



# Building A Better Long Beach

June 20, 2011

REDEVELOPMENT AGENCY BOARD MEMBERS  
City of Long Beach  
California

## RECOMMENDATION:

- Determine that the planning and administrative expenses charged to the low- and moderate-income housing fund were necessary for the production, improvement and preservation of low- and moderate-income housing;
- Approve the transfer of \$2.3 million of discretionary tax increment from the North Long Beach Redevelopment Project Area to pay a portion of the housing set-aside obligation of the Central Long Beach Redevelopment Project Area;
- Adopt a resolution finding the payment of additional housing set-aside by the North Long Beach Redevelopment Project Area is of benefit to the Project Area;
- Approve the Redevelopment Agency Budget for Fiscal Year 2011-2012 (FY12) and forward it to the City Council for approval as part of the City of Long Beach budget adoption process; and
- Approve amendments to the Redevelopment Agency's Budget for Fiscal Year 2010-2011 (FY11) as described in the Estimates to Close. (All Project Areas – Citywide)

## DISCUSSION

For 50 years, the Redevelopment Agency of the City of Long Beach (Agency) has fulfilled its core mission of eliminating blight, improving neighborhoods, promoting economic development and enhancing the quality of life for residents, businesses and community stakeholders. Given the current budget environment and concerted efforts by the State Legislature to curtail or even eliminate redevelopment functions, the Agency's ability to carry out its mission may be moot. However, despite the unknown, Agency staff has a fiduciary responsibility to fund current, ongoing and planned activities to the extent possible. It is under the threat of total elimination that staff has prepared the FY12 budget.

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Transmitted herewith for your approval is the proposed FY12 budget for the Redevelopment Agency of the City of Long Beach, along with a discussion of certain supporting actions (including transfers, legal findings and estimates-to-close) as required per Community Redevelopment Law (CRL).

### I. ADMINISTRATIVE EXPENSES FOR HOUSING

The CRL, in Health and Safety Code Section 33334.3(d), requires redevelopment agencies to determine that the planning and administrative expenses charged to its Low- and Moderate-income Housing Set-aside Fund (LMHSF) are necessary for the production, improvement or preservation of low- and moderate-income housing. The Agency transfers 20 percent of its tax increment to the City of Long Beach (City) Housing Development Fund. The estimated FY12 20-percent transfer is \$18,391,730. The Housing Services Bureau and the Long Beach Housing Development Company (LBHDC) use the Agency's LMHSF to create affordable housing. The Housing Services Bureau and the LBHDC use a portion of the funds for administrative expenditures including the use of consultants to provide the analysis and planning necessary to address the City's need for affordable housing.

The administrative expenses for FY11 and projected expenses for FY12 are included in Exhibit A. Administrative costs are traditionally presented as a percentage of the Housing Development Fund's estimated revenue for the current year, which is comprised in large part of the LMHSF allocation. In FY10, the LMHSF allocation was loaned back to the Agency to help make the Supplemental Educational Revenue Augmentation Fund (SERAF) payment, and the FY10 administrative expenses were drawn from fund balance. The SERAF loan will be repaid over five years beginning in FY11. Exhibit A reflects the first payment of \$4,180,470. To remain consistent with past years' analyses, the FY12 administrative costs are presented in Exhibit A as a percentage of the Housing Development Fund's FY12 revenue.

FY12 administrative expenses are estimated to account for 19 percent of the City's Housing Development Fund FY12 revenues, or \$4.3 million. Staff recommends that the Agency determine that the current and proposed expenditures are necessary for the production, improvement and preservation of low- and moderate-income housing.

### II. NORTH PROJECT AREA'S CONTRIBUTION TO CENTRAL PROJECT AREA'S HOUSING SET-ASIDE OBLIGATION

The Independent Study of Redevelopment (May 2005) recommended the following:

*Spreading the Wealth. LBRA (Long Beach Redevelopment Agency) should work to ensure that all redevelopment areas benefit from available TIF (tax increment fund) streams and redevelopment investments, to the extent permitted by California law.*

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As a mechanism to implement this recommendation, the Agency Board in October 2005, and again as part of the Agency's FY07, FY08, FY09, FY10, and FY11 budgets, approved the transfer of discretionary tax increment revenue from the North Long Beach Redevelopment Project Area to pay a portion of the Central Long Beach Redevelopment Project Area's housing set-aside obligation. In turn, the Central Long Beach Redevelopment Project Area repaid a portion of its debt to the City. The North Long Beach Redevelopment Project Area was tapped to assist with the repayment since a portion of the Port of Long Beach, a citywide asset, is located within the project area. Therefore in FY12, continuing past practice, the Agency's budget includes a \$2.3 million transfer from the North Long Beach Redevelopment Project Area to the Central Long Beach Redevelopment Project Area.

### III. FINDING THAT NORTH PROJECT AREA'S CONTRIBUTION TO CENTRAL PROJECT AREA'S HOUSING SET-ASIDE BENEFITS THE NORTH PROJECT AREA

To make the \$2.3 million transfer from the North Long Beach Redevelopment Project Area to the Central Long Beach Redevelopment Project Area's housing set-aside, the Agency and City Council must make a finding by resolution that the payment of additional housing set-aside is of benefit to the North Long Beach Redevelopment Project Area. Approval of this resolution by the Agency Board has been included as part of this letter's recommendations.

### IV. REDEVELOPMENT AGENCY BUDGET FOR FY12

The Agency is required to adopt a budget annually. Section 33606 of the CRL requires redevelopment agencies to include the following information in their annual budgets:

- Proposed expenditures.
- Proposed indebtedness.
- Anticipated revenues.
- Work program for the coming year, including goals.
- An examination of the prior year's achievements and a comparison with the prior year's goals.

All of the items listed above are contained in Exhibit B, with the exception of the examination of the prior year's achievements and a comparison with the prior year's goals. The Agency Board examined and approved the FY10 achievements as compared to the goals for that year as part of its review and acceptance of the Agency's FY10 Annual Report on April 18, 2011, and will do the same for the FY11 goals once the annual report for that year is complete.

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Each year, staff creates a detailed budget for the Agency. Information from this budget is entered into the City's financial systems and is included in the City budget that the City Council approves. Staff also prepares a budget summary that includes each redevelopment project area and the Project Income Fund. The budget summary is included in Exhibit B. Staff's goal in preparing the summary is to create a document that explains the Agency's budget in an easy-to-understand format.

Preparation of the FY12 budget has been incredibly challenging given the turmoil created by Legislative efforts to eliminate redevelopment agencies statewide. Staff has a fiduciary responsibility to provide adequate reserves, to ensure payment of all debts and obligations, and to protect the City's General Fund from any potential liabilities related to the Agency's programs or projects.

The Agency's budget serves as a planning document for the upcoming fiscal year. In response to new State legislation, changing market conditions, development opportunities and revenue adjustments, it may be necessary for the Agency to make adjustments to its programs and projects. Any substantial budget changes will be presented to the Agency Board for approval in open session to give the public an opportunity to comment.

