

The Redevelopment Agency of the City of San Leandro

Annual Report
to the City Council of San Leandro

Fiscal Year 2010-11

**Redevelopment Agency of the City of San Leandro
Fiscal Year 2010-11 Annual Report to the City Council of San Leandro**

(Health and Safety Code Section 33080.1)

This Annual Report shall serve as the required report to the legislative body by the Redevelopment Agency of the City of San Leandro (the "Agency") as prescribed in Section 33080.1 of the Health and Safety Code. A version of this report shall also be submitted to the California State Controller (in the format required by the State Controller) pursuant to Health and Safety Code Section 33080 within six months of the end of the prior fiscal year, which is December 31, 2011.

The report contains each of the required elements provided in Section 33080.1. Section I provides a detailed fiscal statement outlined in Section 33080.5 of the Health and Safety Code and the **Financial Transactions Report**, as provided for by the State Controller's Office.

Section II includes the **Basic Financial Statements and Independent Auditor's Report** for the fiscal year ending June 30, 2011. This report provides an examination of the financial statements of the Agency, and has been prepared by Maze & Associates, Certified Public Accountants, licensed by the State of California.

Section III is the required description of the Agency's activities in Fiscal Year 2010-11 affecting **housing and displacement** using the forms developed by the Department of Housing and Community Development.

Section IV includes a description of the Agency's **progress in eliminating blight**, a status report on **loans** made by the Agency, and a report on **properties** owned by the Agency or acquired during the Fiscal Year 2010-11.

For more information about this report, please contact Cynthia Battenberg, Business Development Manager in the City of San Leandro Office of Business Development, 835 East 14th Street, San Leandro, California 94577 or call 510-577-3352.

Section I:

Financial Transactions Report

Redevelopment Agency of the City of San Leandro
Fiscal Statement
FY 2010-11

A) Amount of outstanding indebtedness of the agency by project area: (Form A, Grand Totals line, from the Statement of Indebtedness)

- Plaza Project Area: \$22,817,461
- City of San Leandro – Alameda County Project Area \$120,933,455
- West San Leandro/MacArthur Blvd Project Area \$13,455,225

Clarification

It is indicated that this information should come from Form A of the Statement of indebtedness. This reference is only to debt prior to June 30th and does not include debt incurred after the fiscal year-end which is present on the form and no reference is present as to which year's Statement of Indebtedness should be utilized.

B) Amount of gross tax increment generated in each Project Area: (Statement of Income and Expenditures-Revenues, Tax Increment Gross line, from the Financial Transaction Report)

- Plaza Project Area: \$2,758,893
- City of San Leandro – Alameda County Project Area \$12,409,094
- West San Leandro/MacArthur Blvd Project Area \$4,199,969

Clarification

Section 33080.5 (b) of the Code state there is to be presented the "The amount of tax increment property tax revenues generated in the agency and in each project area."

C) Amount of tax increment revenues paid to, or spent on behalf of, a taxing agency, other than a school or community college district: (Capital Improvement Detail, from the financial Transactions Report)

- Plaza Project Area: \$0
- City of San Leandro – Alameda County Project Area \$0
- West San Leandro/MacArthur Blvd Project Area \$0

Clarification

The sample format indicated that this is to come from the Capital Improvement Detail, from the Controller's Report; however, that would be for only tax increment paid or spent on behalf of a taxing entity. That form includes all entities where payments are made on their behalf under Sections 33401 or 33676 and therefore school or community college districts will have to be eliminated.

Some agencies may not have this form if no payments were made on behalf of taxing entities during the year.

Since the requirement of Section 33080.5 (c) of the Code is both for payments to and on behalf of taxing entities, other than schools and community college districts, and under Sections 33401 and 33676 then the information should come from two sources.

First payments to the entities will come from the County, City and Special District lines of the Section 33401 and 33676 columns of the Pass-Through/School Assistance form of the Controller's Report. Next include any payments on behalf of entities, other than schools and community colleges, present on the Capital Improvement Detail form of the Controller's Report. Since Section 33080.5 (c) of the Code requires that "Moneys expended on behalf of a taxing agency shall be itemized per each individual capital improvement" any amounts present will have to be detailed by the capital improvements made.

D) The financial transaction report required pursuant to Section 53891 of the Government code:
(See attached State Controller Financial Transaction Report)

E) Amount allocated to school or community college districts: (Pass-Through/School District Assistance form, Total column for School District and Community College Districts, from the Financial Transaction Report)

- Plaza Project Area: \$7,054
- City of San Leandro – Alameda County Project Area \$472,710
- West San Leandro/MacArthur Blvd Project Area \$158,644

Clarification

Section 33080.5 (e) indicates that payments made to these entities are to include those required under Sections 33401, 33445, 33445.5, paragraph (2) of subdivision (a) of Section 33676; and 33681. Since the Pass-Through/School District Assistance form does not include payments made under Section 33445 and 33445.5 in the total column, these will have to added to the totals shown. This form does also show payments made under Section 33607 which is not specified by the Code to be part of this reporting; therefore, those amount should be removed. Additionally, this form does not include payments made under Sections 33681; therefore, any of those payments will have to be added to amounts presented.

F) The amount of existing indebtedness, and the total amount of payments, required to be paid on existing indebtedness for the fiscal year:

	Total Debt	Payments
• Plaza Project Area:	\$22,817,461	\$1,370,413
• City of San Leandro – Alameda County Project Area	\$120,933,455	\$4,797,259
• West San Leandro/MacArthur Blvd Project Area	\$13,455,225	\$394,425

Clarification

This citation is not complete and it is a very unique and old requirement. Section 33080.5 states. "The amount of existing indebtedness, as defined in Section 33682, and the total amount of payments required to be paid on existing indebtedness for that fiscal year." Thus, the definition for this indebtedness is from Section 33682 and that section defines indebtedness as ". . . obligations incurred by a redevelopment agency prior to the effective date of the statute that adds this chapter, the payment of which is to be made in whole or in part, directly or indirectly, out of taxes allocated to the agency . . ." This section was effective June 30, 1993 and is referring to debt present prior to the 1992-93 fiscal year.

Redevelopment Agency Of The City Of San Leandro

Redevelopment Agencies Financial Transactions Report

General Information

Fiscal Year **2011**

Members of the Governing Body			
	Last Name	First Name	Middle Initial
Chairperson	Cassidy	Stephen	H
Member	Gregory	Micheal	J
Member	Prola	Jim	
Member	Reed	Ursula	
Member	Souza	Diana	M
Member	Starosciak	Joyce	R
Member			
Member			
Member			
Member			

Agency Officials			
	Last Name	First Name	Phone
Executive Director	Marshall	Lianne	(510) 577-3390
Fiscal Officer	O'Leary	James	(510) 577-3330
Secretary	Handa	Marian	(510) 577-3367
Report Prepared By			
Firm Name	Mase & Associates		
Last	Youngs	Wong	
First	Clarence	Mark	
Middle Initial			
Street	835 East 14th Street		
City	San Leandro		
State	CA		
Zip Code	94577-		
Phone	(510) 577-3388		

Mailing Address			
Street 1	835 East 14th Street		
Street 2			
City	San Leandro	State	CA
Phone		Zip	94577-
		<input type="checkbox"/> Is Address Changed?	

Redevelopment Agency Of The City Of San Leandro Redevelopment Agencies Financial Transactions Report

Achievement Information (Unaudited)

tech and clean-tech business locations.

The Redevelopment Agency continued to assist the Chamber of Commerce with their business development programs. The Agency sponsored the Chamber's San Leandro by Design events, an initiative to engage the community in dialogue related to the future of our City, their community fair, and supported enhancement of their website.

The Redevelopment Agency sponsored a Global Access Forum on May 20th which was attended by approximately 100 business and municipal leaders from throughout the Bay Area. The Forum brought together professionals from Ex-Im Bank, the Small Business Administration and the U.S. Department of Commerce to educate local companies on how to export goods and services to foreign markets.

Plaza Project Area

The Agency assisted the owners of the historic Best Building on East 14th Street with improvements to the building's signature clock, using funds from the Commercial Rehabilitation Program.

Also under the Commercial Rehabilitation Program, the Agency supported a project at the Liberty Tax building on East 14th Street. The project involved new paint and window improvements that restored and highlighted the art-deco elements of the building's design.

Implementation of Downtown San Leandro's "We Are San Leandro" marketing campaign continued. Four new people postcards, spotlighting some of the key players in Downtown, were distributed to hundreds of potential retail tenants and real estate professionals. Staff continued targeted outreach to numerous potential retail tenants and tabled at ICSC events to promote opportunities in Downtown San Leandro.

Agency staff served on the Downtown Association board and the Agency assisted the Downtown Association in holding the 11th annual Sausage & Suds event on October 3, 2010, the second annual "It's a Wonderful Night" holiday celebration in the new Joaquin Plaza on December 3, 2010, the second annual Bike SL event on June 12, 2011. These events brought thousands of people downtown for entertainment, activities and dining.

Redevelopment Agency Of The City Of San Leandro Redevelopment Agencies Financial Transactions Report

Achievement Information (Unaudited)

The Agency continued working with Innisfree Ventures II to develop Town Hall Square (consisting of 212, 250, 262 and 290 Davis Street). Planning efforts were continued to explore opportunities for development at the site, with particular effort devoted to exploring options for acquiring and/or incorporating additional parcels within the site.

Joint Project Area

Construction was completed on the 21,000 square-foot Senior Community Center which includes classrooms, arts and crafts areas, exercise rooms, and a large main hall which will also serve as an Emergency Operations Center.

The Agency continued working with Innisfree Ventures II to develop 1550 East 14th Street. Preliminary planning efforts focused on the possibility of a neighborhood retail development on the site.

As part of the "Triangle" project to reconfigure and beautify the intersection of East 14th Street, Hesperian Boulevard and 150th Avenue, the Agency worked on identifying relocation options for Quality Tune Up, which had been located at 14901 East 14th Street. Conceptual designs and preliminary cost estimates were also developed for the landscaping of the site in order to create an attractive entry point into the City.

Construction began on a four story LEED certified parking garage. The four story parking structure will include approximately 2,000 sq. ft. of retail along Estudillo Avenue to be used as an office for the San Leandro Chamber of Commerce and enhancements to Plaza Del Oro, the pedestrian entry to the garage. This garage will replace the current 246 space garage which is seismically unstable, not ADA accessible and of insufficient size to meet the downtown's parking needs. The new garage will provide substantially greater capacity, with 380 spaces, allowing visitors to park once and walk to multiple destinations downtown.

The Agency continued exploring options to develop the former East Bay Municipal Utility District building at 1595 Washington Avenue, along with the neighboring parcel at 268 Parrott Street, into a mixed use development consistent with the City's Transit Oriented Development Strategy.

The Agency continued to make payments to the San Leandro Unified School District for public improvements at their new Ninth Grade Campus and

Redevelopment Agency Of The City Of San Leandro Redevelopment Agencies Financial Transactions Report

Achievement Information (Unaudited)

construction of a gymnasium. Consistent with the 2009 Financing Agreement, the Agency will contribute \$2.2 million over a period of roughly seven years.

Using Commercial Rehabilitation Program funds, the Agency assisted with improvements to the DC Dance Center on Washington Avenue and Mike's Pet and Feed on East 14th Street. The DC Dance project involved new window graphics, paint, lighting, signage and landscaping. The Mike's Pet and Feed project involved new paint and signage.

The Agency worked with Pallen's Martial Arts to develop design plans for a façade improvement project at their new location on East 14th Street. Depending on the outcome of the ongoing lawsuit regarding the state of redevelopment in California, the Agency hopes to use Commercial Rehabilitation Program funds to assist in implementation of the project.

Staff worked with representatives from Chase Bank to coordinate the demolition of the long blighted First Interstate Bank building, which is adjacent to the Chase branch on East 14th Street. Once cleared, the site will include additional parking for Chase, a new vehicular entrance on East 14th Street, and new landscaping. The project will also facilitate improved access for Chase customers on days when the Farmers' Market is active on Parrott Street.

Work was completed on streetscape and median improvement project on East 14th Street between 136th Avenue and 143rd Avenue. The project involved the construction of new medians and the installation of new trees and landscaping. Funding was provided primarily through a Federal grant, although a small Agency match was also provided.

The seasonal Downtown Farmers' Market continued to draw crowds with the average weekly patronage averaging 2,500 per week, an increase from the previous year. The market was reconfigured this year to occupy Parrott Street to East 14th Street, adding space to accommodate over 40 vendor stalls.

West San Leandro/MacArthur Boulevard Project Area

Agency staff continued to provide assistance with the development of the Kaiser Permanente Medical Center on the 63-acre former Albertson's distribution site at Marina Boulevard and I-880. The first phase of construction will consist of a 264-bed state-of-the-art hospital and a 275,000 square-foot hospital support building and will provide over 2,300 jobs.

Achievement Information (Unaudited)

Redevelopment Agency Of The City Of San Leandro Redevelopment Agencies Financial Transactions Report

Achievement Information (Unaudited)

The Agency continued working as part of the East Bay Green Corridor, a regional partnership committed to strengthening the green technology economy while reaching sustainability goals. In 2010-11, Agency involvement in the Corridor was focused in the areas of marketing/website development and business development. A primary goal of the Agency's participation is to attract green businesses to opportunity sites which mainly exist in the West San Leandro industrial area. San Leandro staff also worked with other members of the green Corridor to develop an e-Newsletter that highlights existing green businesses and noteworthy stories about the region's green economy. The East Bay Green Corridor was designated as an Innovation Hub (iHub) by the State of California.

In 2010-11 Agency staff assisted with the implementation of the "Careers in Industrial Technology" program, an initiative to introduce high school students to job training and opportunities in manufacturing businesses. The program was launched this year and a group of students from San Leandro High School were given tours of several industrial businesses within the City where they learned about available jobs, hiring practices, and the skills required for a successful career in manufacturing.

The Agency continued implementation of an Industrial Competitiveness Grant program to provide technical assistance as well as funding for capital improvements which assist manufacturers and other industrial businesses in increasing energy efficiencies, thereby reducing their costs. This not only meets the City's goal of green house gas emissions reduction, but also assists businesses in remaining competitive. In 2010-11, the Agency used this program to contribute to lighting improvements at MI Rancho Tortilla Factory, PrimeSource Building Materials, and Glesby Wholesale, and for the installation of skylights at Scandic Springs.

Ridge Foundry, located at 1554 Doolittle Drive, completed a successful façade improvement which included the installation of new fencing and landscaping along the Doolittle frontage.

In 2010-11 the Agency continued to provide administrative support the San Leandro LINKS shuttle which transports employees between industrial businesses and the Downtown San Leandro BART Station. Ridership of the shuttle continues to be strong, and the Agency facilitated renegotiation of the contract with service provider MV Transportation to provide a small decrease in operating expenses. Although grants have been secured for the next three fiscal years, a small financial

Redevelopment Agency Of The City Of San Leandro Redevelopment Agencies Financial Transactions Report

Achievement Information (Unaudited)

contribution from the Agency was needed in 2010-11 to ensure that the account remained solvent. Minor Agency support will likely be needed in future years.

Housing

The housing objectives of the San Leandro Redevelopment Agency 2010-14 Implementation Plan, City of San Leandro Housing Element, and the City's U.S. Department of Housing and Urban Development (HUD) 2010-2014 Consolidated Plan address the underserved housing needs of households and families in San Leandro. One of the primary goals in these City housing plans is to provide programs that foster and maintain affordable housing. The Agency is a crucial funding source and has effectively leveraged set-aside funds with other sources in cooperation with developers (i.e., non-profit and for profit) and the City in achieving these goals. Pursuant to Health and Safety Code Section 33080.1(c), notable Agency-assisted housing activities for FY 2010-11 include:

The City, Redevelopment Agency, BRIDGE Housing Corporation (non-profit developer for The Alameda at San Leandro Crossings), and Westlake Development Partners (for profit developer for The Cornerstone) continued to work and meet regularly throughout FY 2010-2011 to move both residential development projects and the BART replacement parking forward towards construction in 2012. BRIDGE is planning to re-apply for federal and State low income housing tax credits in early 2012. The Alameda, a proposed 100-unit affordable rental housing development which is part of the mixed income San Leandro Crossings master plan development, was delayed in April 2010 due to the current economic climate and newness of State Proposition 1C infrastructure grants awarded to the project. Previously, the City Council approved a \$9.1 million Redevelopment Housing Set-Aside development loan for The Alameda in April 2009. The City Council approved entitlements and the Final Map for The Alameda in January 2010.

Las Palmas Apartments, an affordable 91-unit multi-family rental property primarily for low-income households, changed ownership in early 2011. The nonprofit, Eden Housing, has assumed ownership and management of Las Palmas from the prior nonprofit owner, Citizens Housing Corporation (CHC), which is terminating at the end 2012 due to financial issues resulting from the economic downturn. The City already assisted CHC in acquiring Las Palmas in 1999 through a federal Home Investment Partnership Act (HOME) loan. In February 2011, the Redevelopment Agency of the City of San Leandro provided Eden Housing with a \$50,000 Agency loan to assume complete ownership of Las Palmas from CHC and help preserve

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Achievement Information (Unaudited)

the long-term affordability of Las Palmas. In addition, current affordability restrictions on 45 of the 91 units for low-income households at or below 60% AMI were extended for an additional fifteen years (15) from 2015 to 2030, while the RDA loan also restricted an additional five (5) units for very-low income households (50% AMI) for a 55-year period until 2066.

Five (5) low interest loans and thirty (30) grants were awarded through the Residential Rehabilitation Program, which is funded by Set-Aside Funds. All of the five loans went to senior homeowners; two (2) of the loans were for extremely low-income seniors and three (3) were for very low income seniors. Of the 30 grants for minor home repairs, fourteen (14) were for extremely low-income and twelve (12) were for very low-income and four (4) were for low income. Twenty-two (22) of the grants were for seniors.

The Agency approved ten loans under the First Time Home Buyer (FTHB) down payment/closing cost assistance program. Seven (7) were for low-income and three (3) for moderate-income first-time homebuyers.

Under the FTHB Program, the Agency conducted two free homebuyer education seminars for potential first-time buyers. Overall, there were 43 certificates of completion awarded to households completing the seminars. The Agency also provided free one-on-one homebuyer counseling to 25 households all of whom were low- to moderate-income San Leandro residents and/or employed in the City.

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Audit Information

Fiscal Year

Was the Report Prepared from Audited Financial Data, and Did You Submit a Copy of the Audit?

Indicate Financial Audit Opinion

If Financial Audit is not yet Completed, What is the Expected Completion Date?

If the Audit Opinion was Other than Unqualified, State Briefly the Reason Given

Was a Compliance Audit Performed in Accordance with Health and Safety Code Section 33080.1 and the State Controller's Guidelines for Compliance Audits, and Did You Submit a Copy of the Audit?

Indicate Compliance Audit Opinion

If Compliance Audit is not yet Completed, What is the Expected Completion Date?

If compliance opinion includes exceptions, state the areas of non-compliance, and describe the agency's efforts to correct.

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Project Area Report

Fiscal Year 2011

Project Area Name

Alameda County-City of San Leandro Joint Project

Please Provide a Brief Description of the Activities for this Project Area During the Reporting Year.

Activity Report

Forwarded from Prior Year? Yes

Enter Code for Type of Project Area Report P

P = Standard Project Area Report

A = Administrative Fund

L = Low and Moderate Income Housing Fund

M = Mortgage Revenue Bond Program

O = Other Miscellaneous Funds or Programs

S = Proposed (Survey) Project Area

Does the Plan Include Tax Increment Provisions?

Yes

Date Project Area was Established (MM-DD-YY)

Most Recent Date Project Area was Amended

Did this Amendment Add New Territory?

No

Most Recent Date Project Area was Merged

Will this Project Area be Carried Forward to Next Year?

Yes

Established Time Limit :

Repayment of Indebtedness (Year Only)

Effectiveness of Plan (Year Only)

New Indebtedness (Year Only)

Size of Project Area in Acres

Percentage of Land Vacant at the Inception of the Project Area

Health and Safety Code Section 33320.1 (xx.x%)

Percentage of Land Developed at the Inception of the Project Area

Health and Safety Code Section 33320.1 (xx.x%)

Objectives of the Project Area as Set Forth in the Project Area Plan

(Enter the Appropriate Code(s) in Sequence as Shown)

R = Residential I = Industrial C = Commercial P = Public O = Other

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Project Area Report

Fiscal Year 2011

Project Area Name

Plaza 1 & 2

Please Provide a Brief Description of the Activities for this Project Area During the Reporting Year.

Activity Report

Forwarded from Prior Year? Yes

Enter Code for Type of Project Area Report

P

P = Standard Project Area Report A = Administrative Fund
 L = Low and Moderate Income Housing Fund M = Mortgage Revenue Bond Program
 O = Other Miscellaneous Funds or Programs S = Proposed (Survey) Project Area

Does the Plan Include Tax Increment Provisions? Yes

Date Project Area was Established (MM-DD-YY) 12/28/1960

Most Recent Date Project Area was Amended 7/18/2005

Did this Amendment Add New Territory? No

Most Recent Date Project Area was Merged 6/5/2000

Will this Project Area be Carried Forward to Next Year? Yes

Established Time Limit :

Repayment of Indebtedness (Year Only) 2019

Effectiveness of Plan (Year Only) 2012

New Indebtedness (Year Only) 2009

Size of Project Area in Acres 182

Percentage of Land Vacant at the Inception of the Project Area
Health and Safety Code Section 33320.1 (xx.x%)

Percentage of Land Developed at the Inception of the Project Area
Health and Safety Code Section 33320.1 (xx.x%)

Objectives of the Project Area as Set Forth in the Project Area Plan
 (Enter the Appropriate Code(s) in Sequence as Shown)

R = Residential I = Industrial C = Commercial P = Public O = Other

100.0

RICP

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Project Area Report

Fiscal Year	2011
Project Area Name	West San Leandro Project Area

Please Provide a Brief Description of the Activities for this Project Area During the Reporting Year.

