

APPENDIX III
SOUTHEASTERN
ECONOMIC
DEVELOPMENT
CORPORATION



Southeastern Economic Development Corporation

PROGRAM OBJECTIVES

1. Increase the supply and variety of housing that is available for all who are interested in living in southeastern San Diego;
2. Increase the amount of adequate retail facilities offering quality merchandise;
3. Accommodate new and relocated industries that enhance the community and provide employment opportunities for southeastern San Diego residents;
4. Contribute to the construction and/or replacement of public infrastructure through the actual construction of and/or funding of necessary improvements;
5. Support local entrepreneurs by providing programs to enhance the knowledge and skills of existing and future business owners; and
6. Eliminate blighting influences including but not limited to incompatible land uses, obsolete and substandard structures and under-utilized land.

AGENCY DESCRIPTION

The Southeastern Economic Development Corporation (SEDC) is an independent corporation in charge of all redevelopment activities within a 7.2 square mile area adjacent to downtown San Diego. Established in 1981 by the City of San Diego City Council, SEDC's sphere of influence includes 15 neighborhoods and four adopted redevelopment project areas – Central Imperial, Gateway Center West, Mount Hope and Southcrest and the Dells/Imperial Study Area.

SEDC has a nine member Board of Directors appointed by the City Council and a professional staff of 13 employees.

SERVICE EFFORTS AND ACCOMPLISHMENTS

SEDC has successfully planned and developed the southeastern community. The development activities have been as diverse as the project areas. A summary of recent accomplishments includes the following:

Central Imperial

- The development of two modern shopping venues the (300,000 sq. ft.) Imperial Marketplace anchored by Home Depot and the 150,000 sq. ft. Market Creek Plaza anchored by Food-4-Less. It should be noted that the balance of the property in and around Market Creek Plaza has been designed as one of the City's Pilot Villages and will be developed with residential, industrial and retail developments.
- Development of new single-family for-sale housing.

Southeastern Economic Development Corporation

- Valencia Business Park, home to the new 25,000 sq. ft. Encanto Post Office with an additional 65,000 sq. ft. planned.
- Rehabilitation of a 42,000 sq. ft. light-industrial building. The new location for AMSEC (a subsidiary of SAIC).

Mount Hope

- This predominately single-family residential area is home to the 66-acre Gateway Center East Business Park. More than 1,400 jobs (27% are southeastern employees) are located here and includes a retail component anchored by Costco.
- Installation of street trees throughout the community.
- A residential rehabilitation program for area residents.
- Public Improvements have been installed providing sidewalk, curb, gutter, driveways, alley paving and street lights.
- Relocation of the San Diego Urban League corporate offices into the Gateway Center East Business Park.

Gateway Center West

- A business park that includes businesses, such as ICE, Cintas Corporation, Padre Janitorial and an 18-acre site owned by the San Diego Gas & Electric (SDG&E). Under the current Owner Participation Agreement between SEDC and SDG&E, there will be an additional 30,000 sq. ft. office built and a major reorganization of the exterior yard. The future development strategy includes acquisition and assembly of additional parcels that will accommodate industrial users.

Southcrest

- The initial development strategy required the rebuilding of a 68-acre swath of land originally acquired by CALTRANS for a freeway connection known as the 252 Corridor. The removal of over 100 homes resulted in a blighted vacant under-utilized parcel that was of major concern to the Southcrest Neighborhood. Today the blight has been replaced with 99 homes, the Cesar Chavez Elementary School, a nine acre park and a shopping area anchored by Albertsons (the first major grocery store to return to the southeastern community in over 25 years). In 2005, SEDC broke ground on 110 condominiums which will be completed in 2006.

Economic Development Activities

The Economic Development activities undertaken by SEDC compliment the development activities that have occurred throughout the SEDC area of influence. The economic activities include technical assistance, a Revolving Loan Fund Program, a commercial rehabilitation program and first-time homebuyer workshops.

Southeastern Economic Development Corporation

The overall public investment of approximately \$100 million has resulted in significant changes in the southeastern community.