### 1. Public Participation and City Council Consultations

In spite of the abbreviated budget process resulting from uncertainty generated by the governor's budget proposal, public participation was included in the formation of the Agency's FY12 budget. Staff began the budget process by preparing a list of priorities for each redevelopment project area. The priorities and budgets were reviewed by the Agency Board in two study sessions and presented to the Project Area Committees (PACs) at their individual meetings. City Council Members were also invited to discuss their FY12 budget priorities with the Agency Board at the study sessions. The Central, North and West Long Beach Industrial PACs have recommended that the Agency Board approve the FY12 budget.

Given the ongoing uncertainty within which this FY12 budget was adopted, staff recommends the Agency maintains its focus on completing projects already under development prior to implementing new initiatives. There are several City Council-requested initiatives which are not included in this proposed FY12 budget. Should the Agency sustain threats posed by Sacramento and maintain adequate revenues, staff supports a mid-year budget amendment to incorporate new initiatives at that time. The Agency may direct staff to take a different approach to inclusion of new initiatives if the Agency desires to include new initiatives in the FY12 base budget.

2. Voluntary Reserves

Tax increment revenues are exceedingly difficult to predict and can vary greatly from year to year. It is essential that no project area miss a bond debt service payment due to lack of revenues. For this reason, the Agency has a policy of maintaining a voluntary reserve for bond debt service payments. Ideally, reserves are held for each project area equal to one year's debt service payments. FY12 reserves are budgeted at an average of 126 percent of annual debt service. This high level of reserves is due to the Agency's expected policy decision not to budget any new projects for FY12 pending State legislation on redevelopment, which results in decreased expenditures. In addition, staff has built reserves in anticipation of additional State takeaways under consideration in Sacramento. Irrespective of the State's actions, it is imperative that the Agency maintains adequate reserves and does not succumb to funding requests that may jeopardize the Agency's financial position or place liability on the City's General Fund.

3. Impact of the Economy on the Budget

Economic conditions nationwide continue to result in high property assessment appeals and property tax delinquencies reflective of high foreclosure rates. These conditions are expected to result in a continuing decline in tax increment revenue allocated to the Agency through FY12. The Central Long Beach Redevelopment Project Area, in particular, continues to experience a particularly poor property tax collection rate (88.7 percent in FY09 and 91.5 percent in FY10). Significant assessment appeals are currently pending for properties located within the West Long Beach Industrial and North Long Beach Redevelopment Project Areas. Depending on the outcomes, assessment appeal decisions may reduce potential revenue in FY11 and FY12 by up to \$12.8 million. The FY11 estimates-to-close (Exhibit B-1) include reserves for these appeals to establish realistic projections of available resources and ensure the Agency has adequate funds available to meet its obligations. Lowered property values resulting from these appeals and continued low collection rates will further impact tax increment in FY12, with tax increment revenues not expected to begin increasing until FY13.

To mitigate these reductions, the Agency has continued to follow its practice of multi-year planning. Activities of benefit to the project areas have been spread across FY12, FY13 and FY14 as funds are anticipated to be available to complete those activities. Additionally, the Agency will focus FY12 efforts on existing programs that eliminate blight and spur economic activity through business loans, façade improvements and other revitalization programs.

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#### 4. Housing Set-Aside

The CRL requires the Agency to set aside 20 percent of its tax increment revenue for affordable housing. The proposed FY12 budget includes a full LMHSF contribution from all project areas. None of the project areas are expected to defer the housing set-aside. However, as described above, the North Long Beach Redevelopment Project Area is paying \$2.3 million of the Central Long Beach Redevelopment Project Area's housing set-aside. In addition to the current year's 20 percent allocation of \$18,391,730, project areas will also be transferring \$4,180,470 as the second of five annual repayments of SERAF loan. The total LMHSF contribution from all project areas is expected to be \$22,572,200 in FY12.

#### 5. Low- and Moderate-Income Housing Fund Transfer to Housing Development Fund

The Agency currently transfers all of its LMHSF to the City's Housing Development Fund. Activities to be financed by the LMHSF during FY12 are contained in the budget of the Housing Services Bureau, which administers the City's Housing Development Fund. These activities are included in the Agency's budget by reference. The City Council and LBHDC authorize expenditures from this fund. Expenditures from the Housing Development Fund appear in the budget for the Department of Development Services Housing Services Bureau.

#### 6. Proposed Budget

A budget summary and individual project area budgets are included in Exhibits B-2 through B-9. A brief description of each project area budget is given below.

- North Long Beach Redevelopment Project Area

The FY12 projected beginning fund balance for the North Long Beach Redevelopment Project Area of \$40,078,654 is expected to include approximately \$17,396,531 in unexpended proceeds from the Agency's 2010 American Recovery and Reinvestment Act tax-exempt bond issue. FY12 tax increment for the North Long Beach Redevelopment Project Area is estimated at \$39,980,748 gross and \$18,597,297 net. The proposed FY12 budget includes \$43,523,081 in expenditures. The adjusted ending fund balance is 188 percent of the voluntary reserve goal of \$9,984,278 for the project area.

- Central Long Beach Redevelopment Project Area

The Central Long Beach Redevelopment Project Area is expected to receive gross tax increment in the amount of \$17,735,974 in FY12 and net tax increment is estimated to be \$12,175,544. The project area's proposed FY12 budget contains expenditures totaling \$15,454,560 and includes the anticipated completion of park developments funded by the Open Space Loan from the City. The projected ending fund balance will cover approximately 96 percent of the project area's voluntary reserve of \$3,657,284.

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- Poly High Redevelopment Project Area  
The Poly High Redevelopment Project Area is expected to generate gross tax increment in the amount of \$726,650 in FY12 (\$482,338 net). These revenues will cover the project area's debt service payments and other financial commitments, as well as expenses for planned public art and infrastructure improvements. The project area is projected to achieve 188 percent coverage of its voluntary reserve goal of \$215,906.
- Downtown Redevelopment Project Area  
The FY12 gross tax increment projection for the Downtown Redevelopment Project Area is \$18,926,528, with net tax increment estimated at \$13,744,840. The FY12 budget also includes a \$4 million transfer from the Project Income Fund to support expenses. FY12 activities will focus on key development sites and construction of public improvements including the Promenade and Pine Avenue Streetscape. The ending fund balance in FY12 is projected to cover 162 percent of the voluntary reserve goal of \$7,324,375.
- West Beach Redevelopment Project Area  
The West Beach Redevelopment Project Area is expected to generate gross tax increment in the amount of \$1,588,440 (net tax increment of \$1,018,430) with expenditures of \$1,264,679 in FY12. Tax increment not committed to financial obligations will be used for improvements to the Promenade in the Downtown Project Area as approved by findings of benefit made by the Agency Board and City Council. The projected ending fund balance is 52 percent of the voluntary reserve goal of \$836,077.
- West Long Beach Industrial (WLBI) Redevelopment Project Area  
The FY12 gross tax increment projection for the WLBI Redevelopment Project Area is \$12,320,804 with net tax increment estimated at \$7,871,938. WLBI expenditures for FY12 are focused on façade improvements, pump station upgrades and street enhancements. These and other expenditures are expected to total \$13,253,667. This overage will absorb a portion of the project area's fund balance and while WLBI is anticipated to end the year with 79 percent of its \$3,069,965 reserve goal, continuation of planned public improvements in FY13 will more than deplete the reserve. Discussions regarding future budget implications and project priorities will be held with the WLBI Project Area Committee in order to set expectations for future expenditures or to consider issuance of bonds to complete planned improvements assuming the State Legislature does not eliminate redevelopment agencies.