Activity Report

Forwarded from Prior Year? Yes

Enter Code for Type of Project Area Report P

A = Administrative Fund
M = Mortgage Revenue Bond Program
S = Proposed (Survey) Project Area

P = Standard Project Area Report
L = Low and Moderate Income Housing Fund
O = Other Miscellaneous Funds or Programs

Does the Plan Include Tax Increment Provisions? Yes

Date Project Area was Established (MM-DD-YY)

Most Recent Date Project Area was Amended

Did this Amendment Add New Territory? No

Most Recent Date Project Area was Merged

Will this Project Area be Carried Forward to Next Year? Yes

Established Time Limit :

Repayment of Indebtedness (Year Only)

Effectiveness of Plan (Year Only)

New Indebtedness (Year Only)

Size of Project Area in Acres

Percentage of Land Vacant at the Inception of the Project Area

Health and Safety Code Section 33320.1 (xx.x%)

Percentage of Land Developed at the Inception of the Project Area

Health and Safety Code Section 33320.1 (xx.x%)

Objectives of the Project Area as Set Forth in the Project Area Plan

(Enter the Appropriate Code(s) in Sequence as Shown)

R = Residential I = Industrial C = Commercial P = Public O = Other

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Assessed Valuation Data

Fiscal Year **2011**

Project Area Name

Alameda County-City of San Leandro Joint Project

Frozen Base Assessed Valuation

903,274,728

Increment Assessed Valuation

1,339,659,370

Total Assessed Valuation

2,242,934,098

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Assessed Valuation Data

Fiscal Year 2011

Project Area Name

Plaza 1 & 2

Frozen Base Assessed Valuation

24,402,894

Increment Assessed Valuation

292,078,488

Total Assessed Valuation

316,481,382

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Assessed Valuation Data

Fiscal Year **2011**

Project Area Name

West San Leandro Project Area

Frozen Base Assessed Valuation

638,295,280

Increment Assessed Valuation

398,136,407

Total Assessed Valuation

1,036,431,687

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Pass-Through / School District Assistance

Fiscal Year 2011

Project Area Name Alameda County-City of San Leandro Joint Project

Amounts Paid To Taxing Agencies Pursuant To:	Tax Increment Pass Through Detail			Other Payments	
	H & S Code Section 33401	H & S Code Section 33676	H & S Code Section 33607	H & S Code Section 33445	H & S Code Section 33445.5

County		3,415,951		\$3,415,951	
Cities				\$0	
School Districts		472,710		\$472,710	
Community College District				\$0	
Special Districts	236,707		249,333	\$486,040	
Total Paid to Taxing Agencies	\$236,707	\$0	\$4,137,994	\$4,374,701	\$0
Net Amount to Agency				\$8,034,393	
Gross Tax Increment Generated				12,409,094	

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Pass-Through / School District Assistance

Fiscal Year 2011

Project Area Name Plaza 1 & 2

Amounts Paid To Taxing Agencies Pursuant To:	Tax Increment Pass Through Detail			Other Payments		
	H & S Code Section 33401	H & S Code Section 33676	H & S Code Section 33607	Total	H & S Code Section 33445	H & S Code Section 33445.5
County		15,715		\$15,715		
Cities				\$0		
School Districts		7,054		\$7,054		
Community College District				\$0		
Special Districts		5,809		\$5,809		
Total Paid to Taxing Agencies	\$0	\$0	\$28,578	\$28,578	\$0	\$0
Net Amount to Agency				\$2,730,315		
Gross Tax Increment Generated						2,758,893

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Pass-Through / School District Assistance

Fiscal Year 2011

Project Area Name West San Leandro Project Area

Amounts Paid To Taxing Agencies Pursuant To:	Tax Increment Pass Through Detail			Other Payments		
	H & S Code Section 33401	H & S Code Section 33676	H & S Code Section 33607	Total	H & S Code Section 33445	H & S Code Section 33445.5
County			279,907	\$279,907		
Cities				\$0		
School Districts			158,644	\$158,644		
Community College District				\$0		
Special Districts			131,087	\$131,087		
Total Paid to Taxing Agencies	\$0	\$0	\$568,638	\$568,638	\$0	\$0
Net Amount to Agency				\$3,630,331		
Gross Tax Increment Generated				4,199,969		

Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text"/>	<input type="text"/>
Bond Type	<input type="text" value="Certificates of Participation"/>	<input type="text"/>
Year of Authorization	<input type="text" value="2001"/>	<input type="text"/>
Principal Amount Authorized	<input type="text" value="5,020,000"/>	<input type="text"/>
Principal Amount Issued	<input type="text" value="5,020,000"/>	<input type="text"/>
Purpose of Issue	<input type="text" value="Project Funding"/>	<input type="text"/>
Maturity Date Beginning Year	<input type="text" value="2001"/>	<input type="text"/>
Maturity Date Ending Year	<input type="text" value="2026"/>	<input type="text"/>
Principal Amount Unmatured Beginning of Fiscal Year	<input type="text" value="\$3,930,000"/>	<input type="text"/>
Adjustment Made During Year	<input type="text"/>	<input type="text"/>
Adjustment Explanation	<input type="text"/>	<input type="text"/>
Interest Added to Principal	<input type="text"/>	<input type="text"/>
Principal Amount Issued During Fiscal Year	<input type="text"/>	<input type="text"/>
Principal Amount Matured During Fiscal Year	<input type="text" value="155,000"/>	<input type="text"/>
Principal Amount Defeased During Fiscal Year	<input type="text"/>	<input type="text"/>
Principal Amount Unmatured End of Fiscal Year	<input type="text" value="\$3,775,000"/>	<input type="text"/>
Principal Amount In Default	<input type="text"/>	<input type="text"/>
Interest In Default	<input type="text"/>	<input type="text"/>

Bond Types Allowed:
 Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State;
 Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year
Project Area Name

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	<input type="text" value="City/County Debt"/>
Year of Authorization	<input type="text" value="2002"/>
Principal Amount Authorized	<input type="text" value="4,372,774"/>
Principal Amount Issued	<input type="text" value="4,372,774"/>
Purpose of Issue	<input type="text" value="Improvements"/>
Maturity Date Beginning Year	<input type="text" value="2002"/>
Maturity Date Ending Year	<input type="text" value="2038"/>
Principal Amount Unmatured Beginning of Fiscal Year	<input type="text" value="\$2,134,324"/>
Adjustment Made During Year	<input type="text"/>
Adjustment Explanation	<input type="text"/>
Interest Added to Principal	<input type="text"/>
Principal Amount Issued During Fiscal Year	<input type="text"/>
Principal Amount Matured During Fiscal Year	<input type="text" value="45,416"/>
Principal Amount Defeased During Fiscal Year	<input type="text"/>
Principal Amount Unmatured End of Fiscal Year	<input type="text" value="\$2,088,908"/>
Principal Amount In Default	<input type="text"/>
Interest In Default	<input type="text"/>

Bond Types Allowed:
 Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State;
 Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year 2011

Project Area Name Plaza 1 & 2

Forward from Prior Year	Yes
Bond Type	City/County Debt
Year of Authorization	2002
Principal Amount Authorized	2,596,400
Principal Amount Issued	2,596,400
Purpose of Issue	Improvements
Maturity Date Beginning Year	2002
Maturity Date Ending Year	2019
Principal Amount Unmatured Beginning of Fiscal Year	\$2,299,315
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	2,299,315
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$0
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	<input type="text" value="Other"/>
Year of Authorization	<input type="text" value="2000"/>
Principal Amount Authorized	<input type="text" value="3,600,000"/>
Principal Amount Issued	<input type="text" value="3,600,000"/>
Purpose of Issue	<input type="text" value="Project Funding"/>
Maturity Date Beginning Year	<input type="text" value="2000"/>
Maturity Date Ending Year	<input type="text" value="2013"/>
Principal Amount Unmatured Beginning of Fiscal Year	<input type="text" value="\$700,000"/>
Adjustment Made During Year	<input type="text"/>
Adjustment Explanation	<input type="text"/>
Interest Added to Principal	<input type="text"/>
Principal Amount Issued During Fiscal Year	<input type="text"/>
Principal Amount Matured During Fiscal Year	<input type="text"/>
Principal Amount Defeased During Fiscal Year	<input type="text"/>
Principal Amount Unmatured End of Fiscal Year	<input type="text" value="\$700,000"/>
Principal Amount In Default	<input type="text"/>
Interest In Default	<input type="text"/>

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US;State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	<input type="text" value="Other"/>
Year of Authorization	<input type="text" value="2002"/>
Principal Amount Authorized	<input type="text" value="5,379,360"/>
Principal Amount Issued	<input type="text" value="5,379,360"/>
Purpose of Issue	<input type="text" value="Owner Participation Agreements"/>
Maturity Date Beginning Year	<input type="text" value="2002"/>
Maturity Date Ending Year	<input type="text" value="2007"/>
Principal Amount Unmatured Beginning of Fiscal Year	<input type="text" value="\$2,513,631"/>
Adjustment Made During Year	<input type="text"/>
Adjustment Explanation	<input type="text"/>
Interest Added to Principal	<input type="text"/>
Principal Amount Issued During Fiscal Year	<input type="text"/>
Principal Amount Matured During Fiscal Year	<input type="text" value="92,439"/>
Principal Amount Defeased During Fiscal Year	<input type="text"/>
Principal Amount Unmatured End of Fiscal Year	<input type="text" value="\$2,421,192"/>
Principal Amount In Default	<input type="text"/>
Interest In Default	<input type="text"/>

Bond Types Allowed:
 Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State;
 Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	<input type="text" value="Other"/>
Year of Authorization	<input type="text" value="2009"/>
Principal Amount Authorized	<input type="text" value="2,170,800"/>
Principal Amount Issued	<input type="text" value="2,170,800"/>
Purpose of Issue	<input type="text" value="Owner Participation Agreements"/>
Maturity Date Beginning Year	<input type="text" value="2009"/>
Maturity Date Ending Year	<input type="text" value="2013"/>
Principal Amount Unmatured Beginning of Fiscal Year	<input type="text" value="\$1,475,360"/>
Adjustment Made During Year	<input type="text"/>
Adjustment Explanation	<input type="text"/>
Interest Added to Principal	<input type="text"/>
Principal Amount Issued During Fiscal Year	<input type="text"/>
Principal Amount Matured During Fiscal Year	<input type="text" value="160,000"/>
Principal Amount Defeased During Fiscal Year	<input type="text"/>
Principal Amount Unmatured End of Fiscal Year	<input type="text" value="\$1,315,360"/>
Principal Amount In Default	<input type="text"/>
Interest In Default	<input type="text"/>

Bond Types Allowed:
 Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State;
 Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

**Redevelopment Agency Of The City Of San Leandro
 Redevelopment Agencies Financial Transactions Report**

Agency Long-Term Debt

Fiscal Year **Project Area Name**

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	Tax Allocation Bonds
Year of Authorization	2002
Principal Amount Authorized	15,935,000
Principal Amount Issued	15,935,000
Purpose of Issue	Refunding 1993 Tabs and Capital Improvements
Maturity Date Beginning Year	2004
Maturity Date Ending Year	2018
Principal Amount Unmatured Beginning of Fiscal Year	\$13,565,000
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	575,000
Principal Amount Deceased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$12,990,000
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:
 Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Agency Long-Term Debt

Fiscal Year **Project Area Name**

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	Tax Allocation Bonds
Year of Authorization	2004
Principal Amount Authorized	5,500,000
Principal Amount Issued	5,500,000
Purpose of Issue	Capital Improvement Projects
Maturity Date Beginning Year	2008
Maturity Date Ending Year	2028
Principal Amount Unmatured Beginning of Fiscal Year	\$5,305,000
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	105,000
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$5,200,000
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:
 Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State;
 Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	Tax Allocation Bonds
Year of Authorization	2008
Principal Amount Authorized	27,530,000
Principal Amount Issued	27,530,000
Purpose of Issue	To finance capital projects
Maturity Date Beginning Year	2008
Maturity Date Ending Year	2039
Principal Amount Unmatured Beginning of Fiscal Year	\$27,205,000
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	475,000
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$26,730,000
Principal Amount In Default	
Interest In Default	

Bond Types Allowed:

Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State; Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text" value="Yes"/>
Bond Type	<input type="text" value="US"/>
Year of Authorization	<input type="text" value="2000"/>
Principal Amount Authorized	<input type="text" value="1,000,000"/>
Principal Amount Issued	<input type="text" value="1,000,000"/>
Purpose of Issue	<input type="text" value="Project Funding"/>
Maturity Date Beginning Year	<input type="text" value="2000"/>
Maturity Date Ending Year	<input type="text" value="2019"/>
Principal Amount Unmatured Beginning of Fiscal Year	<input type="text" value="\$622,000"/>
Adjustment Made During Year	<input type="text"/>
Adjustment Explanation	<input type="text"/>
Interest Added to Principal	<input type="text"/>
Principal Amount Issued During Fiscal Year	<input type="text"/>
Principal Amount Matured During Fiscal Year	<input type="text" value="63,000"/>
Principal Amount Defeased During Fiscal Year	<input type="text"/>
Principal Amount Unmatured End of Fiscal Year	<input type="text" value="\$559,000"/>
Principal Amount In Default	<input type="text"/>
Interest In Default	<input type="text"/>

Bond Types Allowed:
 Tax Allocation Bonds; Revenue Bonds; Certificates of Participation; Tax Allocation Notes; Financing Authority Bonds; City/County Debt; US; State;
 Loans; Lease Obligations; Notes; Deferred Pass-Throughs; Deferred Compensation; Other

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Statement of Income and Expenditures - Revenues

Fiscal Year 2011
Project Area Name Alameda County-City of San Leandro Joint Project

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Tax Increment Gross <i>(Include All Apportionments)</i>	9,927,276		2,481,818		\$12,409,094
Special Supplemental Subvention					\$0
Property Assessments					\$0
Sales and Use Tax					\$0
Transient Occupancy Tax					\$0
Interest Income	184,427		56,844		\$241,271
Rental Income					\$0
Lease Income					\$0
Sale of Real Estate					\$0
Gain on Land Held for Resale					\$0
Federal Grants					\$0
Grants from Other Agencies					\$0
Bond Administrative Fees					\$0
Other Revenues	11,985	-670	1,185,847		\$1,197,162
Total Revenues	\$10,123,688	(\$670)	\$3,724,509	\$0	\$13,847,527

Redevelopment Agency Of The City Of San Leandro

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Revenues

Fiscal Year 2011

Project Area Name Plaza 1 & 2

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Tax Increment Gross <i>(Include All Apportionments)</i>	2,207,114		551,779		\$2,758,893
Special Supplemental Subvention					\$0
Property Assessments					\$0
Sales and Use Tax					\$0
Transient Occupancy Tax					\$0
Interest Income	64,977		8,072		\$73,049
Rental Income					\$0
Lease Income					\$0
Sale of Real Estate					\$0
Gain on Land Held for Resale					\$0
Federal Grants					\$0
Grants from Other Agencies					\$0
Bond Administrative Fees					\$0
Other Revenues	322,444	-670	25,431		\$347,205
Total Revenues	\$2,594,535	(\$670)	\$585,282	\$0	\$3,179,147

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Statement of Income and Expenditures - Revenues

Fiscal Year 2011

Project Area Name West San Leandro Project Area

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Tax Increment Gross <i>(Include All Apportionments)</i>	3,359,975		839,994		\$4,199,969
Special Supplemental Subvention					\$0
Property Assessments					\$0
Sales and Use Tax					\$0
Transient Occupancy Tax					\$0
Interest Income	10,096		12,289		\$22,385
Rental Income					\$0
Lease Income					\$0
Sale of Real Estate					\$0
Gain on Land Held for Resale					\$0
Federal Grants					\$0
Grants from Other Agencies					\$0
Bond Administrative Fees					\$0
Other Revenues		-670	38,716		\$38,046
Total Revenues	\$3,370,071	(\$670)	\$890,999	\$0	\$4,260,400

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Statement of Income and Expenditures - Expenditures

Fiscal Year 2011
Project Area Name Alameda County-City of San Leandro Joint Project

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Administration Costs	1,266,780	506	541,128		\$1,808,414
Professional Services	202,870		69,835		\$272,705
Planning, Survey, and Design	1,204,869				\$1,204,869
Real Estate Purchases	1,766,326				\$1,766,326
Acquisition Expense					\$0
Operation of Acquired Property					\$0
Relocation Costs					\$0
Relocation Payments					\$0
Site Clearance Costs					\$0
Project Improvement / Construction Costs	1,757,351		187,219		\$1,944,570
Disposal Costs					\$0
Loss on Disposition of Land Held for Resale					\$0

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Statement of Income and Expenditures - Expenditures

Fiscal Year 2011 **Project Area Name** Alameda County-City of San Leandro Joint Project

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Decline in Value of Land Held for Resale					\$0
Rehabilitation Costs			238,111		\$238,111
Rehabilitation Grants	53,750				\$53,750
Interest Expense	128,061	1,580,420	30,199		\$1,738,680
Fixed Asset Acquisitions					\$0
Subsidies to Low and Moderate Income Housing					\$0
Debt Issuance Costs					\$0
Other Expenditures Including Pass-Through Payment(s)	4,866,004		897,273		\$5,763,277
Debt Principal Payments:					
Tax Allocation Bonds and Notes		475,000			\$475,000
Revenue Bonds, Certificates of Participation, Financing Authority Bonds		155,000			\$155,000
City/County Advances and Loans	45,416				\$45,416
All Other Long-Term Debt	92,439	160,000	63,000		\$315,439
Total Expenditures	\$11,383,866	\$2,370,926	\$2,026,765	\$0	\$15,781,557
Excess (Deficiency) Revenues over (under) Expenditures	(\$1,260,176)	(\$2,371,596)	\$1,697,744	\$0	(\$1,934,030)

Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Expenditures

Fiscal Year 2011
Project Area Name Plaza 1 & 2

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Administration Costs	247,306	506			\$247,812
Professional Services	109,633				\$109,633
Planning, Survey, and Design					\$0
Real Estate Purchases					\$0
Acquisition Expense					\$0
Operation of Acquired Property					\$0
Relocation Costs					\$0
Relocation Payments					\$0
Site Clearance Costs					\$0
Project Improvement / Construction Costs	444,424				\$444,424
Disposal Costs					\$0
Loss on Disposition of Land Held for Resale					\$0

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Statement of Income and Expenditures - Expenditures

Fiscal Year 2011
Project Area Name Plaza 1 & 2

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Decline in Value of Land Held for Resale					\$0
Rehabilitation Costs					\$0
Rehabilitation Grants					\$0
Interest Expense	137,959	759,944			\$897,903
Fixed Asset Acquisitions					\$0
Subsidies to Low and Moderate Income Housing					\$0
Debt Issuance Costs					\$0
Other Expenditures Including Pass-Through Payment(s)	-2,099,036				(\$2,099,036)
Debt Principal Payments:					
Tax Allocation Bonds and Notes		575,000			\$575,000
Revenue Bonds, Certificates of Participation, Financing Authority Bonds					\$0
City/County Advances and Loans	2,299,315				\$2,299,315
All Other Long-Term Debt					\$0
Total Expenditures	\$1,139,601	\$1,335,450	\$0	\$0	\$2,475,051
Excess (Deficiency) Revenues over (under) Expenditures	\$1,454,934	(\$1,336,120)	\$585,282	\$0	\$704,096

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Statement of Income and Expenditures - Expenditures

Fiscal Year 2011 **Project Area Name** West San Leandro Project Area

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Administration Costs	496,424	8,316			\$504,740
Professional Services	104,039				\$104,039
Planning, Survey, and Design					\$0
Real Estate Purchases					\$0
Acquisition Expense					\$0
Operation of Acquired Property					\$0
Relocation Costs					\$0
Relocation Payments					\$0
Site Clearance Costs					\$0
Project Improvement / Construction Costs					\$0
Disposal Costs					\$0
Loss on Disposition of Land Held for Resale					\$0

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Statement of Income and Expenditures - Expenditures

Fiscal Year 2011
Project Area Name West San Leandro Project Area

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Decline in Value of Land Held for Resale					\$0
Rehabilitation Costs					\$0
Rehabilitation Grants					\$0
Interest Expense		290,606			\$290,606
Fixed Asset Acquisitions					\$0
Subsidies to Low and Moderate Income Housing					\$0
Debt Issuance Costs					\$0
Other Expenditures Including Pass-Through Payment(s)	1,816,026				\$1,816,026
Debt Principal Payments:					
Tax Allocation Bonds and Notes		105,000			\$105,000
Revenue Bonds, Certificates of Participation, Financing Authority Bonds					\$0
City/County Advances and Loans					\$0
All Other Long-Term Debt					\$0
Total Expenditures	\$2,416,489	\$403,922	\$0	\$0	\$2,820,411
Excess (Deficiency) Revenues over (under) Expenditures	\$953,582	(\$404,592)	\$890,999	\$0	\$1,439,989

Redevelopment Agency Of The City Of San Leandro

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year 2011
Project Area Name Alameda County-City of San Leandro Joint Project

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Proceeds of Long-Term Debt					\$0
Proceeds of Refunding Bonds					\$0
Payment to Refunded Bond Escrow Agent					\$0
Advances from City/County					\$0
Sale of Fixed Assets					\$0
Miscellaneous Financing Sources (Uses)					\$0
Operating Transfers In		2,618,178			\$2,618,178
Tax Increment Transfers In					\$0
Operating Transfers Out	2,618,178				\$2,618,178
Tax Increment Transfers Out					\$0
<i>(To the Low and Moderate Income Housing Fund)</i>					
Total Other Financing Sources (Uses)	(\$2,618,178)	\$2,618,178	\$0	\$0	\$0

Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year 2011
Project Area Name Alameda County-City of San Leandro Joint Project

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(\$3,878,356)	\$246,582	\$1,697,744	\$0	(\$1,934,030)
Equity, Beginning of Period	\$21,009,873	\$2,347,165	(\$1,970,967)	\$0	\$21,386,071
Prior Period Adjustments					\$0
Residual Equity Transfers					\$0
Equity, End of Period	\$17,131,517	\$2,593,747	(\$273,223)	\$0	\$19,452,041

Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Project Area Name	Fiscal Year	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
	2011					
	Plaza 1 & 2					
Proceeds of Long-Term Debt						\$0
Proceeds of Refunding Bonds						\$0
Payment to Refunded Bond Escrow Agent						\$0
Advances from City/County						\$0
Sale of Fixed Assets						\$0
Miscellaneous Financing Sources (Uses)						\$0
Operating Transfers In			1,610,700			\$1,610,700
Tax Increment Transfers In						\$0
Operating Transfers Out		1,610,700				\$1,610,700
Tax Increment Transfers Out						\$0
<i>(To the Low and Moderate Income Housing Fund)</i>						
Total Other Financing Sources (Uses)		(\$1,610,700)	\$1,610,700	\$0	\$0	\$0

Redevelopment Agency Of The City Of San Leandro

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year 2011
Project Area Name Plaza 1 & 2

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(\$155,766)	\$274,580	\$585,282	\$0	\$704,096
Equity, Beginning of Period	\$1,175,562	\$1,548,134	\$5,200,947	\$0	\$7,924,643
Prior Period Adjustments					\$0
Residual Equity Transfers					\$0
Equity, End of Period	\$1,019,796	\$1,822,714	\$5,786,229	\$0	\$8,628,739

Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year 2011
Project Area Name West San Leandro Project Area

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Proceeds of Long-Term Debt					\$0
Proceeds of Refunding Bonds					\$0
Payment to Refunded Bond Escrow Agent					\$0
Advances from City/County					\$0
Sale of Fixed Assets					\$0
Miscellaneous Financing Sources (Uses)		-50,000			(\$50,000)
Operating Transfers In		461,112			\$461,112
Tax Increment Transfers In					\$0
Operating Transfers Out	461,112				\$461,112
Tax Increment Transfers Out					\$0
<i>(To the Low and Moderate Income Housing Fund)</i>					
Total Other Financing Sources (Uses)	(\$461,112)	\$411,112	\$0	\$0	(\$50,000)

Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year 2011
Project Area Name West San Leandro Project Area

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	\$492,470	\$6,520	\$890,999	\$0	\$1,389,989
Equity, Beginning of Period	\$3,462,548	\$525,982	\$4,841,760	\$0	\$8,830,290
Prior Period Adjustments					\$0
Residual Equity Transfers					\$0
Equity, End of Period	\$3,955,018	\$532,502	\$5,732,759	\$0	\$10,220,279

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Balance Sheet - Assets and Other Debits

Fiscal Year	2011	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
Assets and Other Debits								
Cash and Imprest Cash	18,624,147	1,120,028	11,167,887					\$30,912,062
Cash with Fiscal Agent	11,558,927	3,828,205						\$15,387,132
Tax Increments Receivable	17,075		6,768					\$23,843
Accounts Receivable	68,356	3,480	158,820					\$230,656
Accrued Interest Receivable								\$0
Loans Receivable	1,202,113		11,547,844					\$12,749,957
Contracts Receivable								\$0
Lease Payments Receivable								\$0
Unearned Finance Charge								\$0
Due from Capital Projects Fund								\$0
Due from Debt Service Fund								\$0
Due from Low/Moderate Income Housing Fund								\$0
Due from Special Revenue/Other Funds								\$0

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Balance Sheet - Assets and Other Debits

Fiscal Year	2011	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long-Term Debt	General Fixed Assets	Total
Investments								\$0
Other Assets		2,475,580						\$2,475,580
Investments: Land Held for Resale								\$0
Allowance for Decline In Value of Land Held for Resale								\$0
Fixed Assets: Land, Structures, and Improvements								\$0
Equipment								\$0
Amount Available In Debt Service Fund								\$0
Amount to be Provided for Payment of Long-Term Debt						55,779,460		\$55,779,460
Total Assets and Other Debits		\$33,946,198	\$4,951,713	\$22,881,319	\$0	\$55,779,460	\$0	\$117,558,690

(Must Equal Total Liabilities, Other Credits, and Equities)

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Balance Sheet - Liabilities and Other Credits

Fiscal Year	2011	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long- Term Debt	General Fixed Assets	Total
Liabilities and Other Credits								
Accounts Payable		1,099,712	2,750	87,709				\$1,190,171
Interest Payable								\$0
Tax Anticipation Notes Payable								\$0
Loans Payable		112,838		2,528,113				\$2,640,951
Other Liabilities		10,627,317		9,019,732				\$19,647,049
Due to Capital Projects Fund								\$0
Due to Debt Service Fund								\$0
Due to Low/Moderate Income Housing Fund								\$0
Due to Special Revenue/Other Funds								\$0
Tax Allocation Bonds Payable						44,920,000		\$44,920,000
Lease Revenue, Certificates of Participation Payable, Financing Authority Bonds						3,775,000		\$3,775,000
All Other Long-Term Debt						7,084,460		\$7,084,460
Total Liabilities and Other Credits		\$11,839,867	\$2,750	\$11,635,554	\$0	\$55,779,460		\$79,257,631

**Redevelopment Agency Of The City Of San Leandro
Redevelopment Agencies Financial Transactions Report**

Balance Sheet - Liabilities and Other Credits

Fiscal Year	2011	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	General Long- Term Debt	General Fixed Assets	Total
Equities								
Investment in General Fixed Assets								\$0
Fund Balance Reserved		22,106,331	4,948,963	11,245,765				\$38,301,059
Fund Balance Unreserved-Designated								\$0
Fund Balance Unreserved-Undesignated								\$0
Total Equities		\$22,106,331	\$4,948,963	\$11,245,765	\$0		\$0	\$38,301,059
Total Liabilities, Other Credits, and Equities		\$33,946,198	\$4,951,713	\$22,881,319	\$0	\$55,779,460	\$0	\$117,558,690

Redevelopment Agency Of The City Of San Leandro

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Summary, Combined Transfers In/Out

Fiscal Year	2011
Operating Transfers In	\$4,689,990
Tax Increment Transfers In	\$0
Operating Transfers Out	\$4,689,990
Tax Increment Transfers Out	\$0

**STATEMENT OF INDEBTEDNESS - CONSOLIDATED
FILED FOR THE 2010-2011 TAX YEAR**

COVER PAGE

Name of Redevelopment Agency City of San Leandro Redevelopment Agency
 Name of Project Area Plaza (I and II)

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ALAMEDA COUNTY AUDITOR

	Balances Carried Forward From:	Line	Current	
			Total	Principal/Interest
			Outstanding Debt	Due During Tax year
Fiscal Period - Totals (Optional)	(From Form A, Page 1 Totals)	(1)	\$22,817,461	\$1,370,413
Post Fiscal Period - Totals	(From Form B, Page 1 Totals)	(2)	17,767,635	\$17,767,635
Grand Totals		(3)	40,585,096	\$19,138,048
Available Revenues				
From Calculations of Available Revenues, Line 7		(4)	(75,698)	
Net Requirement		(5)	\$40,660,794	

Consolidate on this form all of the data contained on Form A and B (including supplemental pages). Form A is to include all indebtedness entered into as of June 30 of the Fiscal Year. Form B may be filed at the option of the Agency, and is to include indebtedness entered into post June 30 of the Fiscal Year, pursuant to Health and Safety Code section 336759(c)(2). This is optional for each agency and is not a requirement for filing the Statement of Indebtedness. The Reconciliation Statement is to include indebtedness from Form A only.