Future Outlook

The FY 05/06 fiscal year will have both opportunities and challenges. The opportunity for SEDC to actively participate in the production of truly affordable housing comes with the challenge of convincing the community of the benefits of well planned density. The opportunity to bring additional services to the community comes with the challenge of identifying sites with the least amount of disruption to residents and businesses. The strategy of utilizing passed over sites is one that as we are more successful must be modified due strictly to diminished inventory.

The opportunity to continue to attract quality developers comes with the challenge of identifying incentives and timely processing.

SEDC has established a track record that confirms our ability to maximize resources for the betterment of the entire community.

Southeastern Economic Development Corporation

Agency Summary				
	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 PROPOSED	FY 2005-2006 CHANGE
Positions	14.50	14.00	14.00	-
Personnel Expense	\$ 1,196,000	\$ 1,238,000	\$ 1,338,000	\$ 100,000
Non-Personnel Expense	<u>\$ 747,000</u>	<u>\$ 604,500</u>	<u>\$ 623,800</u>	<u>\$ 19,300</u>
TOTAL	\$ 1,943,000	\$ 1,842,500	\$ 1,961,800	\$ 119,300

Significant Budget Adjustments

AGENCY TITLE	Positions	Cost
Salaries and Benefits	0.00	\$ 100,000
The increase of \$100,000 is primarily due to provisions for salary, benefits and employee pay plan in FY 06.		
Non-Personnel Changes	0.00	\$ 19,300
The increase of \$19,300 in non-personnel expenses is due to the following: increase of \$11,800 in equipment outlay, and net increase of \$ 7,500 in various other line items of services and supplies.		
Title of Change	0.00	\$ -
Description		
Title of Change	0.00	\$ -
Description		
Title of Change	0.00	\$ -
Description		
Title of Change	0.00	\$ -
Description		
Title of Change	0.00	\$ -
Description		
Title of Change	0.00	\$ -
Description		

Southeastern Economic Development Corporation

Expenditures by Category

	FY 2004 BUDGET	FY 2005 BUDGET	FY 2006 PROPOSED
PERSONNEL			
Salaries & Wages	\$968,000	\$990,000	\$1,063,000
Fringe Benefits	\$228,000	\$248,000	\$275,000
SUBTOTAL PERSONNEL	\$1,196,000	\$1,238,000	\$1,338,000
NON-PERSONNEL			
Supplies & Services	\$509,200	\$537,000	\$555,600
Information Technology	\$24,300	\$24,300	\$14,000
Energy/Utilities	\$27,600	\$27,800	\$27,000
Equipment Outlay	\$185,900	\$15,400	\$27,200
SUBTOTAL NONPERSONNEL	\$747,000	\$604,500	\$623,800
TOTAL	\$1,943,000	\$1,842,500	\$1,961,800

Salary Schedule

AGENCY TITLE

<i>Class</i>	<i>Position Title</i>	<i>FY 2005 Positions</i>	<i>FY 2006 Positions</i>	<i>Salary Range FY 05-06</i>
0	President	1.00	1.00	130,000.00 to 160,000.00
0	Vice-President of Operation	1.00	1.00	95,000.00 to 115,000.00
0	Director of Corporate Communications	1.00	1.00	75,000.00 to 95,000.00
0	Director of Finance	1.00	1.00	75,000.00 to 95,000.00
0	Manager of Projects/Development*	1.00	1.00	75,000.00 to 95,000.00
0	Senior Accountant	1.00	1.00	55,000.00 to 71,000.00
0	Projects Coordinator	1.00	1.00	49,000.00 to 60,000.00
0	Executive Assistant	1.00	1.00	42,000.00 to 57,000.00
0	Assistant Projects Coordinator	1.00	1.00	42,000.00 to 52,000.00
0	Accounting Technician	1.00	1.00	38,000.00 to 48,000.00
0	Communications Coordinator	1.00	1.00	32,000.00 to 42,000.00
0	Administrative Support Coordinator	1.00	1.00	35,000.00 to 45,000.00
0	Research Coordinator	1.00	1.00	30,000.00 to 40,000.00
0	Receptionist	1.00	1.00	26,000.00 to 32,000.00
	Total	14.00	14.00	

