



Building A Better Long Beach

June 21, 2010

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;
- Adopt a resolution finding the use of taxes allocated to the Central, Downtown, North and West Long Beach Industrial Redevelopment Project Areas for the purpose of graffiti abatement is necessary to effectuate redevelopment of those project areas;
- Adopt a resolution making certain findings regarding the construction of certain public improvements with redevelopment funds (CityPlace Parking Structure debt service);
- Approve the Redevelopment Agency Budget for Fiscal Year 2010-2011 (FY11) 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 2009-2010 (FY10) as described in the Estimates to Close. (All Project Areas – Citywide)

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DISCUSSION

Transmitted herewith for your approval is the FY11 proposed 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 Redevelopment Agency (Agency) transfers 20 percent of its tax increment to the City of Long Beach (City) Housing Development Fund. The estimated FY11 20-percent transfer is \$20,084,845. 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 FY10 and projected expenses for FY11 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. To remain consistent with past years' analyses, the FY10 administrative costs are presented in Exhibit A as a percentage of Housing Development Fund FY10 estimated revenues prior to the loan of the FY10 LMHSF allocation back to the Agency. The SERAF loan will be repaid over five years beginning in FY11. Exhibit A reflects the first payment of \$4,029,247.

FY11 administrative expenses are estimated to account for 18 percent of the City's Housing Development Fund FY11 revenues, or \$4.5 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:

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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.

As a mechanism to implement this recommendation, the Agency Board in October 2005, and again as part of the Agency's FY07, FY08, FY09 and FY10 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 because a portion of the Port of Long Beach, which is a citywide asset, is located within the project area. Due to the City's current budget situation, the Agency's FY11 budget includes a \$2.3 million transfer to the City using the same mechanism.

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. FINDING THAT THE USE OF TAXES FOR GRAFFITI ABATEMENT IS NECESSARY

The proposed FY11 budgets for the Central, Downtown, North and West Long Beach Industrial Redevelopment Project Areas include a transfer totaling \$550,000 to the Department of Public Works for the City's Graffiti Abatement Program (GAP). These project areas experience significant graffiti. Section 33420.2 of the CRL provides that the Agency may use tax increment revenue to abate graffiti if the Agency finds that the abatement of graffiti is necessary to effectuate the purposes of the redevelopment plans for the project areas and will assist in the elimination of blight. Approval of a resolution making such findings is recommended as a part of this letter.

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V. CERTAIN FINDINGS REGARDING THE CONSTRUCTION OF CERTAIN PUBLIC IMPROVEMENTS WITH REDEVELOPMENT FUNDS (CITYPLACE PARKING STRUCTURE DEBT SERVICE)

As part of the FY09 budget amendment and FY10 budget adoption process, the Agency approved the payment of bond debt service for improvements related to the CityPlace Garage as part of ongoing efforts to provide a positive experience for Downtown Project Area residents and patrons of Downtown businesses with the goal of ultimately improving the quality of service. It is recommended that the Agency make the FY11 debt service payments on behalf of the Long Beach Finance Authority in the amount of \$870,000.

In order to fund public improvement construction costs, including the debt service payments on the 2001 Bonds, CRL requires the Agency to adopt a resolution making the following findings:

- That the installation of such public improvements is of benefit to the redevelopment project area or the immediate neighborhood in which the public improvement project is located;
- That no other reasonable means of financing the public improvements are available to the community; and
- That the payment of Agency funds for the installation of public improvements will assist in the elimination of one or more blighting conditions within the project area and is consistent with the implementation plan adopted pursuant to Health and Safety Code Section 33490.

A resolution making the necessary findings is attached. The City Council will be acting on a similar resolution following Agency approval.

VI. REDEVELOPMENT AGENCY BUDGET FOR FY11

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

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goals. The Agency Board will be asked to approve the examination of the FY10 achievements as compared to the goals for that year after the close of FY10 (September 30, 2010) as part of the Agency's FY10 Annual Report.

Each year, staff creates a detailed budget for the Agency. Information from this budget is entered into the City's financial systems and is then 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.

The Agency's budget serves as a planning document for the upcoming fiscal year. In response to 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

Public participation was important in the formation of the Agency's FY11 budget. Staff began the budget creation process by preparing a list of budget priorities for each redevelopment project area. The budget priorities were reviewed by the Agency Board in two study sessions and presented to the Project Area Committees (PAC) at their meetings. The Agency also reviewed the budget for each of the project areas during two Agency Board study sessions. These budgets have been presented to the three PACs. The Central, North and West Long Beach Industrial PACs have recommended that the Agency Board approve the FY11 budget.

In addition to PAC participation, City Council Members were invited to discuss their FY11 budget priorities with the Agency Board at the following study sessions:

- April 5, 2010 – Downtown Long Beach and West Long Beach Industrial
- April 19, 2010 – Central Long Beach and North Long Beach

Following the April study sessions, staff analyzed the feedback received and prepared recommendations. These recommendations were presented to the Board in two subsequent study sessions on May 3 and May 17, 2010, during which the Board was requested to accept the recommendations or to redirect staff as desired. To date, staff has heard no objections from the Agency Board regarding the recommendations from the May study sessions. The recommendations proposed by staff have therefore been incorporated into the FY11 proposed budget and will be approved with adoption of the budget. The text of the recommendations presented to the Agency Board in the May study

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sessions, along with responses to additional priority requests received thereafter, is again included in Exhibit C to comprehensively present budget recommendations.

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 ever miss a bond debt service payment due to lack of revenues. The Agency has a policy to maintain a Voluntary Reserve for bond debt service payments. Ideally, reserves would be held for each project area equal to one year's debt service payments. Because of the fiscal challenges facing the Agency (described below), FY11 reserves are budgeted at 57 percent overall. The seven project areas will have a Voluntary Reserve of 47 to 113 percent, depending on the project area. The inability to maintain full reserves is a combination of increased expenditures as discussed below and reflective of the economic constraints facing the nation. It is imperative that the Agency maintain adequate reserves and not succumb to funding requests that may jeopardize the Agency's financial position.

3. Supplemental Educational Revenue Augmentation Fund

In July 2009, the State Legislature passed budget trailer bill ABx4 26 to assist in balancing the State's FY10 budget. ABx4 26 added Sections 33690 and 33690.5 to the Health and Safety Code, which require redevelopment agencies to remit funds SERAF in FY10 and FY11. Although the validity of the legislation mandating the SERAF transfers was challenged in court, the outcome was found in the State's favor.

The Agency made its full FY10 payment of \$29,516,137 by the May 10, 2010 deadline. In order to accommodate the payment, the Agency eliminated from its FY10 budget approximately \$10 million in projects and programs and borrowed the current year's LMHSF allocation (Loan). This Loan will be repaid to the LMHSF over five years beginning in FY11, and is in addition to the annual 20-percent transfers.

The mandated FY11 SERAF transfer is estimated at \$6,071,000. This payment is included in the Agency's proposed FY11 budget, and will be funded entirely from FY11 tax increment revenues. The Agency will request that the City Council report the FY11 SERAF funding intentions to the Los Angeles County Auditor-Controller by March 1, 2011 in accordance with Section 33690.5(d). Payment will be due on May 10, 2011.

4. Impact of the Economy on the Budget

Economic conditions have led to high property assessment appeals and property tax delinquencies reflective of recent foreclosure rates. These conditions are expected to result in less tax increment revenue growth allocated to the Agency

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during FY10 and FY11 than in previous years. The Central Long Beach Project Area in particular is experiencing a particularly poor property tax collection rate (88.7 percent in FY09). Significant assessment appeals are currently pending for properties located within the West Long Beach Industrial, Poly High and North Long Beach Redevelopment Project Areas. Depending on the outcomes, assessment appeal decisions may reduce potential revenue in FY10 and FY11 by anywhere between \$7 million and \$15 million. Lowered property values resulting from these appeals and continued low collection rates will further impact tax increment going forward. The FY10 estimates-to-close (Exhibit B-1) establish reserves specifically earmarked for these appeals totaling \$14,755,000 in order to establish realistic projections of available resources and to ensure the Agency has adequate funds available to meet its obligations.

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 FY10, FY11, FY12 and FY13 as funds are anticipated to be available to complete those activities. Additionally, the Agency has slowed its land acquisition efforts and will focus FY11 efforts on eliminating blight and spurring economic activity through business loans, façade improvements and other revitalization programs. In light of SERAF, delinquencies, appeals and other economic factors, the Agency is unable to meet all of the funding requests received during the budget process.

5. Housing Set-Aside

The CRL requires the Agency to set aside 20 percent of its tax increment revenue for affordable housing. The proposed FY11 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 Project Area is paying \$2.3 million of the Central Long Beach Project Area's housing set-aside. In addition to the current year's 20 percent allocation of \$20,084,858, project areas will also be transferring \$4,029,247 in order to begin repayment of the FY10 allocation. The total LMHSF contribution from all project areas is expected to be \$24,114,105 in FY11.

6. 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 FY11 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 Community Development's Housing Services Bureau.

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7. Proposed Budget

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

- Central Long Beach Redevelopment Project Area

The Central Long Beach Redevelopment Project Area should receive gross tax increment in the amount of \$20,147,301 in FY11; net tax increment is estimated to be \$13,216,411. The Central Long Beach Redevelopment Project Area's proposed FY11 budget contains expenditures totaling \$16,684,785 and includes the anticipated completion of the park development funded from the Project Area's Open Space Loan from the City. The projected ending fund balance will cover approximately 49 percent of the Central Long Beach Redevelopment Project Area's Voluntary Reserve of \$3,658,406.

- Downtown Redevelopment Project Area

The FY11 gross tax increment projection for the Downtown Redevelopment Project Area is \$20,933,618, with net tax increment estimated at \$15,574,102. The FY11 budget also includes an \$8-million transfer from the Project Income Fund to support expenses. FY11 activities will focus on key real estate acquisitions, completion of public improvements, and the DDAs for projects on Pacific and Elm Avenues. The ending fund balance in FY11 is projected to cover 47 percent of the Agency's Voluntary Reserve goal of \$7,277,963 for the Project Area.

- 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. At the beginning of FY10, the loan balance was \$2.2 million. Funds from the Los Altos Redevelopment Project Area are primarily devoted to repaying this loan and paying debt service on the bonds issued in 2005. The Circuit City located in this shopping center closed in FY09. This has impacted sales tax revenues received by the Project Area. The Voluntary Reserve goal for Los Altos is \$406,533. The FY11 estimated ending fund balance for the Project Area covers 48 percent of the Voluntary Reserve goal.