Certification of Chief Financial Officer:
 Pursuant to Section 33575 (b) of the Health and Safety Code, I hereby certify that the above is a true and accurate Statement of Indebtedness for the above named Agency.

James H. O'Leary
 Name _____ Interim Finance Director
 Title _____
 Signature _____ Date September 30, 2011

CALCULATION OF AVAILABLE REVENUES

City of San Leandro Redevelopment Agency

AGENCY NAME

Plaza

PROJECT AREA

2011-12

TAX YEAR

RECONCILIATION DATES: JULY 1, 2010 TO JUNE 30, 2011

1.	Beginning Balance, Available Revenue (See Instructions)	<u>\$ 1,412,673</u>
	Adjustments made after SOI filed but present in audit report fund equities.	<u>(237,111)</u>
2.	Tax Increment Received - Gross All Tax Increment Revenues, to include any Tax Increment passed through to other local taxing agencies.	<u>2,783,908</u>
3.	All other Available Revenues Received (See Instructions)	<u>387,421</u>
4.	Revenues from any other source, included in Column E of the Reconciliation Statement but not included in (1-3) above.	<u>0</u>
5.	Sum of Lines 1 through 4	<u>\$ 4,346,891</u>
6.	Total amounts paid against indebtedness in previous year. (D + E on reconciliation Statement)	<u>4,422,589</u>
7.	Available Revenues, End of Year (5 - 6)	<u><u>(\$75,698)</u></u>

**FORWARD THIS AMOUNT TO STATEMENT OF INDEBTEDNESS, COVER PAGE, LINE 4
INDEBTEDNESS, COVER PAGE, LINE 4**

NOTES

Tax Increment Revenues:
The only amount(s) to be excluded as Tax Increment Revenue are any amounts passed through to other local taxing agencies pursuant to Health and Safety Code Section 33676. Tax Increment Revenue set-aside in the Low and Moderate Income Housing Fund will be washed in the above calculation, and therefore omitted from Available Revenues at year end.

Item 4. Above:
This represents any payments from any source other than Tax Increment OR available revenues. For instance, an agency funds a project with a bond issue. The previous SOI included a Disposition Development Agreement (DDA) which was fully satisfied with these bond proceeds. The DDA would be shown on the Reconciliation Statement as fully repaid under the "other" column (Col E), but with funds that were neither Tax Increment, nor "Available Revenues" as defined. The amounts used to satisfy this DDA would be included on line 4 above in order to accurately determine ending "Available Revenues."

RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS

Name of Agency City of San Leandro Redevelopment Agency

Name of Project Area Plaza

Tax Year **2011-12** Reconciliation Dates: From July 1, 2010 to June 30, 2011

SOI, page and line:		Debt Identification:		A		B		C		D		E		F				
															Outstanding Debt All Beginning Indebtedness		Adjustments	
Prior Yr	Current Yr	Brief Description	Increases (Attach Explanation)	Decreases (Attach Explanation)	Tax Increment	Other Funds												
Pg 1 Line A	Pg 1 Line A	City Loan To Agency	\$ -	\$ 1,036,020	\$ 2,137,273	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Pg 1 Line B	Pg 1 Line B	Tax Allocation Bonds - 2002	\$ 22,074,253	\$ -	\$ 1,335,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,738,553					
Pg 1 Line C	Pg 1 Line C	Friends of the Creek	\$ 107,746	\$ 450	\$ 29,288	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,908					
Pg Form B Line A	Pg Form B Line A	City Advance for Admin Costs	\$ 343,949	\$ -	\$ 335,655	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Pg Form B Line B	Pg Form B Line B	20% Set-Aside	\$ 578,150	\$ -	\$ 551,779	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Pg Form B Line C	Pg Form B Line C	Pass Through Agreements/County Admin	\$ 32,063	\$ 831	\$ 32,894	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Pg NEW Line	Pg 1 Line D	Hays Street Improvements	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000					
TOTAL - THIS PAGE													\$ 26,309,454	\$ 2,001,281	\$ 1,070,685	\$ 4,422,589	\$ -	\$ 22,817,461
TOTALS FORWARD													\$ 26,309,454	\$ 2,001,281	\$ 1,070,685	\$ 4,422,589	\$ -	\$ 22,817,461
GRAND TOTALS													\$ 26,309,454	\$ 2,001,281	\$ 1,070,685	\$ 4,422,589	\$ -	\$ 22,817,461

NOTE: This form is to reconcile the previous Statement of Indebtedness to the current one being filed. However, since the reconciliation period is limited by law to a July 1 - June 30 fiscal year period, only those items included on the SOI Form A are to be included on this document. to assist in following each item of indebtedness from one SOI to the next, use page and line number references from each SOI that the item of indebtedness is listed on. If the indebtedness is new to this fiscal year, enter "new" in the "Prior Yr" page and line columns. Column F must equal the current SOI, Form A total Outstanding Debt column.

Reconciliation Statement-Changes in Indebtedness
 2011-2012 Tax Year

Column B:

Explanation of adjustments:

Increases

Friends of the Creek Interest Earnings	\$ 450
Pass-Through Agreements	831
Hays St Improvements	2,000,000
	<u>\$ 1,281</u>

Column C:

Decreases

City Advance for Admin Costs	\$ 8,294
Pass-Through Agreements	26,371
Plaza GF Loan (Paid in full, future interest no longer applies)	1,036,020
	<u>1,070,685</u>
 Net Adjustments	 <u>\$ (1,069,404)</u>

Adjusted estimates to match actuals.

Hays St is a new project funded by a cooperative agreement.

STATEMENT OF INDEBTEDNESS - POST FISCAL YEAR INDEBTEDNESS ONLY
FILED FOR THE 2011-2012 YEAR

FORM B
(Optional)

Name of Redevelopment Agency City of San Leandro Redevelopment Agency
Name of Project Area Plaza Date July 1 to September 30

Debt Identification	Date	Principal	Term	Interest Rate	Total Interest	Total Outstanding Debt	Principal/Interest Due During Tax Year
(A) City Advance for Admin Cost	7/1/2011	\$ 373,481	6/30/2012	0.00%		\$ 373,481	\$ 373,481
(B) 20% Low Mod Housing Set Aside	7/1/2011	\$ 582,495	6/30/2012	0.00%		\$ 582,495	\$ 582,495
(C) Pass Through/County Admin	7/1/2011	\$ 32,063	6/30/2012	0.00%		\$ 32,063	\$ 32,063
(D) City Advance for Admin Costs	7/1/2011	\$ 7,754,059	FY12/13 - 2028	0.00%		\$ 7,754,059	\$ -
(E) 20% Low Mod Housing Set Aside	7/1/2011	\$ 8,756,114	FY12/13 - 2028	0.00%		\$ 8,756,114	\$ -
(F) Pass Through/County Admin	7/1/2011	\$ 269,423	FY12/13 - 2028	0.00%		\$ 269,423	\$ -
Sub Total, This Page						\$ 17,767,635	\$ 988,039
Totals Forward From All Other Pages						\$ 17,767,635	\$ 988,039
Totals, Fiscal Year Indebtedness						\$ 17,767,635	\$ 988,039

Purpose of Indebtedness:
 (A) Advance from City 2011-12
 (B) 20% Low Mod Housing Set Aside 2011-12
 (C) Pass Through 2011-12
 (D) Projected Operational Costs FY2012-13 - 2028
 (E) Projected Low Mod Housing Set-Aside FY2012-13 - 2028
 (D) Projected AB 1290 Pass-throughs FY2012-13 - 2028

**STATEMENT OF INDEBTEDNESS - CONSOLIDATED
FILED FOR THE 2010 - 2011 TAX YEAR**

COVER PAGE

Name of Redevelopment Agency City of San Leandro Redevelopment Agency
 Name of Project Area City-County Joint Project

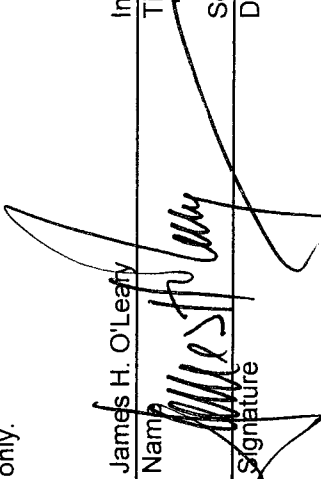
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ALAMEDA COUNTY

	Balances Carried Forward From:	Current	
		Total	Principal/Interest
	Line	Outstanding Debt	Due During Tax Year
Fiscal Period - Totals (Optional)	(1) (From Form A, Page 1 Totals)	\$120,933,455	\$4,797,259
Post Fiscal Period - Totals	(2) (From Form B, Page 1 Totals)	432,264,633	10,935,126
Grand Totals	(3)	553,198,087	
Available Revenues	(4)	6,475,111	
From Calculations of Available Revenues, Line 7	(5)	\$546,722,976	
Net Requirement			

Consolidate on this form all of the data contained on Form A and B (including supplemental pages). Form A is to include all indebtedness entered into as of June 30 of the Fiscal Year. Form B may be filed at the option of the Agency, and is to include indebtedness entered into post June 30 of the Fiscal Year, pursuant to Health and Safety Code section 336759(c)(2). This is optional for each agency and is not a requirement for filing the Statement of Indebtedness. The Reconciliation Statement is to include indebtedness from Form A only.

Certification of Chief Financial Officer:
 Pursuant to Section 33575 (b) of the Health and Safety Code, I hereby certify that the above is a true and accurate Statement of Indebtedness for the above named Agency.

James H. O'Leary Interim Finance Director
 Name Title

 Signature Date
 September 30, 2010

CALCULATION OF AVAILABLE REVENUES

AGENCY NAME
PROJECT AREA
TAX YEAR

City of San Leandro Redevelopment Agency
City-County Joint Project Area
2011-12

RECONCILIATION DATES: JULY 1, 2010 TO JUNE 30, 2011

Beginning Balance, Available Revenue (See Instructions)	1.	\$ 15,710,999
Adjustments made after SOI filed but present in the audit report fund equities.		<u>(7,952,457)</u>
Tax Increment Received - Gross All Tax Increment Revenues, to include any Tax Increment passed through to other local taxing agencies.	2.	<u>12,520,796</u>
All other Available Revenues Received (See Instructions)	3.	<u>194,690</u>
Revenues from any other source, included in Column E of the Reconciliation Statement but not included in (1-3) above.	4.	<u> </u>
Sum of Lines 1 through 4	5.	<u>\$ 20,474,028</u>
Total amounts paid against indebtedness in previous year. (D + E on reconciliation Statement)	6.	<u>13,998,917</u>
Available Revenues, End of Year (5 - 6)	7.	<u>\$ 6,475,111</u>

FORWARD THIS AMOUNT TO STATEMENT OF INDEBTEDNESS, COVER PAGE, LINE 4 INDEBTEDNESS, COVER PAGE, LINE 4

NOTES

Tax Increment Revenues:
The only amount(s) to be excluded as Tax Increment Revenue are any amounts passed through to other local taxing agencies pursuant to Health and Safety Code Section 33676. Tax Increment Revenue set-aside in the Low and Moderate Income Housing Fund will be washed in the above calculation, and therefore omitted from Available Revenues at year end.

Item 4. Above:
This represents any payments from any source other than Tax Increment OR available revenues. For instance, an agency funds a project with a bond issue. The previous SOI included a Disposition Development Agreement (DDA) which was fully satisfied with these bond proceeds. The DDA would be shown on the Reconciliation Statement as fully repaid under the "other" column (Col E), but with funds that were neither Tax Increment, nor "Available Revenues" as defined. The amounts used to satisfy this DDA would be included on line 4 above in order to accurately determine ending "Available Revenues."

**STATEMENT OF INDEBTEDNESS - FISCAL YEAR INDEBTEDNESS
FILED FOR THE 2010-11 TAX YEAR**

Name of Redevelopment Agency City of San Leandro Redevelopment Agency
 Name of Project Area City-County Joint Project- (City)

For Indebtedness Entered into as of June 30, 2010

Debt Identification	Original Data					Current		
	Date	Principal	Term	Interest Rate	Total Interest	Total Outstanding Debt	Principal/Interest Due During Tax Year	
(A) City Loan to Agency	07/01/94	\$ 4,372,774	Until Paid	6.00%	\$ 3,629,559	\$ 5,400,089	\$ 173,477	
(B) Bayfair Development Agreement	09/30/95	\$ 3,600,000	None	0.00%	\$ -	\$ 700,000	\$ 500,000	
(C) Ford Motor Co: Auto Mall	03/06/00	\$ 3,000,000	20 Yr	0.00%	\$ -	\$ 2,087,907	\$ 60,000	
(D) 2001 Certicates of Participation	06/01/02	\$ 5,020,000	25 Yr	Various	\$ 3,681,073	\$ 5,478,782	\$ 343,365	
(E) Batarse Family Trust	06/30/02	\$ 390,000	Until Paid	0.00%	\$ -	\$ 354,634	\$ 35,000	
(F) San Leandro Unified SD	06/30/09	\$ 2,170,800	11 Yr	0.00%	\$ -	\$ 1,315,360	\$ 160,000	
(G) 2008 Tax Allocation Bond	09/01/08	\$ 27,530,000	30 Yr	Various	\$ 27,526,797	\$ 50,594,671	\$ 1,864,813	
Sub Total, This Page							\$ 65,931,443	\$ 3,136,655
Totals Forward From All Other Pages							\$ 55,002,012	\$ 1,660,604
Totals, Fiscal Year Indebtedness							\$ 120,933,455	\$ 4,797,259

Purpose of Indebtedness:

- (A) Advance from City for Operating Costs.
- (B) Bayfair Mall Improvements.
- (C) Owner Participation Agreement Ford Property Development
- (D) Certificates of Participation issued in 2001
- (E) Owner Participation Agmt - Batarse Family Trust - Suzuki Mitsubishi

- (F) RDA Contribution for 9th Grade Campus
- (G) Tax Allocation Bonds Issued in 2008

**STATEMENT OF INDEBTEDNESS - FISCAL YEAR INDEBTEDNESS
FILED FOR THE 2010-11 TAX YEAR**

Name of Redevelopment Agency City of San Leandro Redevelopment Agency
 Name of Project Area City-County Joint Project (County)

For Indebtedness Entered into as of June 30, 2010

Debt Identification	Date	Principal	Original Data			Current	
			Term	Interest Rate	Total Interest	Total Outstanding Debt	Principal/Interest Due During Tax Year
(A) Start Up Administrative Costs	06/30/05	\$530,991	None	0.00%	\$ -	\$ 2,013	\$ 2,013
(B) Consultant Debt	7/1/2007	3,588,281	various	0.00%	-	3,556,763	500,000
(C) E 14th St Ph II Public Imp Agmt	07/01/09	600,000	until paid	0.00%	-	10,428,330	600,000
(D) Ashland Youth Center	4/20/2010	\$24,213,440	until paid	0.00%	-	20,406,315	500,000
(E) East Lewelling Blvd Widening	6/17/2008	\$200,000	3 Years	0.00%	-	175,000	25,000
(F) San Lorenzo Library Renovation	7/22/2008	\$150,000	2 Years	0.00%	-	28,591	28,591
(G) Advertising Reimbursement Pgm	6/28/2011	\$45,000	5 1/2 yrs	0.00%	-	45,000	5,000
(H) E14th St PhIII Public Improvement Agreement (Tier I)	2/22/2011	\$9,900,000	until paid	0.00%	-	9,900,000	-
(I) 163rd Ave Intersection Improvements (Tier I & II)	2/22/2011	\$4,400,000	until paid	0.00%	-	4,400,000	-
(J) Fairmont Park Acquisition (Tier I & II)	2/22/2011	\$6,060,000	until paid	0.00%	-	6,060,000	-
Sub Total, This Page						\$55,002,012	\$ 1,660,604
Totals Forward From All Other Pages							
Totals, Fiscal Year Indebtedness						\$55,002,012	\$ 1,660,604

Purpose of Indebtedness:
 (E) East Lewelling Blvd Widening Project
 (F) San Lorenzo Library Widening Renovation Project
 (G) Land Acquisition (16640 East 14th Street)
 (H) Ashland Youth Center (16343 E 14th St)
 (I) 163rd Ave Intersection Improvements
 (J) Fairmont Park Acquisition

Purpose of Indebtedness:
 (A) Start-up Administrative Expenses payable to Alameda County
 (B) Consultants Debt
 (C) E 14th St Phase II Public Improvement Agreement
 (D) Construction and Furnishing of the New Redevelopment Office Space

RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS

Name of Agency City of San Leandro Redevelopment Agency

Name of Project Area City-County Joint Project (City)

Reconciliation Dates: From July 1, 2010 to June 30, 2011

Tax Year **2011-12**

SOI, page and line: Prior Yr	Current Yr	Debt Identification: Brief Description	A		B		C		D		E		F
			Outstanding Debt All Beginning Indebtedness	Adjustments	Increases (Attach Explanation)	Decreases (Attach Explanation)	Tax Increment	Amounts Paid Against Indebtedness, from:	Other Funds	Remaining Balance (A+B-C-D-E)			
Pg 1 Line A	Pg 1 Line A	City Loan to Agency	\$ 5,573,566	\$ -	\$ -	\$ -	\$ -	\$ 173,477				\$ 5,400,089	
Pg 1 Line B	Pg 1 Line B	Bayfair Development Agreement	700,000	-	-	-	-	-				700,000	
Pg 1 Line C	Pg 1 Line C	Ford Motor Company - Auto Mall	2,131,172	-	-	-	-	43,265				2,087,907	
Pg 1 Line D	Pg 1 Line D	2001 Certificates of Participation	5,822,147	-	-	-	-	343,365				5,478,782	
Pg 1 Line E	Pg 1 Line E	Batarse Family Trust	381,789	-	-	-	-	27,155				354,634	
Pg Form B Line E	Pg Form B Line D	Low/Mod Housing - Both	2,444,612	40,724	-	-	-	2,485,336				-	
Pg 1 Line H	Pg 1 Line G	2008 Tax Allocation Bonds	52,459,484	-	-	-	-	1,864,813				50,594,671	
Pg Form B Line F	Pg Form B Line E	Pass Through Agreements	4,128,469	-	-	10,467	-	4,118,002				-	
Pg Form B Line G	Pg 1 Line F	SLUSD 9th Grade Campus	1,475,360	-	-	-	-	160,000				1,315,360	
Pg Form B Line D	Pg Form B Line C	Advance for Admin Costs - City	584,151	-	-	91,330	-	492,821				-	
TOTAL - THIS PAGE			\$ 75,700,750	\$ 40,724	\$ 101,797	\$ 9,708,234	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,931,443	
TOTALS FORWARD													
GRAND TOTALS													

NOTE: This form is to reconcile the previous Statement of Indebtedness to the current one being filed. However, since the reconciliation period is limited by law to a July 1 - June 30 fiscal year period, only those items included on the SOI Form A are to be included on this document. To assist in following each item of indebtedness from one SOI to the next, use page and line number references from each SOI that the item of indebtedness is listed on. If the indebtedness is new to this fiscal year, enter "new" in the "Prior Yr" page and line columns. Column F must equal the current SOI, Form A total Outstanding Debt column.

RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS

Name of Agency City of San Leandro Redevelopment Agency

Name of Project Area City-County Joint Project (County)

Tax Year **2011-12** Reconciliation Dates: From July 1, 2010 to June 30, 2011

SOI, page and line: Prior Yr		Debt Identification:		A	B		C		D		E	F
		Current Yr	Brief Description		Outstanding Debt All Beginning Indebtedness	Adjustments	Increases (Attach Explanation)	Decreases (Attach Explanation)	Tax Increment	Amounts Paid Against Indebtedness, from: Other Funds		
Pg 2	Line A	Pg 2	Line A	\$ 161,154	\$ -	\$ -	\$ -	\$ -	\$ 159,141	\$ -	\$ -	\$ 2,013
Start Up Administrative Cost												
Pg 2	Line H	Pg 2	Line D	23,305,981	-	-	-	-	2,899,665	-	-	20,406,315
Ashland Youth Center (16343 E14th)												
Pg Form B	Line A	Pg Form B	Line A	-	378,608	-	-	-	378,608	-	-	-
Operational Cost												
Pg 2	Line C	Pg 2	Line C	600,000	9,900,000	-	-	-	71,670	-	-	10,428,330
E14th St Phase II Improvements												
Pg 2	Line F	Pg 2	Line F	51,683	-	-	-	-	23,093	-	-	28,591
San Lorenzo Library Renovation												
Pg 2	Line B	Pg 2	Line B	2,280,065	1,441,356	-	-	-	164,657	-	-	3,556,763
Consultants Debt												
Pg Form B	Line B	Pg Form B	Line H	-	152,801	-	-	-	152,801	-	-	-
HARD Passthrough												
Pg 2	Line D	Pg NA	Line D	340,190	-	-	340,190	-	-	-	-	-
Redevelopment Remodelling												
Pg 2	Line G	Pg NA	Line G	30,713	-	-	30,713	-	-	-	-	-
Land Acquisition (16640 E 14th St)												
Pg 2	Line E	Pg 2	Line E	200,000	-	-	-	-	25,000	-	-	175,000
East Lewelling Blvd Widening												
TOTAL - THIS PAGE				\$ 26,969,784	\$ 11,872,765	\$ 370,902	\$ 3,874,635	\$ -	\$ -	\$ -	\$ -	\$ 34,597,012
TOTALS FORWARD				\$ 75,700,750	\$ 40,724	\$ 101,797	\$ 9,708,234	\$ -	\$ -	\$ -	\$ -	\$ 65,931,443
GRAND TOTALS												

NOTE: This form is to reconcile the previous Statement of Indebtedness to the current one being filed. However, since the reconciliation period is limited by law to a July 1 - June 30 fiscal year period, only those items included on the SOI Form A are to be included on this document. To assist in following each item of indebtedness from one SOI to the next, use page and line number references from each SOI that the item of indebtedness is listed on. If the indebtedness is new to this fiscal year, enter "new" in the "Prior Yr" page and line columns. Column F must equal the current SOI, Form A total Outstanding Debt column.

RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS

Name of Agency City of San Leandro Redevelopment Agency

Name of Project Area City-County Joint Project (County)

Tax Year **2011-12**

Reconciliation Dates: From July 1, 2010 to June 30, 2011

SOI, page and line: Prior Yr		Debt Identification: Brief Description		A Outstanding Debt All Beginning Indebtedness		B Adjustments		C Decreases (Attach Explanation)		D Amounts Paid Against Indebtedness, from:		E Other Funds	F Remaining Balance (A+B-C-D-E)
						Increases (Attach Explanation)	Decreases (Attach Explanation)	Tax Increment					
Pg New	NA			\$ -	\$ 416,048	\$ -	\$ -	\$ -	\$ -	\$ 416,048	\$ -	\$ -	
Line	NA	County Share - 1011 SERAF											
Pg New	2			-	9,900,000	-	-	-	-	-	-	-	9,900,000
Line	H	E14th St Phase III Impvmt Agmt (Tier I)											
Pg New	2			-	4,400,000	-	-	-	-	-	-	-	4,400,000
Line	I	163 Ave Intersection Impvmts											
Pg New	2			-	6,060,000	-	-	-	-	-	-	-	6,060,000
Line	J	Fairmont Park Acquisition (Tier I and II)											
Pg New	2			-	45,000	-	-	-	-	-	-	-	45,000
Line	G	Advertising Reimbursement Program											
Pg													
Line													
Pg													
Line													
Pg													
Line													
Pg													
Line													
TOTAL - THIS PAGE				\$ -	\$ 20,821,048	\$ -	\$ -	\$ -	\$ -	\$ 416,048	\$ -	\$ -	\$ 20,405,000
TOTALS FORWARD				102,670,534	11,913,488	472,699	13,582,869	0	100,528,455				
GRAND TOTALS				\$ 102,670,534	\$ 32,734,536	\$ 472,699	\$ 13,998,917	\$ -	\$ 120,933,455				

NOTE: This form is to reconcile the previous Statement of Indebtedness to the current one being filed. However, since the reconciliation period is limited by law to a July 1 - June 30 fiscal year period, only those items included on the SOI Form A are to be included on this document. To assist in following each item of indebtedness from one SOI to the next, use page and line number references from each SOI that the item of indebtedness is listed on. If the indebtedness is new to this fiscal year, enter "new" in the "Prior Yr" page and line columns. Column F must equal the current SOI, Form A total Outstanding Debt column.