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- Los Altos Redevelopment Project Area  
The Agency used funds loaned from the West Long Beach Industrial Redevelopment Project Area to redevelop the Los Altos Shopping Center. Tax increment funds from the Los Altos Redevelopment Project Area are primarily devoted to repaying this loan and paying debt service on bonds issued in 2005. The Circuit City located in this shopping center closed in FY09 and was replaced by a fitness center, which has impacted sales tax revenues received by the project area. The voluntary reserve goal for Los Altos is \$403,195 and the FY12 estimated ending fund balance covers 115 percent of this goal.
- Project Income Fund  
The CRL requires redevelopment agencies to spend tax increment for the benefit of the project area that generates it. However, land sale proceeds, rents, loan repayments and other such revenues are not tax increment and do not have the same restrictions. The Agency has established a Project Income Fund for such revenues, which can be used for expenditures in any redevelopment project area. The Project Income Fund serves as a reserve for the Agency and is used to assist project areas with insufficient revenues. The Agency anticipates transferring \$4 million from this fund to the Downtown Redevelopment Project Area to cover expenses during FY12. The fund also serves as a secondary reserve in the event a project area needs to increase its voluntary reserve.
- Total Agency Budget  
The proposed FY11 budget for all project areas and the Project Income Fund contains revenues totaling \$82,835,094 and expenditures of \$107,504,229. This results in the utilization of \$24,669,135 in available fund balances consisting in large part of remaining 2005 bond proceeds, Open Space Loan funds, and 2010 ARRA bond proceeds. The Agency is projected to end FY12 with funds in the amount of \$38,076,310.

### V. AMENDMENT TO FY11 AS DESCRIBED IN THE ESTIMATES-TO-CLOSE (ETC)

The FY11 Agency budget was originally adopted in June 2010. Since that time, project expenses have changed and new projects have been introduced. Staff has produced the revised estimates of revenues and expenditures for FY11 presented in Exhibit B-1. Incorporated in the adjusted gross tax increment revenue estimates are assessment appeal reserves totaling \$12,750,903, which were not included in the FY11 budget. Staff will monitor resolved and pending appeals and propose changes to the reserves as appropriate going forward. Staff reviewed the proposed adjustments with the Agency Board at the June 6 and June 13 study sessions, and recommends approval of the proposed FY11 ETCs as shown in Exhibit B-1.



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VI. CONCLUSION

The Agency recently experienced a period in which revenues were robust due to a nearly Agency-wide 2005 bond issue, a 2010 bond issue in North Long Beach, and a healthy and dependable tax increment revenue stream resulting from a strong real estate market. These factors allowed the Agency to not only address critical community needs but also to implement less critical improvements that contributed to revitalization of the Project Areas. Unfortunately, property tax delinquencies, property value assessment appeals, State takes of Redevelopment funds for SERAF, and other factors related to the downturn in the economy have significantly affected the availability and allocation of resources. For example, the Agency is no longer in a position to aggressively pursue new large infrastructure projects in most project areas unless new financial resources become available. Further, the Agency must maintain a careful balance between community desires and demonstrated need. In this spirit, the FY12 proposed budget demonstrates a focus on strategic partnerships to further basic economic development services and neighborhood revitalization initiatives (e.g., code enforcement and graffiti). Moving forward, staff recommends the Agency focus on maintaining and growing its voluntary and assessment appeal reserves in these uncertain times. With these recommendations, staff remains conservatively optimistic that the Agency's financial position will remain strong if the Legislature continues to allow the Agency to exist.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



ROBERT M. ZUR SCHMIEDE, AICP  
ASSISTANT EXECUTIVE DIRECTOR



AMY J. BODEK, AICP  
EXECUTIVE DIRECTOR

AJB:RMZ:DLH:AA

Attachments: Exhibit A – FY12 Administrative Expenses for Housing  
Exhibit B – FY11 Estimates-to-Close and FY12 Proposed Budget  
Redevelopment Agency Resolution

**EXHIBIT A**



**Building A Better Long Beach**

**Redevelopment Agency  
of the City of Long Beach**

**Fiscal Year 2012**

**Administrative Expenses  
for Housing**

**HOUSING SERVICES BUREAU  
HOUSING DEVELOPMENT FUND  
ADMINISTRATION - REVENUE/EXPENDITURES  
CITY / LONG BEACH HOUSING DEVELOPMENT COMPANY  
FY 2011 - 2012**

	A		B		C		D		E		F		G
	ADMINISTRATION		FY 2011 Adopted Budget		FY 2012 Proposed Budget		COMBINED		CITY		LBHDC	COMBINED	
			CITY	LBHDC	CITY	LBHDC	CITY	LBHDC					
(1)	<b>REVENUE</b>												
(2)	Tax Increment Housing Set-Aside					20,084,858							18,391,730
(3)	Housing Set-Aside SERAF Loan Repayment					4,180,470							4,180,470
(4)	Program Income					412,399							101,250
(5)	<b>TOTAL REVENUE</b>					<b>24,677,727</b>							<b>22,673,450</b>
(6)													
(7)	<b>EXPENDITURES</b>												
(8)	Personal Services		3,220,886			3,220,886			2,960,644				2,960,644
(9)	Policy/Program/Project Development		234,600	128,000		362,600			295,450	152,000			447,450
(10)	Internal Services		463,479	30,667		494,146			507,365	37,816			545,181
(11)	Financial Management		76,547	-		76,547			87,472				87,472
(12)	Indirect Costs		332,953	-		332,953			273,347				273,347
(13)	<b>TOTAL ADMINISTRATIVE COSTS</b>		<b>\$ 4,328,465</b>	<b>\$ 158,667</b>		<b>\$ 4,487,132</b>			<b>\$ 4,124,279</b>	<b>\$ 189,816</b>			<b>\$ 4,314,095</b>
(14)	Percentage of Total Set-Aside Revenue		18%	1%		18%			18%	0.84%			19%

**Memo:** Program income excludes federal and state grant and loan funds, pass through loan repayments, and transfer from other City Funds.