- North Long Beach Redevelopment Project Area

The FY11 projected beginning fund balance for the North Project Area of \$26,737,621 is expected to include approximately \$15,162,725 in unexpended proceeds from the Agency's recent 2010 American Recovery and Reinvestment Act tax-exempt bond issue, 2005 tax-exempt bond proceeds, and Open Space Loan funds. FY11 tax increment for the North Long Beach Redevelopment Project Area is estimated at \$43,604,120 gross, or \$20,147,470 net to cover finance, project and administrative costs. The proposed FY11 budget includes \$37,484,425 in expenditures of these types.

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As a result of expenses exceeding revenues, the Project Area's fund balance will be reduced from approximately \$26,737,621 at the beginning of FY11 to an estimated \$10,994,787 by year-end. The adjusted ending fund balance is 50 percent of the Agency's Voluntary Reserve goal for the Project Area.

- Poly High Redevelopment Project Area
The Poly High Redevelopment Project Area is expected to generate gross tax increment in the amount of \$810,000 in FY11 (\$542,193 in net tax increment). These revenues will cover the Project Area's debt service payments and other financial commitments. The proposed FY11 budget includes expenses for open space and public art. At this point in time, there are no other discretionary funds to pursue any other projects. The Project Area is projected to achieve 50 percent coverage of its Voluntary Reserve goal (\$219,523).
- West Beach Redevelopment Project Area
The West Beach Redevelopment Project Area is expected to generate gross tax increment in the amount of \$2,018,000 (net tax increment of \$1,353,474) with expenditures of \$1,381,449 in FY11. 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 76 percent of the Voluntary Reserve goal of \$835,570.
- West Long Beach Industrial (WLBI) Redevelopment Project Area
The FY11 gross tax increment projection for the WLBI Redevelopment Project Area is \$12,153,625 with net tax increment estimated at \$7,813,853. WLBI Project Area expenditures for FY11 are focused on façade improvements, pump station upgrades and street enhancements. These and other expenditures are expected to exceed revenues by an estimated \$3,759,810. This overage will absorb a portion of the Project Area's fund balance. While WLBI is anticipated to end the year with greatest FY11 Voluntary Reserve coverage of all the project areas (113 percent of its \$3,067,540 goal), continuation of public improvements at this same pace in FY12 will more than deplete the reserve. Discussions regarding future budget implications and project priorities are being held with the West Long Beach Industrial Project Area Committee in order to set realistic expectations for future expenditures.
- Project Income
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 revenues that are not tax increment. The Project Income Fund can

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be used for expenditures in any redevelopment project area. The Project Income Fund serves as a reserve fund for the Agency and is used to assist project areas with insufficient revenues. The Agency anticipates transferring \$8 million from the Project Income Fund to the Downtown Project Area to cover expenses during FY11. The Project Income 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 \$88,699,634 and expenditures of \$115,170,667. This results in the utilization of \$26,471,033 in available fund balances consisting in large part of remaining 2005 bond proceeds, Open Space Loan, and 2010 ARRA bond proceeds. The Agency is projected to end FY11 with funds in the amount of \$22,053,450.

VII. AMENDMENT TO FY10 AS DESCRIBED IN THE ESTIMATES-TO-CLOSE

The FY10 Agency Budget was originally adopted in May 2009 and readopted in August 2009 to reflect the SERAF obligation. Since that time, projects have changed and new ones have been introduced. Staff has the benefit of more information on the Agency's projects and programs, and has produced revised estimates of revenues and expenditures for FY10 presented in Exhibit B-1. Included in these estimates are assessment appeal reserves for six of the seven project areas totaling \$14,755,000. Staff will monitor resolved and pending appeals and propose changes to the reserves as appropriate going forward. Staff has reviewed the proposed adjustments with the Agency Board in the April 5 and April 19 study sessions, and recommends approval of the proposed FY10 ETCs as shown in Exhibit B-1.

VIII. CONCLUSION

The Agency recently experienced a period in which revenues were robust due to a nearly Agency-wide bond issue (2005) 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 unless new financial resources become available. Further, the Agency must maintain a careful balance between community desires and demonstrated need. In this spirit, the FY11 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

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voluntary and assessment appeal reserves and continue to strengthen its Project Income Fund in these uncertain times. With these recommendations, staff remains cautiously optimistic that the Agency's financial position will remain strong.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

for Sandra Palmer

LISA A. FALL
ASSISTANT EXECUTIVE DIRECTOR

Amy J. Bodek

AMY J. BODEK
EXECUTIVE DIRECTOR

AJB:LAF:SP

Attachments: Exhibit A – FY11 Administrative Expenses for Housing
Exhibit B – FY11 Proposed Budget
Exhibit C – FY11 Response to Budget Priority Discussions
Redevelopment Agency Resolutions (3)

EXHIBIT A



Building A Better Long Beach

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

Fiscal Year 2011

**Administrative Expenses
for Housing**

**HOUSING SERVICES BUREAU
HOUSING DEVELOPMENT FUND
ADMINISTRATION - REVENUE/EXPENDITURES
CITY / LONG BEACH HOUSING DEVELOPMENT COMPANY
FY 2010 - 2011**

	A		B		C		D		E		F		G
			FY 2010 Adopted Budget		FY 2011 Proposed Budget		FY 2011 Proposed Budget		FY 2011 Proposed Budget		FY 2011 Proposed Budget		FY 2011 Proposed Budget
			CITY	LBHDC	CITY	LBHDC	CITY	LBHDC	CITY	LBHDC	CITY	LBHDC	COMBINED
(1) REVENUE													
(2) Tax Increment Housing Set-Aside							19,355,486						20,084,858
(3) Housing Set-Aside SERAF Loan Repayment							-						4,029,247
(4) Program Income							1,201,580						412,399
(5) TOTAL REVENUE							20,557,066						24,526,504
(6)													
(7) EXPENDITURES													
(8) Personal Services			2,644,031				2,644,031			3,220,886			3,220,886
(9) Policy/Program/Project Development			704,600	221,259			925,859			234,600	128,000		362,600
(10) Internal Services			467,738	30,667			498,405			463,479	30,667		494,146
(11) Financial Management			84,903	-			84,903			76,547			76,547
(12) Indirect Costs			345,259	-			345,259			332,953			332,953
(13) TOTAL ADMINISTRATIVE COSTS			\$ 4,246,531	\$ 251,926			\$ 4,498,457			\$ 4,328,465	\$ 158,667		\$ 4,487,132
(14) Percentage of Total Set-Aside Revenue			21%	1%			22%			18%	0.65%		18%

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

Proposed Budget

Including Fiscal Year 2010 Estimates to Close

Exhibit B Table of Contents

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Project Income Fund	B-10

Exhibit B-1
Redevelopment Agency of the City of Long Beach
Summary of the Fiscal Year 2009-2010 Estimates to Close

	Central	Downtown	Los Altos	North	Poly High	West Beach	WLBI	Total Project Areas	Project Income	Total Funds
Beginning Fund Balance	\$8,245,816	\$17,511,996	\$274,470	\$28,923,639	\$592,472	\$1,608,413	\$17,713,481	\$74,870,287	\$4,279,123	\$79,149,410
Gross Tax Increment	20,147,301	20,933,618	757,561	43,604,120	810,000	2,018,000	12,153,625	100,424,226	0	100,424,226
Low-Mod Housing Set-Aside	(4,029,460)	(4,186,724)	(151,512)	(8,720,824)	(162,000)	(403,600)	(2,430,725)	(20,084,845)	0	(20,084,845)
Hsg Set-Aside SERAF Contribution/(Repayment)	4,029,460	4,186,724	151,512	8,720,824	162,000	403,600	2,430,725	20,084,845	0	20,084,845
North Transfer to Central	2,300,000	0	0	(2,300,000)	0	0	0	0	0	0
Tax Sharing	(4,029,460)	0	(27,258)	(9,928,245)	(52,000)	(147,000)	(923,600)	(15,107,564)	0	(15,107,564)
County Admin Fee	(311,374)	(335,448)	(11,935)	(763,416)	(15,407)	(27,206)	(1,018,640)	(2,483,426)	0	(2,483,426)
Assessment Appeal Reserve	(70,000)	(219,000)	(25,000)	(8,110,000)	0	(298,000)	(6,033,000)	(14,755,000)	0	(14,755,000)
Net Tax Increment	18,036,467	20,379,170	693,368	22,502,459	742,593	1,545,794	4,178,385	68,078,236	0	68,078,236
Program Revenues	6,093,978	1,572,986	632,962	37,676,516	(187,000)	20,000	1,627,237	47,436,679	21,065	47,457,744
Restricted Revenues	0	0	0	0	0	0	0	0	5,724,239	5,724,239
Total Revenues	24,130,445	21,952,156	1,326,330	60,178,974	555,593	1,565,794	5,805,622	115,514,915	5,745,304	121,260,219
Expenditures										
SERAF	7,029,460	8,236,724	212,898	10,200,824	162,000	403,600	3,270,631	29,516,137	0	29,516,137
Financing Costs	3,776,200	7,908,243	1,033,322	10,597,067	232,804	841,732	3,635,692	28,025,060	4,871,772	32,896,832
Neighborhood Revitalization	1,608,451	6,335,712	0	1,047,034	152,629	0	4,058,893	13,202,720	0	13,202,720
Corridor Revitalization	3,538,041	0	0	12,461,353	0	0	1,069,441	17,068,835	0	17,068,835
Open Space/Public Art	5,049,974	2,664,000	0	5,319,500	121,138	1,123,000	42,000	14,319,612	0	14,319,612
Infrastructure/Public Improvements	4,052,448	5,692,346	0	20,018,811	15,704	0	2,892,000	32,671,309	0	32,671,309
Housing	6,073	0	0	50,000	0	0	0	56,073	0	56,073
Effective Project Area Operations	4,380,547	3,269,245	121,091	2,670,403	188,045	165,892	1,322,235	12,117,460	36,169	12,153,629
Total Expenditures	29,441,194	34,106,270	1,367,311	62,364,992	872,320	2,534,224	16,290,893	146,977,205	4,907,941	151,885,146
Ending Fund Balance	2,935,067	5,357,882	233,489	26,737,621	275,745	639,983	7,228,210	43,407,997	5,116,486	48,524,482
(Less) Unexpended AFRA Bond Proceeds	0	0	0	(15,162,725)	0	0	0	(15,162,725)	0	(15,162,725)
Adjusted Ending Fund Balance	2,935,067	5,357,882	233,489	11,574,896	275,745	639,983	7,228,210	28,245,272	5,116,486	33,361,757
Add/(Less) Adjustments	0	35,417	0	0	0	0	0	35,417	0	35,417
Voluntary Reserve	(3,660,685)	(7,273,000)	(403,883)	(7,442,067)	(221,804)	(833,717)	(3,089,693)	(22,924,848)	NA	NA
Amount Above/Below Voluntary Reserve	(725,619)	(1,879,701)	(170,394)	4,132,829	53,941	(193,734)	4,138,517	5,355,840	NA	NA