City of San Leandro
 Reconciliation Statement-Changes in Indebtedness
 2011-12 Tax year

Column B: Explanation of adjustments:

Column C: Explanation of adjustments:

Increases

Decreases

Operational Cost ¹	378,608
E14th Phase II Improvements ³	9,900,000
Consultant Debt ⁴	1,441,356
HARD Pass-Through ¹	152,801
County Share 1011 SERAF ⁵	416,048
E14th St Phase II ³	9,900,000
163 Ave Intersection Improvements ³	4,400,000
Fairmont Park Acquisition	6,060,000
Advertising Reimbursement Program	45,000
20% Low Mod Set Aside Funds ²	40,724
	<u>\$ 32,734,536</u>

Redevelopment Remodeling	\$ 340,190
Land Acquisition 16640 E14th St	30,713
Pass Through Agreements	10,467
Advance for Admin Costs - City	91,330

Adjusted estimates to actuals/projects completed.

\$ 472,699

¹ Was in Form B of previous SOI.

² Estimate adjusted to match actuals.

³ Increase in funds for public improvement projects.

⁴ Was in Form B of the Previous SOI. Increase due to new contract obligations of \$1,441,356.

⁵ Pursuant to H&S Code Sec 33690

STATEMENT OF INDEBTEDNESS - POST FISCAL YEAR INDEBTEDNESS ONLY
FILED FOR THE 2010-2011 YEAR

FORM B
(Optional)

Name of Redevelopment Agency City of San Leandro Redevelopment Agency
 Name of Project Area City-County Joint Project - Both

For Indebtedness Entered into post July 01, 2011 as of September 30, 2011

Debt Identification	Original Data					Current	
	Date	Principal	Term	Interest Rate	Total Interest	Outstanding Debt	Principal/Interest Due During Tax Year
(A) Operational Cost - County	7/1/2011	\$ 669,900	1 Year			\$ 669,900	\$ 669,900
(B) HARD Passthrough - County	7/1/2011	\$ 236,907	1 Year			\$ 236,907	\$ 236,907
(C) Advance for Admin Costs - City	7/1/2011	\$ 432,215	1 Year			\$ 432,215	\$ 432,215
(D) 20% Low Mod Housing - Both	7/1/2011	\$ 2,394,138	1 Year			\$ 2,394,138	\$ 2,394,138
(E) Pass Through Agreements - Both	7/1/2011	\$ 4,128,469	1 Year			\$ 4,128,469	\$ 4,128,469
(F) Transfer payment agreement remittance	9/20/2011	\$ 2,828,000	FY11/12			\$ 2,828,000	\$ 2,828,000
(G) Transfer payment agreement remittance	9/20/2011	\$ 16,406,153	FY12/13 to 2044			\$ 16,406,153	\$ -
(H) HARD Passthrough	7/1/2011	\$ 245,497	FY11/12			\$ 245,497	\$ 245,497
(I) 20% Low-Mod Set-Aside - Both	7/1/2011	\$ 112,427,735	FY12/13 to 2044			\$ 112,427,735	\$ -
(J) Operational Cost - County	7/1/2011	\$ 36,226,747	FY12/13 to 2044			\$ 36,226,747	\$ -
(K) HARD Passthrough	7/1/2011	\$ 10,463,019	FY12/13 to 2038			\$ 10,463,019	\$ -
(L) Pass Through Agreements - Both	7/1/2011	\$ 222,432,599	FY12/13 to 2044			\$ 222,432,599	\$ -
(M) Advance for Admin Costs - City	7/1/2011	\$ 23,373,254	FY12/13 to 2044			\$ 23,373,254	\$ -
Sub Total, This Page						\$ 432,264,633	\$ 10,935,126
Totals Forward From All Other Pages						\$ 432,264,633	\$ 10,935,126
Totals, Fiscal Year Indebtedness						\$ 432,264,633	\$ 10,935,126

Purpose of Indebtedness:
 (A) Operational Costs - County 2011-12
 (B) HARD Passthrough - County 2010-11
 (C) Admin Costs - City 2011-12
 (D) 20% Low Mod Housing Set Aside - County and City 2011-12
 (E) Pass Through Agreements - County and City 2011-12
 (F) FY 11/12 transfer payment - County
 (G) FY 12/13-2044 transfer payments - County
 (H) HARD Passthrough - County 2011-12
 (I) 20% Low Mod Housing Set Aside - County and City 2012-13 - 2044
 (J) Operational Costs - County 2012-13 - 2044
 (K) HARD Passthrough - County 2012-13 - 2044
 (L) Pass Through Agreements - County and City 2012-13 - 2044
 (M) Admin Costs - City 2012-13 - 2044

STATEMENT OF INDEBTEDNESS - CONSOLIDATED
FILED FOR THE 2010 - 2011 TAX YEAR

COVER PAGE

Name of Redevelopment Agency City of San Leandro Redevelopment Agency
 Name of Project Area West San Leandro MacArthur Blvd

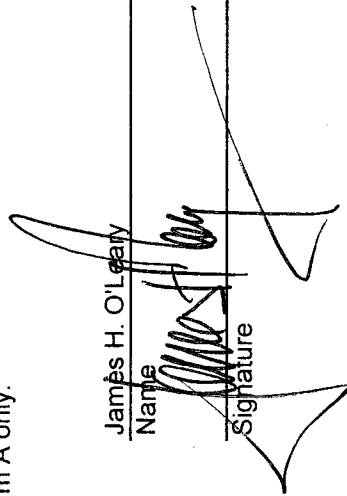
2011 SEP 30 PM 3:09

SLANDRA 000111 000000

Balances Carried Forward From:	Line	Current	
		Total	Principal/Interest Due During Tax year
Fiscal Period - Totals (Optional) (From Form A, Page 1 Totals)	(1)	\$13,455,225	\$394,425
Post Fiscal Period - Totals (From Form B, Page 1 Totals)	(2)	194,696,021	2,572,730
Grand Totals	(3)	208,151,246	2,967,155
Available Revenues			
From Calculations of Available Revenues, Line 7	(4)	4,066,384	
Net Requirement	(5)	\$204,084,862	

Consolidate on this form all of the data contained on Form A and B (including supplemental pages). Form A is to include all indebtedness entered into as of June 30 of the Fiscal Year. Form B may be filed at the option of the Agency, and is to include indebtedness entered into post June 30 of the Fiscal Year, pursuant to Health and Safety Code section 336759(c)(2). This is optional for each agency and is not a requirement for filing the Statement of Indebtedness. The Reconciliation Statement is to include indebtedness from Form A only.

Certification of Chief Financial Officer:
 Pursuant to Section 33575 (b) of the Health and Safety Code, I hereby certify that the above is a true and accurate Statement of Indebtedness for the above named Agency.


 Name James H. O'Leary Title Interim Finance Director
 Signature [Signature] Date September 30, 2011

CALCULATION OF AVAILABLE REVENUES

City of San Leandro Redevelopment Agency

West San Leandro MacArthur Blvd

2011-12

AGENCY NAME

PROJECT AREA

TAX YEAR

RECONCILIATION DATES: JULY 1, 2010 TO JUNE 30, 2011

1. Beginning Balance, Available Revenue (See Instructions)	<u>\$ 3,475,689</u>
Adjustments made after the SOI filed but present in the audit report fund equities	<u>(13,143)</u>
2. Tax Increment Received - Gross All Tax Increment Revenues, to include any Tax Increment passed through to other local taxing agencies.	<u>4,236,315</u>
3. All other Available Revenues Received (See Instructions)	<u>10,096</u>
4. Revenues from any other source, included in Column E of the Reconciliation Statement but not included in (1-3) above.	<u> </u>
5. Sum of Lines 1 through 4	<u>\$7,708,957</u>
6. Total amounts paid against indebtedness in previous year. (D + E on reconciliation Statement)	<u>3,642,573</u>
7. Available Revenues, End of Year (5 - 6)	<u>\$4,066,384</u>

**FORWARD THIS AMOUNT TO STATEMENT OF INDEBTEDNESS, COVER PAGE, LINE 4
INDEBTEDNESS, COVER PAGE, LINE 4**

NOTES

Tax Increment Revenues:
The only amount(s) to be excluded as Tax Increment Revenue are any amounts passed through to other local taxing agencies pursuant to Health and Safety Code Section 33676. Tax Increment Revenue set-aside in the Low and Moderate Income Housing Fund will be washed in the above calculation, and therefore omitted from Available Revenues at year end.

Item 4. Above:

This represents any payments from any source other than Tax Increment OR available revenues. For instance, an agency funds a project with a bond issue. The previous SOI included a Disposition Development Agreement (DDA) which was fully satisfied with these bond proceeds. The DDA would be shown on the Reconciliation Statement as fully repaid under the "other" column (Col E), but with funds that were neither Tax Increment, nor "Available Revenues" as defined. The amounts used to satisfy this DDA would be included on line 4 above in order to accurately determine ending "Available Revenues."
S.L. - 2011 Forms State of CA

**STATEMENT OF INDEBTEDNESS - FISCAL YEAR INDEBTEDNESS
FILED FOR THE 2010-11 TAX YEAR**

Name of Redevelopment Agency City of San Leandro Redevelopment Agency
 Name of Project Area West San Leandro MacArthur Blvd

For Indebtedness Entered into as of June 30, 2011

Debt Identification	Date	Original Data				Current		
		Principal	Term	Interest Rate	Total Interest	Total Outstanding Debt	Principal/Interest Due During Tax Year	
(A) West San Leandro/TABS	09/01/04	\$ 5,500,000	25 years	Various	\$ 6,227,155	\$ 9,406,957	\$ 394,425	
(B) Eden Road Construction	1/17/2011	\$1,500,000	7/1/12	0.00%	\$ -	\$ 1,500,000	\$ -	
(C) MacArthur (Lewis-Dutton) Streetscape Improvements	1/17/2011	\$ 1,274,134	7/1/13	0.00%	\$ -	\$ 1,274,134	\$ -	
(D) Doolittle (Davis-Fairway) Streetscape Improvements	1/17/2011	\$ 4,193,611	7/1/14	0.00%	\$ -	\$ 1,274,134	\$ -	
(E)								
(F)								
(G)								
(H)								
(I)								
Sub Total, This Page						\$ 13,455,225	\$ 394,425	
Totals Forward From All Other Pages								
Totals, Fiscal Year Indebtedness						\$ 13,455,225	\$ 394,425	

Purpose of Indebtedness:
 (A) 2004 West San Leandro MacArthur Boulevard Redevelopment
 Project Area Tax Allocation Bonds

RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS

Name of Agency City of San Leandro Redevelopment Agency

Name of Project Area West San Leandro MacArthur Blvd

Tax Year **2011-12** Reconciliation Dates: From July 1, 2010 to June 30, 2011

SOI, page and line: Prior Yr		Debt Identification: Brief Description		A Outstanding Debt All Beginning Indebtedness		B Adjustments		C Decreases (Attach Explanation)		D Amounts Paid Against Indebtedness, from:		E Other Funds	F Remaining Balance (A+B-C-D-E)
						Increases (Attach Explanation)				Tax Increment			
Pg 1 Line A	Pg 1 Line A	West San Leandro/TABS		\$ 9,803,069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 396,112	\$ -	\$ -	\$ 9,406,957
Pg Form B Line A	Pg Form B Line A	City Advance for Admin Costs		\$ 800,012	\$ -	\$ -	\$ 14,082	\$ -	\$ -	\$ 785,930	\$ -	\$ -	\$ -
Pg Form B Line B	Pg Form B Line B	20% Low/Mod Housing Set-Aside		\$ 809,918	\$ 30,076	\$ -	\$ -	\$ -	\$ -	\$ 839,994	\$ -	\$ -	\$ -
Pg Form B Line C	Pg Form B Line C	Pass Through Agreements		\$ 822,535	\$ -	\$ 78,206	\$ -	\$ -	\$ -	\$ 744,329	\$ -	\$ -	\$ -
Pg Form B Line D	Pg NA Line NA	2010-11 SERAF		\$ 876,208	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 876,208	\$ -	\$ -	\$ -
Pg NEW Line	Pg 1 Line B	Eden Road Construction		\$ -	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
Pg NEW Line	Pg 1 Line C	MacArthur Streetscape Improvements		\$ -	\$ 1,274,134	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,274,134
Pg NEW Line	Pg 1 Line D	Doolittle Streetscape Improvements		\$ -	\$ 4,193,611	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,193,611
TOTAL - THIS PAGE				\$ 13,111,742	\$ 30,076	\$ 92,288	\$ 3,642,573	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,406,957
TOTALS FORWARD				\$ 13,111,742	\$ 30,076	\$ 92,288	\$ 3,642,573	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,406,957
GRAND TOTALS				\$ 13,111,742	\$ 30,076	\$ 92,288	\$ 3,642,573	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,406,957

NOTE: This form is to reconcile the previous Statement of Indebtedness to the current one being filed. However, since the reconciliation period is limited by law to a July 1 - June 30 fiscal year period, only those items included on the SOI Form A are to be included on this document. To assist in following each item of indebtedness from one SOI to the next, use page and line number references from each SOI that the item of indebtedness is listed on. If the indebtedness is new to this fiscal year, enter "new" in the "Prior Yr" page and line columns. Column F must equal the current SOI, Form A total Outstanding Debt column.

**Reconciliation Statement-Changes in Indebtedness
2011-2012 Tax year**

<u>Column B:</u>	Explanation of adjustments: <u>Increases</u>	
	20% Low Mod Housing	\$ 30,076
	Eden Road	1,500,000
	MacArthur Boulevard Streetscape	1,274,134
	Doolittle Drive Streetscape	4,193,611
	Total	<u>\$ 6,997,821</u>
<u>Column C:</u>	Explanation of adjustments: <u>Decreases</u>	
	City Advance for Cost	\$ 14,082
	Pass-through Agreements	78,206
	Total	<u>\$ 92,288</u>
	Net Adjustments	<u><u>\$ 6,905,533</u></u>

Adjustments represent the difference between estimated and actual.
Eden, MacArthur, and Doolittle are new capital projects funded by a cooperative agreement.

RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS
 STATEMENT OF INDEBTEDNESS - POST FISCAL YEAR INDEBTEDNESS ONLY
 FILED FOR THE 2011-2012 YEAR

FORM B
 (Optional)

Name of Redevelopment Agency City of San Leandro Redevelopment Agency
Name of Project Area West San Leandro

For Indebtedness Entered into as of June 30, 2011

Debt Identification	Date	Principal	Original Data			Current		
			Term	Interest Rate	Total Interest	Total Outstanding Debt	Principal/Interest Due During Tax Year	
(A) City Advance for Admin Costs	7/1/2011	\$ 999,299	6/30/12	0.00%		\$ 999,299	\$ 999,299	
(B) 20% Low/Mod Housing Set Aside	7/1/2011	\$ 829,102	6/30/12	0.00%		\$ 829,102	\$ 829,102	
(C) Pass Through Agreements	7/1/2011	\$ 744,329	6/30/12	0.00%		\$ 744,329	\$ 744,329	
(D) City Advance for Admin Costs	7/1/2011	\$ 59,420,399	FY12/13 - 2046	0.00%		\$ 59,420,399	\$ -	
(E) 20% Low/Mod Housing Set Aside	7/1/2011	\$ 54,420,426	FY12/13 - 2046	0.00%		\$ 54,420,426	\$ -	
(F) Pass Through Agreements	7/1/2011	\$ 78,282,466	FY12/13 - 2046	0.00%		\$ 78,282,466	\$ -	
Sub Total, This Page							\$ 194,696,021	\$ 2,572,730
Totals Forward From All Other Pages							\$ 194,696,021	\$ 2,572,730
Totals, Fiscal Year Indebtedness							\$ 194,696,021	\$ 2,572,730

Purpose of Indebtedness:
 (A) Advance from City for operational and project costs.
 (B) Projected set-aside obligation
 (C) Projected pass-through obligations
 (D) Advance from City for operational costs FY2012-13 - 2046
 (E) Projected set-aside obligation FY2012-13 - 2046

(F) Projected pass-through obligations FY2012-13 - 2046
 (G)
 (H)
 (I)

Section II:

Basic Financial Statements & Independent Audit

**REDEVELOPMENT AGENCY
OF SAN LEANDRO**

**(A COMPONENT UNIT OF THE
CITY OF SAN LEANDRO)**

**BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2011**

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REDEVELOPMENT AGENCY OF SAN LEANDRO

TABLE OF CONTENTS

June 30, 2011

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-- Wide Financial Statements	
Statement of Net Assets	18
Statement of Activities	19
Fund Financial Statements	
Balance Sheets Governmental Funds	22
Reconciliation of the Governmental Funds Balance Sheet with The Statement of Net Assets	23
Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds	24
Reconciliation of the Net Change in Fund Balances – Total Governmental Funds with The Statement of Activities	25
Notes to the Basic Financial Statements	29
Supplementary Information:	
Budgetary Comparison Schedule – Debt Service Fund	48
Excess Surplus Calculation	49
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i>	51
Independent Auditor's Report on Compliance and on Internal Control over Compliance In Accordance with the California Health Safety Code as Required by Section 33080.1	53

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INDEPENDENT AUDITOR'S REPORT

Members of the Governing Board of the
City of San Leandro Redevelopment Agency
San Leandro, California

We have audited the accompanying basic component unit financial statements of the governmental activities and each major fund of the San Leandro Redevelopment Agency (Agency), a component unit of the City of San Leandro, as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements as of June 30, 2010, were audited by other auditors whose opinion dated December 22, 2010, were unqualified.

We conducted our audit in accordance with generally accepted auditing standards in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the component unit financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities and each major fund of the San Leandro Redevelopment Agency as of June 30, 2011, and the changes in the financial position and the respective budgetary comparisons listed as part of the basic financial statements for the year then ended, in conformity with generally accepted accounting principles in the United States of America.

As disclosed in Note 12, the State of California adopted ABx1 26 on June 28, 2011, which suspends all new redevelopment activities except for limited specified activities as of that date and dissolves redevelopment agencies effective October 1, 2011. The State simultaneously adopted ABx1 27 which allows redevelopment agencies to avoid dissolution by opting into an "alternative voluntary redevelopment program" requiring specified substantial annual contributions to local schools and special districts. These conditions raise substantial doubt about the Agency's ability to continue as a going concern. However, on August 11, 2011, the California Supreme Court issued a partial stay of ABx1 26 and a full stay of ABx1 27, but the partial stay did not include the section of ABx1 26 that suspends all new redevelopment activities. As a result, the accompanying financial statements have been prepared assuming that the Agency will continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

As of July 1, 2010, the Agency adopted the provision of Governmental Accounting Standards Board Statement Number 54 (GASB 54), Fund Balance Reporting and Governmental Fund Type Definitions. As discussed in Note 1J to the financial statements, the provisions of this statement affect the classification of fund balances reported in the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2011 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic component unit financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the component unit financial statements taken as a whole. The supplemental information listed in the Table of Contents is presented for purposes of additional analysis and are not a required part of the component unit financial statements of the Agency. Such information has been subjected to the auditing procedures applied in our audit of the component unit financial statements, and in our opinion is fairly stated in all material respects in relation to the component unit financial statements taken as a whole.

Maze & Associates

October 28, 2011

REDEVELOPMENT AGENCY OF THE CITY OF SAN LEANDRO

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2011

The discussion and analysis of the financial performance of the Redevelopment Agency (the "Agency") provides an overall review of the Agency's financial activities for the fiscal year ended June 30, 2011 (FY 2010/2011). The intent of this discussion and analysis is to look at the Agency's financial performance as a whole. Readers should also review the basic financial statements, as well as the prior year's report ending June 30, 2010, to enhance their understanding of the Agency's financial performance.

The financial section of this report has been prepared to show the results of the financial administration, financial condition, and operation of the Agency. The financial statements in this report have been audited by the firm Maze & Associates, whose opinion is included in this report.

BASIS OF ACCOUNTING

The Agency maintains funds in accordance with accounting principles set forth by the Governmental Accounting Standards Board (GASB) and accounting principles generally accepted in the United States. The accounts of the Agency are organized and operated on the basis of funds, each of which is defined as a separate set of self-balancing accounts that reflect its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

The accounting records of the Agency are maintained on the modified accrual basis of accounting. The modified accrual basis of accounting is defined as the basis of accounting by which expenditures, other than accrued interest on general long-term debt, are reported at the time liabilities are incurred and revenues are recorded when received in cash, except for measurable and available revenues which are accrued to properly reflect taxes levied and revenues earned.

FINANCIAL HIGHLIGHTS

Agency Wide

The liabilities of the Agency exceeded its assets at fiscal year ending on June 30, 2011 by approximately \$27 million. Of this amount, \$18.8 million is restricted for capital projects and debt purposes as specified by entities outside the Agency.

Fund Level

For fiscal year 2010-11, revenues exceeded expenditures, including operating transfers in and out, by \$252,000 resulting in an increase in total fund balance from \$18.5 million to \$18.8 million. Of the \$18.8 million total fund balance, \$10.7 million is designated for redevelopment projects, \$3.1 million is reserved for low and moderate income housing programs, and \$5.0 million is reserved for debt reserves and repayment.

MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This report is in three parts:

- 1) Management's Discussion and Analysis (this part),
- 2) The Basic Financial Statements, which include the Agency-wide and the Fund financial statements, along with the Notes to these financial statements,
- 3) Unaudited Supplementary Information

THE BASIC FINANCIAL STATEMENTS

The Basic Financial Statements comprise the Agency-wide Financial Statements and the Fund Financial Statements. These two sets of financial statements provide two different views of the Agency's financial activities and financial position - long-term and short-term.

The Agency-wide Financial Statements provide a longer-term view of the Agency's activities as a whole, and comprise the Statement of Net Assets and the Statement of Activities. The Statement of Net Assets provides information about the financial position of the Agency as a whole, including all its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all the Agency's revenues and all its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of each the Agency's programs. The Statement of Activities explains in detail the change in Net Assets for the year.

The Fund Financial Statements report the Agency's operations in more detail than the Agency-wide statements and focus primarily on the short-term activities of the Agency's Major Funds. The Fund Financial Statements measure only current revenues and expenditures, current assets, liabilities and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

Together, all these statements are now called the Basic Financial Statements.

The Agency-wide Financial Statements

All of the Agency's basic services are considered to be governmental activities, including general government and community development. These services are supported by general Agency revenues such as property tax increments, and by program revenues such as lease revenues.

Agency-wide financial statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the Agency as a whole.

Fund Financial Statements

Governmental Fund financial statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are presented only in the Agency-wide financial statements.

The Agency has five funds all of which are presented as Major Funds.

SUMMARIZED FINANCIAL INFORMATION

TABLE 1

	Governmental Activities	
	2011	2010
Current and other assets	\$ 35,633,275	\$ 37,263,217
Capital assets	-	8,596,138
Total assets	<u>35,633,275</u>	<u>45,859,355</u>
Current Liabilities	8,430,783	7,892,222
Long-term liabilities	53,946,836	57,984,420
Total liabilities	<u>62,377,619</u>	<u>65,876,642</u>
Net Assets:		
Invested in capital assets, net of related debt	-	8,596,138
Restricted	18,802,684	18,550,418
Unrestricted	(45,547,028)	(47,163,843)
Total net assets (deficit)	<u>\$ (26,744,344)</u>	<u>\$ (20,017,287)</u>

TABLE 2

	Governmental Activities	
	2011	2010
Revenues:		
General Revenues:		
Incremental property taxes	\$ 11,104,408	\$ 10,969,052
Other	844,738	698,220
Investment earnings	232,733	191,276
Total general revenues	<u>12,181,879</u>	<u>11,858,548</u>
Expenses:		
Community Development	7,468,181	16,630,638
Interest on long-term debt	2,907,358	3,091,140
Total expenses	<u>10,375,539</u>	<u>19,721,778</u>
Increase in net assets before transfers	1,806,340	(7,863,230)
Transfers (Note 4 and 5)	(14,683,396)	-
Decrease in net assets	(12,877,056)	(7,863,230)
Prior Period Adjustment (Note 1M)	6,150,000	-
Net assets (deficit) beginning	(20,017,288)	(12,154,057)
	<u>\$ (26,744,344)</u>	<u>\$ (20,017,288)</u>

AGENCY-WIDE FINANCIAL OVERVIEW

At the fund level, total revenue for fiscal year 2010-11 was \$12.2 million, of which 91% was tax increment revenue and 9% was interest and other income. Tax increment revenue for the Agency increased by 1% in fiscal year 2010-11, to \$11.1 million from \$11.0 million in the previous fiscal year. Twenty percent of tax increment revenue, approximately \$2.6 million in fiscal year 2010-11, is set aside in the Low and Moderate Housing Fund for affordable housing projects.

<u>Fiscal Year</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
Tax Increment	\$9,426,640	\$9,837,062	\$10,957,140	\$10,969,052	\$11,104,408

Total expenditures for fiscal year 2010-11 were \$11.9 million: \$7.3 million represented community development projects (from which \$1.7 million was for affordable housing projects) and \$4.6 million went for payments of long-term debt and related interest.

At the end of the current fiscal year, the Agency's total long-term debt outstanding is \$54.6 million, decrease of \$0.8 million from the prior fiscal year. The Agency also had \$2.1 million in outstanding advances from the City, a decrease of \$2.3 million from the previous fiscal year. Additional information on the Agency's debt and advances from the City can be found on Note 8 and Note 7, respectively, on the notes to the financial statements.