**EXHIBIT B**



**Building A Better Long Beach**

**Redevelopment Agency  
of the City of Long Beach**

**Fiscal Year 2011  
Estimates to Close**

**and**

**Fiscal Year 2012  
Proposed Budget**

# **Exhibit B**

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**Exhibit B-1  
Redevelopment Agency of the City of Long Beach  
Summary of the Fiscal Year 2010-2011 Estimates to Close**

	North	Central	Poly High	Downtown	West Beach	WLBI	Los Altos	Total Project Areas	Project Income	Total Funds
<b>Beginning Fund Balance</b>	\$61,607,930	\$7,220,711	\$323,282	\$10,669,268	\$1,660,932	\$12,551,501	\$491,131	\$94,344,755	\$4,722,904	\$99,067,659
Adjusted Gross Tax Increment (incl. Appeal Reserve)	34,892,763	17,441,261	642,908	16,332,579	1,578,952	9,566,211	684,431	83,139,104	N/A	83,139,104
Low-Mod Housing Set-Aside	(6,978,553)	(3,488,252)	(128,582)	(3,666,516)	(315,790)	(1,913,242)	(138,886)	(16,627,821)	N/A	(16,627,821)
Hsg. Set-Aside SERAF Contribution/(Repayment)	(3,512,394)	0	(29,356)	0	(80,841)	(527,573)	(30,306)	(4,180,470)	N/A	(4,180,470)
North Housing Set-Aside Transfer to Central	(2,300,000)	2,300,000	0	0	0	0	0	0	N/A	0
Increment Sharing with Taxing Agencies	(6,978,553)	(3,488,252)	(12,384)	0	(106,260)	(974,671)	(27,032)	(11,587,152)	N/A	(11,587,152)
County Administrative Charge	(697,960)	(320,734)	(57,241)	(327,432)	(28,837)	(215,357)	(12,727)	(1,660,289)	N/A	(1,660,289)
Net Tax Increment	14,425,304	12,444,022	415,346	14,338,631	1,047,223	5,935,367	477,479	49,083,373	N/A	49,083,373
Program Revenues	2,856,750	8,087,329	2,426	10,995,006	6,589	268,328	584,727	22,811,155	6,555	22,817,711
Restricted Revenues	0	0	0	4,153,499	0	0	0	4,153,499	2,303,000	6,456,499
<b>Total Revenues</b>	<b>17,282,054</b>	<b>20,541,352</b>	<b>417,772</b>	<b>29,487,137</b>	<b>1,083,812</b>	<b>6,203,695</b>	<b>1,062,206</b>	<b>76,048,027</b>	<b>2,309,556</b>	<b>78,357,583</b>
<b>Total Funds Available</b>	<b>78,789,984</b>	<b>27,762,063</b>	<b>741,054</b>	<b>40,056,405</b>	<b>2,734,744</b>	<b>18,756,196</b>	<b>1,563,337</b>	<b>170,392,782</b>	<b>7,032,459</b>	<b>177,426,241</b>
<b>Expenditures</b>										
SERAF	3,892,310	1,272,900	46,948	0	115,003	700,903	48,788	6,076,852	0	6,076,852
Financing Costs	9,991,080	3,633,406	220,664	8,347,184	835,882	3,610,949	981,485	27,620,650	5,374,260	32,994,910
Neighborhood Revitalization	1,050,000	1,586,323	0	10,552,029	0	287,029	0	13,475,381	1,450,000	14,925,381
Corridor Revitalization	4,954,950	2,256,449	0	0	0	2,584,975	0	9,796,374	0	9,796,374
Open Space/Public Art	2,984,645	7,800,848	193,000	3,043,739	1,000,000	92,000	0	16,114,233	0	15,114,233
Infrastructure/Public Improvements	13,474,081	3,582,059	0	3,236,300	0	2,785,000	0	23,077,440	0	23,077,440
Housing	0	0	0	0	0	0	0	0	0	0
Effective Project Area Operations	2,364,263	4,066,300	32,994	2,037,787	103,517	1,159,549	60,064	9,814,474	14,601	9,829,076
<b>Total Expenditures</b>	<b>38,711,330</b>	<b>24,188,286</b>	<b>493,606</b>	<b>27,217,039</b>	<b>2,054,402</b>	<b>11,220,406</b>	<b>1,090,337</b>	<b>104,975,404</b>	<b>6,838,862</b>	<b>111,814,266</b>
<b>Ending Fund Balance</b>	<b>40,078,654</b>	<b>3,573,777</b>	<b>247,448</b>	<b>12,839,366</b>	<b>680,342</b>	<b>7,534,791</b>	<b>463,001</b>	<b>65,417,378</b>	<b>193,598</b>	<b>65,610,976</b>
(Less) Unexpended ARRA Bond Proceeds	(17,396,531)	0	0	0	0	0	0	(17,396,531)	0	(17,396,531)
<b>Adjusted Ending Fund Balance</b>	<b>22,682,123</b>	<b>3,573,777</b>	<b>247,448</b>	<b>12,839,366</b>	<b>680,342</b>	<b>7,534,791</b>	<b>463,001</b>	<b>48,020,847</b>	<b>193,598</b>	<b>48,214,445</b>

**Exhibit B-2**  
**The Redevelopment Agency of the City of Long Beach**  
**Summary of the Fiscal Year 2011-2012 Proposed Budget**

	North	Central	Poly High	Downtown	West Beach	WLBI	Los Altos	Total Project Areas	Project Incomes	Total Funds
<b>Beginning Fund Balance</b>	\$40,078,864	\$3,573,777	\$247,448	\$12,839,366	\$680,342	\$7,534,791	\$463,001	\$65,417,376	\$183,598	\$65,610,976
Gross Tax Increment	39,980,748	17,735,974	726,650	16,926,528	1,588,440	12,320,804	679,507	91,958,652	N/A	91,958,652
Low-Mod Housing Set-Aside	(7,996,150)	(3,547,195)	(145,330)	(3,785,306)	(317,688)	(2,464,161)	(135,901)	(18,391,730)	N/A	(18,391,730)
Hsg Set-Aside SERAF Contribution/(Repayment)	(2,451,460)	0	(29,356)	(1,060,934)	(80,841)	(527,573)	(30,306)	(4,180,470)	N/A	(4,180,470)
North Transfer to Central	(2,300,000)	2,300,000	0	0	0	0	0	0	N/A	0
Tax Sharing	(7,996,150)	(4,029,460)	(11,628)	0	(156,066)	(1,260,000)	(28,259)	(13,481,561)	N/A	(13,481,561)
County Administrative Charge	(639,692)	(283,776)	(58,000)	(335,448)	(25,415)	(197,133)	(10,872)	(1,650,336)	N/A	(1,650,336)
Net Tax Increment	18,597,297	12,175,544	482,338	13,744,840	1,008,430	7,871,938	474,169	54,354,555	N/A	54,354,555
Program Revenues	6,487,335	3,210,238	8,000	7,748,820	10,000	271,586	614,617	18,350,695	8,687	18,357,282
Restricted Revenues	0	0	0	2,528,447	0	0	0	2,528,447	7,594,811	10,123,258
<b>Total Revenues</b>	<b>25,084,631</b>	<b>15,385,781</b>	<b>490,338</b>	<b>24,022,107</b>	<b>1,018,430</b>	<b>8,143,524</b>	<b>1,088,785</b>	<b>75,233,697</b>	<b>7,601,497</b>	<b>82,835,094</b>
<b>Total Funds Available</b>	<b>65,163,285</b>	<b>18,959,558</b>	<b>737,786</b>	<b>36,861,473</b>	<b>1,898,772</b>	<b>15,878,315</b>	<b>1,561,786</b>	<b>140,560,975</b>	<b>7,795,095</b>	<b>148,446,070</b>
<b>Expenditures</b>										
Financing Costs	10,019,278	3,775,659	226,906	8,215,617	841,577	3,628,984	1,002,237	27,708,257	3,589,811	31,298,068
Neighborhood Revitalization	1,200,000	880,000	0	7,120,181	0	260,187	0	9,240,348	4,005,000	13,245,348
Corridor Revitalization	9,684,167	970,167	0	0	0	1,069,000	0	11,703,334	0	11,703,334
Open Space & Public Art	6,392,000	1,920,000	35,000	3,098,500	300,000	42,000	0	11,787,500	0	11,787,500
Infrastructure & Public Improvements	13,584,140	4,305,000	18,000	4,398,556	0	6,868,500	0	29,174,196	0	29,174,196
Housing	0	0	0	0	0	0	0	0	0	0
Project Area Operations	2,663,496	3,823,733	52,957	2,142,898	123,102	1,387,017	84,364	10,277,368	18,417	10,295,783
<b>Total Expenditures</b>	<b>43,523,081</b>	<b>15,454,580</b>	<b>332,863</b>	<b>24,975,560</b>	<b>1,264,879</b>	<b>13,253,667</b>	<b>1,086,601</b>	<b>99,891,001</b>	<b>7,613,228</b>	<b>107,504,229</b>
<b>Ending Fund Balance</b>	<b>21,640,204</b>	<b>3,504,999</b>	<b>404,923</b>	<b>11,885,923</b>	<b>434,093</b>	<b>2,424,648</b>	<b>485,185</b>	<b>40,759,974</b>	<b>181,867</b>	<b>40,941,841</b>
(Less) Unexpended ARRA Bond Proceeds	(2,885,631)	0	0	0	0	0	0	(2,885,631)	0	(2,885,631)
<b>Adjusted Ending Fund Balance</b>	<b>18,774,673</b>	<b>3,504,999</b>	<b>404,923</b>	<b>11,885,923</b>	<b>434,093</b>	<b>2,424,648</b>	<b>485,185</b>	<b>37,894,443</b>	<b>181,867</b>	<b>38,076,310</b>