Exhibit B-2
The Redevelopment Agency of the City of Long Beach
Summary of the Fiscal Year 2010-2011 Proposed Budget

	Central	Downtown	Los Altos	North	Poly High	West Beach	WLB	Total Project Areas	Project Income	Total Funds
Beginning Fund Balance	\$2,935,067	\$5,357,882	\$233,489	\$26,737,621	\$275,745	\$639,983	\$7,228,210	\$43,407,997	\$5,116,486	\$48,524,482
Gross Tax Increment	20,933,618	757,561	43,604,120	810,000	2,018,000	12,153,625	100,424,226	0	0	100,424,226
Low-Mod Housing Set-Aside	(4,029,460)	(4,186,724)	(151,512)	(8,720,824)	(162,000)	(403,600)	(2,430,725)	(20,084,845)	0	(20,084,845)
Hsg Set-Aside SERAF Contribution/(Repayment)	(805,892)	(937,345)	(42,580)	(1,744,165)	(32,400)	(80,720)	(486,145)	(4,029,247)	0	(4,029,247)
North Transfer to Central	2,300,000	0	0	(2,300,000)	0	0	0	0	0	0
Tax Sharing	(4,029,460)	0	(27,705)	(9,928,245)	(58,000)	(153,000)	(1,221,000)	(15,417,410)	0	(15,417,410)
County Admin Fee	(366,078)	(335,448)	(9,983)	(763,416)	(15,407)	(27,206)	(201,902)	(1,719,440)	0	(1,719,440)
Net Tax Increment	13,216,411	15,574,102	525,781	20,147,470	542,193	1,353,474	7,813,853	59,173,284	0	59,173,284
Program Revenues	2,316,667	14,874,984	645,214	1,594,122	8,000	20,000	1,416,586	20,875,593	21,297	20,896,889
Restricted Revenues	0	946,100	0	0	0	0	0	946,100	7,683,361	8,629,461
Total Revenues	15,533,098	31,395,186	1,170,995	21,741,591	550,193	1,373,474	9,230,439	80,994,977	7,704,658	88,699,634
Expenditures										
SERAF	1,217,975	1,265,514	45,797	2,636,023	48,967	121,995	734,729	6,071,000	0	6,071,000
Financing Costs	3,776,782	7,913,206	1,036,172	10,194,079	230,523	838,585	3,641,011	27,630,357	3,333,360	30,963,717
Neighborhood Revitalization	1,207,502	11,187,106	0	1,022,034	0	0	1,007,667	14,424,309	8,000,000	22,424,309
Corridor Revitalization	1,501,667	0	0	3,367,667	0	0	568,000	5,437,333	0	5,437,333
Open Space/Public Art	2,672,000	2,651,446	0	3,582,000	220,000	250,000	92,000	9,467,446	0	9,467,446
Public Improvements	1,495,449	8,127,350	0	13,932,942	0	0	5,585,000	29,140,741	0	29,140,741
Housing	500,000	0	0	150,000	0	0	0	650,000	0	650,000
Administration	4,313,411	2,207,586	126,784	2,599,680	217,830	170,869	1,361,843	10,998,003	18,117	11,016,120
Total Expenditures	16,684,785	33,352,208	1,208,753	37,484,425	717,320	1,381,449	12,990,250	103,819,190	11,351,477	115,170,667
Ending Fund Balance	1,783,379	3,400,860	195,731	10,994,787	108,618	632,008	3,468,400	20,563,784	1,469,666	22,053,450
(Less) Unexpended ARRA Bond Proceeds	0	0	0	(6,000,000)	0	0	0	(6,000,000)	0	(6,000,000)
Adjusted Ending Fund Balance	1,783,379	3,400,860	195,731	4,994,787	108,618	632,008	3,468,400	14,563,784	1,469,666	16,053,450
Add/(Less) Adjustments	0	35,417	0	0	0	0	0	35,417	0	35,417
Voluntary Reserve	(3,658,406)	(7,277,963)	(406,533)	(9,994,079)	(219,523)	(830,570)	(3,067,540)	(25,454,614)	NA	NA
Amount Above/Below Voluntary Reserve	(1,875,027)	(3,841,686)	(210,801)	(4,999,291)	(110,905)	(198,562)	400,860	(10,835,413)	NA	NA

**CENTRAL PROJECT AREA
FY11 PROPOSED BUDGET**

	Proposed Budget FY11	Proposed Budget FY12	Proposed Budget FY13
Beginning Fund Balance	2,935,067	1,783,379	3,706,985
Revenues			
Net Tax Increment	13,216,411	12,216,411	12,216,411
Gross Tax Increment	20,147,301	20,147,301	20,147,301
Low-Mod Housing Set-Aside	(4,029,460)	(4,029,460)	(4,029,460)
Housing Set-Aside SERAF Contribution/(Repayment)	(805,892)	(805,892)	(805,892)
North Project Area Payment of Low-Mod Housing Set Aside	2,300,000	1,300,000	1,300,000
AB1290 Increment Sharing with Taxing Agencies	(4,029,460)	(4,029,460)	(4,029,460)
County Admin. Charge	(366,078)	(366,078)	(366,078)
Program Revenues	2,316,687	621,238	621,238
Total Revenues	15,533,098	12,837,649	12,837,649
Expenses			
SERAF	1,217,975	0	0
Financing Costs	3,776,782	3,775,659	3,898,278
Debt Service	3,658,406	3,657,284	3,779,903
Interest on City Interim Loan	118,375	118,375	118,375
Neighborhood Revitalization	1,207,502	597,502	522,502
Neighborhood Code Enforcement Program	322,000	322,000	322,000
Land Acquisition Per Strategic Guide	500,000	0	0
Parking Program	75,502	75,502	75,502
Graffiti	125,000	125,000	125,000
Willmore Implementation Plan	185,000	75,000	0
Corridor Revitalization	1,501,667	943,333	943,333
Economic Development Services	101,667	68,333	68,333
Renaissance Square	25,000	25,000	25,000
Commercial Façade Program	750,000	750,000	750,000
Commercial Screening Program	100,000	100,000	100,000
Pacific & Pacific Coast Highway	500,000	0	0
Anaheim & Walnut	25,000	0	0
Open Space/Public Art	2,672,000	42,000	42,000
Sunrise Gateway	130,000	0	0
Orizaba Park Expansion	700,000	0	0
McBride Park Teen Center (OSL)	800,000	0	0
MacArthur Park and Homeland Expansion (OSL)	750,000	0	0
Public Art Development	250,000	0	0
Arts Council Support	42,000	42,000	42,000
Infrastructure/Public Improvements	1,495,449	2,197,987	197,987
East Village Streetscape	500,000	0	0
Cherry Avenue Widening	395,449	0	0
Pine Avenue Streetscape	0	2,000,000	0
7th & Alamos Right-Turn Lane	50,000	0	0
Courthouse	0	197,987	197,987
Orizaba Design District	550,000	0	0
Housing	500,000	0	0
Ronald McDonald House Construction Loan	500,000	0	0
Effective Project Area Operations	4,313,411	3,357,561	3,403,036
Administrative Expense	1,612,290	1,656,440	1,701,915
Architectural Consultants	40,000	40,000	40,000
Loan Repayment - City of Long Beach (Wrigley Center)	247,107	247,107	247,107
Loan Repayment - City of Long Beach	2,300,000	1,300,000	1,300,000
Project Area Committee (PAC)	50,000	50,000	50,000
Agency Sponsorships	64,013	64,013	64,013
Total Expenses	16,684,785	10,914,042	9,007,136
Ending Fund Balance	1,783,379	3,706,985	7,537,498
Less Voluntary Reserves	(3,658,406)	(3,657,284)	(3,779,903)
Amount Above (Below) Voluntary Reserves	(1,875,027)	49,701	3,757,595

Project Area FY11 ending fund balance reflects a 49% Voluntary Reserve.

CENTRAL LONG BEACH REDEVELOPMENT PROJECT AREA GOALS AND WORK PLAN FOR FY11

1) Contribute to neighborhood revitalization.

- Support the initiatives identified in the East Village Strategic Guide for Development.
- Support the initiatives identified in the Willmore Implementation Plan, including streetscape improvements and the installation of district markers.
- Support the initiatives identified in the Long Beach Design District Implementation Plan, including streetscape, screening, and façade improvements.
- Facilitate the development of the Willow and Atlantic Development Site.
- Support the development of market-rate housing/mixed-use/commercial/industrial developments.
- Support Targeted Neighborhood Code Enforcement, Graffiti Abatement, and Parking Programs throughout the Project Area.

2) Contribute to corridor revitalization.

- Continue redevelopment efforts along commercial corridors including transit-oriented developments.
- Initiate the Commercial Façade Improvement Program along target corridors.
 - 4th Street
 - 7th Street
 - Pacific Avenue
 - West Willow Street
 - Anaheim Street
 - Pacific Coast Highway
- Facilitate the development of the Pacific Avenue and Pacific Coast Highway Commercial Node.
- Facilitate the development of Agency-owned property along commercial corridors:
 - Pine Avenue and Pacific Coast Highway
 - East Anaheim and Lime Avenue
 - Martin Luther King Jr. Avenue and Pacific Coast Highway
 - East Anaheim and Walnut Avenue

- Continue improvements to Wrigley Village, including median enhancements and the implementation of pedestrian lights.
- Assist in the implementation of the Long Beach Boulevard Master Plan by facilitating updates to PD-29.
- Continue to support the Commercial Screening Program along major corridors.
- Continue to assist Long Beach City College in the development and expansion of their central campus.
- Support and encourage business assistance programs that focus on Central Long Beach businesses.

3) Contribute to open space and public art development.

- Complete construction of the Orizaba Park Expansion Project.
- Complete the development of Rosa Parks Park at 15th Street and Alamitos Avenue.
- Complete the development and construction of Sunrise Gateway.
- Complete the development and expansion of MacArthur Park and Homeland Cultural Center.
- Facilitate the development of Craftsman Park.
- Facilitate the development and expansion of McBride Park.
- Complete the P E Right of Way Bike Trail Project.
- Support the creation and installation of public art.

4) Contribute to infrastructure and public improvements.

- Complete Phase II construction of the Magnolia Industrial Group Street Reconstruction Project.
 - Daisy Avenue
- Begin / continue construction of the pedestrian-oriented streetscape improvements within pedestrian-oriented districts:
 - East Village
 - Design District
 - Willmore City
 - Wrigley Village

- Continue to facilitate the development of a new state courthouse in Downtown.