ECONOMIC DEVELOPMENT AND COMMERCIAL REVITALIZATION

The Agency is active in three redevelopment project areas: the Plaza Project Area, the Alameda County – City of San Leandro Project Area (also known as the “Joint” Project Area), and the West San Leandro/MacArthur Boulevard Project Area. The Agency is also active in funding affordable housing activities throughout the city. Pursuant to Health and Safety Code Section 33080.1 (d), selected accomplishments for Fiscal Year 2010-11 include:

Overall

- The Redevelopment Agency creation of a Branding and Marketing Strategy to increase visitors and attract new businesses. To assist in this process, the Agency formed a Branding and Marketing Working Group, consisting of 23 leaders from the City's business community. The first two meetings of the Working Group were held in April and May of 2011 and the group made substantial progress to the development of a Branding and Marketing Strategy.
- The Agency initiated development of a Broadband Strategy, designed to facilitate improved access to high-speed internet in commercial and industrial areas in the City. The Agency hired a technical consultant and began collecting data on current service availability by reaching out to service providers and local businesses.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- The Agency also began working with OSIsoft, a local software company on a proposal to license existing City conduit for the installation of a fiber optic loop throughout approximately 10 miles in the City. The fiber loop will be a business attraction tool, allowing the City's industrial properties to be re-purposed as high-tech and clean-tech business locations.
- The Redevelopment Agency continued to assist the Chamber of Commerce with their business development programs. The Agency sponsored the Chamber's San Leandro by Design events, an initiative to engage the community in dialogue related to the future of our City, their community fair, and supported enhancement of their website.
- The Redevelopment Agency sponsored a Global Access Forum on May 20th which was attended by approximately 100 business and municipal leaders from throughout the Bay Area. The Forum brought together professionals from Ex-Im Bank, the Small Business Administration and the U.S. Department of Commerce to educate local companies on how to export goods and services to foreign markets.

Plaza Project Area

- **Financial Overview:** Tax increment revenue in the Plaza Project Area was \$2.2 million in fiscal year 2010-11, down 1.2% from the previous fiscal year. Expenditures for the Project Area for 2010-11 were \$1.0 million. \$13.0 million of the Agency's total long-term obligation is attributable to the outstanding principal on the 2002 Tax Allocation Bonds issued for capital improvements in the Plaza Project Area. \$375,000 in bond proceeds remain and will be primarily used to purchase 262 Davis Street in order to develop Town Hall Square (see below).
- The Agency assisted the owners of the historic *Best Building* on East 14th Street with improvements to the building's signature clock, using funds from the Commercial Rehabilitation Program.
- Also under the Commercial Rehabilitation Program, the Agency supported a project at the *Liberty Tax* building on East 14th Street. The project involved new paint and window improvements that restored and highlighted the art-deco elements of the building's design.
- Implementation of Downtown San Leandro's "We Are San Leandro" marketing campaign continued. Four new people postcards, spotlighting some of the key players in Downtown, were distributed to hundreds of potential retail tenants and real estate professionals. Staff continued targeted outreach to numerous potential retail tenants and tabled at ICSC events to promote opportunities in Downtown San Leandro.
- Agency staff served on the Downtown Association board and the Agency assisted the Downtown Association in holding the 11th annual Sausage & Suds event on October 3, 2010, the second annual "It's a Wonderful Night" holiday celebration in the new Joaquin Plaza on December 3, 2010, the second annual Bike SL event on June 12, 2011. These events brought thousands of people downtown for entertainment, activities and dining.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- The Agency continued working with Innisfree Ventures II to develop Town Hall Square (consisting of 212, 250, 262 and 290 Davis Street). Planning efforts were continued to explore opportunities for development at the site, with particular effort devoted to exploring options for acquiring and/or incorporating additional parcels within the site.

Joint Project Area

- **Financial Overview:** Tax increment revenue in the Joint Project Area was \$2.9 million in fiscal year 2010-11, up 1.7% from the previous fiscal year. Expenditures for the Project Area for 2010-11 were \$2.2 million. \$3.8 million of the Agency's total long-term obligation is attributable to the outstanding principal on the 2001 Certificates of Participation issued for capital improvements in the Joint Project Area, the proceeds of which have been fully expended. \$26.7 million of the Agency's obligation is attributable to the outstanding principal on the 2008 Tax Allocation Bonds issued for capital improvements in the Joint Project Area. \$11.1 million in 2008 bond proceeds remain and will be used primarily for the completion of the Downtown Garage project.
- Construction was completed on the 21,000 square-foot Senior Community Center which includes classrooms, arts and crafts areas, exercise rooms, and a large main hall which will also serve as an Emergency Operations Center.
- The Agency continued working with Innisfree Ventures II to develop 1550 East 14th Street. Preliminary planning efforts focused on the possibility of a neighborhood retail development on the site.
- As part of the "Triangle" project to reconfigure and beautify the intersection of East 14th Street, Hesperian Boulevard and 150th Avenue, the Agency worked on identifying relocation options for Quality Tune Up, which had been located at 14901 East 14th Street. Conceptual designs and preliminary cost estimates were also developed for the landscaping of the site in order to create an attractive entry point into the City.
- Construction began on a four story LEED certified parking garage. The four story parking structure will include approximately 2,000 sq. ft. of retail along Estudillo Avenue to be used as an office for the San Leandro Chamber of Commerce and enhancements to Plaza Del Oro, the pedestrian entry to the garage. This garage will replace the current 246 space garage which is seismically unstable, not ADA accessible and of insufficient size to meet the downtown's parking needs. The new garage will provide substantially greater capacity, with 380 spaces, allowing visitors to park once and walk to multiple destinations downtown.
- The Agency continued exploring options to develop the former East Bay Municipal Utility District building at 1595 Washington Avenue, along with the neighboring parcel at 268 Parrott Street, into a mixed use development consistent with the City's Transit Oriented Development Strategy.
- The Agency continued to make payments to the San Leandro Unified School District for public improvements at their new Ninth Grade Campus and construction of a gymnasium. Consistent with the 2009 Financing Agreement, the Agency will contribute \$2.2 million over a period of roughly seven years.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Using Commercial Rehabilitation Program funds, the Agency assisted with improvements to the *DC Dance Center* on Washington Avenue and *Mike's Pet and Feed* on East 14th Street. The DC Dance project involved new window graphics, paint, lighting, signage and landscaping. The Mike's Pet and Feed project involved new paint and signage.
- The Agency worked with *Pallen's Martial Arts* to develop design plans for a façade improvement project at their new location on East 14th Street. Depending on the outcome of the ongoing lawsuit regarding the state of redevelopment in California, the Agency hopes to use Commercial Rehabilitation Program funds to assist in implementation of the project.
- Staff worked with representatives from *Chase Bank* to coordinate the demolition of the long blighted First Interstate Bank building, which is adjacent to the Chase branch on East 14th Street. Once cleared, the site will include additional parking for Chase, a new vehicular entrance on East 14th Street, and new landscaping. The project will also facilitate improved access for Chase customers on days when the Farmers' Market is active on Parrott Street.
- Work was completed on streetscape and median improvement project on East 14th Street between 136th Avenue and 143rd Avenue. The project involved the construction of new medians and the installation of new trees and landscaping. Funding was provided primarily through a Federal grant, although a small Agency match was also provided.
- The seasonal Downtown Farmers' Market continued to draw crowds with the average weekly patronage averaging 2,500 per week, an increase from the previous year. The market was reconfigured this year to occupy Parrott Street to East 14th Street, adding space to accommodate over 40 vendor stalls.

West San Leandro/MacArthur Boulevard Project Area

- **Financial Overview:** Tax increment revenue in the West San Leandro/MacArthur Boulevard Project Area was \$3.4 million in fiscal year 2010-11, up 3.2% from the previous fiscal year. Expenditures for the Project Area for 2010-11 were \$2.4 million. \$5.2 million of the Agency's total long-term obligation is attributable to the outstanding principal on the 2004 Tax Allocation Bonds issued for capital improvements in the West San Leandro/MacArthur Boulevard Area. The bond funds have been fully expended.
- Agency staff continued to provide assistance with the development of the *Kaiser Permanente Medical Center* on the 63-acre former Albertson's distribution site at Marina Boulevard and I-880. The first phase of construction will consist of a 264-bed state-of-the-art hospital and a 275,000 square-foot hospital support building and will provide over 2,300 jobs.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- The Agency continued working as part of the East Bay Green Corridor, a regional partnership committed to strengthening the green technology economy while reaching sustainability goals. In 2010-11, Agency involvement in the Corridor was focused in the areas of marketing/website development and business development. A primary goal of the Agency's participation is to attract green businesses to opportunity sites which mainly exist in the West San Leandro industrial area. San Leandro staff also worked with other members of the green Corridor to develop an e-Newsletter that highlights existing green businesses and noteworthy stories about the region's green economy. The East Bay Green Corridor was designated as an Innovation Hub (iHub) by the State of California.
- In 2010-11 Agency staff assisted with the implementation of the "Careers in Industrial Technology" program, an initiative to introduce high school students to job training and opportunities in manufacturing businesses. The program was launched this year and a group of students from San Leandro High School were given tours of several industrial businesses within the City where they learned about available jobs, hiring practices, and the skills required for a successful career in manufacturing.
- The Agency continued implementation of an Industrial Competitiveness Grant program to provide technical assistance as well as funding for capital improvements which assist manufacturers and other industrial businesses in increasing energy efficiencies, thereby reducing their costs. This not only meets the City's goal of green house gas emissions reduction, but also assists businesses in remaining competitive. In 2010-11, the Agency used this program to contribute to lighting improvements at *Mi Rancho Tortilla Factory*, *PrimeSource Building Materials*, and *Glesby Wholesale*, and for the installation of skylights at *Scandic Springs*.
- *Ridge Foundry*, located at 1554 Doolittle Drive, completed a successful façade improvement which included the installation of new fencing and landscaping along the Doolittle frontage.
- In 2010-11 the Agency continued to provide administrative support the San Leandro LINKS shuttle which transports employees between industrial businesses and the Downtown San Leandro BART Station. Ridership of the shuttle continues to be strong, and the Agency facilitated renegotiation of the contract with service provider MV Transportation to provide a small decrease in operating expenses. Although grants have been secured for the next three fiscal years, a small financial contribution from the Agency was needed in 2010-11 to ensure that the account remained solvent. Minor Agency support will likely be needed in future years.

Housing

The housing objectives of the San Leandro Redevelopment Agency 2010-14 Implementation Plan, City of San Leandro Housing Element, and the City's U.S. Department of Housing and Urban Development (HUD) 2010-2014 Consolidated Plan address the underserved housing needs of households and families in San Leandro. One of the primary goals in these City housing plans is to provide programs that foster and maintain affordable housing. The Agency is a crucial funding source and has effectively leveraged set-aside funds with other sources in cooperation with developers (i.e., non-profit and for profit) and the City in achieving these goals. Pursuant to Health and Safety Code Section 33080.1(c), notable Agency-assisted housing activities for FY 2010-11 include:

- **Financial Overview:** Tax increment revenue for housing was \$2.6 million in the 2010-11 fiscal year, equal to 20 percent of Agency-wide tax increment revenue. Revenue for housing represents a 0.4% increase from the prior fiscal year.
- The City, Redevelopment Agency, BRIDGE Housing Corporation (non-profit developer for The Alameda at San Leandro Crossings), and Westlake Development Partners (for profit developer for The Cornerstone) continued to work and meet regularly throughout FY 2010-2011 to move both residential development projects and the BART replacement parking forward towards construction in 2012. BRIDGE is planning to re-apply for federal and State low income housing tax credits in early 2012. The Alameda, a proposed 100-unit affordable rental housing development which is part of the mixed income San Leandro Crossings master plan development, was delayed in April 2010 due to the current economic climate and newness of State Proposition 1C infrastructure grants awarded to the project. Previously, the City Council approved a \$9.1 million Redevelopment Housing Set-Aside development loan for The Alameda in April 2009. The City Council approved entitlements and the Final Map for The Alameda in January 2010.
- Las Palmas Apartments, an affordable 91-unit multi-family rental property primarily for low-income households, changed ownership in early 2011. The nonprofit, Eden Housing, has assumed ownership and management of Las Palmas from the prior nonprofit owner, Citizens Housing Corporation (CHC), which is terminating at the end 2012 due to financial issues resulting from the economic downturn. The City already assisted CHC in acquiring Las Palmas in 1999 through a federal Home Investment Partnership Act (HOME) loan. In February 2011, the Redevelopment Agency of the City of San Leandro provided Eden Housing with a \$50,000 Agency loan to assume complete ownership of Las Palmas from CHC and help preserve the long-term affordability of Las Palmas. In addition, current affordability restrictions on 45 of the 91 units for low-income households at or below 60% AMI were extended for an additional fifteen years (15) from 2015 to 2030, while the RDA loan also restricted an additional five (5) units for very-low income households (50% AMI) for a 55-year period until 2066.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Five (5) low interest loans and thirty (30) grants were awarded through the Residential Rehabilitation Program, which is funded by Set-Aside Funds. All of the five loans went to senior homeowners: two (2) of the loans were for extremely low-income seniors and three (3) were for very low income seniors. Of the 30 grants for minor home repairs, fourteen (14) were for extremely low-income and twelve (12) were for very low-income and four (4) were for low income. Twenty-two (22) of the grants were for seniors.
- The Agency approved ten loans under the First Time Home Buyer (FTHB) down payment/closing cost assistance program. Seven (7) were for low-income and three (3) for moderate-income first-time homebuyers.
- Under the FTHB Program, the Agency conducted two free homebuyer education seminars for potential first-time buyers. Overall, there were 43 certificates of completion awarded to households completing the seminars. The Agency also provided free one-on-one homebuyer counseling to 25 households all of whom were low- to moderate-income San Leandro residents and/or employed in the City.

LOOKING AHEAD: PROGRAM CONTINUATIONS AND CHANGES

In Fiscal Year 2011-12, the Agency's activity will be severely impacted by the results of pending litigation regarding the legal status of the State's Alternative Voluntary Redevelopment Program. Assuming that the Agency maintains adequate funding and legal authority to pursue redevelopment activities, the following programs are being pursued in addition to the continuation of the projects mentioned in the previous Economic Development and Commercial Revitalization section:

Overall

- The Agency will intensify implementation of the Branding and Marketing Strategy that resulted from the work of the Branding and Marketing Working Group. In particular, Agency staff will work to develop a Visit San Leandro website that highlights opportunities for shopping, dining, and recreation in San Leandro.

Joint Project Area

- The Agency will continue working with Madison Marquette on the redevelopment of Bayfair Center, specifically as it relates to implementation of the Transit Oriented Development Strategy and the Expansion Parcel Study for an underutilized 2.5 acres site.

West San Leandro/MacArthur Boulevard Project Area

- Agency staff will begin planning for the development of a Marina Boulevard Specific Plan to coordinate planning along a crucial connection between the Kaiser Medical Center and the shoreline. To date, planning related to this priority area has been delayed due to the impact of State actions related to redevelopment funding

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Agency will continue work on establishment of a Business Assessment District to construct Eden Road, currently a dirt road, to improve traffic circulation in the Davis/Doolittle intersection and provide necessary access to currently blighted properties.

Housing

- Issuance of tax exempt bonds for the Alameda at San Leandro Crossings once the nonprofit housing developer, BRIDGE Housing Corporation, is ready to proceed with construction. The bonds will be repaid through the \$9.1 million Set-Aside loan discussed above and approved by the Redevelopment Agency in 2009.

ECONOMIC FACTORS

Tax increment revenue for all project areas grew 1.2% in Fiscal Year 2010-11. Tax increment revenue in the Plaza Project Area decreased by 1.2% in Fiscal Year 2010-11. Tax increment growth in the Joint Project Area grew 1.7% in Fiscal Year 2010-11 while growth in the West San Leandro/MacArthur Boulevard Project Area was 3.2%. Minimal growth in tax increment revenue is projected for the next fiscal year, with a return to modest growth of approximately 2% thereafter.

In Fiscal Year 2010-11 the State required a payment of approximately \$900,000 in tax increment from the City of San Leandro Redevelopment Agency. That same State legislation required an additional payment of \$4.2 million in 2009-10. The California Redevelopment Association has appealed a court decision upholding the legality of those payments although the timeline for a decision is unknown. The State take decimated the Redevelopment Agency's fund balance and has negatively impacted funding of programs and projects in the short-term. Should the Alternative Voluntary Redevelopment Program be upheld, the Agency will be required to make sizable annual payments beginning in 2011-12 in order to continue operating. In that case, the Agency would be unable to undertake major investments for several years into the future. Even if the Alternative Voluntary Redevelopment Program is not upheld, there is a possibility of additional State actions threatening the existence of redevelopment agencies in the future. Until the status of redevelopment in California becomes more stable, staff will prioritize projects for which funding has already been secured, and non-capital intensive programs.

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BASIC FINANCIAL STATEMENTS

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AGENCY – WIDE FINANCIAL STATEMENTS

REDEVELOPMENT AGENCY OF SAN LEANDRO
STATEMENT OF NET ASSETS
JUNE 30, 2011

ASSETS	
Current assets:	
Cash and investments (Note 2)	\$10,985,105
Cash and investments with fiscal agent (Note 2)	15,387,132
Receivables:	
Accounts	129,252
Property taxes	33,840
Interest	25,059
Other assets	<u>580</u>
Total current assets	<u>26,560,968</u>
Noncurrent assets:	
Loans receivable (Note 3)	8,414,770
Deferred charges	<u>657,537</u>
Total noncurrent assets	<u>9,072,307</u>
Total Assets	<u>35,633,275</u>
LIABILITIES	
Current liabilities	
Accounts payable	695,243
Interest payable	815,992
Other liabilities	4,974,133
Long-term debt, net - due within one year (Note 7)	<u>1,945,415</u>
Total current liabilities	<u>8,430,783</u>
Noncurrent liabilities	
Advance from City (Note 6)	2,088,908
Long-term debt, net - due in more than one year (Note 7)	<u>51,857,928</u>
Total noncurrent liabilities	<u>53,946,836</u>
Total Liabilities	<u>62,377,619</u>
NET ASSETS (Note 1J)	
Restricted for:	
Debt service	4,948,964
Low and moderate income housing	3,114,300
Capital project	10,739,420
Unrestricted	<u>(45,547,028)</u>
Total Net Assets (Deficit)	<u>(\$26,744,344)</u>

See accompanying notes to basic component unit financial statements

REDEVELOPMENT AGENCY OF SAN LEANDRO
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2011

Functions/Programs	Expenses	Program Revenues Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets Governmental Activities
Governmental Activities:			
Community development	7,468,182		(7,468,182)
Interest on long-term debt	2,907,358		(2,907,358)
Transfer to City (Note 4 and 5)	14,683,396		(14,683,396)
 Total Governmental Activities	 25,058,936		 (25,058,936)
 General revenues:			
Property tax increment			11,104,408
Investment earnings			232,733
Miscellaneous			844,738
 Total general revenues			 12,181,879
 Change in Net Assets			 (12,877,057)
 Net Deficit - Beginning - as restated (Note 1M)			 (13,867,287)
 Net Deficit - Beginning			 (26,744,344)

See accompanying notes to financial statements

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GOVERNMENTAL FUNDS FINANCIAL STATEMENTS

REDEVELOPMENT AGENCY OF SAN LEANDRO
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2011

	General Debt Service Fund	General Operating			Low and Moderate Housing Capital Project Funds	Total Governmental Funds
		Plaza Project Area Capital Projects Fund	Agency Joint Project Area Capital Projects Fund	West San Leandro Project Area Capital Projects Fund		
ASSETS						
Cash and investments (Note 2)	\$1,120,028	\$755,021	\$3,839,359	\$2,227,769	\$3,042,928	\$10,985,105
Cash and investments with fiscal agents (Note 2)	3,828,206	374,497	11,184,400	29		15,387,132
Receivables:						
Accounts		450	21,280		107,522	129,252
Property taxes			27,072		6,768	33,840
Loans		653,242	182,916	253,117	8,496,628	9,585,903
Interest	3,480	7,112		5,915	531,655	548,162
Other assets				580		580
Advances to other funds				2,475,000		2,475,000
Total Assets	\$4,951,714	\$1,790,322	\$15,255,027	\$4,962,410	\$12,185,501	\$39,144,974
LIABILITIES						
Accounts payable	\$2,750	\$5,481	\$625,595	\$9,947	\$51,470	\$695,243
Deferred revenue		653,242	182,916	253,117	9,019,731	10,109,006
Other liabilities		111,802	4,118,002	744,329		4,974,133
Advance from other funds			2,475,000			2,475,000
Advance from City (Note 6)			2,088,908			2,088,908
Total Liabilities	2,750	770,525	9,490,421	1,007,393	9,071,201	20,342,290
FUND BALANCES						
Fund balance (Note 11)				2,475,000		2,475,000
Nonspendable				1,480,017	3,114,300	16,327,684
Restricted	4,948,964	1,019,797	5,764,606			
Total Fund Balances (Deficit)	4,948,964	1,019,797	5,764,606	3,955,017	3,114,300	18,802,684
Total Liabilities and Fund Balances	\$4,951,714	\$1,790,322	\$15,255,027	\$4,962,410	\$12,185,501	\$39,144,974

REDEVELOPMENT AGENCY OF SAN LEANDRO
 Reconciliation of the
 GOVERNMENTAL FUNDS BALANCE SHEET
 with the
 STATEMENT OF NET ASSETS
 JUNE 30, 2011

Total fund balances reported on the governmental funds balance sheet	\$18,802,684
<p>Amounts reported for Governmental Activities in the Statement of Net Assets are different from those reported in the Governmental Funds above because of the following:</p>	
LOANS RECEIVABLE	
Allowance for forgivable loans does not require current financial resources. Therefore, allowance for forgivable loans is not recorded on the Governmental Funds Balance Sheet	(1,171,133)
ACCRUAL OF NONCURRENT REVENUES AND EXPENSES	
Revenues which are deferred on the Fund Balance Sheets because they are not available currently are taken into revenue in the Statement of Activities.	9,585,903
LONG-TERM ASSETS	
Payment of costs for the issuance of debt is an expenditure in the governmental funds, but is recorded as deferred charges and amortized on the statement of net assets over the life of debt	657,537
LONG-TERM LIABILITIES	
The liabilities below are not due and payable in the current period and therefore are not reported in the Governmental Funds Balance Sheet:	
Interest payable	(815,992)
Long-term debt, due in less than one year	(1,945,415)
Long-term debt, due in more than one year	<u>(51,857,928)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>(\$26,744,344)</u></u>

See accompanying notes to basic component unit financial statements

REDEVELOPMENT AGENCY OF SAN LEANDRO
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2011

	Major Funds					Total Governmental Funds
	General Service Fund	General Operating			Low and Moderate Housing Capital Project Funds	
		Plaza Project Area Capital Projects Fund	Agency Joint Project Area Capital Projects Fund	West San Leandro Project Area Capital Projects Fund		
REVENUES						
Property tax		\$2,207,114	\$2,904,638	\$3,359,975	\$2,632,681	\$11,104,408
Use of money and property		64,977	113,511	10,096	44,149	232,733
Other		322,444	11,975		510,319	844,738
Total Revenues		2,594,535	3,030,124	3,370,071	3,187,149	12,181,879
EXPENDITURES						
Current:						
Community development		1,001,641	2,185,382	2,416,488	1,708,758	7,312,269
Debt Service:						
Principal retirement	\$1,470,000		\$92,439		\$63,000	1,625,439
Interest and fiscal charges	2,642,308	137,959	128,061		33,577	2,941,905
Total Expenditures	4,112,308	1,139,600	2,405,882	2,416,488	1,805,335	11,879,613
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,112,308)	1,454,935	624,242	953,583	1,381,814	302,266
OTHER FINANCING SOURCES (USES)						
Transfer in (Note 4)	4,639,990					4,639,990
Transfer out (Note 4)		(1,610,700)	(2,618,178)	(411,112)		(4,639,990)
Transfer out to City				(50,000)		(50,000)
Total other financing sources (uses)	4,639,990	(1,610,700)	(2,618,178)	(461,112)		(50,000)
NET CHANGE IN FUND BALANCES	527,682	(155,765)	(1,993,936)	492,471	1,381,814	252,266
BEGINNING FUND BALANCES	4,421,282	1,175,562	7,758,542	3,462,546	1,732,486	18,550,418
ENDING FUND BALANCES	\$4,948,964	\$1,019,797	\$5,764,606	\$3,955,017	\$3,114,300	\$18,802,684

See accompanying notes to basic component unit financial statements

REDEVELOPMENT AGENCY OF SAN LEANDRO
 Reconciliation of the
 NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
 with the
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2011

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Assets of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$252,266
Amounts reported for governmental activities in the Statement of Activities are different because of the following:	
CAPITAL ASSETS TRANSACTIONS	
Capital assets transferred to City, net)14,633,396(
Depreciation expense is deducted from fund balance)112,742(
LONG-TERM DEBT PROCEEDS AND PAYMENTS	
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Assets the repayment reduces long-term liabilities.	
Amortization bond discount and premium, net	2,414
Amortization of issuance cost)24,353(
Repayment of debt principal is added back to fund balance	1,625,439
Interest accrued to principal is deducted from fund balance	34,547
ACCRUAL OF NONCURRENT ITEMS	
Unearned revenues that do not provide current financial resources and are not reported in the governmental funds.)21,232(
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	(\$12,877,057)

See accompanying notes to basic component unit financial statements

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NOTES TO THE BASIC FINANCIAL STATEMENTS

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SAN LEANDRO REDEVELOPMENT AGENCY
Notes to the Financial Statements
For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General

The Redevelopment Agency of the City of San Leandro (Agency) is a separate governmental entity established pursuant to the provisions of Section 33200 of the State of California Health and Safety Code and applicable statutes, for the purposes of redeveloping certain areas of the City to stimulate and attract private investment and to eliminate physical or economic blight. The Agency administers three Redevelopment Project Areas.