Exhibit B-3

**NORTH PROJECT AREA  
FY12 PROPOSED BUDGET**

	Proposed Budget FY12	Proposed Budget FY13	Proposed Budget FY14
Remaining ARRA Bond Proceeds	17,396,531	2,865,531	0
All Other Available Funds	22,682,123	18,774,673	19,257,906
<b>Beginning Fund Balance</b>	<b>40,078,654</b>	<b>21,640,204</b>	<b>19,257,906</b>
<b>Revenues</b>			
<b>Net Tax Increment</b>	<b>18,597,297</b>	<b>19,817,314</b>	<b>25,017,496</b>
Adjusted Gross Tax Increment (incl. Appeal Reserve)	39,980,748	41,625,904	49,513,483
Low-Mod Housing Set-Aside	(7,996,150)	(8,325,181)	(9,902,697)
Housing Set-Aside SERAF Contribution/(Repayment)	(2,451,460)	(2,192,214)	(1,598,378)
Low-Mod Housing Set-Aside Central Project Area	(2,300,000)	(2,300,000)	(2,300,000)
AB1290 Increment Sharing with Taxing Agencies	(7,996,150)	(8,325,181)	(9,902,697)
County Administrative Charge	(639,692)	(666,014)	(792,216)
<b>Program Revenues</b>	<b>6,487,335</b>	<b>1,472,408</b>	<b>1,472,408</b>
<b>Total Revenues</b>	<b>25,084,631</b>	<b>21,289,722</b>	<b>26,489,904</b>
<b>Total Funds Available</b>	<b>65,163,285</b>	<b>42,929,926</b>	<b>45,747,810</b>
<b>Expenses</b>			
<b>Financing Costs</b>	<b>10,019,278</b>	<b>9,986,127</b>	<b>9,986,127</b>
Debt Service	9,984,278	9,951,127	9,951,127
Interest on City Interim Loan	35,000	35,000	35,000
<b>Neighborhood Revitalization</b>	<b>1,200,000</b>	<b>1,200,000</b>	<b>1,200,000</b>
Neighborhood Code Enforcement Program	350,000	350,000	350,000
NEA Target Area	525,000	525,000	525,000
Multi-Family Residential Façade Improvement Program	150,000	150,000	150,000
Graffiti Abatement Program	175,000	175,000	175,000
<b>Corridor Revitalization</b>	<b>9,664,167</b>	<b>4,110,167</b>	<b>1,330,000</b>
Long Beach Boulevard Motel Block Market-Rate Housing	2,500	0	0
Acquisitions	200,000	0	0
Vons Development Agreement	42,000	0	0
OSH/Sears Development Agreement	30,000	30,000	30,000
Façade Improvement Program	750,000	750,000	750,000
Economic Development Services and Business Loans	285,167	285,167	250,000
Marketing - NLB	230,000	230,000	0
North Village Annex	15,000	15,000	0
North Village Center Implementation	328,500	300,000	300,000
Virginia Village Revitalization	15,000	0	0
Waite Motel Block - 5100 LBB Site Analysis/Marketing	6,500,000	0	0
6101 Atlantic Development Site Analysis/Marketing	16,000	0	0
Atlantic & Artesia (NEC)	250,000	0	0
Commercial Screening Program	500,000	0	0
Culinary Arts Center - 5365 Long Beach Blvd.	500,000	0	0
Motel Block - 4800 Long Beach Blvd.	0	2,500,000	0
<b>Open Space/Public Art</b>	<b>6,392,000</b>	<b>42,000</b>	<b>42,000</b>
Davenport Park Phase II (OSL)	3,950,000	0	0
Oregon & Del Amo Park	2,400,000	0	0
Arts Council Support	42,000	42,000	42,000
<b>Infrastructure/Public Improvements</b>	<b>13,584,140</b>	<b>5,600,000</b>	<b>0</b>
PW - Streetscape Design and Improvements	3,235,000	1,600,000	0
North Library	4,350,000	4,000,000	0
Fire Station North Facilities	1,416,000	0	0
East Police Station	3,525,000	0	0
South Waterfront	708,140	0	0
Urban greening Projects (Prop 84 Grant)	350,000	0	0
<b>Housing</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Effective Project Area Operations</b>	<b>2,663,496</b>	<b>2,733,726</b>	<b>2,806,063</b>
Administrative Expense	2,340,996	2,411,226	2,483,563
Spring Street Corridor/JPA	2,500	2,500	2,500
Consultants	170,000	170,000	170,000
Project Area Committee	50,000	50,000	50,000
PAC Local Programs	100,000	100,000	100,000
<b>Total Expenses</b>	<b>43,523,081</b>	<b>23,672,020</b>	<b>15,364,189</b>
<b>Ending Fund Balance</b>	<b>21,640,204</b>	<b>19,257,906</b>	<b>30,383,621</b>
Less Remaining Unexpended ARRA Bond Proceeds	(2,865,531)	0	0
<b>Adjusted Ending Fund Balance</b>	<b>18,774,673</b>	<b>19,257,906</b>	<b>30,383,621</b>