5) Support the development of affordable housing in Long Beach.

- Transfer 20% of available project area tax increment to the Housing Development Fund.
- Support the development of a Ronald McDonald House on the Memorial Hospital campus.
- Continue to assist and identify future opportunities for affordable housing within the Housing Action Plan target areas.
- Assist in site assembly to support affordable housing developments.
- Support the implementation of the goals identified in the Housing Action Plan.
- Support opportunities to incorporate affordable housing in residential or mixed-use developments.

6) Facilitate the efficient administration of the Project Area.

- Continue to implement the Strategic Guide for Development for the Central Project Area.
- Continue to implement the Willmore District Implementation Plan.
- Continue to implement the Central Long Beach Design Guidelines.
- Continue to implement the Long Beach Design District Implementation Plan.
- Complete and implement the Downtown Community Plan.
- Continue to provide staff support to the Central Project Area Committee.
- Continue to provide staff support to Downtown Long Beach Associates.
- Continue to liaison with the Arts Council for Long Beach.

**DOWNTOWN PROJECT AREA
FY11 PROPOSED BUDGET**

	Proposed Budget FY11	Proposed Budget FY12	Proposed Budget FY13
Beginning Fund Balance	5,357,882	3,400,860	2,430,654
Revenues			
Net Tax Increment	15,574,102	15,574,102	15,574,102
Gross Tax Increment	20,933,618	20,933,618	20,933,618
Low-Mod Housing Set-Aside	(4,186,724)	(4,186,724)	(4,186,724)
Housing Set-Aside SERAF Contribution/(Repayment)	(837,345)	(837,345)	(837,345)
County Admin. Charge	(335,448)	(335,448)	(335,448)
Program Revenues	14,874,984	4,606,133	1,137,383
Restricted Revenues	946,100	0	0
Total Revenues	31,395,186	20,180,235	16,711,485
Expenses			
SERAF	1,265,514	0	0
Financing Costs	7,913,206	8,109,568	7,909,131
Debt Service	7,277,963	7,474,325	7,273,888
Interest Expense (Short-Term Loan)	141,242	141,242	141,242
Payment on City Loan	494,001	494,001	494,001
Neighborhood Revitalization	11,187,106	3,604,256	854,256
Acquisitions	6,500,000	0	0
Downtown Parking Program	429,256	429,256	429,256
Revitalization Programs	236,000	200,000	200,000
Block 81 Development Site	111,350	0	0
Broadway Block	2,995,500	2,150,000	0
Block 103 Development Site	75,000	0	0
Commercial Façade Improvement Program	100,000	100,000	100,000
Commercial Screening Program	50,000	0	0
Block 89 Development Site	35,500	0	0
Block L - Jergins Trust Development Site	55,000	0	0
Block 90 and Edison Theater	34,500	0	0
American Hotel Adaptive Reuse	440,000	600,000	0
Graffiti Abatement	125,000	125,000	125,000
Corridor Revitalization	0	0	0
Open Space/Public Art	2,651,446	3,269,500	105,000
Promenade Master Plan	2,596,946	3,227,500	63,000
Arts Council Support	42,000	42,000	42,000
Art Development	12,500	0	0
Infrastructure/Public Improvements	8,127,350	3,925,000	3,000,000
Cameras - Promenade	70,000	175,000	0
Wayfinding	1,182,627	0	0
City Place Garage Rehabilitation/Upgrades	1,500,000	0	0
Pine Avenue Streetscape	4,504,723	1,750,000	3,000,000
City Place Garage Equipment Upgrade and Debt Service	870,000	0	0
Courthouse	0	2,000,000	0
Housing	0	0	0
Effective Project Area Operations	2,207,586	2,242,117	2,287,983
Administrative Expense	1,612,586	1,657,117	1,702,983
DLBA PBID, Staff and Cooperative Efforts	385,000	385,000	385,000
Architectural Consultants	50,000	50,000	50,000
Agency Partnership Opportunities	150,000	150,000	150,000
Design Competition	10,000	0	0
Total Expenses	33,352,208	21,150,441	14,156,370
Ending Fund Balance	3,400,860	2,430,654	4,985,769
Add (less) Adjustments	35,417	35,417	35,417
Less Voluntary Reserves	(7,277,963)	(7,474,325)	(7,273,888)
Amount Above (Below) Voluntary Reserves	(3,841,686)	(5,008,254)	(2,252,702)

Project Area FY11 ending fund balance reflects a 47% Voluntary Reserve.

DOWNTOWN REDEVELOPMENT PROJECT AREA GOALS AND WORK PLAN FOR FY11

1) Encourage neighborhood revitalization through commercial and mixed-use development in the Downtown in conformance with the Redevelopment Plan and the Downtown Strategy for Development.

- Provide incentives to appropriate retailers to locate in Downtown.
- Determine appropriate use and solicit development of the former D'Orsay Hotel site.
- Negotiate DDA with City Ventures for development of the half block bordered by 3rd Street, 4th Street, Pacific Avenue and Solana Court.
- Implement MOU between CSULB and RDA to explore financial feasibility and conceptual design for development of CSULB Fine Arts Graduate Program facilities, including student and/or faculty housing on the half-block at Broadway and Long Beach Boulevard (Broadway Block).
- Determine appropriate use and solicit development of the southwest corner of Broadway and Long Beach Boulevard.
- Negotiate DDA with Urbana Development, LLC for the adaptive reuse of the American Hotel.
- Continue to pursue development of sites along Ocean Boulevard.
- Continue development of the Art Exchange, a 10,150 square foot art production and gallery facility at the southeast corner of Long Beach Boulevard and 3rd Street.
- Provide incentives for property owners to improve facades and screening in the area.
- Negotiate with developer for development of the half-block bordered by Broadway, Elm Avenue, 3rd Street and Alamo Court.
- Solicit developers for sale and activation of the Edison Theatre.
- Provide support to graffiti abatement program.

2) Encourage open space and public art development in the Downtown in conformance with the Redevelopment Plan and the Downtown Strategy for Development.

- Begin construction of The Promenade South Block.
- Implement public art on key corridors with Ocean Boulevard as a priority.
- Continue to place temporary public art exhibits in vacant storefronts.
- Place art installations throughout the Downtown, including utility boxes.
- Provide support for the Arts Council for Long Beach.

3) Encourage infrastructure and public improvements in conformance with the Redevelopment Plan and Downtown Strategy for Development.

- Install cameras on the Promenade Mid-block (1st Street to Broadway).
- Upgrade and expand the existing CityPlace Garage C.
- Finalize plans and begin construction of the Pine Avenue Streetscape Improvement Project.
- Provide local match for the Downtown Parking Wayfinding Grant.

4) Support the development of affordable housing in Long Beach.

- Transfer 20% of available project area tax increment to the Housing Development Fund.

5) Encourage effective project area administration in conformance with Redevelopment Plan and Downtown Strategy for Development.

- Continue partnership with Downtown Long Beach Associates and Downtown businesses through contributions to marketing and economic development efforts.
- Provide support for special events in the Downtown.
- Provide staff support for the Downtown Property Based Improvement District (PBID) and the Downtown Long Beach Associates (DLBA).
- Offer small design competition award to attract and spur new and creative design throughout the Downtown.

**LOS ALTOS PROJECT AREA
FY11 PROPOSED BUDGET**

	Proposed Budget FY11	Proposed Budget FY12	Proposed Budget FY13
Beginning Fund Balance	233,489	195,731	203,051
Revenues			
Net Tax Increment	525,781	525,227	524,662
Gross Tax Increment	757,561	757,561	757,561
Low-Mod Housing Set Aside	(151,512)	(151,512)	(151,512)
Low-Mod Housing Set Aside-SERAF	(42,580)	(42,580)	(42,580)
County Admin. Charge	(9,983)	(9,983)	(9,983)
H&S Sec. 33676 Inflationary Payment to School Districts	(27,705)	(28,259)	(28,824)
Program Revenues	645,214	645,214	645,214
Total Revenues	1,170,995	1,170,441	1,169,876
Expenses			
SERAF	45,797	0	0
Financing Costs	1,036,172	1,032,834	1,033,984
Debt Service	406,533	403,195	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	296,964	296,964	296,964
Neighborhood Revitalization	0	0	0
Corridor Revitalization	0	0	0
Open Space/Public Art	0	0	0
Infrastructure/Public Improvements	0	0	0
Housing	0	0	0
Effective Project Area Operations	126,784	130,288	133,896
Administrative Expense	116,784	120,288	123,896
Reserve for Capital Replacement	10,000	10,000	10,000
Total Expenses	1,208,753	1,163,122	1,167,880
Ending Fund Balance			
Ending Fund Balance	195,731	203,051	205,046
Less Voluntary Reserves	(406,533)	(403,195)	(404,345)
Amount Above (Below) Voluntary Reserves	(210,801)	(200,144)	(199,299)

Project Area FY11 ending fund balance reflects a 48% Voluntary Reserve.

LOS ALTOS REDEVELOPMENT PROJECT AREA GOALS AND WORK PLAN FOR FY11

1) Support the development of affordable housing in Long Beach.

- Transfer 20% of available project area tax increment to the Housing Development Fund.

2) Administer the Project Area's obligations effectively.

- Use sales tax revenue and tax increment for bond debt service, administrative expenses, public art maintenance, and repayment of the loan from the West Long Beach Industrial (WLBI) Project Area.
- Maintain reserve for capital replacement to preserve the public amenities created as part of the redevelopment of the Los Altos Shopping Center.