- Plaza (Merged Plaza I and Plaza II) Project Areas, consist of the Downtown Plaza Shopping Center and adjoining commercial Plaza Project business and includes a large surface public parking facility, the Callan Parking Garage, several large office complexes including the Creekside Office Park, and the Costco Development.
- Alameda County – City of San Leandro Project Area is also known as the “Joint” Project Area. Major elements of this project area include a portion of the Bayfair Mall Shopping Center, the Marina Auto Mall, the Cherrywood residential development, and much of the E.14th Street commercial corridor.
- West San Leandro/MacArthur Project Area, a recently formed project area, the plan includes a major streetscape improvement and commercial revitalization effort on MacArthur Boulevard, the Airport Gateway Projects, and various economic development initiatives in the West San Leandro industrial area.

Funds for redevelopment have been generated from various sources, including the issuance of tax allocation bonds, incremental property taxes and funds provided by the City of San Leandro (City).

The Agency is authorized to finance its activities within each project area from various sources, including assistance from the City, the State and Federal governments, property tax increments, interest income and the issuance of Agency notes and bonds.

The Agency is an integral part of the City and, accordingly, the accompanying component unit financial statements are included as a blended component unit of the general purpose financial statements prepared by the City. A component unit is a separate government unit, agency or nonprofit corporation which, when combined with all other component units, constitutes the reporting entity as defined in the City’s basic financial statements.

B. Basis of Presentation

The Agency’s Basic Component Unit Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing governmental accounting and financial reporting standards in the U.S.A.

Agency-wide Statements: The Statement of Net Assets and the Statement of Activities include the financial activities of the overall Agency. All significant interfund activity has been eliminated.

SAN LEANDRO REDEVELOPMENT AGENCY

Notes to the Financial Statements

For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Agency's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs, grants and contributions that are restricted to meeting the operational needs of a particular program and fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. Therefore, as defined above, the Agency only has general revenues.

Fund Financial Statements: The fund financial statements provide information about the Agency's individual funds. The emphasis of fund financial statements is on major funds, each of which is displayed in a separate column. The Agency considers all its funds to be major funds.

C. Basis of Accounting and Measurement Focus

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable* and *available*. The Agency considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of governmental long-term debt are reported as *other financing sources*.

Those revenues susceptible to accrual consist principally of incremental property taxes and interest income.

Nonexchange transactions, in which the Agency gives or receives value without directly receiving or giving equal value in exchange, include property taxes. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed.

D. Use of Restricted/Unrestricted Net Assets

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the Agency's policy is to apply restricted net assets first.

E. Cash and Investment

The Agency participates in the City's cash and investment pool which is managed by the City Treasurer. For purposes of reporting cash flows, the Agency considers each fund's share in the cash and investments pool to be cash and cash equivalents. With respect to cash and investments held by fiscal agents, the Agency considers investments with original maturities of three months or less to be cash equivalents. Investments income earned on the investment pool is distributed to the appropriate funds based on average month-end balances.

SAN LEANDRO REDEVELOPMENT AGENCY Notes to the Financial Statements For the Year Ended June 30, 2011
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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The Agency participated in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in Structure Notes and Asset Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structure Notes and Asset-Backed Securities are subject to market risk as to changes in interest rates.

F. Loans Receivable

Loans receivable and related accrued interest, net of deferred revenue, are fully reserved in the equity section of the Capital Projects Funds balance sheet, as they do not represent "current financial resources".

G. Capital Assets

Capital assets are those assets acquired for general governmental purposes. Such assets currently purchased or constructed are recorded at historical cost as expenditures in the Fund Financial Statements. For the Agency Wide Financial Statements, capital assets that exceed \$5,000, are capitalized and depreciated over their useful lives. Contributed capital assets are recorded at fair market value at the time received.

H. Property Tax Increment

The State of California (State) Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed one percent of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100 percent of market value as defined by Article XIII A and may be increased by no more than two percent per year unless the property is sold, transferred or improved. The State Legislature has determined the method of distribution of receipts from a one percent tax levy among the counties, cities, school districts and other districts.

The County of Alameda bills for and collects property taxes as follows:

	Secured	Unsecured
Valuation date	January 1	January 1
Lien/levy date	January 1	January 1
Due dates	50% on November 1 50% on February 1	July 1
Delinquent as of	December 10 (for November) April 10 (for February)	August 31

SAN LEANDRO REDEVELOPMENT AGENCY

Notes to the Financial Statements

For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Secured taxes are secured by liens on the property being taxed. Unsecured taxes refer to taxes on personal property other than land and buildings. Property tax returns and receivables are recognized to the extent that they are measurable and will be received within 60 days of year-end.

I. Deferred or Unearned Revenues

Deferred revenues represent an off-set for revenue in which asset recognition criteria have been met, but where revenue recognition criteria has not been met. The Agency has reported as deferred revenues, receivables from project developer and notes receivable from homeowners and related accrued interest; as such amounts are measurable but are not available.

J. Net Assets and Fund Balances

In the Government-Wide Financial Statements, net assets are classified in the following categories:

Restricted Net Assets – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of governments.

Unrestricted Net Assets – This amount is all net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted” net assets as defined above.

The Agency’s fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), Fund Balance Reporting and Governmental Fund Type Definitions, which requires the Agency to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the Agency prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Nonspendables represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for resale are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.⁶

Committed fund balances have constraints imposed by formal action of the Agency Board which may be altered only by formal action of the City Council. Encumbrances and nonspendable amounts subject to council commitments are included along with spendable resources.

SAN LEANDRO REDEVELOPMENT AGENCY
Notes to the Financial Statements
For the Year Ended June 30, 2011

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assigned fund balances are amounts constrained by the Agency's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the Agency Board or its designee and may be changed at the discretion of the Agency Board or its designee. This category includes encumbrances; Nonspendables, when it is the City's intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of Special Revenue, Capital Projects and Debt Service Funds which have not been restricted or committed.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual fund deficits, if any, of Debt Service or Capital Projects funds.

Detailed classifications of the City's Fund Balances, as of June 30, 2010, are below:

	General Debt Service Fund	Capital Projects Funds			Low and Moderate Housing	Total Governmental Funds
		Plaza Project Area	Agency Joint Project Area	West San Leandro Project Area		
Fund balances:						
Nonspendable				\$2,475,000		\$2,475,000
Restricted for:						
Low and moderate income housing activities					\$3,114,300	3,114,300
Debt service	\$4,948,964					4,948,964
Capital projects:						
Plaza project area		\$1,019,797				1,019,797
Agency joint project area			\$5,764,606			5,764,606
West San Leandro project area				1,480,017		1,480,017
	<u>\$4,948,964</u>	<u>\$1,019,797</u>	<u>\$5,764,606</u>	<u>\$3,955,017</u>	<u>\$3,114,300</u>	<u>\$18,802,684</u>

K. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

L. Budgets and Budgetary Accounting

The Agency adopts a budget annually to be effective July 1 for the ensuing fiscal year. Budgeted expenditures are adopted through the passage of a resolution. This resolution constitutes the maximum authorized expenditures for the fiscal year and cannot legally be exceeded except by subsequent amendments of the budget by the Agency Board.

An operating budget is adopted each fiscal year for the Debt Service Fund. Public hearings are conducted on the proposed budgets to review all appropriations and sources of financing. Capital projects are budgeted by the Agency Board over the term of the individual projects. Since capital projects are not budgeted on an annual basis, they are not included in the budgetary data.

<p>SAN LEANDRO REDEVELOPMENT AGENCY Notes to the Financial Statements For the Year Ended June 30, 2011</p>

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Expenditures are controlled at the fund level for all budgeted departments within the Agency. This is the level at which expenditures may not legally exceed appropriations. Budgeted amounts for the Combined

Statement Revenues, Expenditures and Other Financing Sources (Uses) – Budget and Actual include budget amendments approved by the Agency Board.

The budgets are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP).

Any amendments or transfers of appropriations between object group levels within the same department must be authorized by the City Manager. Any amendments to the total level of appropriations for a fund or transfers between funds must be approved by the Agency Board. Supplemental appropriations financed by unanticipated revenues during the year must be approved by the Agency Board.

M. Beginning Balance Restatement

During the current fiscal year the Agency determined that land that was purchased in fiscal year ending June 30, 2009, was not recorded in the financial statements. As required by Generally Accepted Accounting Principles, the Agency restated and increased beginning net assets in the amount of \$6,500,000. In March 2011, the land was transferred to the City as noted in Note 5 below.

NOTE 2 – CASH AND INVESTMENTS

Cash and Investments at June 30, 2011, consisted of the following:

Cash and investments pooled with the City	\$10,985,105
Restricted cash and investments	<u>15,387,132</u>
Total cash and investments	<u><u>\$26,372,237</u></u>

The Agency has pooled its cash and investment with the City in order to achieve a higher return on investment. Certain restricted funds, which are held and invested by independent outside custodians through contractual agreements, are not pooled. These restricted funds include cash with fiscal agents.

The investments made by the City are limited to those allowable under State status and include the following types of investments:

- U.S. Government Securities
- Bankers' Acceptance
- Commercial Paper
- Medium-Term Notes
- Repurchases Agreements
- Deposits with Banks
- State of California Local Agency Investment Fund
- Passbook savings account demand deposits
- Mutual funds investing in securities of the U.S. government or its agencies

SAN LEANDRO REDEVELOPMENT AGENCY Notes to the Financial Statements For the Year Ended June 30, 2011
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NOTE 2 – CASH AND INVESTMENTS (Continued)

The Agency does not have specific cash or investment accounts. See the City’s Comprehensive Annual Financial Report for disclosures related to cash and investments and the related custodial risk categorization, as prescribed by Governmental Accounting Standards Boards Statement No. 40.

NOTE 3 – LOANS RECEIVABLE

Loans receivable at June 30, 2011 consisted of the following:

	Governmental Funds Balance Sheet June 30, 2011	Allowance For Forgivable Loans	Statement of Net Assets Balance Sheet June 30, 2011
Creekside Property Loan	\$582,935		\$582,935
Merced Street Properties	150,000	(\$150,000)	
Commercial Rehab Loans	356,340	(356,340)	
American Baptist Homes	1,887,538		1,887,538
Estabrook Senior Housing	1,978,000		1,978,000
Eden Housing	1,226,000	(550,000)	676,000
Citizens Housing Corporation	300,000		300,000
Loans to Property Owners	3,105,090	(114,793)	2,990,297
	<u>\$9,585,903</u>	<u>(\$1,171,133)</u>	<u>\$8,414,770</u>
Total loans and notes			
Interest on Loans Receivable	<u>523,103</u>	<u>(523,103)</u>	
Total Interest and Loans	<u>\$10,109,006</u>	<u>(\$1,694,236)</u>	<u>\$8,414,770</u>

Redevelopment Agency Capital Projects Funds were owed \$1,089,275 at June 30, 2011, which includes (1) a loan made to J.T. Lawrence and Creekside Associates, LLC for the development of Creekside Plaza Garage and Restaurant; (2) a loan made to Merced Street Properties for property improvements; and (3) other commercial rehab loans for property improvements. The outstanding balance net of allowances at June 30, 2011, was \$582,935. The Agency has agreed to forgive a portion of the loans if certain conditions outlined in the agreement are satisfied. Because the loans do not meet the Agency’s availability criteria for revenue recognition, the Agency has deferred the revenue related to these loans. Revenues are recognized in the year of payment. Loans are secured by trust deeds.

At June 30, 2011, the Agency, in its Low and Moderate Housing Capital Projects Funds, was owed \$9,019,731 which includes (1) a loan made to American Baptist Homes; (2) a loan made to Estabrook Senior Housing; (3) a loan made to Eden Housing, Inc.; (4) a loan made to Citizens Housing Corporation; and (5) loans that were made to City property owners who meet the HUD requirements for financial assistance for property improvements, first time home buyer loans; and accrued interest receivable. The outstanding balance net of allowances at June 30, 2011, was \$7,831,835. The Agency has agreed to forgive a portion of the loans if certain conditions outlined in the agreement are satisfied. Because the loans do not meet the Agency’s available criteria for revenue recognition, the Agency has deferred the revenue related to these loans. Revenues are recognized in the year of repayment. Loans are secured by trust deeds.

SAN LEANDRO REDEVELOPMENT AGENCY Notes to the Financial Statements For the Year Ended June 30, 2011
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NOTE 4 – INTERFUND TRANSACTIONS

Fund Financial Statements

At June 30, 2011, the Agency had the following operating transfers in and out:

	Fund Receiving Transfer	Fund Trasfering Out
General Debt Service Fund	\$4,639,990	
Capital Projects Funds:		
Plaza project area		\$1,610,700
Agency Joint project area		2,618,178
West San Leandro project area		411,112
	\$4,639,990	\$4,639,990

The transfers were all made for debt service.

The West San Leandro Project Area Capital Projects Fund transferred \$50,000 to the City to fund operations.

NOTE 5 – CAPITAL ASSETS

The following is a summary of the Agency's capital assets:

	Balance June 30, 2010 As restated	Additions	Transfer to City	Balance June 30, 2011
Governmental Activities				
Capital assets not being depreciated:				
Land	\$9,689,885		(\$9,689,885)	
Total capital assets not being depreciated	9,689,885		(9,689,885)	
Capital assets being depreciated:				
Building	5,637,040		(\$5,637,040)	
less accumulated depreciation	(580,787)	(\$112,742)	\$693,529	
Total capital assets being depreciated	5,056,253	(112,742)	(4,943,511)	
Governmental activity capital assets, net	\$14,746,138	(\$112,742)	(\$14,633,396)	

In March 2011, the Agency made required findings in accordance with Health and Safety Code Sections 33220 and 33437 to allow the Agency to transfer all acquired property for the purposes specified in the Redevelopment Plans to the City. The amount transferred from the Agency to the City had a book value of \$14,633,396.

SAN LEANDRO REDEVELOPMENT AGENCY
Notes to the Financial Statements
For the Year Ended June 30, 2011

NOTE 6 – ADVANCES FROM CITY FUNDS

The City has made long term advances to the Agency from various City funds to cover operational expenditures incurred by the Agency. The terms of the loans are indefinite. Interest accrues annually at the rate of 6%. The balance as of June 30, 2011, was \$2,088,908.

NOTE 7 – LONG-TERM OBLIGATIONS

A summary of changes in long-term debt for the year ended June 30, 2011, is as follows:

	Balance June 30, 2010	Retirements	Balance June 30, 2011	Current Portion	Long-Term Portion
2001 Certificates of Participation	\$3,930,000	\$155,000	\$3,775,000	\$165,000	\$3,610,000
2002 Tax Allocation Bonds	13,565,000	575,000	12,990,000	605,000	12,385,000
2004 Tax Allocation Bonds	5,305,000	105,000	5,200,000	110,000	5,090,000
2008 Tax Allocation Bonds	27,205,000	475,000	26,730,000	495,000	26,235,000
Bayfair Mall Debt	700,000		700,000	250,000	450,000
HUD 108 Guarantee	622,000	63,000	559,000	63,000	496,000
Owner Participation Agreements	2,513,632	92,439	2,421,193	95,000	2,326,193
San Leandro USD - 9th Grade	1,475,360	160,000	1,315,360	160,000	1,155,360
Total	<u>55,315,992</u>	<u>1,625,439</u>	<u>53,690,553</u>	<u>1,943,000</u>	<u>51,747,553</u>
Plus (Less) unamortized:					
Discount (2002 TAB)	(73,929)	4,107	(69,822)	(4,107)	(65,715)
Premium (2008 TAB)	189,134	(6,522)	182,612	6,522	176,090
Total Government Activity Debt	<u>\$55,431,197</u>	<u>\$1,623,024</u>	<u>\$53,803,343</u>	<u>\$1,945,415</u>	<u>\$51,857,928</u>

2001 Certificates of Participation – (Joint Project Area)

In 2001, the Agency issued \$5,020,000 principal amount of 2001 Certificates of Participation (2001 COPs). The purpose of the 2001 COPs was to assist the Agency in financing redevelopment activities within the Joint Project Area. The certificates mature annually through 2027. The 2001 COPs bear interest rates ranging from 2.10% to 5.10% and are payable semiannually on each December 1 and June 1. Principal payments are payable annually on December 1. The certificates evidence fractional interest of the owners in lease payments to be made by the City for use and occupancy of the City's corporation yard and are additionally secured and payable from the property tax increment revenues from the Joint Project Area within the City.

SAN LEANDRO REDEVELOPMENT AGENCY Notes to the Financial Statements For the Year Ended June 30, 2011
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NOTE 7 – LONG-TERM OBLIGATIONS (Continued)

At June 30, 2011, future debt service requirement for the 2001 Certificates of Participation were as follows:

For The Year Ending June 30	Principal	Interest	Total
2012	\$165,000	\$181,375	\$346,375
2013	170,000	174,423	344,423
2014	180,000	166,937	346,937
2015	185,000	158,860	343,860
2016	195,000	150,115	345,115
2017-2021	1,120,000	595,653	1,715,653
2022-2026	1,430,000	273,616	1,703,616
2027	330,000	8,415	338,415
	<u>\$3,775,000</u>	<u>\$1,709,394</u>	<u>\$5,484,394</u>

2002 Tax Allocation Bonds – (Plaza Project Area)

The Tax Allocation Bonds were issued by the Redevelopment Agency to refund 1993 Tax Allocation Bonds used to finance the redevelopment activities within the Plaza Project Area (which have been completed) and to finance new redevelopment activities within the Plaza Area (which have been completed) and to finance new redevelopment projects as set forth in the Redevelopment Plan. The bonds consist of serial bonds in the amount of \$15,935,000 that mature annually through 2033 in amounts ranging from \$305,000 to \$860,000. Interest rates vary from 2.90% to maximum of 5.95% and are payable semiannually on September 1 and March 1. The debt is secured and payable from the property tax increment revenues from the Plaza Area within the City.

At June 30, 2011, future debt service requirement for the 2002 Tax Allocation Bonds were as follows:

For The Year Ending June 30	Principal	Interest	Total
2012	\$605,000	\$728,413	\$1,333,413
2013	635,000	697,095	1,332,095
2014	670,000	663,482	1,333,482
2015	705,000	627,380	1,332,380
2016	745,000	588,583	1,333,583
2017-2021	3,685,000	2,270,659	5,955,659
2022-2026	2,355,000	1,433,851	3,788,851
2027-2031	2,635,000	688,650	3,323,650
2032-2033	955,000	57,450	1,012,450
	<u>\$12,990,000</u>	<u>\$7,755,563</u>	<u>\$20,745,563</u>

SAN LEANDRO REDEVELOPMENT AGENCY Notes to the Financial Statements For the Year Ended June 30, 2011
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NOTE 7 – LONG-TERM OBLIGATIONS (Continued)

2004 Tax Allocation Bonds

In 2004, the Agency issued \$5,500,000 principal amount of 2004 Tax Allocation Bonds (2004 TABs). The purpose of the 2004 TABs was to assist the Agency to finance redevelopment activities within the West San Leandro/McArthur Boulevard Redevelopment Project Area of the City. The 2004 TABs bear interest rates ranging from 5.00% to 5.75% and are payable semiannually on March 1 and September 1 until 2034. Principal payments are payable annually on September 1 until 2034. The debt is secured and payable from the tax increment revenues from the West San Leandro/McArthur Boulevard Redevelopment Project area.

At June 30, 2011, future debt service requirements for the 2004 Tax Allocation Bonds were as follows:

For The Year Ending June 30	Principal	Interest	Total
2012	\$110,000	\$284,425	\$394,425
2013	115,000	277,956	392,956
2014	125,000	271,056	396,056
2015	130,000	263,887	393,887
2016	140,000	256,637	396,637
2017-2021	810,000	1,166,181	1,976,181
2022-2026	1,035,000	924,622	1,959,622
2027-2031	1,350,000	598,609	1,948,609
2032-2035	1,385,000	164,595	1,549,595
	<u>\$5,200,000</u>	<u>\$4,207,968</u>	<u>\$9,407,968</u>

2008 Tax Allocation Bonds

In 2008, the Agency issued \$27,530,000 principal amount of 2008 Tax Allocation Bonds (2008 TABs). The purpose of the 2008 TABs was to provide funds to finance capital projects in the Alameda County-City of San Leandro Redevelopment Project Area. A portion of 2008 TABs will be used to finance projects that meet the goals and objectives set forth in the Redevelopment Plan. These include, but not limited to, design and construction of a senior center, a proposed parking garage, and infrastructure improvements on East 14th Street. Interest rates vary from 4.75% to 5.00% and are payable annually. Principal payments are payable annually on September 1 until 2038.

SAN LEANDRO REDEVELOPMENT AGENCY Notes to the Financial Statements For the Year Ended June 30, 2011
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NOTE 7 – LONG-TERM OBLIGATIONS (Continued)

At June 30, 2011, future debt service requirements for the 2008 Tax Allocation Bonds were as follows:

For The Year Ending June 30	Principal	Interest	Total
2012	\$495,000	\$1,365,566	\$1,860,566
2013	510,000	1,340,438	1,850,438
2014	530,000	1,314,438	1,844,438
2015	550,000	1,287,438	1,837,438
2016	570,000	1,259,437	1,829,437
2017-2021	3,240,000	5,838,608	9,078,608
2022-2026	4,040,000	4,963,911	9,003,911
2027-2031	5,150,000	3,820,035	8,970,035
2032-2036	6,705,000	2,273,558	8,978,558
2037-2041	4,940,000	409,050	5,349,050
	<u>\$26,730,000</u>	<u>\$23,872,479</u>	<u>\$50,602,479</u>

Bay Fair Mall Debt – (Joint Project Area)

On June 15, 1998, the Agency committed \$4,000,000 to renovate the Bayfair Mall. This debt with City commitment is at 0% interest and has installments ranging from \$200,000 to \$400,000 per year over a 15 year period beginning in July 1998.

At June 30, 2011, the Agency did not make the required debt principal payment of \$250,000. The payment future debt service requirements for the Bay Fair Mall commitment were as follows:

For The Year Ending June 30	Principal
2012	\$500,000
2013	200,000
	<u>\$700,000</u>

HUD 108 Guarantee – (Housing set-aside)

In 2000, the Agency received a \$1,000,000 20-year federal loan from Housing and Urban Development, at an interest rate of 5.6% to finance the acquisition and construction of affordable housing for seniors within the City. The loan is secured and payable from the Agency's 20% Housing Set-Aside Fund. The tax increment funds used to repay the loan will be generated from the Cherrywood Development project.

SAN LEANDRO REDEVELOPMENT AGENCY Notes to the Financial Statements For the Year Ended June 30, 2011
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NOTE 7 – LONG-TERM OBLIGATIONS (Continued)

At June 30, 2011, future debt services requirements for the HUD 108 Guarantee loan were as follows:

For The Year Ending June 30	Principal	Interest	Total
2012	\$63,000	\$11,372	\$74,372
2013	63,000	10,925	73,925
2014	63,000	10,232	73,232
2015	63,000	9,243	72,243
2016	63,000	7,983	70,983
2017-2020	244,000	14,855	258,855
	<u>\$559,000</u>	<u>\$64,610</u>	<u>\$623,610</u>

Financing Agreement with San Leandro Unified School District

In February 2009, the City of San Leandro (City) entered into a joint use agreement with the San Leandro Unified School District which provides for the City use of the 9th grade gymnasium during non-school hours. The Agency agreed to provide for financial contribution to the project in the amount of \$2,170,800 with no interest payable by June 30, 2014.

During the fiscal year ended June 30, 2010, annual payments for the 2009-10 and 2010-11 fiscal years were reduced from \$327,072 to \$160,000 as a consequence of the State SERAF requirement, consistent with the terms of the financing agreement between the Agency and the school district. Assuming no additional payments are required by the State in subsequent years, the term of the agreement was extended with additional payments at \$167,072 for each fiscal year until fiscal year 2019.

For The Year Ending June 30	Principal
2012	\$160,000
2013	160,000
2014	160,000
2015	167,072
2016	167,072
2017-2019	501,216
	<u>\$1,315,360</u>

SAN LEANDRO REDEVELOPMENT AGENCY
Notes to the Financial Statements
For the Year Ended June 30, 2011

NOTE 7 – LONG-TERM OBLIGATIONS (Continued)

Owner Participation Agreements

The Agency has entered into the following agreements as follows:

	Balance June 30, 2010	Retirements	Balance June 30, 2011
Ford Motor Company	\$2,131,843	(\$43,265)	\$2,088,578
Batarse Family Trust Disposition and Development	381,789	(49,174)	332,615
Total	<u>\$2,513,632</u>	<u>(\$92,439)</u>	<u>\$2,421,193</u>

- **Ford Motor Company Owner Participation Agreement** – The agreement requires the Agency to make annual payments equivalent to 50% of the sales tax generated above a base of \$277,000 by the sale of vehicles as part of the Ford Store San Leandro development. The agency is required to make the annual payment until the entire \$3,000,000 is paid off or on July 1, 2019, whichever comes sooner. No interest payment is required.
- **Bartarse Family Trust Disposition and Development Agreement** – The agreement requires the Agency to make annual payments equivalent to 50% of the sales tax generated by the sale of vehicles as part of 34 a proposed new car dealership. The original amount due was \$390,000 to be paid over several years depending on the volume of auto sales at no interest.