**Exhibit B-4**

**CENTRAL PROJECT AREA  
FY12 PROPOSED BUDGET**

	Proposed Budget FY12	Proposed Budget FY13	Proposed Budget FY14
<b>Beginning Fund Balance</b>	<b>3,573,777</b>	<b>3,504,999</b>	<b>3,942,523</b>
<b>Revenues</b>			
<b>Net Tax Increment</b>	<b>12,175,544</b>	<b>10,131,647</b>	<b>9,537,810</b>
Gross Tax Increment	17,735,974	18,393,307	18,393,307
Low-Mod Housing Set-Aside	(3,547,195)	(3,678,661)	(3,678,661)
Housing Set-Aside SERAF Contribution/(Repayment)	0	(259,245)	(853,082)
North Project Area Payment of Low-Mod Housing Set Aside	2,300,000	0	0
AB1290 Increment Sharing with Taxing Agencies	(4,029,460)	(4,029,460)	(4,029,460)
County Administrative Charge	(283,776)	(294,293)	(294,293)
<b>Program Revenues</b>	<b>3,210,238</b>	<b>790,238</b>	<b>790,238</b>
<b>Total Revenues</b>	<b>15,385,781</b>	<b>10,921,885</b>	<b>10,328,048</b>
<b>Total Funds Available</b>	<b>18,959,558</b>	<b>14,426,883</b>	<b>14,270,571</b>
<b>Expenses</b>			
<b>Financing Costs</b>	<b>3,775,659</b>	<b>3,898,278</b>	<b>3,898,278</b>
Debt Service	3,657,284	3,779,903	3,779,903
Interest on City Interim Loan	118,375	118,375	118,375
<b>Neighborhood Revitalization</b>	<b>660,000</b>	<b>4,110,000</b>	<b>702,000</b>
Neighborhood Code Enforcement Program	322,000	322,000	322,000
Atlantic & Willow Land Acquisition	5,000	3,405,000	5,000
Shoreline Gateway Property Management	8,000	8,000	0
Atlantic and Vernon Property Management	10,000	10,000	10,000
Parking Program	115,000	115,000	115,000
Graffiti Abatement Program	125,000	125,000	125,000
Willmore Implementation Plan	75,000	125,000	125,000
<b>Corridor Revitalization</b>	<b>970,167</b>	<b>380,167</b>	<b>345,000</b>
Economic Development Services	35,167	35,167	0
Renaissance Square Maintenance Reimbursement	30,000	30,000	30,000
Anaheim & Atlantic Property Management	10,000	10,000	10,000
Commercial Façade Program	750,000	200,000	200,000
Commercial Screening Program	100,000	100,000	100,000
Pine & Pacific Coast Highway Property Management	10,000	0	0
Anaheim & Walnut Property Management	5,000	5,000	5,000
PCH & MLK Property Management	5,000	0	0
Long Beach Boulevard Master Plan	25,000	0	0
<b>Open Space/Public Art</b>	<b>1,920,000</b>	<b>42,000</b>	<b>42,000</b>
Sunrise Gateway	30,000	0	0
Craftsman Park (OSL)	78,000	0	0
McBride Park Teen Center (OSL)	1,020,000	0	0
Existing Homeland Cultural Center Tenant Improvements (OS)	750,000	0	0
Arts Council Support	42,000	42,000	42,000
<b>Infrastructure/Public Improvements</b>	<b>4,305,000</b>	<b>197,987</b>	<b>197,987</b>
Pine Avenue Streetscape	3,400,000	0	0
Courthouse	0	197,987	197,987
Orizaba Design District	900,000	0	0
Children's Library at 2715 Atlantic - Children Today	5,000	0	0
<b>Housing</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Effective Project Area Operations</b>	<b>3,823,733</b>	<b>1,855,928</b>	<b>1,902,767</b>
Administrative Expense	1,656,440	1,701,915	1,748,754
Architectural Consultants	40,000	40,000	40,000
Loan Repayment - City of Long Beach	2,013,280	0	0
Project Area Committee (PAC)	50,000	50,000	50,000
Agency Partnership Opportunities	64,013	64,013	64,013
<b>Total Expenses</b>	<b>15,454,560</b>	<b>10,484,360</b>	<b>7,088,032</b>
<b>Ending Fund Balance</b>	<b>3,504,999</b>	<b>3,942,523</b>	<b>7,182,539</b>

**Exhibit B-5**

**POLY HIGH PROJECT AREA  
FY12 PROPOSED BUDGET**

	Proposed Budget FY12	Proposed Budget FY13	Proposed Budget FY14
<b>Beginning Fund Balance</b>	<b>247,448</b>	<b>404,923</b>	<b>439,866</b>
<b>Revenues</b>			
<b>Net Tax Increment</b>	<b>482,338</b>	<b>492,245</b>	<b>492,245</b>
Gross Tax Increment	726,650	739,287	739,287
Low-Mod Housing Set-Aside	(145,330)	(147,857)	(147,857)
Housing Set-Aside SERAF Contribution/(Repayment)	(29,356)	(29,356)	(29,356)
County Administrative Charge	(11,626)	(11,829)	(11,829)
SB211 Statutory Pass Through	(58,000)	(58,000)	(58,000)
Program Revenues	8,000	8,000	8,000
<b>Total Revenues</b>	<b>490,338</b>	<b>500,245</b>	<b>500,245</b>
<b>Total Funds Available</b>	<b>737,786</b>	<b>905,168</b>	<b>940,111</b>
<b>Expenses</b>			
<b>Financing Costs</b>	<b>226,906</b>	<b>410,906</b>	<b>410,906</b>
Debt Service	225,906	409,906	409,906
Interest Expense (City Short-Term Loan)	1,000	1,000	1,000
Neighborhood Revitalization	0	0	0
Corridor Revitalization	0	0	0
Open Space/Public Art	35,000	0	0
Public Art (Poly Walk of Fame - Poly Fence)	35,000	0	0
Infrastructure/Public Improvements	18,000	0	0
Atlantic and Pacific Coast Highway Turn Lane	18,000	0	0
Housing	0	0	0
Effective Project Area Operations	52,957	54,396	55,878
Administrative Expense	52,957	54,396	55,878
<b>Total Expenses</b>	<b>332,863</b>	<b>465,302</b>	<b>466,784</b>
<b>Ending Fund Balance</b>	<b>404,923</b>	<b>439,866</b>	<b>473,327</b>