**NORTH PROJECT AREA
FY11 PROPOSED BUDGET**

	Proposed Budget FY11	Proposed Budget FY12	Proposed Budget FY13
Remaining ARRA Bond Proceeds	15,162,725	6,000,000	0
All other Available Funds	11,574,896	4,994,787	3,896,160
Beginning Fund Balance	26,737,621	10,994,787	3,896,160
Revenues			
Net Tax Increment	20,147,470	21,147,470	21,147,470
Gross Tax Increment	43,604,120	43,604,120	43,604,120
Low-Mod Housing Set-Aside	(8,720,824)	(8,720,824)	(8,720,824)
Housing Set-Aside SERAF Contribution/(Repayment)	(1,744,165)	(1,744,165)	(1,744,165)
Low-Mod Housing Set-Aside Central Project Area	(2,300,000)	(1,300,000)	(1,300,000)
AB1290 Increment Sharing with Taxing Agencies	(9,928,245)	(9,928,245)	(9,928,245)
County Admin. Charge	(763,416)	(763,416)	(763,416)
Program Revenues	1,594,122	3,947,335	1,582,408
Total Revenues	21,741,591	25,094,804	22,729,878
Expenses			
SERAF	2,636,023	0	0
Financing Costs	10,194,079	10,184,278	10,179,887
Debt Service	9,994,079	9,984,278	9,979,887
Interest Expense (Short-Term Loans)	200,000	200,000	200,000
Neighborhood Revitalization	1,022,034	1,022,034	1,022,034
Neighborhood Code Enforcement Program	322,034	322,034	322,034
NEA Target Area	525,000	525,000	525,000
Graffiti	175,000	175,000	175,000
Corridor Revitalization	3,367,667	7,023,483	987,818
Acquisitions	0	5,500,000	0
Vons Development Agreement	42,000	42,000	0
OSH/Sears Development Agreement	30,000	30,000	30,000
Façade Improvement Program	665,000	0	0
Economic Development Services and Business Loans	201,667	318,333	318,333
Marketing - NLB	307,000	313,150	319,485
North Village Annex	15,000	15,000	15,000
North Village Center Implementation	300,000	300,000	300,000
Virginia Village Revitalization	5,000	5,000	5,000
Waite Motel Block - 5100 LBB Site Analysis/Marketing	276,000	500,000	0
6101 Atlantic Development Site Analysis/Marketing	426,000	0	0
Atlantic & Artesia (NEC)	400,000	0	0
Commercial Screening Program	200,000	0	0
MoLLAA North Long Beach	500,000	0	0
Open Space/Public Art	3,582,000	4,442,000	42,000
Davenport Park Phase II (OSL)	850,000	1,650,000	0
Houghton Park	1,150,000	750,000	0
Oregon & Del Amo Park	1,400,000	2,000,000	0
Development of Public Art	140,000	0	0
Arts Council Support	42,000	42,000	42,000
Infrastructure/Public Improvements	13,932,942	6,708,140	0
PW - Streetscape Design and Improvements	6,105,907	0	0
North Library	2,400,000	6,000,000	0
Fire Station North Facilities	5,250,000	0	0
South Waterfront	177,035	708,140	0
Housing	150,000	150,000	150,000
Multi-family Improvement Program	150,000	150,000	150,000
Effective Project Area Operations	2,599,680	2,663,496	2,663,496
Administrative Expense	2,277,180	2,340,996	2,340,996
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
Total Expenses	37,484,425	32,193,431	15,045,235
Ending Fund Balance	10,994,787	3,896,160	11,580,803
Less Remaining Unexpended ARRA Bond Proceeds	(6,000,000)	0	0
Adjusted Ending Fund Balance	4,994,787	3,896,160	11,580,803
Less Voluntary Reserves	(9,994,079)	(9,984,278)	(9,979,887)
Amount Above (Below) Voluntary Reserves	(4,999,291)	(6,088,118)	1,600,916

Project Area FY11 ending fund balance reflects a 50% Voluntary Reserve.

NORTH LONG BEACH REDEVELOPMENT PROJECT AREA GOALS AND WORK PLAN FOR FY11

1) Contribute towards neighborhood revitalization.

- **Continue Neighborhood Enhancement Area program:**
 - Sutter School & Coolidge Triangle
 - Jane Addams & Grant School
 - Dairy Avenue & Jordan High School
 - Lindbergh School & Bret Harte
 - DeForest Park & Cal-Cherry
- **Continue Multi-Family Improvement program.**
- **Continue pro-active Code Enforcement program:**
 - Artesia Boulevard (b/n Long Beach Boulevard & Downey)
 - Atlantic Avenue (b/n Wardlow & Artesia)
 - Long Beach Boulevard (b/n Spring & Artesia)
 - Paramount Boulevard (b/n Market & Artesia)
 - South Street (b/n Atlantic & Downey).

2) Contribute towards corridor revitalization.

- **Revitalize existing commercial/retail sites**
 - Bixby Knolls – General
 - Bixby Knolls Shopping Center
 - North Village Center
 - Virginia Village
- **Develop new commercial/retail sites**
 - North Village Center – West Block
 - North Village Center – East Block
 - North Village Center – Atlantic & 61st Street
 - NEC Atlantic Avenue and Artesia Boulevard
 - 5100 Long Beach Boulevard
- **Continue commercial façade program**
 - 5414 Long Beach Boulevard
 - 5420 Long Beach Boulevard
 - 5422 Long Beach Boulevard
 - 5438 Long Beach Boulevard

- Create new home ownership opportunities with a focus on public transportation corridors
 - Waite Motel Site
 - Motel Block Site

3) Contribute towards open space/public art development.

- Continue development of additional open/park space.
 - Houghton Park facility improvements
 - Davenport Expansion
 - Oregon Park
- Continue development of public art.

4) Contribute towards infrastructure/public improvements

- Continue streetscape improvements
- Continue median improvements
- Fire Station 12
- North Village Library
- Add median and/or streetscape improvements
 - Del Amo Boulevard
 - Atlantic Avenue
 - Artesia Boulevard
 - Long Beach Boulevard

5) Facilitate efficient administration of the Project Area.

- Implement North Long Beach Strategic Guide for Redevelopment
- Implement North Long Beach Street Enhancement Plan
- Facilitate business attraction/retention in North Long Beach
- Implement North Long Beach Design Guidelines
- Identify sites for redevelopment consistent with the Strategic Guide
- Provide support to the North Project Area Committee

**POLY HIGH PROJECT AREA
FY11 PROPOSED BUDGET**

	Proposed Budget FY11	Proposed Budget FY12	Proposed Budget FY13
Beginning Fund Balance	275,745	108,618	207,690
Revenues			
Net Tax Increment	542,193	542,193	542,193
Gross Tax Increment	810,000	810,000	810,000
Low-Mod Housing Set-Aside	(162,000)	(162,000)	(162,000)
Housing Set-Aside SERAF Contribution/(Repayment)	(32,400)	(32,400)	(32,400)
County Admin. Charge	(15,407)	(15,407)	(15,407)
SB211 Statutory Pass Through	(58,000)	(58,000)	(58,000)
Program Revenues	8,000	8,000	8,000
Total Revenues	550,193	550,193	550,193
Expenses			
SERAF	48,967	0	0
Financing Costs	230,523	226,906	401,000
Debt Service	229,523	225,906	400,000
Interest Expense (Short-Term Loans)	1,000	1,000	1,000
Neighborhood Revitalization	0	0	0
Corridor Revitalization	0	0	0
Open Space/Public Art	220,000	0	0
Public Art (Poly Walk of Fame, i.e., McBride)	85,000	0	0
PCH and Martin Luther King Open Space & Public Art	135,000	0	0
Infrastructure/Public Improvements	0	0	0
Housing	0	0	0
Effective Project Area Operations	217,830	224,215	230,791
Administrative Expense	217,830	224,215	230,791
Total Expenses	717,320	451,120	631,791
Ending Fund Balance	108,618	207,690	126,093
Less Voluntary Reserves	(219,523)	(215,906)	(390,000)
Amount Above (Below) Voluntary Reserves	(110,905)	(8,215)	(263,907)

Project Area FY11 ending fund balance reflects a 49% Voluntary Reserve.

POLY HIGH REDEVELOPMENT PROJECT AREA GOALS AND WORK PLAN FOR FY11

1) Contribute to corridor revitalization.

- Eliminate and prevent blight along the Project Area's commercial corridors:
 - Continue to assist commercial property owners and tenants through the Commercial Façade Improvement Program.
 - Continue to support the Commercial Screening Program.

2) Contribute to open space and public art development.

- Support the creation and installation of public art.
 - Poly Walk of Fame
- Support the creation of streetscape/open space improvements.
 - Poly High Gateway Signage
 - Poly High Gateway

3) Contribute to infrastructure and public improvements.

- Preserve the public amenities created as part of the redevelopment of the Poly High Project Area:
 - Continue to assist in the development of public infrastructure projects.
 - Pacific Coast Highway & Atlantic Right Turn Lane
 - Poly High Fence of Champions

4) Support the development of affordable housing in Long Beach

- Continue to support the development of affordable housing by transferring 20% of project area tax increment to the Housing Development Fund.
 - Provide 20% of project area tax increment for the development of affordable housing.

**WEST BEACH PROJECT AREA
FY11 PROPOSED BUDGET**

	Proposed Budget FY11	Proposed Budget FY12
Beginning Fund Balance	639,983	632,008
Revenues		
Net Tax Increment	1,353,474	1,346,474
Gross Tax Increment	2,018,000	2,018,000
Low-Mod Housing Set-Aside	(403,600)	(403,600)
Housing Set-Aside SERAF Contribution/(Repayment)	(80,720)	(80,720)
County Admin. Charge	(27,206)	(27,206)
SB211 Statutory Pass Through	(153,000)	(160,000)
Program Revenues	20,000	20,000
Total Revenues	1,373,474	1,366,474
Expenses		
SERAF	121,995	0
Financing Costs	838,585	844,092
Debt Service	835,570	841,077
Interest Expense (Short-Term Loan)	3,015	3,015
Neighborhood Revitalization	0	0
Corridor Revitalization	0	0
Open Space/Public Art	250,000	150,000
Promenade Amphitheater and Pedestrian Improvements	250,000	150,000
Infrastructure/Public Improvements	0	197,987
Courthouse	0	197,987
Housing	0	0
Effective Project Area Operations	170,869	175,995
Administrative Expense	170,869	175,995
Total Expenses	1,381,449	1,368,074
Ending Fund Balance		
Ending Fund Balance	632,008	630,409
Less Voluntary Reserves	(830,570)	(836,077)
Amount Above (Below) Voluntary Reserves	(198,562)	(205,668)

Project Area FY11 ending fund balance reflects a 76% Voluntary Reserve.

WEST BEACH REDEVELOPMENT PROJECT AREA GOALS AND WORK PLAN FOR FY11

1) Neighborhood Revitalization

- Participate in the Golden Shore Master Plan and entitlement process.

2) Corridor Revitalization

- Continue to support development of the West Ocean commercial corridor.
 - Continue to assist private sector developments in the Project Area in conformance with the Redevelopment Plan and Downtown Strategy for Development.

3) Contribute to open space and public art development.

- Encourage open space and public art development to benefit the project area.
 - Assist with construction of The Promenade South Block.

4) Support the development of affordable housing in Long Beach.

- Transfer 20% of available project area tax increment to the Housing Development Fund.

5) Serve as staff support to various committees and organizations.

- Provide staff support for the Downtown Property based Improvement District (PBID) and the Downtown Long Beach Associates (DLBA).