NOTE 8 – JOINT PROJECT AREA AGREEMENT

Effective July 2001, the Alameda County Redevelopment Agency took over the development and management responsibility of their portion of the Joint Project Area. The Agency's basic financial statements does not reflect the gross tax increment payments made to the County for their portion of the Joint Project Area, pursuant to the agreement between the Agency and the County. The County's share of the Joint Project Area tax increment is disbursed to the County by the City. The County accounts for the gross tax increment payments and associated expenses in its basic financial statements that are audited by its independent auditors in conformance with state requirements. Since administrative responsibility lies with the City, the City produces one comprehensive basic financial statement and State Controller's Report for the Joint Project Area. The County's basic financial statements and other related reports for its area are available at the County's Office for further review by the public upon notice.

SAN LEANDRO REDEVELOPMENT AGENCY
Notes to the Financial Statements
For the Year Ended June 30, 2011

NOTE 9 – COMMITMENTS AND CONTINGENCIES

A. Downtown Plaza Shopping Center MOREA

An agreement was entered into between San Leandro Plaza Associates, Plaza Partners, and the San Leandro Redevelopment Agency (Agency) for the maintenance and operation of the public parking and common area of the shopping center. The Agency's share of the costs associated with the Maintenance, Operation and Reciprocal Easement Agreement (MOREA) is 22.2%. The Agency's share for 2010-11 was approximately \$62,650.

B. Bayfair Mall Contract Dispute

Bayfair Mall was included within the San Leandro Redevelopment Agency Joint Project Area in 1993. A series of agreements between the Redevelopment Agency, developers, Mall tenancies and property owners (Kings) were entered into to facilitate the development and improvements of the Mall. The Kings are owners of real property located within the footprint of the Mall that is being used for parking pursuant to a 1989 ground lease with the developer, as amended. Amendments to the lease and other agreements have been entered into that purportedly require the Redevelopment Agency to guarantee lease payments to the Kings in the event of default. The developers (Bayfair 580, LLC c/o M & J Wilkow of California, Ltd) gave notice to the parties on July 12, 2011 that Bayfair Sublessee LLC would not be making any further payments of rent to the Kings under the Sublease. The Kings have demanded payment from the parties, including the Redevelopment Agency, as a guarantor of the lease and payments there under. (Note: the validity of the lease is in dispute). If the Redevelopment Agency is ultimately responsible to guarantee the lease and make the payments, the potential liability could be in approximately \$800,000 + a year. The San Leandro Redevelopment Agency does not have the financial capacity to make such a payment. The parties are in discussions and negotiations to attempt to resolve the issues, without litigation.

C. The Alameda at San Leandro Crossings

The Alameda at San Leandro Crossings, a 100-unit affordable rental housing project which will be developed by the nonprofit BRIDGE Housing Corporation, is part of the proposed 300 unit Phase I proposal in the San Leandro Crossings Development. Westlake Development Partners LLC will develop the remainder of Phase 1. The Redevelopment Agency approved a development loan of \$9.1 million in Set-Aside Funds in April 2009. Due to unforeseen factors beyond the developers' control, the Alameda was delayed in April 2011. The RDA will be assisting in financing \$6.9 million (of the \$9.1 million loan) through the future bond financing. The RDA designated the remaining \$2.2 million for eligible pre-development costs for BRIDGE. BRIDGE is expected to apply for low income rental housing tax credits from the State in early 2012 and the Agency will then proceed with bond issuance/financing process.

Pending the current State Supreme Court decision by January 2012 on the lawsuit between the State and California Redevelopment Association/League of California Cities, the Agency anticipates fulfilling its Set-Aside funded loan obligation to BRIDGE Housing Corporation as the \$9.1 million loan was contractually executed between Agency and BRIDGE well before the passage of AB 26 and AB 27 in June 2011.

SAN LEANDRO REDEVELOPMENT AGENCY
Notes to the Financial Statements
For the Year Ended June 30, 2011

NOTE 9 – COMMITMENTS AND CONTINGENCIES (Continued)

D. Litigation

The Agency is involved in various claims and litigation resulting from its normal operations. The ultimate outcome of these matters is not presently determinable. In the Agency managements' opinion, these matters will not have a significant adverse effect of the Agency's financial position.

NOTE 10 – SERAF PAYMENTS

The State Budget for 2010-11 includes the second year of a two-year take from the redevelopment agencies to fund the Supplemental Educational Revenue Augmentation Fund (SERAF). During the fiscal year 2011, the Agency made the required payment for 2010-11 is \$876,208. Although the Agency was able to make that payment without borrowing from other funds, the requirement has a severe impact on the ability to complete and initiate redevelopment projects and programs in the near future.

NOTE 11 – SUBSEQUENT EVENTS

In an effort to balance its budget, the State of California adopted ABx1 26 on June 28, 2011, which suspends all new redevelopment activities except for limited specified activities as of that date and dissolves redevelopment agencies effective October 1, 2011. The State simultaneously adopted ABx1 27 which allows redevelopment agencies to avoid dissolution by the City opting into an "alternative voluntary redevelopment program" requiring specified substantial annual contributions to local schools and special districts. Concurrently with these two measures, the State passed various budget and trailer bills that are related and collectively constitute the Redevelopment Restructuring Acts. If all sponsoring communities were to opt-in to the voluntary program, these contributions amount to an estimated \$1.7 billion for fiscal year 2012 and an estimated \$400 million in each succeeding year. If the City fails to make the voluntary program payment, the Agency would become subject to the dissolution provisions of ABx1 26.

On July 18, 2011, the California Redevelopment Association, the League of California Cities and others challenged the validity and constitutionality of ABx1 26 and 27 to the California Supreme Court on numerous grounds, including that the acts violate certain provisions of the California Constitution. On August 11, 2011, as modified on August 17, 2011, the California Supreme Court agreed to hear the case and issued a partial stay of ABx1 26 and a full stay of ABx1 27, but the stay did not include the section of ABx1 26 that suspends all new redevelopment activities. It is anticipated that the Court will render its decision before January 15, 2012, the date the first voluntary program payment is due.

The suspension provisions of ABx1 26 prohibit all redevelopment agencies from a wide range of activities, including incurring new indebtedness or obligations, entering into or modifying agreements or contracts, acquiring or disposing of real property, taking actions to adopt or amend redevelopment plans and other similar actions, except actions required by law or to carry out existing enforceable obligations, as defined in ABx1 26. During the suspension period, an agency is required to prepare an Enforceable Obligation Payment Schedule no later than August 29, 2011, that allows it to continue to pay certain obligations. The Agency adopted its Enforceable Obligation Payment Schedule on July 18, 2011.

SAN LEANDRO REDEVELOPMENT AGENCY

Notes to the Financial Statements

For the Year Ended June 30, 2011

NOTE 11 – SUBSEQUENT EVENTS (Continued)

In addition, the suspension provisions require the State Controller to review the activities of all redevelopment agencies to determine whether an asset transfer between an agency and any public agency occurred on or after January 1, 2011. If an asset transfer did occur and the public agency that received the asset is not contractually committed to a third party for the expenditure or encumbrance of the asset, the State Controller is required to order the asset returned to the redevelopment agency. The State Controller's Office has not yet provided any information about the timing or the process for this statewide asset transfer review.

The Agency is currently subject to the suspension provisions as described above. These facts indicate that there is more than a remote possibility the Agency may not continue as a going concern beyond October 1, 2011. The continuation of the Agency beyond October 1, 2011 will initially depend upon whether the Supreme Court rules in favor of the petitioners. There are three possible consequences to the Agency from a decision of the Supreme Court, when it is rendered:

1. If the Supreme Court determines that both ABx1 26 and ABx1 27 are valid, then the City will consider whether it will enact an ordinance to opt-in to the alternative voluntary redevelopment program. If enacted, the City would be required to make annual payments to the County Auditor-Controller and the Agency would no longer be subject to the suspension provisions. The State Department of Finance calculated the City's Voluntary Program payment for fiscal year 2012 to be \$7.6 million. The City filed an appeal of that amount in accordance with the provisions of Health and Safety Code Section 34194(b)(2)(L), however it is not known when the State Department of Finance will act on the appeal or what the actual remittance payment will be. In the opinion of the Agency's attorney, is anticipated that subsequent legislation will be brought forward that may provide some hardship relief to the City and Agency from the required remittance payments.
2. If the Supreme Court determines that both ABx1 26 and ABx1 27 are valid and the City decides not to participate in the alternative voluntary redevelopment program, or if the Supreme Court determines that ABx1 26 is valid, but ABx1 27 is not valid, the Agency will continue to be subject to the suspension provisions and would be dissolved in accordance with certain provisions of ABx1 26. Prior to dissolution, any transfers of Agency assets subsequent to January 1, 2011 to the City, including those discussed in Note 6, that were not obligated to third parties or encumbered may be subject to the State Controller's review discussed above and required to be returned to the Agency. Upon dissolution, all assets and obligations of the Agency would be transferred to a successor agency.
3. If the Supreme Court determines that both ABx1 26 and ABx1 27 are invalid, the Agency would no longer be subject to the suspension provisions and would continue in existence under California Redevelopment Law as it existed prior to the enactment of ABx1 26 and ABx1 27.

As of October 28, 2011, the Supreme Court has not ruled on the case and the Agency is subject to the suspension provisions as discussed above.

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SUPPLEMENTARY INFORMATION

CITY OF SAN LEANDRO
REDEVELOPMENT AGENCY GENERAL DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual Amounts</u>	
EXPENDITURES:			
Debt Service:			
Principal retirement	\$1,995,000	\$1,470,000	\$525,000
Interest and fiscal charges	<u>2,631,002</u>	<u>2,642,308</u>	<u>(11,306)</u>
Total Expenditures	<u>4,626,002</u>	<u>4,112,308</u>	<u>513,694</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(4,626,002)</u>	<u>(4,112,308)</u>	<u>513,694</u>
OTHER FINANCING SOURCES (USES)			
Transfer in (Note 4)	<u>4,639,990</u>	<u>4,639,990</u>	
Total Other Financing Sources (Uses)	<u>4,639,990</u>	<u>4,639,990</u>	
NET CHANGE IN FUND BALANCE	<u><u>\$13,988</u></u>	<u>527,682</u>	<u><u>\$513,694</u></u>
BEGINNING FUND BALANCE (DEFICIT)		<u>4,421,282</u>	
ENDING FUND BALANCE (DEFICIT)		<u><u>\$4,948,964</u></u>	

See accompanying notes to financial statements

CITY OF SAN LEANDRO
EXCESS SURPLUS CALCULATION

Excess surplus is defined in Health and Safety Code Section 33334.12(b) as any unexpended and unencumbered amount in an Agency's Low and Moderate Income Housing Fund that exceeds the greater of \$1,000,000 or the aggregate amount deposited into the Low and Moderate Income Housing Fund during the preceding four fiscal years, as of the beginning of the fiscal year.

If excess surplus exists, the Agency must lawfully spend the excess or transfer it to a housing authority or other public agency in the following fiscal year, expend or encumber in the next two fiscal years or face sanctions. Essentially, agencies have a three-year window to expend, encumber, or transfer the excess surplus.

	Low and Moderate Income Housing Funds -- All Project Areas July 1, 2010	
Opening Fund Balance -- July 1, 2010		\$1,732,486
Less Unavailable Amounts:		
Encumbrances (Section 33334.12(g)(2))	\$29,598	29,598
Available Low and Moderate Income Housing Funds		1,762,084
Limitation (greater of \$1,000,000 or four years set-aside)		
Set-Aside for last four years - fiscal years ended:		
June 30, 2010	2,619,906	
June 30, 2009	2,770,986	
June 30, 2008	2,486,261	
June 30, 2007	2,366,940	
Total	\$10,244,093	
Base limitation	\$1,000,000	
Greater amount		10,244,093
Computed Excess Surplus - July 1, 2010		None

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INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
of the Redevelopment Agency of San Leandro
San Leandro, California

We have audited the financial statements of Redevelopment Agency of San Leandro (Agency) as of and for the year ended June 30, 2011, and have issued our report thereon dated October 28, 2011. The report included a special emphasis paragraph concerning proposed redevelopment dissolution and the implementation of Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of the Agency is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

As part of our audit, we prepared and issued our separate Memorandum on Internal Control dated October 28, 2011, which is an integral part of our audit and should be read in conjunction with this report.

This report is intended solely for the information and use of management, Agency Board, others within the Agency, the State Controller's Office, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mare & Associates

October 28, 2011

INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE AND ON
INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE
CALIFORNIA HEALTH AND SAFETY CODE
AS REQUIRED BY SECTION 33080.1

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To the Board of Directors
of the Redevelopment Agency of San Leandro
San Leandro, California

Compliance

We have audited Redevelopment Agency of San Leandro's (Agency) compliance with the California Health and Safety Code as required by Section 33080.1 for the year ended June 30, 2011. Compliance with the requirements referred to above is the responsibility of the Agency's management. Our responsibility is to express an opinion on the Agency's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *Guidelines for Compliance Audits of California Redevelopment Agencies, June 2011*, issued by the State Controller.

Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the Agency has occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Agency's compliance with those requirements.

In our opinion, the Agency complied, in all material respects, with the compliance requirements referred to above that are applicable for the year ended June 30, 2011.

Internal Control Over Compliance

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the Agency's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance.

We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, Agency Board, others within the Agency, the State Controller's Office, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Marc & Associates

October 28, 2011

Section III:

HCD Report on Housing Activity

California Redevelopment Agencies - Fiscal Year 2010/2011
Status of Low and Moderate Income Housing Funds
Sch C Agency Financial and Program Detail
SAN LEANDRO

	<i>Beginning Balance</i>	\$8,071,740
	<i>Adjustment to Beginning Balance</i>	\$0
	<i>Adjusted Beginning Balance</i>	\$8,071,740
<i>Total Tax Increment From PA(s)</i> \$3,873,219	<i>Total Receipts from PA(s)</i>	\$5,200,165
	<i>Other Revenues not reported on Schedule A</i>	\$625
	<i>Sum of Beginning Balance and Revenues</i>	\$13,272,530

Expenditure			
<u>Item</u>	<u>Subitem</u>	<u>Amount</u>	<u>Remark</u>
Debt Service			
Debt Issuance Costs		\$30,199	
Interest Expense		\$63,000	
Other		\$3,378	Fiscal Agent / Trustee Fee for Section 108 Loan (Broadmoor Plaza)
	Subtotal of Debt Service	\$96,577	
Housing Construction			
		\$187,219	
	Subtotal of Housing Construction	\$187,219	
Housing Rehabilitation			
		\$317,822	
	Subtotal of Housing Rehabilitation	\$317,822	
Maintenance of Mobilehome Parks			
		\$50,889	
	Subtotal of Maintenance of Mobilehome Parks	\$50,889	
Other			

California Redevelopment Agencies - Fiscal Year 2010/2011
Status of Low and Moderate Income Housing Funds
Sch C Agency Financial and Program Detail
SAN LEANDRO

Expenditure				
<u>Item</u>	<u>Subitem</u>	<u>Amount</u>	<u>Remark</u>	
Other				
		\$144,000	Administration fee to Neighborhood Solutions to administer Housing Rehabilitation Program (\$144,000)	
	Subtotal of Other	\$144,000		
 Planning and Administration Costs				
Administration Costs		\$682,846		
Professional Services		\$69,835		
	Subtotal of Planning and Administration Costs	\$752,681		
 Property Acquisition				
Operation of Acquired Property		\$85,797		
	Subtotal of Property Acquisition	\$85,797		
 Subsidies from the LMIHF				
1st Time Homebuyer Down Payment Assistance		\$300,000		
Other		\$41,780	Administration fee to Bay Area Homebuyer Agency to administer First Time Homebuyer Program	
Purchase of Affordability Cov.		\$50,000		
	Subtotal of Subsidies from the LMIHF	\$391,780		
	Total Expenditures	\$2,026,765		
Net Resources Available		\$11,245,765		
Indebtedness For Setasides Deferred		\$0		

California Redevelopment Agencies - Fiscal Year 2010/2011
 Status of Low and Moderate Income Housing Funds
 Sch C Agency Financial and Program Detail
 SAN LEANDRO

Other Housing Fund Assets		
<u>Category</u>	<u>Amount</u>	<u>Remark</u>
SERAF Total Receivable	\$0	
Other	\$11,333,475	Cash and Imprest Cash = \$11,167,887; Tax Increments Receivable = \$6,768; Accounts Receivable = \$158,820
Residual Receipt Loans	\$11,547,844	
Total Other Housing Fund Assets	\$22,881,319	

Total Fund Equity **\$34,127,084**

2006/2007	\$3570747			
2007/2008	\$3784891			
2008/2009	\$4223049			
2009/2010	\$3921532			
		sum of 4 Previous Years' Tax Increment for 2010/2011	Prior Year Ending Unencumbered Balance	Excess Surplus for 2010/2011
		\$15500219	\$8,115,019	\$0

Sum of Current and 3 Previous Years' Tax Increments	\$15,802,691
Adjusted Balance	\$0
Excess Surplus for next year	\$0
Net Resources Available	\$11,245,765
Unencumbered Designated	\$0
Unencumbered Undesignated	\$0
Total Encumbrances	\$11,245,765
Unencumbered Balance	\$0
Unencumbered Balance Adjusted for Debt Proceeds	\$0
Unencumbered Balance Adjusted for Land Sales	\$0
Excess Surplus Expenditure Plan	No
Excess Surplus Plan Adoption Date	

Site Improvement Activities Benefiting Households				
<u>Income Level</u>	<u>Low</u>	<u>Very Low</u>	<u>Moderate</u>	<u>Total</u>
Construction	0	0	0	0
Rehabilitation	0	0	0	0
Health and Safety Hazard	0	0	0	0

California Redevelopment Agencies - Fiscal Year 2010/2011
 Status of Low and Moderate Income Housing Funds
 Sch C Agency Financial and Program Detail
 SAN LEANDRO

Land Held for Future Development

<u>Site Name</u>	<u>Num Of Acres</u>	<u>Zoning</u>	<u>Purchase Date</u>	<u>Estimated Start Date</u>	<u>Remark</u>
------------------	---------------------	---------------	----------------------	-----------------------------	---------------

Use of the Housing Fund to Assist Mortgagors

Income Adjustment Factors **Requirements Completed**

Home \$ **Hope** \$

Non Housing Redevelopment Funds Usage

Resource Needs

LMIHF Deposits/Withdrawals

<u>Document Name</u>	<u>Document Date</u>	<u>Custodian Name</u>	<u>Custodian Phone</u>	<u>Copy Source</u>
Deposit Permit	13-AUG-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Hayward, Room 110, Hayward, CA 94544
Deposit Permit	01-NOV-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Deposit Permit	04-FEB-11	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Deposit Permit	06-MAY-11	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Deposit Permit	08-JUN-11	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Interest Posting	30-SEP-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Interest Posting	31-DEC-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544

California Redevelopment Agencies - Fiscal Year 2010/2011
 Status of Low and Moderate Income Housing Funds
 Sch C Agency Financial and Program Detail
 SAN LEANDRO

LMIHF Deposits/Withdrawals

<u>Document Name</u>	<u>Document Date</u>	<u>Custodian Name</u>	<u>Custodian Phone</u>	<u>Copy Source</u>
Interest Posting	31-MAR-11	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Interest Posting	30-JUN-11	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Administration Charges	30-DEC-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Administration Charges	28-JAN-11	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Administration Charges	01-FEB-11	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Administration Charges	01-MAR-11	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Administration Charges	01-MAY-11	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Administration Charges	01-JUN-11	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Consultants	09-JUL-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Consultants	12-AUG-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Consultants	27-SEP-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Consultants	23-NOV-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Consultants	14-JAN-11	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544

California Redevelopment Agencies - Fiscal Year 2010/2011
 Status of Low and Moderate Income Housing Funds
 Sch C Agency Financial and Program Detail
 SAN LEANDRO

LMIHF Deposits/Withdrawals

<u>Document Name</u>	<u>Document Date</u>	<u>Custodian Name</u>	<u>Custodian Phone</u>	<u>Copy Source</u>
Consultants	10-MAR-11	U.B. Singh, Finance Director	(510) 670-5912	Hayward, CA 94544 224 West Winton Avenue, Room 110, Hayward, CA 94544
Consultants	28-APR-11	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
MHR Grants	19-AUG-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
MHR Grants	26-AUG-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
MHR Grants	02-SEP-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
MHR Grants	15-SEP-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
MHR Grants	22-OCT-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
MHR Grants	23-NOV-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
MHR Grants	08-APR-11	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Deed of Trust	07-OCT-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Deed of Trust	09-NOV-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA 94544
Deed of Trust	08-DEC-10	U.B. Singh, Finance Director	(510) 670-5912	224 West Winton Avenue, Room 110, Hayward, CA

California Redevelopment Agencies - Fiscal Year 2010/2011
Status of Low and Moderate Income Housing Funds
Sch C Agency Financial and Program Detail
SAN LEANDRO

LMHF Deposits/Withdrawals

<u>Document Name</u>	<u>Document Date</u>	<u>Custodian Name</u>	<u>Custodian Phone</u>	<u>Copy Source</u>
Deed of Trust	08-JUN-11	U.B. Singh, Finance Director	(510) 670-5912	94544 224 West Winton Avenue, Room 110, Hayward, CA 94544

Achievements

Description

California Redevelopment Agencies-Fiscal Year 2010/2011
Project Area Contributions to Low and Moderate Income Housing Funds
Sch A Project Area Summary Report
SAN LEANDRO

Project Area	100% of Tax Increment	20% Set Aside Requirement	Tax Increment Allocated	Amount Exempted	Amount Suspended and/or Deferred	Tax Incr. Deposited to Hsng Fund	Percent of Tax Incr Dep	Repayment Deferrals	Other Income	Total Deposited to Housing
JOINT-CITY -COUNTY COMBINED	\$12,407,230	\$2,481,446	\$2,481,446	\$0	\$0	\$2,481,446	20%	\$0	\$1,242,438	\$3,723,884
PLAZA	\$2,758,893	\$551,779	\$551,779	\$0	\$0	\$551,779	20.00%	\$0	\$33,503	\$585,282
WEST SAN LEANDRO / MAC ARTHUR BOULEVARD	\$4,199,969	\$839,994	\$839,994	\$0	\$0	\$839,994	20.00%	\$0	\$51,005	\$890,999
Agency Totals:	\$19,366,092	\$3,873,218	\$3,873,219	\$0	\$0	\$3,873,219	20.00%	\$0	\$1,326,946	\$5,200,165

Note: Print this report in Landscape Orientation (Use the Print Icon just above, then Properties then Landscape)

California Redevelopment Agencies- Fiscal Year 2010/2011
 Project Area Contributions to Low and Moderate Income Housing Fund
 Sch A Project Area Financial Information

Project Area WEST SAN LEANDRO / MAC ARTHUR BOULEVARD							
Type: Inside Project Area		Status: Active					
Plan Adoption: 1999		Plan Expiration Year: 2030					
<u>Gross Tax Increment</u>	<u>Calculated Deposit</u>	<u>Amount Allocated</u>	<u>Amount Exempted</u>	<u>Amount Suspended and/or Deferred</u>	<u>Total Deposited</u>	<u>%</u>	<u>Cumulative Def.</u>
\$4,199,969	\$839,994	\$839,994	\$0	\$0	\$839,994	20.00%	\$0
				Repayment	\$0		
				<u>Category</u>			
				Interest Income	\$12,289		
				Loan Repayments	\$32,059		
				Other Revenue ¹	\$6,657		
				Total Additional Revenue	\$51,005		
				Total Housing Fund Deposits for Project Area	\$890,999		

Agency Totals For All Project Areas:

<u>Gross Tax Increment</u>	<u>Calculated Deposit</u>	<u>Amount Allocated</u>	<u>Amount Exempted</u>	<u>Amount Suspended and/or Deferred</u>	<u>Total Deposited</u>	<u>%</u>	<u>Cumulative Def.</u>
\$19,366,092	\$3,873,218.4	\$3,873,219	\$0	\$0	\$3,873,219	20%	-\$582,172
				Total Additional Revenue from Project Areas:	\$1,326,946		
				Total Deferral Repayments:	\$0		
				Total Deposit to Housing Fund from Project Areas:	\$5,200,165		

California Redevelopment Agencies - Fiscal Year 2010/2011
 Sch D General Project Information
 SAN LEANDRO

Project Area Name: JOINT-CITY -COUNTY COMBINED

Project Name: Alameda County Redevelopment Agency
 Address: *throughout unincorporated area San Leandro*
 Owner Name: *various - reported by Alameda County*

UNIT INVENTORY -----

			<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Mod</u>	<u>Became Ineligible</u>	<u>Total</u>
<u>Other Provided with LMIHF</u>								
			<u>Unit</u>					
Substantial Rehabilitation								
Non-Agency	Owner	Non-Elderly	5	0	0	0	0	5
Unit Total			5	0	0	0	0	5

PROJECT FUNDING SOURCE -----

<u>Funding Source</u>	<u>Amount</u>
Redevelopment Funds	\$79,711

**California Redevelopment Agencies - Fiscal Year 2010/2011
Sch D General Project Information
SAN LEANDRO**

Project Area Name: OUTSIDE PROJECT AREA

Project Name: 1st Time Homebuyer
Address: **Various San Leandro**
Owner Name: **Various**

UNIT INVENTORY -----

			<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Mod</u>	<u>Became Ineligible</u>	<u>Total</u>
<u>Inclusionary</u>								
<u>Unit</u>								
New Construction								
Non-Agency	Owner	Non-Elderly	0	1	0	0	0	1
<u>Other Provided with LMIHF</u>								
<u>Unit</u>								
Other Assistance								
Non-Agency	Owner	Non-Elderly	1	2	7	0	0	10
Unit Total			1	3	7	0	0	11

PROJECT FUNDING SOURCE -----

<u>Funding Source</u>	<u>Amount</u>
Redevelopment Funds	\$341,780

Project Name: Las Palmas Apartments
Address: **15370 Tropic Court San Leandro 94579**
Owner Name: **Eden Housing, Inc.**

UNIT INVENTORY -----

			<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Mod</u>	<u>Became Ineligible</u>	<u>Total</u>
<u>Other Provided with LMIHF</u>								
<u>Unit</u>								
Preservation								
Non-Agency	Rental	Non-Elderly	0	5	0	0	0	5
Unit Total			0	5	0	0	0	5

PROJECT FUNDING SOURCE -----

<u>Funding Source</u>	<u>Amount</u>
Redevelopment Funds	\$50,000

California Redevelopment Agencies - Fiscal Year 2010/2011
 Sch D General Project Information
 SAN LEANDRO

Project Area Name: OUTSIDE PROJECT AREA

Project Name: Single Family Rehab and Minor Home Repair

Address: **various San Leandro**

Owner Name: **N/A**

UNIT INVENTORY -----

			<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Above Mod</u>	<u>Became Ineligible</u>	<u>Total</u>
<u>Other Provided with LMIHF</u>								
			<u>Unit</u>					
Mobilehome Owner, Resident								
Non-Agency	Owner	Elderly	9	0	0	0	0	9
Non-Agency	Owner	Non-Elderly	3	0	0	0	0	3
Other Assistance								
Non-Agency	Owner	Elderly	16	1	0	0	0	17
Non-Agency	Owner	Non-Elderly	3	3	0	0	0	6
Unit Total			31	4	0	0	0	35

PROJECT FUNDING SOURCE -----

<u>Funding Source</u>	<u>Amount</u>
Redevelopment Funds	\$433,000

SCHEDULE HCD E
CALCULATION OF INCREASE IN AGENCY'S INCLUSIONARY OBLIGATION FOR ACTIVITIES
(This Form is Information Only: Actual Obligation is based on Implementation Plan)

Report Year: 2010/2011

Agency: SAN LEANDRO

NOTE: This form is a summary of the totals of all new construction or substantial rehabilitation units from forms HCD-D7 which are developed in a project area by any entity (agency or non-agency).