**Exhibit B-6**

**DOWNTOWN PROJECT AREA  
FY12 PROPOSED BUDGET**

	Proposed Budget FY12	Proposed Budget FY13	Proposed Budget FY14
<b>Beginning Fund Balance</b>	<b>12,839,366</b>	<b>11,885,923</b>	<b>9,245,721</b>
<b>Revenues</b>			
<b>Net Tax Increment</b>	<b>13,744,840</b>	<b>14,030,029</b>	<b>14,320,916</b>
Gross Tax Increment	18,926,528	19,283,014	19,646,623
Low-Mod Housing Set-Aside	(3,785,306)	(3,856,603)	(3,929,325)
Housing Set-Aside SERAF Contribution/(Repayment)	(1,060,934)	(1,060,934)	(1,060,934)
County Admin. Charge	(335,448)	(335,448)	(335,448)
<b>Program Revenues</b>	<b>7,748,820</b>	<b>1,137,383</b>	<b>1,137,383</b>
<b>Restricted Revenues</b>	<b>2,528,447</b>	<b>0</b>	<b>0</b>
MTA Pine Avenue Streetscape Grant	2,528,447	0	0
<b>Total Revenues</b>	<b>24,022,107</b>	<b>15,167,412</b>	<b>15,458,299</b>
<b>Total Funds Available</b>	<b>36,861,473</b>	<b>27,053,335</b>	<b>24,704,021</b>
<b>Expenses</b>			
<b>Financing Costs</b>	<b>8,215,617</b>	<b>8,219,066</b>	<b>8,218,990</b>
Debt Service	7,324,375	7,327,824	7,327,748
Interest Expense (Short-Term Loan)	141,242	141,242	141,242
Payment on City Loan	750,000	750,000	750,000
<b>Neighborhood Revitalization</b>	<b>7,120,181</b>	<b>875,056</b>	<b>754,256</b>
Downtown Parking Program	429,256	429,256	429,256
Revitalization Programs	220,000	200,000	200,000
Block 81 Development Site	483,200	120,800	0
Broadway Block	5,552,725	0	0
Block 103 Development Site	100,000	0	0
Block L - Jergins Trust Development Site	10,000	0	0
American Hotel Adaptive Reuse	200,000	0	0
Graffiti Abatement Program	125,000	125,000	125,000
<b>Corridor Revitalization</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Open Space/Public Art</b>	<b>3,098,500</b>	<b>84,000</b>	<b>84,000</b>
Promenade Master Plan	3,056,500	42,000	42,000
Arts Council Support	42,000	42,000	42,000
<b>Infrastructure/Public Improvements</b>	<b>4,398,556</b>	<b>6,440,929</b>	<b>6,440,929</b>
Cameras - Promenade	175,000	0	0
Parking Wayfinding	1,182,627	0	0
Pine Avenue Streetscape	2,212,304	5,612,304	5,612,304
CityPlace Garage Debt Service	828,625	828,625	828,625
<b>Housing</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Effective Project Area Operations</b>	<b>2,142,696</b>	<b>2,188,563</b>	<b>2,235,805</b>
Administrative Expense	1,687,696	1,733,563	1,780,805
DLBA PBID, Staff and Cooperative Efforts	355,000	355,000	355,000
Architectural Consultants	50,000	50,000	50,000
Agency Partnership Opportunities	50,000	50,000	50,000
<b>Total Expenses</b>	<b>24,975,550</b>	<b>17,807,613</b>	<b>17,733,980</b>
<b>Ending Fund Balance</b>	<b>11,885,923</b>	<b>9,245,721</b>	<b>6,970,040</b>

**Exhibit B-7**

**WEST BEACH PROJECT AREA  
FY12 PROPOSED BUDGET**

**Proposed  
Budget  
FY12\***

<b>Beginning Fund Balance</b>	<b>680,342</b>
<b>Revenues</b>	
<b>Net Tax Increment</b>	<b>1,008,430</b>
Gross Tax Increment	1,588,440
Low-Mod Housing Set-Aside	(317,688)
Housing Set-Aside SERAF Contribution/(Repayment)	(80,841)
County Administrative Charge	(25,415)
SB211 Statutory Pass Through	(156,066)
<b>Program Revenues</b>	<b>10,000</b>
<b>Total Revenues</b>	<b>1,018,430</b>
<b>Total Funds Available</b>	<b>1,698,772</b>
<b>EXPENSES</b>	
<b>Financing Costs</b>	<b>841,577</b>
Debt Service	841,077
Interest on City Interim Loan	500
<b>Neighborhood Revitalization</b>	<b>0</b>
<b>Corridor Revitalization</b>	<b>0</b>
<b>Open Space/Public Art</b>	<b>300,000</b>
Promenade Amphitheater and Pedestrian Improvements	300,000
<b>Infrastructure/Public Improvements</b>	<b>0</b>
<b>Housing</b>	<b>0</b>
<b>Effective Project Area Operations</b>	<b>123,102</b>
Administrative Expense	123,102
Personnel Cost	49,899
Operating Services and Supplies	17,370
City Services and Overhead	39,637
Financial Management	16,197
<b>Total Expenses</b>	<b>1,264,679</b>
<b>Ending Fund Balance</b>	<b>434,093</b>

\*Project ends on January 1, 2012.

**Exhibit B-8**

**WEST LB INDUSTRIAL PROJECT AREA  
FY12 PROPOSED BUDGET**

	Proposed Budget FY12	Proposed Budget FY13	Proposed Budget FY14
<b>Beginning Funds Available</b>	<b>7,534,791</b>	<b>2,424,648</b>	<b>(3,200,124)</b>
<b>Revenues</b>			
<b>Net Tax Increment</b>	<b>7,871,938</b>	<b>7,956,554</b>	<b>8,084,546</b>
Gross Tax Increment	12,320,804	12,481,029	12,644,284
Low-Mod Housing Set-Aside	(2,464,161)	(2,496,206)	(2,528,857)
Low-Mod Housing Set Aside-SERAF	(527,573)	(527,573)	(527,573)
County Administrative Charge	(197,133)	(199,696)	(202,309)
AB1290/SB211 Sharing with Taxing Agencies	(1,260,000)	(1,301,000)	(1,301,000)
<b>Program Revenues</b>	<b>271,586</b>	<b>271,586</b>	<b>271,586</b>
<b>Total Revenues</b>	<b>8,143,524</b>	<b>8,228,140</b>	<b>8,356,132</b>
<b>Total Funds Available</b>	<b>15,678,315</b>	<b>10,652,788</b>	<b>5,156,008</b>
<b>Expenses</b>			
<b>Financing Costs</b>	<b>3,626,984</b>	<b>3,473,209</b>	<b>3,083,265</b>
Debt Service	3,069,965	3,066,490	3,063,265
Interest on City Interim Loan	20,000	20,000	20,000
Gas Bond Payment (ends in FY13)	537,019	386,719	0
<b>Neighborhood Revitalization</b>	<b>260,167</b>	<b>260,167</b>	<b>225,000</b>
Neighborhood Code Enforcement Program	100,000	100,000	100,000
Graffiti Abatement	125,000	125,000	125,000
Economic Development	35,167	35,167	0
<b>Corridor Revitalization</b>	<b>1,069,000</b>	<b>1,069,000</b>	<b>1,069,000</b>
Property Acquisition	600,000	600,000	600,000
Property Maintenance	13,000	13,000	13,000
1404-20 Hayes & 1350 Seabright - Tankard Trust	5,000	5,000	5,000
2021-2025 W. Gaylord - Kirkbride Trust	1,000	1,000	1,000
Facade Improvement Program	400,000	400,000	400,000
Industrial Development	50,000	50,000	50,000
<b>Open Space/Public Art</b>	<b>42,000</b>	<b>42,000</b>	<b>42,000</b>
Arts Council Support	42,000	42,000	42,000
<b>Infrastructure/Public Improvements</b>	<b>6,868,500</b>	<b>7,595,590</b>	<b>0</b>
Pump Station & Storm Drain Upgrades	3,760,000	3,200,000	0
Alley Surveillance Camera Project	50,000	0	0
Westside Infrastructure Study Implementation	3,058,500	4,395,590	0
<b>Effective Project Area Operations</b>	<b>1,387,017</b>	<b>1,412,946</b>	<b>1,439,653</b>
Administrative Expense	1,282,017	1,307,946	1,334,653
Consultants/Legal	20,000	20,000	20,000
Westside PAC Administration	80,000	80,000	80,000
PAC Local Program - Utility Box Project	5,000	5,000	5,000
<b>Total Expenses</b>	<b>13,253,667</b>	<b>13,852,912</b>	<b>5,858,918</b>
<b>Ending Fund Balance</b>	<b>2,424,648</b>	<b>(3,200,124)</b>	<b>(702,911)</b>