**WEST LB INDUSTRIAL PROJECT AREA
FY11 PROPOSED BUDGET**

	Proposed Budget FY11	Proposed Budget FY12	Proposed Budget FY13
Beginning Fund Balance	7,228,210	3,468,400	(1,319,119)
Revenues			
Net Tax Increment	7,813,853	7,797,755	7,753,755
Gross Tax Increment	12,153,625	12,153,625	12,153,625
Low-Mod Housing Set-Aside	(2,430,725)	(2,430,725)	(2,430,725)
Low-Mod Housing Set Aside-SERAF	(486,145)	(486,145)	(486,145)
County Admin. Charge	(201,902)	(179,000)	(182,000)
AB1290/SB211 Sharing with Taxing Agencies	(1,221,000)	(1,260,000)	(1,301,000)
Program Revenues	1,416,586	666,586	666,586
Total Revenues	9,230,439	8,464,342	8,420,342
Expenses			
SERAF	734,729	0	0
Financing Costs	3,641,011	3,641,011	3,641,011
Debt Service	3,067,540	3,067,540	3,067,540
Interest Expense (Short-Term Loans)	40,000	40,000	40,000
Gas Bond Payment	533,471	533,471	533,471
Neighborhood Revitalization	1,007,667	918,333	918,333
Neighborhood Code Enforcement Program	100,000	100,000	100,000
Graffiti Abatement	125,000	125,000	125,000
Economic Development	101,667	68,333	68,333
Property Acquisition	600,000	600,000	600,000
Property Maintenance	12,000	12,000	12,000
Redbarn	6,000	0	0
1461-65 Cota - Sherrill	5,000	5,000	5,000
1404-20 Hayes & 1350 Seabright - Tankard Trust	55,000	5,000	5,000
2035 W. 15th. St. - Two-Way	3,000	3,000	3,000
Corridor Revitalization	568,000	470,000	470,000
Facade Improvement Program	498,000	400,000	400,000
Industrial Development	50,000	50,000	50,000
Property Maintenance/Remediation	20,000	20,000	20,000
Open Space/Public Art	92,000	42,000	42,000
Public Art Development	50,000	0	0
Arts Council Support	42,000	42,000	42,000
Infrastructure/Public Improvements	5,585,000	6,793,500	5,155,590
Pump Station & Storm Drain Upgrades	4,700,000	3,200,000	0
Westside Street Enhancement Program (PCH)	700,000	700,000	700,000
Alley Surveillance Camera Project	50,000	50,000	50,000
Revise Targhee Westside Basin Study	10,000	10,000	10,000
Westside Infrastructure Study	125,000	2,833,500	4,395,590
Effective Project Area Operations	1,361,843	1,387,017	1,412,946
Administrative Expense	1,256,843	1,282,017	1,307,946
Consultants/Legal	20,000	20,000	20,000
Westside PAC Admin.	80,000	80,000	80,000
PAC Local Program - Utility Box Project	5,000	5,000	5,000
Total Expenses	12,990,250	13,251,861	11,639,880
Ending Fund Balance	3,468,400	(1,319,119)	(4,538,658)
Less Voluntary Reserves	(3,067,540)	(3,067,540)	(3,067,540)
Amount Above/(Below) Voluntary Reserves	400,860	(4,386,659)	(7,606,198)

Project Area FY11 ending fund balance reflects a 113% Voluntary Reserve.

WEST LONG BEACH INDUSTRIAL PROJECT AREA GOALS AND WORK PLAN FOR FY11

1) Neighborhood Revitalization

- Facilitate the removal of non-conforming uses.
 - Tankard Trust properties
2035 W. 15th Street
- Create new development opportunities.
 - 2136-2144 W. 16th Street
 - 1463 Cota Avenue
- Maintain pro-active Code Enforcement Program.
- Maintain pro-active Graffiti Abatement Program.
- Enhance Safety.
 - Surveillance Cameras
 - Solar Lighting

2) Corridor Revitalization

- Facilitate removal and conversion of non-conforming uses.
 - 1404-1420 Hayes Avenue & 1350 Seabright Avenue
- Create new development opportunities.
 - 1565, 1675 & 1680 Santa Fe Avenue
 - 2136-2144 W. 16th Street
 - 1463 & 1478 Cota Avenue
- Maintain Code Enforcement Program.
 - Pacific Coast Highway
 - Santa Fe Avenue
 - Anaheim Street
- Maintain commercial façade improvement program.
 - Area-wide

3) Open Space / Public Art Development

- Enhance the image and identity of the Westside as a prosperous industrial community.
 - Utility Box Art
 - Metal Art
 - Bike Racks

4) Infrastructure / Public Improvements

- Improve infrastructure to support existing businesses.
 - Storm drain and pump station improvement project
- Create a more pleasant environment through an attractive streetscape program.
 - Pacific Coast Highway
 - Santa Fe Avenue median and street enhancement
- Ensure that adequate infrastructure is in place to support future development.
 - Assessment of conditions of streets, alleys, sidewalks and ADA access

5) Housing

- Support the development of affordable housing the Long Beach.
 - Transfer 20% of project area tax increment to the Housing Development Fund.

6) Facilitate the Efficient Administration of the Project Area

- Continue to provide funding and staff support to the West Long Beach Industrial Project Area Committee.

**PROJECT INCOME (SPECIAL PURPOSE) FUND
FY11 PROPOSED BUDGET**

	Proposed Budget FY11	Proposed Budget FY12	Proposed Budget FY13
Beginning Fund Balance	5,116,486	1,469,666	1,472,972
Revenues			
Program Revenues	21,297	21,723	21,723
Interest Earnings	21,297	21,723	21,723
Restricted Revenues	7,683,361	3,433,361	3,519,195
Transient Occupancy Tax	3,333,360	3,433,361	3,519,195
Transfer from North	4,350,001	0	0
Total Revenues	7,704,658	3,455,083	3,540,918
Expenses			
Transfers	11,333,360	3,433,361	3,519,195
Transfers to Redevelopment Project Areas	8,000,000	0	0
Transfer to TF 401	3,333,360	3,433,361	3,519,195
Effective Fund Operations	18,117	18,417	18,417
Materials & Supplies	0	300	300
City Services and Overhead	18,117	18,117	18,117
Total Expenses	11,351,477	3,451,778	3,537,612
Ending Fund Balance	1,469,666	1,472,972	1,476,277

EXHIBIT C



Building A Better Long Beach

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

Fiscal Year 2011

**Response to
Budget Priority Discussions**

Central Project Area

Neighborhood Revitalization

- **Multi Family Improvement District**
Estimated Cost: \$150,000 – \$250,000
Status: Staff recognizes the merits of this program, which is administered through the Department of Community Development utilizing project area funding. Staff proposes examining the development of the program in FY11, with the implementation as a potential FY12 expenditure.
- **Atlantic and Vernon Development Site – Exclusive Negotiating Agreement (ENA) Extension**
Estimated Cost: N/A
Status: On November 12, 2009, the Agency entered into an ENA with DIDM. The ENA was extended on February 12, 2010 for an additional 90 days to May 13, 2010 at the discretion of the Executive Director. Future extensions must be requested by the developer and can only be extended by the Board.
- **Willmore Courts & Ways**
Estimated Cost: \$250,000 (Planning \$50,000; Construction \$200,000)
Status: A consultant has been selected and the planning portion of the project, including base drawings for La Reina Way, will be completed in FY10. Additionally, \$125,000 is scheduled to be included in FY11 to support the proposed improvements.
- **Atlantic and Willow Development Site – Liquor Store**
Estimated Cost: TBD
Status: The Agency has filed a condemnation complaint against the tenant. All court mandated hearing dates have been set. Acquisition of the privately owned corner property was suspended due the mandatory SERAF payment.
- **Neighborhood Code Enforcement**
Estimated Cost: \$322,000
Status: This program is proposed in the FY11 project area budget.

Corridor Revitalization

- **Anaheim and Atlantic Development Site**
Estimated Cost: N/A
Status: An RFP was released and one proposal was submitted. The Agency Board directed that the proposal be rejected. Agency staff continues to work with the adjacent property owners for the redevelopment of the site.

- **Long Beach Boulevard Redevelopment Plan**
Estimated Cost: \$250,000
Status: The Planning Bureau has submitted a \$250,000 grant application for master planning and PD-29 revisions. RDA staff proposes to support this plan through a 10% match requirement and has programmed \$30,000 (includes \$5,000 for a grant writer) into the FY10 budget.
- **Daisy & Willow Development Site (520 W. Willow St.)**
Estimated Cost: \$1 million (gap funding)
Status: Agency staff is working with the property owner on potential development scenarios to reduce the subsidy. This project is not currently a budgeted activity.
- **M Detail and Verizon Building – Façade Improvements**
Estimated Cost: TBD
Status: Staff will solicit an application from the current property owner of M Detail and the project will be prioritized against existing façade applications pending funding. The Verizon Building is not in a redevelopment project area, therefore not eligible for the Commercial Façade Improvement Program.
- **405 Freeway Off-Ramp Improvements**
Estimated Cost: TBD
Status: Agency staff has confirmed that all medians located at freeway on and off-ramps are under the jurisdiction of CalTrans. Staff will work with CalTrans via the Department of Public Works to identify opportunities for improvements.
- **Property Business Improvement District (PBID) – Loan Program**
Estimated Cost: \$150,000 - \$350,000
Status: The PBID Program is administered by the Department of Community Development, in collaboration with an established business association.
- **Long Beach Boulevard & 405 Freeway (3200 Long Beach Blvd.)**
Estimated Cost: TBD
Status: All development sites along the Long Beach Boulevard Corridor will be examined for potential re-use as part of the Long Beach Boulevard Redevelopment Plan. Following recommendations from the Plan, staff will explore development scenarios.
- **Martin Luther King and Pacific Coast Highway – Auto Repair Site**
Estimated Cost: \$2,000,000
Status: Agency staff has had conversations with the property owner, who has offered to sell the property for \$2,000,000. Acquisition of the site is not programmed in the proposed FY11 budget, but is being considered for FY12.
- **Pacific & Pacific Coast Highway Land Acquisition (Liquor Store)**
Estimated Cost: \$2 million
Status: Agency staff recommends focusing on those assemblage opportunities that were halted due to the State take of redevelopment funds prior to looking at new opportunities. Following these efforts, staff will explore future acquisition opportunities and may include this project in a future year's budget.