PART I [H & SC Section 33413(b)(1)] AGENCY DEVELOPED	
1. New Units	0
2. Substantially Rehabilitated Units	0
3. Subtotal - Baseline of Units (add line 1 & 2)	0
4. Subtotal of Inclusionary Obligation Accrued this Year for Units (line 3 x 30%)	0
5. Subtotal of Inclusionary Obligation Accrued this year for <u>Very-Low Income</u> Units (line 4 x 50%)	0
PART II [H & SC Section 33413(b)(2)] NON-AGENCY DEVELOPED UNITS	
6. New Units	0
7. Substantially Rehabilitated Units	0
8. Subtotal - Baseline of Units (add lines 6 & 7)	0
9. Subtotal of Inclusionary Obligation Accrued this year for Units (line 8 x 15%)	0
10. Subtotal of Inclusionary Obligation Accrued this year for Very Low Income Units (line 9 x 40%)	0
PART III TOTALS	
11. Total Increase in Inclusionary Obligations During This Fiscal Year (add line 4 & 9)	0
12. Total Increase in Very Low Income Units Inclusionary Obligations During This Fiscal Year (add line 5 & 10)	0

Confirmation of Redevelopment Agency On-Line Filing of Annual HCD Report

FY: Fiscal Year: 2010/2011

FM: Redevelopment Agency: SAN LEANDRO

Agency Administrator: Thomas Liao

Date: 12/21/2011

Time: 10:57 am

TO: State Controller

Division of Accounting and Reporting

Local Government Reporting Section

P.O.Box. 942850

Sacramento, CA 94250

This notice is automatically generated by HCD's On-Line Reporting System. The purpose is to file with the State Controller's Office verification the redevelopment agency has complied with Health and Safety Code (H&SC) Section 33080(a) and submitted the annual HCD report required by H&SC Section 33080.1.

HCD Notification: For the Fiscal Year 2009-2010 Supplemental Education Revenue Augmentation Fund (SERAF) payment, the agency:

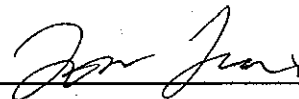
Did use revenue/funds that reduced the amount available to the Housing Fund

Did not use revenue/funds that reduced the amount available to the Housing Fund

To the best of my knowledge the representations made above and the agency information reported are correct.

December 21, 2011

Date



Signature of Authorized Agency Representative

510 577-6003

Telephone Number

Tom Liao

Title Planning and Housing Manager

Section IV:

Blight Report/Loan Report/Property Report

Report on Agency Activities to Eliminate Blight
Report on the Status of Agency Loans
Report on Property Owned and Acquired by the Agency

The San Leandro Redevelopment Agency was formed in 1960 to finance development projects and programs to eliminate economic stagnation and physical blight. The Agency's funding source is tax increment, which is a dedicated share of the growth in property tax within redevelopment project areas. San Leandro has three active redevelopment project areas: **Plaza**, **West San Leandro/MacArthur Boulevard**, and Alameda County-City of San Leandro, known as the **Joint** project area. Partnering with businesses, residents, and property owners, the Redevelopment Agency provides the private sector with financial and technical assistance to eliminate barriers to investment, stimulating economic growth. The Mayor and City Council serve as its Board of Directors and the City Manager as its Executive Director.

ECONOMIC DEVELOPMENT AND COMMERCIAL REVITALIZATION

The Agency is active in three redevelopment project areas: the Plaza Project Area, the Alameda County – City of San Leandro Project Area (also known as the “Joint” Project Area), and the West San Leandro/MacArthur Boulevard Project Area. The Agency is also active in funding affordable housing activities throughout the city. Pursuant to Health and Safety Code Section 33080.1 (d), selected accomplishments for Fiscal Year 2010-11 include:

Overall

- The Redevelopment Agency creation of a Branding and Marketing Strategy to increase visitors and attract new businesses. To assist in this process, the Agency formed a Branding and Marketing Working Group, consisting of 23 leaders from the City's business community. The first two meetings of the Working Group were held in April and May of 2011 and the group made substantial progress to the development of a Branding and Marketing Strategy.
- The Agency initiated development of a Broadband Strategy, designed to facilitate improved access to high-speed internet in commercial and industrial areas in the City. The Agency hired a technical consultant and began collecting data on current service availability by reaching out to service providers and local businesses.
- The Agency also began working with OS/soft, a local software company on a proposal to license existing City conduit for the installation of a fiber optic loop throughout approximately 10 miles in the City. The fiber loop will be a business attraction tool, allowing the City's industrial properties to be re-purposed as high-tech and clean-tech business locations.

- The Redevelopment Agency continued to assist the Chamber of Commerce with their business development programs. The Agency sponsored the Chamber's San Leandro by Design events, an initiative to engage the community in dialogue related to the future of our City, their community fair, and supported enhancement of their website.
- The Redevelopment Agency sponsored a Global Access Forum on May 20th which was attended by approximately 100 business and municipal leaders from throughout the Bay Area. The Forum brought together professionals from Ex-Im Bank, the Small Business Administration and the U.S. Department of Commerce to educate local companies on how to export goods and services to foreign markets.

Plaza Project Area

- **Financial Overview:** Tax increment revenue in the Plaza Project Area was \$2.2 million in fiscal year 2010-11, down 1.2% from the previous fiscal year. Expenditures for the Project Area for 2010-11 were \$1.0 million. \$13.0 million of the Agency's total long-term obligation is attributable to the outstanding principal on the 2002 Tax Allocation Bonds issued for capital improvements in the Plaza Project Area. \$375,000 in bond proceeds remain and will be primarily used to purchase 262 Davis Street in order to develop Town Hall Square (see below).
- The Agency assisted the owners of the historic *Best Building* on East 14th Street with improvements to the building's signature clock, using funds from the Commercial Rehabilitation Program.
- Also under the Commercial Rehabilitation Program, the Agency supported a project at the *Liberty Tax* building on East 14th Street. The project involved new paint and window improvements that restored and highlighted the art-deco elements of the building's design.
- Implementation of Downtown San Leandro's "We Are San Leandro" marketing campaign continued. Four new people postcards, spotlighting some of the key players in Downtown, were distributed to hundreds of potential retail tenants and real estate professionals. Staff continued targeted outreach to numerous potential retail tenants and tabled at ICSC events to promote opportunities in Downtown San Leandro.
- Agency staff served on the Downtown Association board and the Agency assisted the Downtown Association in holding the 11th annual Sausage & Suds event on October 3, 2010, the second annual "It's a Wonderful Night" holiday celebration in the new Joaquin Plaza on December 3, 2010, the second annual Bike SL event on June 12, 2011. These events brought thousands of people downtown for entertainment, activities and dining.

- The Agency continued working with Innisfree Ventures II to develop Town Hall Square (consisting of 212, 250, 262 and 290 Davis Street). Planning efforts were continued to explore opportunities for development at the site, with particular effort devoted to exploring options for acquiring and/or incorporating additional parcels within the site.

Joint Project Area

- **Financial Overview:** Tax increment revenue in the Joint Project Area was \$2.9 million in fiscal year 2010-11, up 1.7% from the previous fiscal year. Expenditures for the Project Area for 2010-11 were \$2.2 million. \$3.8 million of the Agency's total long-term obligation is attributable to the outstanding principal on the 2001 Certificates of Participation issued for capital improvements in the Joint Project Area, the proceeds of which have been fully expended. \$26.7 million of the Agency's obligation is attributable to the outstanding principal on the 2008 Tax Allocation Bonds issued for capital improvements in the Joint Project Area. \$11.1 million in 2008 bond proceeds remain and will be used primarily for the completion of the Downtown Garage project.
- Construction was completed on the 21,000 square-foot Senior Community Center which includes classrooms, arts and crafts areas, exercise rooms, and a large main hall which will also serve as an Emergency Operations Center.
- The Agency continued working with Innisfree Ventures II to develop 1550 East 14th Street. Preliminary planning efforts focused on the possibility of a neighborhood retail development on the site.
- As part of the "Triangle" project to reconfigure and beautify the intersection of East 14th Street, Hesperian Boulevard and 150th Avenue, the Agency worked on identifying relocation options for Quality Tune Up, which had been located at 14901 East 14th Street. Conceptual designs and preliminary cost estimates were also developed for the landscaping of the site in order to create an attractive entry point into the City.
- Construction began on a four story LEED certified parking garage. The four story parking structure will include approximately 2,000 sq. ft. of retail along Estudillo Avenue to be used as an office for the San Leandro Chamber of Commerce and enhancements to Plaza Del Oro, the pedestrian entry to the garage. This garage will replace the current 246 space garage which is seismically unstable, not ADA accessible and of insufficient size to meet the downtown's parking needs. The new garage will provide substantially greater capacity, with 380 spaces, allowing visitors to park once and walk to multiple destinations downtown.

- The Agency continued exploring options to develop the former East Bay Municipal Utility District building at 1595 Washington Avenue, along with the neighboring parcel at 268 Parrott Street, into a mixed use development consistent with the City's Transit Oriented Development Strategy.
- The Agency continued to make payments to the San Leandro Unified School District for public improvements at their new Ninth Grade Campus and construction of a gymnasium. Consistent with the 2009 Financing Agreement, the Agency will contribute \$2.2 million over a period of roughly seven years.
- Using Commercial Rehabilitation Program funds, the Agency assisted with improvements to the *DC Dance Center* on Washington Avenue and *Mike's Pet and Feed* on East 14th Street. The DC Dance project involved new window graphics, paint, lighting, signage and landscaping. The Mike's Pet and Feed project involved new paint and signage.
- The Agency worked with *Pallen's Martial Arts* to develop design plans for a façade improvement project at their new location on East 14th Street. Depending on the outcome of the ongoing lawsuit regarding the state of redevelopment in California, the Agency hopes to use Commercial Rehabilitation Program funds to assist in implementation of the project.
- Staff worked with representatives from *Chase Bank* to coordinate the demolition of the long blighted First Interstate Bank building, which is adjacent to the Chase branch on East 14th Street. Once cleared, the site will include additional parking for Chase, a new vehicular entrance on East 14th Street, and new landscaping. The project will also facilitate improved access for Chase customers on days when the Farmers' Market is active on Parrott Street.
- Work was completed on streetscape and median improvement project on East 14th Street between 136th Avenue and 143rd Avenue. The project involved the construction of new medians and the installation of new trees and landscaping. Funding was provided primarily through a Federal grant, although a small Agency match was also provided.
- The seasonal Downtown Farmers' Market continued to draw crowds with the average weekly patronage averaging 2,500 per week, an increase from the previous year. The market was reconfigured this year to occupy Parrott Street to East 14th Street, adding space to accommodate over 40 vendor stalls.

West San Leandro/MacArthur Boulevard Project Area

- **Financial Overview:** Tax increment revenue in the West San Leandro/MacArthur Boulevard Project Area was \$3.4 million in fiscal year 2010-11, up 3.2% from the previous fiscal year. Expenditures for the Project Area for 2010-11 were \$2.4 million. \$5.2 million of the Agency's total long-term obligation

is attributable to the outstanding principal on the 2004 Tax Allocation Bonds issued for capital improvements in the West San Leandro/MacArthur Boulevard Area. The bond funds have been fully expended.

- Agency staff continued to provide assistance with the development of the *Kaiser Permanente Medical Center* on the 63-acre former Albertson's distribution site at Marina Boulevard and I-880. The first phase of construction will consist of a 264-bed state-of-the-art hospital and a 275,000 square-foot hospital support building and will provide over 2,300 jobs.
- The Agency continued working as part of the East Bay Green Corridor, a regional partnership committed to strengthening the green technology economy while reaching sustainability goals. In 2010-11, Agency involvement in the Corridor was focused in the areas of marketing/website development and business development. A primary goal of the Agency's participation is to attract green businesses to opportunity sites which mainly exist in the West San Leandro industrial area. San Leandro staff also worked with other members of the green Corridor to develop an e-Newsletter that highlights existing green businesses and noteworthy stories about the region's green economy. The East Bay Green Corridor was designated as an Innovation Hub (iHub) by the State of California.
- In 2010-11 Agency staff assisted with the implementation of the "Careers in Industrial Technology" program, an initiative to introduce high school students to job training and opportunities in manufacturing businesses. The program was launched this year and a group of students from San Leandro High School were given tours of several industrial businesses within the City where they learned about available jobs, hiring practices, and the skills required for a successful career in manufacturing.
- The Agency continued implementation of an Industrial Competitiveness Grant program to provide technical assistance as well as funding for capital improvements which assist manufacturers and other industrial businesses in increasing energy efficiencies, thereby reducing their costs. This not only meets the City's goal of green house gas emissions reduction, but also assists businesses in remaining competitive. In 2010-11, the Agency used this program to contribute to lighting improvements at *Mi Rancho Tortilla Factory*, *PrimeSource Building Materials*, and *Glesby Wholesale*, and for the installation of skylights at *Scandic Springs*.
- *Ridge Foundry*, located at 1554 Doolittle Drive, completed a successful façade improvement which included the installation of new fencing and landscaping along the Doolittle frontage.
- In 2010-11 the Agency continued to provide administrative support the San Leandro LINKS shuttle which transports employees between industrial businesses and the Downtown San Leandro BART Station. Ridership of the

shuttle continues to be strong, and the Agency facilitated renegotiation of the contract with service provider MV Transportation to provide a small decrease in operating expenses. Although grants have been secured for the next three fiscal years, a small financial contribution from the Agency was needed in 2010-11 to ensure that the account remained solvent. Minor Agency support will likely be needed in future years.

Housing

The housing objectives of the San Leandro Redevelopment Agency 2010-14 Implementation Plan, City of San Leandro Housing Element, and the City's U.S. Department of Housing and Urban Development (HUD) 2010-2014 Consolidated Plan address the underserved housing needs of households and families in San Leandro. One of the primary goals in these City housing plans is to provide programs that foster and maintain affordable housing. The Agency is a crucial funding source and has effectively leveraged set-aside funds with other sources in cooperation with developers (i.e., non-profit and for profit) and the City in achieving these goals. Pursuant to Health and Safety Code Section 33080.1(c), notable Agency-assisted housing activities for FY 2010-11 include:

- **Financial Overview:** Tax increment revenue for housing was \$2.6 million in the 2010-11 fiscal year, equal to 20 percent of Agency-wide tax increment revenue. Revenue for housing represents a 0.4% increase from the prior fiscal year.
- The City, Redevelopment Agency, BRIDGE Housing Corporation (non-profit developer for The Alameda at San Leandro Crossings), and Westlake Development Partners (for profit developer for The Cornerstone) continued to work and meet regularly throughout FY 2010-2011 to move both residential development projects and the BART replacement parking forward towards construction in 2012. BRIDGE is planning to re-apply for federal and State low income housing tax credits in early 2012. The Alameda, a proposed 100-unit affordable rental housing development which is part of the mixed income San Leandro Crossings master plan development, was delayed in April 2010 due to the current economic climate and newness of State Proposition 1C infrastructure grants awarded to the project. Previously, the City Council approved a \$9.1 million Redevelopment Housing Set-Aside development loan for The Alameda in April 2009. The City Council approved entitlements and the Final Map for The Alameda in January 2010.
- Las Palmas Apartments, an affordable 91-unit multi-family rental property primarily for low-income households, changed ownership in early 2011. The nonprofit, Eden Housing, has assumed ownership and management of Las Palmas from the prior nonprofit owner, Citizens Housing Corporation (CHC), which is terminating at the end 2012 due to financial issues resulting from the economic downturn. The City already assisted CHC in acquiring Las Palmas in 1999 through a federal Home Investment Partnership Act (HOME) loan. In

February 2011, the Redevelopment Agency of the City of San Leandro provided Eden Housing with a \$50,000 Agency loan to assume complete ownership of Las Palmas from CHC and help preserve the long-term affordability of Las Palmas. In addition, current affordability restrictions on 45 of the 91 units for low-income households at or below 60% AMI were extended for an additional fifteen years (15) from 2015 to 2030, while the RDA loan also restricted an additional five (5) units for very-low income households (50% AMI) for a 55-year period until 2066.

- Five (5) low interest loans and thirty (30) grants were awarded through the Residential Rehabilitation Program, which is funded by Set-Aside Funds. All of the five loans went to senior homeowners: two (2) of the loans were for extremely low-income seniors and three (3) were for very low income seniors. Of the 30 grants for minor home repairs, fourteen (14) were for extremely low-income and twelve (12) were for very low-income and four (4) were for low income. Twenty-two (22) of the grants were for seniors.
- The Agency approved ten loans under the First Time Home Buyer (FTHB) down payment/closing cost assistance program. Seven (7) were for low-income and three (3) for moderate-income first-time homebuyers.
- Under the FTHB Program, the Agency conducted two free homebuyer education seminars for potential first-time buyers. Overall, there were 43 certificates of completion awarded to households completing the seminars. The Agency also provided free one-on-one homebuyer counseling to 25 households all of whom were low- to moderate-income San Leandro residents and/or employed in the City.

LOOKING AHEAD: PROGRAM CONTINUATIONS AND CHANGES

In Fiscal Year 2011-12, the Agency's activity will be severely impacted by the results of pending litigation regarding the legal status of the State's Alternative Voluntary Redevelopment Program. Assuming that the Agency maintains adequate funding and legal authority to pursue redevelopment activities, the following programs are being pursued in addition to the continuation of the projects mentioned in the previous Economic Development and Commercial Revitalization section:

Overall

- The Agency will intensify implementation of the Branding and Marketing Strategy that resulted from the work of the Branding and Marketing Working Group. In particular, Agency staff will work to develop a Visit San Leandro website that highlights opportunities for shopping, dining, and recreation in San Leandro.

Joint Project Area

- The Agency will continue working with Madison Marquette on the redevelopment of Bayfair Center, specifically as it relates to implementation of the Transit Oriented Development Strategy and the Expansion Parcel Study for an underutilized 2.5 acres site.

West San Leandro/MacArthur Boulevard Project Area

- Agency staff will begin planning for the development of a Marina Boulevard Specific Plan to coordinate planning along a crucial connection between the Kaiser Medical Center and the shoreline. To date, planning related to this priority area has been delayed due to the impact of State actions related to redevelopment funding
- Agency will continue work on establishment of a Business Assessment District to construct Eden Road, currently a dirt road, to improve traffic circulation in the Davis/Doolittle intersection and provide necessary access to currently blighted properties.

Housing

- Issuance of tax exempt bonds for the Alameda at San Leandro Crossings once the nonprofit housing developer, BRIDGE Housing Corporation, is ready to proceed with construction. The bonds will be repaid through the \$9.1 million Set-Aside loan discussed above and approved by the Redevelopment Agency in 2009.

AGENCY LOAN STATUS

The Agency has eight loans in excess of \$50,000 that are active as of June 30, 2011. A summary of these loans, indicating the original loan amount, balance as of June 30, 2011, type of loan and status, is provided in the following table.

In 2008-09, the Redevelopment Agency authorized a loan of up to \$9.1 million to BRIDGE Housing Corporation for the proposed 100-unit affordable rental development known as the The Alameda at San Leandro Crossings. Execution of the loan has been delayed.

Agency Loan Summary: June 30, 2010

	Original Amount	Current Balance	Type of Loan	Status of Loan
Creekside Assoc. LLC	\$1,348,301	\$582,935	Economic Development	Current
American Baptist Homes	\$1,887,538	\$1,887,538	Housing Development	Current
Citizens Housing	\$300,000	\$300,000	Housing Development	Current
Eden Housing, Inc.	\$1,226,000	\$676,000	Housing Development	Current
Estabrook Senior Housing	\$1,978,000	\$1,978,000	Housing Development	Current

Sara Rogers (Bagwell)	\$95,580	\$56,916	Housing Development	Current
Allied Housing, Inc.	\$538,067	\$538,067	Housing Development	Current
Roger and Mary Tona	\$147,333	\$147,333	Housing Development	Current

PROPERTY OWNED AND ADQUIRED BY THE AGENCY

One property, Casa Verde at 2398 East 14th Street, is owned by the Agency and is has been redeveloped into a 68-unit low/moderate income apartment project, operated and managed by Mercy Housing under a long-term lease agreement.

In 2008-09, the Redevelopment Agency executed a Lease with Option to Purchase agreement with the San Leandro Chamber of Commerce that may ultimately result in the acquisition of 262 Davis Street. If acquired, that parcel would be held for mixed-use development as part of the Town Hall Square project.

As of June 30, 2011, the Agency did not own properties designated for future redevelopment.

PROPERTY SOLD BY THE REDEVELOPMENT AGENCY

The Agency disposed of 21 properties during fiscal year 2010-11. All of these properties were transferred to the City of San Leandro on March 10, 2011.

Properties Disposed of By the Agency in 2010-11

Address	APN #	Description
Aladdin Ave	079A-0295-002-17	Marina Reader Board Sign
Carpentier Street	075-0036-058-00	Creek-walk behind Creekside Plaza
212 Davis Street	075-0001-005-00	Vacant, held for redevelopment
222 Davis Street	075-0001-006-00	Vacant, held for redevelopment
250 Davis Street	075-0001-008-02	Parking, held for redevelopment
290 Davis Street	075-0001-010-02	Parking, held for redevelopment
2512 Davis Street	077A-0649-008-25	Vacant, held for Eden Road extension
1199 E. 14 th Street	075-0001-004-00	Former bank, held for redevelopment
1433 E. 14 th Street	077-0545-018-00	Parking
1550 E. 14 th Street	077-0540-009-00	Parking, held for redevelopment
14901 E. 14 th Street	077D-1499-001-00	Vacant, held for streetscape improvement
2101 Marina Blvd.	079A-0568-005-00	Former fire station, held for redevelopment

268 Parrott Street	075-0005-012-00	Vacant, held for redevelopment
1193 Warden Ave	077A-0655-001-00	Park
1446 Washington Ave.	077-0545-025—00	Parking
1490 Washington Ave.	077-0545-024-01	Parking
1595 Washington Ave.	075-0005-011-01	Vacant, held for redevelopment
Washington Ave	077-0545-026-02	Plaza outdoor dining area
Washington Ave	077-0545-009-00	Parking
Washington Ave	077-0545-010-00	Parking
135 W. Joaquin Ave	077-0545-015-00	Walkway adjacent to Plaza parking lot