)	-	-	-
Sub-total	1,048,330	161,893	672,960	1,053,747	1,040,269
TOTAL REDEVELOPMENT AGENCY	(70,560)	919,057	579,755	309,034	666,491

ANNUAL GENERAL FUNDS BUDGET
FISCAL YEAR 2010-2011

	REDONDO PLAZA	SOUTH BAY CENTER	AVIATION HIGH SCHOOL	HARBOR CENTER	TOTAL
ESTIMATED FUND BALANCE - July 1, 2010	-	23,391	1,189,163	1,309,369	2,521,923
Revenues					
Tax Increment	-	2,052,800	1,299,529	511,043	3,863,372
Investment Earnings	-	3,597	37,914	22,374	63,885
Developer Payments	-	137,007	-	-	137,007
Total Revenues	-	2,193,404	1,337,443	533,417	4,064,264
Expenditures					
Galleria Security	-	108,000	-	-	108,000
Administration	-	27,200	13,600	462,297	503,097
Pass Through Payments	-	1,106,459	556,248	-	1,662,707
Harbor Debt Interest Expense	-	-	-	110,243	110,243
Harbor Debt Repayment	-	-	-	200,241	200,241
Total Expenditures	-	1,241,659	569,848	772,781	2,584,288
Other Financing Sources (Uses)					
Proceeds of Long-term Debt	-	-	556,248	110,243	666,491
Pier Bond Debt Service	-	-	-	(200,559)	(200,559)
South Bay Center Bond Debt Service	-	(839,710)	-	-	(839,710)
SERAF Loan Repayment	-	-	(529,238)	-	(529,238)
Total Other Financing Sources (Uses)	-	(839,710)	27,010	(90,316)	(903,016)
ESTIMATED FUND BALANCE - June 30, 2011	-	135,426	1,983,768	979,689	3,098,883

ANNUAL HOUSING FUNDS BUDGET
FISCAL YEAR 2010-2011

	REDONDO PLAZA	SOUTH BAY CENTER	AVIATION HIGH SCHOOL	HARBOR CENTER	TOTAL
ESTIMATED FUND BALANCE - July 1, 2010	3,977,362	6,236,980	974,097	1,391,841	12,580,280
Revenues					
Tax Increment	-	513,200	258,000	100,200	871,400
Investment Earnings	94,922	161,925	45,142	40,670	342,659
Total Revenues	94,922	675,125	303,142	140,870	1,214,059
Expenditures					
Administration	-	304,149	102,516	1,400	408,065
Handyperson Program	277,061	277,061	-	-	554,122
Owner Rehabilitation Loan Program	125,000	125,000	-	-	250,000
Inclusionary Housing Program	86,428	86,428	-	-	172,856
Total Expenditures	488,489	792,638	102,516	1,400	1,385,043
Other Financing Sources (Uses)					
SERAF Loan Repayment	-	-	529,238	-	529,238
Total Other Financing Sources (Uses)	-	-	529,238	-	529,238
ESTIMATED FUND BALANCE - June 30, 2011	3,583,795	6,119,467	1,703,961	1,531,311	12,938,534

ANNUAL DEBT SERVICE FUNDS BUDGET
FISCAL YEAR 2010-2011

	SOUTH BAY CENTER	PUBLIC FINANCING AUTHORITY	TOTAL
ESTIMATED FUND BALANCE - July 1, 2010	29,763	9,307,431	9,337,194
Revenues			
Investment Earnings	1,120	227,797	228,917
Rental Income	-	320,678	320,678
Total Revenues	1,120	548,475	549,595
Expenditures			
Administration	-	111,457	111,457
Interest Expense	633,436	801,850	1,435,286
Principal Payments	195,000	461,535	656,535
Kincaid's Pass-Through	-	104,596	104,596
Total Expenditures	828,436	1,479,438	2,307,874
Other Financing Sources (Uses)			
South Bay Center Bond Debt Service	839,710	-	839,710
Pier Bond Debt Service	-	200,559	200,559
Total Other Financing Sources (Uses)	839,710	200,559	1,040,269
ESTIMATED FUND BALANCE - June 30, 2011	42,157	8,577,027	8,619,184

REDEVELOPMENT AGENCY

Core Service Activities

- The Mayor and City Council will conduct approximately 12 meetings of the Public Finance Authority and the Redevelopment Agency.
- The City Treasurer will prepare monthly and quarterly management reports detailing cash and investment positions within the Public Financing Authority and the Redevelopment Agency.
- The City Treasurer will conduct an annual review of the Redevelopment Agency Comprehensive Statement of Investment Policy and maintain policy's professional certification.
- The Recreation and Community Services Department will provide \$250,000 in deferred payment loans for housing rehabilitation projects to between three and four low-income homeowners.
- The Recreation and Community Services Department will administer mobility access projects and provide handyperson improvements for 35 low income homeowners.
- The Recreation and Community Services Department will administer the City's Inclusionary Housing Program by reviewing qualifications of prospective homebuyers and monitoring five residential developments.
- The Harbor, Business and Transit Department will fund approximately \$600,000 to the Handyperson, Commercial Rehabilitation, and Deferred Loan programs.

Key Projects and Assignments

- The Planning Department will complete necessary revisions to achieve certification of the Housing Element of the General Plan (following review by the California Department of Housing and Community Development) by July 2010.
- The Recreation and Community Services Department will continue to develop policies and procedures, including a comprehensive manual, for administration of the City's Inclusionary Program by June 2011.