- **VIP Records Shopping Center and Martin Luther King Market**
Estimated Cost: TBD
Status: Staff will solicit an application from the current property owner and the project will be prioritized against existing façade applications pending funding.
- **Pine & Pacific Coast Highway Land Acquisition (Liquor Store)**
Estimated Cost: \$2 million
Status: Agency staff recommends focusing on those assemblage opportunities that were halted due to the State take of redevelopment funds prior to looking at new opportunities. Following these efforts, staff will explore future acquisition opportunities and may include this project in a future year's budget.
- **Bixby Knolls Business Improvement Association Support**
Estimated Cost: TBD
Status: The BKBIA is currently supported through the North Long Beach Project Area. As such, it is not included in the Central Project Area budget.

Open Space/Public Art

- **McBride Park Teen Center and Skate Park**
Estimated Cost: \$3,600,000
Status: The construction contract, which includes a \$450,000 allowance for a skate park, will be presented to the Board for consideration on June 21. The project is funded through a combination of Open Space Bond Proceeds and state grants.
- **Safer Parks – Video Surveillance Cameras**
Estimated Cost: TBD
Status: In collaboration with the Long Beach Police Department, staff will examine the cost for implementing the program. This project could be a future year expenditure.
- **14th Street Park Expansion**
Estimated Cost: \$600,000
Status: Staff has received preliminary appraisals from an independent appraiser for 1401 N. Long Beach Blvd (F&M Bank) and 1365 N. Long Beach Blvd (Don Juan Rotisserie Chicken). Based on the valuations, staff is exploring funding for the expansion project. A possible source of funding is a future Project Area bond issuance.
- **Poly Gateway – Pacific Coast Highway and Martin Luther King**
Estimated Cost: \$180,000
Status: Bids for the project were received June 9, 2010. The contract for the selected contractor will be presented to the Board for consideration in July 2010. Construction will commence by September 2010. The conceptual design for the gateway signage has been developed. The fabrication and installation of the sign is programmed in the Poly High FY11 budget.
- **Killing Field Memorial Park (Cambodian Memorial)**
Estimated Cost: \$150,000
Status: The project is programmed as an FY11 expenditure up to \$150,000. The Department of Parks, Recreation and Marine will manage the design development and construction.

- **3rd & 4th Street Lighting Project**
Estimated Cost: \$500,000 (4th Street Only)
Status: Staff is currently working with City Light & Power to establish a timeline for lights on 4th Street between Long Beach Boulevard and Alamitos. The project will include installation of approximately 50 pedestrian lights. \$500,000 has been programmed into the FY11 budget to support the project.
- **Central Facility Conversion to Martin Luther King Community Center**
Estimated Cost: \$250,000 - \$300,000
Status: The project is not programmed in the FY11 budget. Staff will support conversion proposals by the Health Department and Department of Parks Recreation and Marine to the extent feasible per California Redevelopment Law. In addition, this project is a potential FY12 expenditure or part of a future bond issuance.
- **African American and Cambodian Cultural Centers**
Estimated Cost: TBD
Status: This project is not programmed in the FY11 budget, but could be considered as part of a future bond issuance.
- **Martin Luther King Median Art Project**
Estimated Cost: \$75,000
Status: The art project is programmed in the current fiscal year's budget. The art has been fabricated and installation is scheduled for summer 2010.

Infrastructure/Public Improvements

- **Anaheim Median Project (Between Magnolia & Long Beach Blvd)**
Estimated Cost: TBD
Status: The FY10 budget includes \$1,030,000 for improvements to Daisy Avenue between Anaheim and PCH in the Magnolia Industrial District. Staff believes the Anaheim Median Project would help build on the improvements already underway and create a concentrated improvement zone. Based on this, staff will work with Public Works to identify partnership opportunities and determine the most effective way to leverage RDA funds. This project is a potential FY12 expenditure or part of a future bond issuance.
- **Anaheim Median Project (Between Magnolia & Long Beach Blvd)**
Estimated Cost: TBD
Status: The FY10 budget includes \$1,030,000 for improvements to Daisy Avenue between Anaheim and PCH in the Magnolia Industrial District. Staff believes the Anaheim Median Project would help build on the improvements already underway and create a concentrated improvement zone. Based on this, staff will work with Public Works to identify partnership opportunities and determine the most effective way to leverage RDA funds. This project is a potential FY12 expenditure or part of a future bond issuance.

- **Pacific Avenue Median Improvements**

Estimated Cost: >\$2 million

Status: Public Works has confirmed that median improvements along the Blue Line are not eligible for American Recovery and Reinvestment Act (ARRA) funds. As a result, any median improvements would need to find a funding source. Public Works has requested MTA to advise to what extent medians are allowed next to the Blue Line, following which the potential scope of the project will be better understood. Installation of medians on Pacific from 1st to 8th Street, similar to those along Long Beach Blvd, is estimated to be upwards of \$2 million. Street improvements between 8th and Pacific Coast Highway are not currently budgeted, but could be considered in FY12 or as part of a future bond issuance.

Administration

- **Making our Money Count**

Estimated Cost: N/A

Status: The decision to explore depositing redevelopment funds in local banks must be made by the Department of Financial Management. Project area funds are banked with all other City accounts and not delineated.

Downtown Project Area

Neighborhood Revitalization

- **Ocean and Pine Property**

Estimated Cost: TBD

Amount in Budget: \$6,555,000 in FY11

Status: The proposed FY11 budget includes funds to acquire this site. Funds are also included for design, legal and financial analysis to assist with development. Ownership of the site will ensure that future development on the property addresses the Jerger's Tunnel.

- **RDA Lot – 7th and Pacific**

Estimated Cost: Received bids for fencing in the range of \$9,875 - \$27,529

Amount in Budget: \$15,000 in FY10

Status: Funds are included in the budget to replace the fencing, but staff is recommending holding off on landscaping the site. Staff recommends offering the property for sale through a competitive bidding process at a value based upon its income stream as a parking lot.

- **Broadway Block – The Art Exchange**

Estimated Cost: \$4 – 5 million (construction)

Amount in Budget: \$292,000 in FY10

\$2.81 million in FY11

\$2 million in FY12

Status: Funds are included in the budget for design and construction of the Art Exchange facility. Staff has continued to move forward with this project. Recent milestones include certification of the EIR on March 1st and approval by Cultural Heritage Commission on April 12th. The Agency has also entered into a lease with the Art Exchange Board for Agency-owned property at 340 E 3rd Street for their temporary office, workshop, and exhibition space until the Art Exchange facility has been constructed and granted a Certificate of Occupancy.

- **Broadway Block – CSULB MOU**

Estimated Cost: TBD

Amount in Budget: \$83,600 in FY10

\$75,000 in FY11

\$150,000 in FY12

Status: The Agency is in negotiations with Cal State University Long Beach (CSULB) for a project to bring in the graduate arts program, graduate student housing, and art studios. The Agency Board extended the Memorandum of Understanding (MOU) with CSULB on March 1, 2010. Funds are included in the budget for legal and financial analysis costs to assist with negotiations.

- **Broadway Block – Broadway & Elm Development**

Estimated Cost: TBD

Amount in Budget: \$50,500 in FY10
\$95,500 in FY11

Status: A RFP was released for this site in March 2010. Two qualified development proposals were received and the developers made a presentation to the RDA Board on April 19. Staff requested additional information from each developer and will be going to the Board in closed session on May 3. Funds are included in the budget for legal and financial analysis costs to assist with negotiations.

- **Edison Theater**

Estimated Cost: TBD

Amount in Budget: \$34,500 in FY11

Status: Agency staff received a letter on April 17, 2010 from CSULB formerly withdrawing their bid to retrofit and reactivate the Edison Theatre with Cal Rep Theatre. Staff is recommending that the Agency Board issue a Request for Proposals (RFP) to qualified organizations that have the experience to activate the building with multiple users throughout the year.

- **American Hotel**

Estimated Cost: TBD

Amount in Budget: \$50,000 in FY10
\$440,000 in FY11
\$600,000 in FY12

Status: The Agency has entered into an Agreement to Negotiate Exclusive (ENA) to rehabilitate and reuse the American Hotel. The initial phase of the project shall include the submittal of plans to the City's Cultural Heritage Commission (CHC) for authorization to restore the building façade, reinforce the basement (which extends under the sidewalk) and replace the sidewalk. Funds are included in the budget for legal and financial analysis costs to assist with negotiations and for public improvements.

Open Space/Public Art

- **Lincoln Park Public Playground**

Estimated Cost: \$40,000 - \$50,000 (For conceptual design and preliminary cost estimates)

Amount in Budget: \$50,000 in FY10

Status: Agency staff is in discussions with the Director of Parks and Recreation to determine the appropriate path. Our initial thoughts include engaging a consultant to conduct a community outreach process and develop some conceptual designs and preliminary cost estimates.

- **Promenade**
Estimated Cost: \$8,247,500
Amount in Budget:
 FY10 [Mid Block] - \$2,023,000 (incl. \$1,123,000 from West Beach)
 FY11 [South Block] - \$2,847,000 (incl. \$250,000 from West Beach)
 FY12 [North Block/Mural Park] - \$3,377,500 (incl. \$150,000 from West Beach)
Status: Funds to complete this project are included in the budget (FY10, FY11 and FY12). The Promenade Mid-Block has been completed, including Promenade Square, the adjacent park area. The South Block construction will begin in 1st quarter 2011.
- **Bikestation**
Estimated Cost: \$1.2 million in FY10
Amount in Budget: \$1.2 million in FY10
Status: Funds to complete this project are included in the budget (FY 10). Final plan coordination and bid package preparation are in progress. Once complete, the project will go out to bid.

Infrastructure/Public Improvements

- **Pine Avenue Streetscape Improvement Project**
Estimated Cost: TBD
Amount in Budget: \$600,000 in FY10; \$4,504,732 in FY11;
 \$3.75 million in FY12 (\$1.75 million DT, \$2 million Central)
Status: Consultants are reviewing comments and concerns raised by community and stakeholders including sidewalk dining, loading and unloading and whether to continue having bus stops on Pine. Where required, we are having MIG provide more details and work up alternatives and cost estimates for each issue and meeting with the responsible Department/agency. The plan is to prepare construction documents (4-6 months), bid the project, award the contract, and begin construction by early 2011. Project will likely be phased over at least a 3-year period.
- **Pacific Avenue Blue Line Median Improvement Project**
Estimated Cost: > \$2 million (rough estimate)
Amount in Budget: None
How project is addressed in the budget: Public Works has confirmed with Caltrans that median improvements along the Blue Line on Pacific Ave are not eligible to be funded with American Recovery and Reinvestment Act (ARRA) funds. Public Works also has an inquiry with the MTA to determine what circumstances they would allow a raised median to be constructed next to the Blue Line on Pacific. Assuming MTA would allow it, funding would have to be identified. Cost is undetermined until the MTA responds as to where and to what extent they would permit a median to be constructed. A rough estimate to construct a fully fenced and landscaped median from 1st to 8th, similar to what is on Long Beach Boulevard would be in excess of \$2 million.