**Exhibit B-9**

**LOS ALTOS PROJECT AREA  
FY12 PROPOSED BUDGET**

	<b>Proposed Budget FY12</b>	<b>Proposed Budget FY13</b>	<b>Proposed Budget FY14</b>
<b>Beginning Funds Available</b>	<b>463,001</b>	<b>465,185</b>	<b>479,290</b>
<b>Revenues</b>			
<b>Net Tax Increment</b>	<b>474,169</b>	<b>488,604</b>	<b>503,329</b>
Adjusted Gross Tax Increment (incl. Appeal Reserve)	679,507	698,641	718,157
Low-Mod Housing Set Aside	(135,901)	(139,728)	(143,631)
Low-Mod Housing Set Aside - SERAF Repayment	(30,306)	(30,306)	(30,306)
County Admin. Charge	(10,872)	(11,178)	(11,491)
Inflationary Payment to School District	(28,259)	(28,824)	(29,401)
<b>Program Revenues</b>	<b>614,617</b>	<b>622,117</b>	<b>636,448</b>
<b>Total Revenues</b>	<b>1,088,785</b>	<b>1,110,722</b>	<b>1,139,777</b>
<b>Total Funds Available</b>	<b>1,551,786</b>	<b>1,575,907</b>	<b>1,619,067</b>
<b>Expenses</b>			
<b>Financing Costs</b>	<b>1,002,237</b>	<b>1,010,887</b>	<b>1,018,538</b>
Debt Service	403,195	404,345	404,345
Interest Expense (City Short-Term Loans)	675	675	675
Loan Repayment to WLBI Project Area (Sales Tax)	332,000	332,000	332,000
Loan County Tax Sharing Agreement	266,367	273,867	281,518
<b>Neighborhood Revitalization</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Corridor Revitalization</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Open Space/Public Art</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Infrastructure/Public Improvements</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Housing</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Effective Project Area Operations</b>	<b>84,364</b>	<b>85,730</b>	<b>71,012</b>
Administrative Expense	74,364	75,730	61,012
Reserve for Capital Replacement	10,000	10,000	10,000
<b>Total Expenses</b>	<b>1,086,601</b>	<b>1,096,617</b>	<b>1,089,550</b>
<b>Ending Fund Balance</b>	<b>465,185</b>	<b>479,290</b>	<b>529,516</b>

**Exhibit B-10**

**PROJECT INCOME (SPECIAL PURPOSE) FUND  
FY12 PROPOSED BUDGET**

	Proposed Budget FY12	Proposed Budget FY13	Proposed Budget FY14
<b>Beginning Fund Balance</b>	<b>193,598</b>	<b>181,867</b>	<b>170,270</b>
<b>Revenues</b>			
<b>Program Revenues</b>	<b>6,687</b>	<b>8,820</b>	<b>6,957</b>
Interest Earnings	6,687	6,820	6,957
<b>Restricted Revenues</b>	<b>7,594,811</b>	<b>3,879,556</b>	<b>3,771,545</b>
Transfer from TF 401	0	0	0
Transient Occupancy Tax	3,589,811	3,679,556	3,771,545
Transfer from North	4,005,000	0	0
<b>Total Revenues</b>	<b>7,801,497</b>	<b>3,886,376</b>	<b>3,778,501</b>
<b>Total Funds Available</b>	<b>7,795,095</b>	<b>3,868,243</b>	<b>3,948,771</b>
<b>Expenses</b>			
<b>Transfers</b>	<b>7,594,811</b>	<b>3,679,556</b>	<b>3,771,545</b>
Transfers to Redevelopment Project Areas	4,005,000	0	0
Transfer to GP	3,589,811	3,679,556	3,771,545
<b>Effective Fund Operations</b>	<b>18,417</b>	<b>18,417</b>	<b>18,417</b>
Materials & Supplies	300	300	300
City Services and Overhead	18,117	18,117	18,117
<b>Total Expenses</b>	<b>7,613,228</b>	<b>3,697,973</b>	<b>3,789,962</b>
<b>Ending Fund Balance</b>	<b>181,867</b>	<b>170,270</b>	<b>158,810</b>

RESOLUTION NO. R.A.

A RESOLUTION OF THE REDEVELOPMENT  
AGENCY OF THE CITY OF LONG BEACH, CALIFORNIA,  
FINDING THAT THE USE OF TAXES ALLOCATED TO  
THE NORTH REDEVELOPMENT PROJECT ON BEHALF  
OF THE CENTRAL REDEVELOPMENT PROJECT FOR  
THE PURPOSE OF INCREASING, IMPROVING AND  
PRESERVING THE COMMUNITY'S SUPPLY OF LOW-  
AND-MODERATE-INCOME HOUSING WILL BE OF  
BENEFIT TO THE NORTH REDEVELOPMENT PROJECT

WHEREAS, the Redevelopment Agency of the City of Long Beach, California (the "Agency"), adopted redevelopment plans for the North Long Beach Redevelopment Project (the "North Project") and the Central Long Beach Redevelopment Project (the "Central Project"); and

WHEREAS, Section 33334.2 of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) requires that not less than twenty percent (20%) of all taxes allocated to each project area to be used by the Agency for the purpose of increasing, improving and preserving the community's supply of low-and-moderate-income housing available at affordable housing cost; and

WHEREAS, the Agency desires to utilize funds presently allocated to the North Project to assist the Central Project in meeting its twenty percent (20%) set aside obligation for Fiscal Years 2011-12; and

WHEREAS, Section 33334.3 of the Community Redevelopment Law provides that the Agency may use such funds in this manner if a finding is made by resolution of the Agency and the City Council that such use will be of benefit to the North Project;



NOW, THEREFORE, the Redevelopment Agency of the City of Long Beach, California resolves as follows:

Section 1. That the use of taxes allocated to the North Project to assist the Central Project's obligation of increasing, improving and preserving the community's supply of low-and-moderate-income housing available at affordable housing cost will be of benefit to the North Project.

APPROVED AND ADOPTED by the Redevelopment Agency of the City of Long Beach, California this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Executive Director/Secretary

APPROVED:

\_\_\_\_\_  
Chair