* *This position is currently unfunded.*



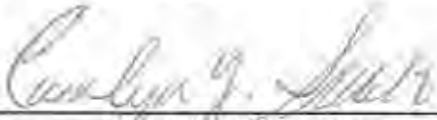
**SOUTHEASTERN ECONOMIC DEVELOPMENT
CORPORATION**
4393 IMPERIAL AVENUE, SUITE 200 • SAN DIEGO, CA 92113
(619) 527-7345 • FAX: 262-9845

WORK FORCE REPORT

Name of Company: Southeastern Economic Development Corporation
 AKA/DBA: SEDC
 Address (Corporate Headquarters, where applicable): 4393 Imperial Avenue, Suite 200
 City San Diego County San Diego State CA Zip 92113
 Telephone Number: (619) 527-7345 FAX Number: (619) 262-9845
 Name of Company CEO: Carolyn Y. Smith
 Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):
 Address: Same as above
 City Same as above County Same as above State/Zip Same as above
 Telephone Number: (619) Same as above FAX Number: (619) Same as above
 Type of Business: Redevelopment Corporation Type of License: N/A
 The Company has appointed: Kimberly King
 as its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate, and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:
 Address: 4393 Imperial Avenue, Suite 200, San Diego, CA 92113
 Telephone Number: (619) 527-7345 FAX Number: (619) 262-9845

For Firm's: San Diego Work Force and/or Managing Office Work Force

I, the undersigned representative of Southeastern Economic Development Corporation
 (Firm Name)
San Diego California
 (County) (State)
 hereby certify that information provided herein is true and correct. This document was executed on this day of _____
August 17, 2005

 Carolyn Y. Smith, President
 (Authorized Signature) (Print Authorized Signature Name)

WORK FORCE REPORT - Page 2

NAME OF FIRM: Southeastern Economic Development Corporation DATE: April 18, 2005

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force.

Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) African-American, Black
- (2) Latino, Hispanic, Mexican-American, Puerto Rican
- (3) Asian, Pacific Islander
- (4) American Indian, Eskimo
- (5) Filipino
- (6) Caucasian
- (7) Other Ethnicities; not falling into other groups

OCCUPATIONAL CATEGORY	(1) African-American		(2) Latino		(3) Asian		(4) American Indian		(5) Filipino		(6) Caucasian		(7) Other Ethnicities	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Executive, Administrative, Managerial	2	1							1					
Professional Specialty		1				1						2		
Engineers/Architects														
Technicians and Related Support														
Sales														
Administrative Support/Clerical		2		2						1				
Services														
Precision Production, Craft and Repair														
Machine Operators, Assemblers, Inspectors														
Transportation and Material Moving														
Handlers, Equipment Cleaners, Helpers and Nonconstruction Laborers*														

*Construction laborers and other field employees are not to be included on this page

TOTALS EACH COLUMN	2	4		2		1			1	1		2		
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GRAND TOTAL ALL EMPLOYEES	13
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INDICATE BY GENDER AND ETHNICITY THE NUMBER OF ABOVE EMPLOYEES WHO ARE DISABLED

DISABLED														
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NON-PROFIT ORGANIZATIONS ONLY:

BOARD OF DIRECTORS	3	4				3					2	1		
VOLUNTEERS														
ARTISTS														

Southeastern Economic Development Corporation
Program Summary by Entity
FY 2006
(In Thousands)

Program Staffing	14.0
Administration	\$1,962 *
Capital Projects	14,623 **
Low/Mod Housing	2,297
Debt Service/Loan Repayment	5,067
Total	\$23,949

**Includes project management costs of \$90,916*

***Includes City Administration and insurance charges of \$253,220*

SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION
ADMINISTRATIVE BUDGET
FISCAL YEAR 2006