Additional Downtown Priorities

- **DLBA Budget Request**

Estimated Cost: \$508,000 in FY11 and FY12

Amount in Budget: \$330,000 in FY10

Status: The DLBA submitted a request for additional funding above the current year contract of \$270,000. Staff has reviewed the request and will request authorization by the Board as needed.

- **Broadway and 1st (vital linkages between Pine & East Village)**

Estimated Cost: TBD

Amount in Budget: (see American Hotel, Edison Theatre, Broadway Block development projects, Pine Ave Streetscape)

Status: The American Hotel, Edison Theatre, and Broadway Block development projects will bring improvements and activation along Broadway. The Promenade Mid-Block, Bikestation and Transit Mall improvements will provide enhancements to 1st Street. In addition, the Pine Avenue Streetscape Improvement Project includes 1st Street (from Pacific to Elm) and Broadway and 3rd Street (from Pacific to Long Beach Blvd.). This project is being closely coordinated with LB Transit's Transit Mall improvement (First Street from Long Beach Boulevard to Pine Avenue) to ensure consistency and connectivity.

- **Public Participation**

Estimated Cost: TBD

Amount in Budget: (included in various project budgets)

How priority is addressed in the budget: Every effort is being made to engage and involve downtown residents and businesses in all Agency projects such as the Pine Avenue Streetscape, Promenade and Bikestation. Agency staff will continue to improve this process as we collaborate with our community partners and stakeholders.

North Project Area

Neighborhood Revitalization

- **Code Enforcement – Market Street, Cherry to Long Beach Blvd.**

Estimated Cost: TBD

Amount in Budget: \$322,034 annually

Status: Funds are included in the budget for Code Enforcement along the major corridors. Staff has coordinated with Neighborhood Services to focus enforcement efforts on Artesia Boulevard, Atlantic Avenue, Long Beach Boulevard, Paramount Blvd South Street.

Corridor Revitalization

- **Commercial Façade Improvements for Atlantic Corridor businesses between Del Amo Blvd. and 56th**

Estimated Cost: TBD

Amount in Budget: \$888,453 in FY10 for all of North
\$665,000 in FY11 for all of North

Status: Funds are included in the budget for Commercial Façade Improvements along the major corridors. Staff will continue to market the RDA CFIP to targeted property owners and tenants, including this segment of Atlantic. Staff will also market Neighborhood Services' Business Improvement Program utilizing CDBG funds.

- **Business Recruitment in North Village and Virginia Village**

Estimated Cost: TBD

Amount in Budget: \$187,000 in FY10
\$201,667 in FY11

Status: Funds are included in the budget for Economic Development Services and Business Loans. Staff will continue to identify and provide incentives to quality small businesses to locate in North Village and Virginia Village. Particular attention will be paid to vacant RDA owned properties. Staff will also market Neighborhood Services' Business Start Up Program utilizing CDBG funds.

- **Atlantic Ave. between Del Amo and 55th – seamless transition in/out of Bixby Knolls**

Estimated Cost: TBD

Amount in Budget: Funds budgeted for corridor revitalization throughout the North Project Area:
\$12.4 million in FY10
\$3.4 million in FY11

Status: Funds are included in the budget for design and improvements to the Atlantic Corridor. Staff has continued to move forward with this project. Recent milestones include letting of the contract for median improvements between Del Amo and 56th Street. Staff will continue to identify façade improvement opportunities and work with business and property owners. Staff will also market Neighborhood Services' Business Start Up Program utilizing CDBG funds.

- **Artesia & Atlantic Project – Continue to Pursue Commercial Development**
Estimated Cost: \$11.6 million
Amount in Budget: \$400,000 in FY11
Status: Funds are included in the budget for development of a commercial project. Staff continues to negotiate towards a Disposition and Development Agreement for a quality sit-down restaurant, fast food drive-thru and neighborhood serving retail.
- **Market Street River Link – Extend Improvements to the River**
Estimated Cost: TBD
Amount in Budget: TBD
Status: Funds are included in the budget for design and improvements to major corridors. Staff, in conjunction with the Department of Health and Human Services and Planning, have recently authorized a Walk Audit for that portion of Market Street between Long Beach Blvd. and the Los Angeles River which commences in May 2010. The Walk Audit will identify feasible short and long term approaches to enhancing the walking and biking experience along this corridor. Staff will continue to identify façade improvement opportunities and work with business and property owners. Staff will also market Neighborhood Services' Business Improvement Program utilizing CDBG funds.

Open Space/Public Art

- **Scherer Park Community Center**
Estimated Cost: \$5 million
Status: The proposed FY11 budget does not include funds to enhance this site. Staff is waiting for the results of a City grant application before making further recommendations. RDA has allocated over \$13 million to Open Space and Public Art between FY10 and FY13.
- **Scherer Park Enhancements – Resurface basketball courts, play elements near dog park, duck pond repair**
Estimated Cost: \$500,000
Status: The proposed FY11 budget does not include funds to enhance this site. California Redevelopment law precludes use of tax increments funding for a majority of the requested enhancements. The remaining costs will be referred to the City's Capital Improvement Projects budget for consideration.
- **Skatepark in Scherer Park**
Estimated Cost: TBD
Status: The proposed FY11 budget does not include funds to develop this project. These costs will be referred to the City's Capital Improvement Projects budget for consideration.

Infrastructure/Public Improvements

- **North Branch Library – Atlantic Theater**
Estimated Cost: \$9.1 million
Amount in Budget: \$675,000 in FY10
 \$2.4 million in FY11
 \$6.0 million in FY12
Status: Funds are included in the budget for development of the North Branch Library.

- **Fire Station 12**

Estimated Cost: \$9.4 million

Amount in Budget: \$4.1 million in FY10 (Design/Construction)
\$5.3 million in FY11 (Construction)

Status: Funds are included in the budget for development of Fire Station 12. Construction has commenced with estimated completion in August 2011.

- **Reallocate Del Amo Median Funding**

Estimated Cost: \$1.2 million

Amount in Budget: \$1.7 million in FY10

Status: Funds are included in the budget for design and improvements to the Del Amo medians through the American Recovery and Reinvestment Act (ARRA) 2010 bond issuance. Staff recommends completion of these medians in keeping with the Streetscape Master Plan for the project area.

West Long Beach Industrial Project Area

Infrastructure/Public Improvements

- **Los Angeles River walking/biking path**

Cost: Unknown

- Requires the cooperation of other City departments and external agencies
- Difficult to implement in the remaining life of the project area

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 2010-11; 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 _____, 2010.

Executive Director/Secretary

APPROVED:

Chair

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, CENTRAL, WEST LONG BEACH INDUSTRIAL AND DOWNTOWN REDEVELOPMENT PROJECTS FOR THE PURPOSE OF GRAFFITI ABATEMENT IS NECESSARY TO EFFECTUATE THE REDEVELOPMENT PLANS FOR SUCH REDEVELOPMENT PROJECTS

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"), the Central Long Beach Redevelopment Project (the "Central Project"), the West Long Beach Industrial Redevelopment Project (the "Westside Project") and the Downtown Long Beach Redevelopment Project (the "Downtown Project"); and

WHEREAS, the Agency desires to utilize funds presently allocated to the North, Central, Westside and Downtown Projects to perform graffiti abatement; and

WHEREAS, Section 33420.2 of the Community Redevelopment Law provides that the Agency may use such funds in this manner if certain findings are made;

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

Section 1. Because of the magnitude and severity of graffiti on properties located in the North, Central, Westside and Downtown Projects, the use of

tax increment for abatement of such graffiti is necessary to effectuate the purposes of the plans for the Projects and will assist with the elimination of blight in the Projects

APPROVED AND ADOPTED by the Redevelopment Agency of the City of Long Beach, California this _____ day of _____, 2010.

Executive Director/Secretary

APPROVED:

Chair

RESOLUTION NO. R. A.

A RESOLUTION OF THE REDEVELOPMENT
AGENCY OF THE CITY OF LONG BEACH, CALIFORNIA
MAKING CERTAIN FINDINGS REGARDING THE
CONSTRUCTION OF CERTAIN PUBLIC IMPROVEMENTS
WITH REDEVELOPMENT FUNDS (CITY PLACE PARKING
STRUCTURE DEBT SERVICE)

WHEREAS, the City Council of the City of Long Beach adopted and approved a certain Redevelopment Plan (the "Redevelopment Plan") for the Downtown Redevelopment Project (the "Project"); and

WHEREAS, in furtherance of the Project and the immediate neighborhood in which the Project is located, the Redevelopment Agency of the City of Long Beach, California (the "Agency"), has recognized the need for certain public improvements, which improvements will be located within the boundaries of the Project, and proposes to use redevelopment funds to reimburse the City for the cost of constructing these improvements; and

WHEREAS, Section 33445 of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) requires the Agency to make certain findings prior to the reimbursement of the cost of construction of public improvements or facilities thereon; and

WHEREAS, Section 33678 of the Community Redevelopment Law provides that under certain conditions tax increment funds shall not be subject to the appropriations limitation of Article XIII B of the California Constitution;

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

Section 1. The Agency determines that the construction of public

improvements, more particularly described in Exhibit "A", are of benefit to the Project and the immediate neighborhood in which the Project is located. This finding is supported by the following facts:

These improvements have assisted the removal of blight by improving the availability of parking and enhanced the Downtown visitor experience, thereby promoting business attraction along Pine Avenue and nearby streets.

Section 2. The Agency determines that no other reasonable means of financing the above-described improvements are available to the community. This finding is supported by the following facts:

Before the passage of Proposition 13, most of the City's general operating and capital improvements were funded through property taxes. However, the initiative placed severe constraints on the City's ability to use property tax revenues to offset increases in operating and capital costs. It has also been difficult for the City, by itself, to provide sufficient funds to pay the debt service for the construction of major public improvements. In fiscal year 2010-2011, the limited resources of the City's General Fund are committed to previously incurred obligations and planned projects.

Section 3. The Agency further determines that the payment of funds to reimburse the City for the cost of the construction of the public improvements will assist in the elimination of one or more blighting conditions within the Project, and is consistent with the implementation plan adopted pursuant to Health and Safety Code Section 33490.

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APPROVED AND ADOPTED by the Redevelopment Agency of the City of Long Beach, California, on this _____ day of _____, 2010.

Executive Director/Secretary

APPROVED:

Chair

EXHIBIT "A"

DESCRIPTION OF THE PUBLIC IMPROVEMENTS

Payment of debt service for bonds sold to finance original construction of the City Place parking garages and street improvements on 4th and 5th Streets.