



Redevelopment Agency Budget Summary

June 18, 2008

The following is a summary of the Redevelopment Agency's budget for Fiscal Year 2009.

Redevelopment Agency Fund 111

The Redevelopment General Fund is the Agency's general operating fund. The primary source of funding for the General Fund is tax increment revenue. Tax increment revenue (including both the Redevelopment and Housing portions) is projected to increase by 4% over Fiscal Year 2008 to \$18,018,000, based on solid real estate growth in the project area. Total revenue to Fund 111 is estimated at \$14,668,789 and is comprised of the following: tax increment (after 20% has been set aside for affordable housing in accordance with state law) conservatively estimated at a 4% rate of growth at \$14,414,400; interest income of \$200,000; rental income of \$48,000; and, loan program income of \$5,000.

After accounting for operating expenses of approximately \$1,766,659, debt service of \$7,516,084, special project expenses of \$649,100 (shuttle bus contract, hazardous waste studies and mitigation, Downtown Organization, and property management, etc.), and an appropriated operating reserve of \$80,000, there will be approximately \$4,656,946 as fund balance carryover.

Capital Projects Fund 311

The Capital Projects Fund accounts for redevelopment capital projects and is principally funded from revenues from Fund 111 that are moved over to project accounts in Fund 311 when budgeted. The fund currently includes six project accounts that total approximately \$7,930,423 and include: IPM Sustainable Park Improvements Account, Fire Station #1 Remodel Account (one of two accounts), Property Opportunity Acquisition Account; RDA Project Contingency Account, Affordable Housing Contingency Account, and the Pedestrian Improvements at Granada Garage / Coffee Cat account.

RDA - Housing Program Fund 112

The RDA - Housing Program Fund is used for the operating expenses of the Agency's Housing Program and to fund the construction and rehabilitation of affordable housing. Total revenue to Fund 112 is estimated at \$3,914,134 and is comprised of the following: tax increment of \$3,603,600; interest income of \$150,000; and loan program income of \$160,000.

After accounting for operating expenses of \$870,588, debt service on the St. Vincent's housing bond of \$636,650, and an appropriated operating reserve of \$80,000, there will be approximately \$2,326,896 in new RDA funds available for appropriation to affordable housing projects. The estimated fund balance / carryover is \$4.4 million; bringing the total available for housing projects to approximately \$6.7 million. However, the Agency Board recently committed a loan of \$4.8 million to the City Housing Authority for their acquisition and landbanking of a parcel at 512-518 Bath Street. Therefore the amount of uncommitted housing funds available will be \$1.9 million.