Description	Current FY 2005	FY 2006	Budget Variance	%
SALARIES AND BENEFITS				
Corporation Staff	\$ 990,000	\$ 1,063,000	\$ 73,000	7.4%
Benefits	248,000	275,000	27,000	10.9%
Subtotal Salaries	\$ 1,238,000	\$ 1,338,000	\$ 100,000	8.1%
OVERHEAD				
Office Space	\$ 183,200	\$ 189,000	\$ 5,800	3.2%
Equipment Rental	2,500	-	(2,500)	-100.0%
Equipment Lease	23,300	23,000	(300)	-1.3%
Leasehold Improvements	-	-	-	0.0%
Telephone	15,800	12,000	(3,800)	-24.1%
Utilities	12,000	15,000	3,000	25.0%
Moving expenses	-	-	-	100.0%
Photography & Blueprinting	3,300	5,000	1,700	51.5%
Reproduction	9,500	9,600	100	1.1%
Office Supplies	24,900	18,100	(6,800)	-27.3%
Postage	14,000	15,600	1,600	11.4%
Publications & Subs.	2,700	3,400	700	25.9%
Brochures & Printing	31,600	32,000	400	1.3%
Advertising	27,100	26,100	(1,000)	-3.7%
Business Expense	19,600	24,300	4,700	24.0%
Title & Fees	2,600	2,600	-	0.0%
Travel	15,500	21,500	6,000	38.7%
Membership Dues	5,100	5,400	300	5.9%
Conference, Training & Seminars	11,500	10,100	(1,400)	-12.2%
Tuition Reimbursement	6,900	6,800	(100)	-1.4%
Auto Expenses	5,400	5,400	-	0.0%
Mileage	3,100	3,600	500	16.1%
Parking	2,400	2,300	(100)	-4.2%
Promotions/Special Events	11,800	12,300	500	4.2%
Security	1,100	1,600	500	45.5%
Repair/Maint., Bldg & Equip.	5,400	7,700	2,300	42.6%
Liability Insurance	2,000	2,000	-	0.0%
Janitorial Services	5,500	13,500	8,000	145.5%
Messenger Service	2,900	3,600	700	24.1%
Payroll Processing	2,200	2,200	-	0.0%
Data Processing	24,300	14,000	(10,300)	-42.4%
Equip/Comp/Furniture Purchases	15,400	27,200	11,800	76.6%
Subtotal Overhead	\$ 492,600	\$ 514,900	\$ 22,300	4.5%
CONSULTANTS				
Legal Consultants	\$ 28,100	\$ 34,500	\$ 6,400	22.8%
Financial Consultants/Audits	11,000	11,000	-	0.0%
Other Contractual Serv	67,800	57,000	(10,800)	-15.9%
Director Fees	5,000	6,400	1,400	28.0%
Subtotal Consultants	\$ 111,900	\$ 108,900	\$ (3,000)	-2.7%
TOTAL OVERHEAD/CONSULTANTS	\$ 604,500	\$ 623,800	\$ 19,300	3.2%
TOTAL ADMINISTRATIVE BUDGET	\$ 1,842,500	\$ 1,961,800	\$ 119,300	6.5%

SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION
 POSITION AND SALARY SCHEDULE
 SUMMARY

CORPORATION STAFF POSITION	BUDGETED POSITIONS		SALARY RANGE					
	FY 2005	FY 2006	FY 04-05		FY05-06			
President	1.0	1.0	\$130,000	to	\$160,000	\$130,000	to	\$160,000
Vice- President of Operation	1.0	1.0	95,000	to	115,000	95,000	to	115,000
Director of Corporate Communications	1.0	1.0	75,000	to	95,000	75,000	to	95,000
Director of Finance	1.0	1.0	75,000	to	95,000	75,000	to	95,000
Mgr of Projects/Development	1.0	1.0	75,000	to	95,000	75,000	to	95,000
Senior Accountant	1.0	1.0	55,000	to	71,000	55,000	to	71,000
Projects Coordinator	1.0	1.0	49,000	to	60,000	49,000	to	60,000
Executive Assistant	1.0	1.0	42,000	to	57,000	42,000	to	57,000
Assistant Projects Coordinator	1.0	1.0	40,000	to	52,000	40,000	to	52,000
Accounting Technician	1.0	1.0	38,000	to	48,000	38,000	to	48,000
Communications Coordinator	1.0	1.0	35,000	to	42,000	35,000	to	42,000
Administrative Support Coordinator	1.0	1.0	35,000	to	42,000	35,000	to	42,000
Research Coordinator	1.0	1.0	30,000	to	40,000	30,000	to	40,000
Receptionist	1.0	1.0	25,200	to	31,000	25,200	to	31,000
Total Positions	14.0	14.0						

Regular Salaries	\$907,000	\$980,000
Misc. Salaries & Wages	35,000	35,000
Allow. For Overtime/Bonus/Merit	<u>48,000</u>	<u>48,000</u>
Total Salaries & Wages	<u>\$990,000</u>	<u>\$1,063,000</u>

Southeastern Economic Development Corporation

Capital Projects

FY 2006

(In Thousands)

	Contin'g Approp.	FY 2006 Approp.	Proposed FY 2006
Central Imperial			
Central Imperial - General	278	997	1,275
Chollas Creek	2	0	2
Imperial Marketplace (North Creek)	0	460	460
Mt. View Community Center	0	0	0
Jacobs Foundation	0	0	0
Valencia Business Park (Potter Tract)	2,686	(119)	2,567
Subtotal Central Imperial	<u>\$2,966</u>	<u>\$1,338</u>	<u>\$4,304</u>
 Dells/Imperial			
Study Area	0	0	0
Subtotal Dells/Imperial	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 Gateway Center West			
Gateway Center West - General	534	111	645
2.5 Acres - Acquisition & Development	507	28	535
Subtotal Gateway Center West	<u>\$1,041</u>	<u>\$139</u>	<u>\$1,180</u>
 Mount Hope			
Mt. Hope - General	5,579	347	5,926
Mt. Hope - Public Imprvmnts - Phase II	0	224	224
Market Street Demonstration	972	12	984
Subtotal Mount Hope	<u>\$6,551</u>	<u>\$583</u>	<u>\$7,134</u>
 Southcrest			
Southcrest - General	13	266	279
Linear Park	17	0	17
Alpha St - Res. Phase I & II	1,515	10	1,525
Subtotal Southcrest	<u>\$1,545</u>	<u>\$276</u>	<u>\$1,821</u>
 Commercial Rehab./Entrepreneur Academy			
All Areas	171	0	171
Subtotal	<u>\$171</u>	<u>\$0</u>	<u>\$171</u>
 Subtotal Capital Projects:	<u>\$12,274</u>	<u>\$2,336</u>	<u>\$14,610</u>
 Special Projects			
Bridge Lights	13	0	13
Subtotal Special Projects	<u>\$13</u>	<u>\$0</u>	<u>\$13</u>
 Grand Total:	<u>\$12,287</u>	<u>\$2,336</u>	<u>\$14,623</u>

Southeastern Economic Development Corporation
 FY 2006 Low and Moderate
 Income Housing Activities
 (In Thousands)

Central Imperial **\$611**

Tax increment funds will be set-aside for the purpose of creating and rehabilitating low and moderate income housing. Funding of the home-buyer assistance and housing rehabilitation programs will continue. In addition, the low/moderate housing developments located in the Central Imperial Redevelopment Project Area are eligible for funds made available through the Agency's Notice of Funding Availability (NOFA) Collaboration. The following are housing projects funded in FY05-06: Lincoln Park Paseo, Hilltop and Euclid, Market Creek and Mar Vista Mixed Use.

Gateway Center West **\$286**

Tax increment funds are set aside to create home ownership, rental and/or rehabilitation opportunities for low and moderate income residents.

Mount Hope **\$630**

Tax increment funds are set aside for the purpose of creating and rehabilitating low and moderate income housing. As of June 30, 2000, the Redevelopment Agency/SEDC has committed approximately \$2.2 million of the 20% housing set-aside along with funds from the 1995 tax allocation bond to low and moderate housing activities. In FY04-05, included in the continuing appropriation, \$435,000 of the set-aside funds were used for street improvements for Phase II of the Southcrest Park Estates (62 for-sale units).

Southcrest **\$770**

Tax increment funds are set aside for the purpose of creating or rehabilitating low and moderate income housing. In the fourth quarter of FY04-05, construction of the 62 for sale homes was completed.

	\$2,297
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Southeastern Economic Development Corporation
 Debt Service/Loan Repayment Expenditures
 by Project Area
 FY 2005 to FY 2006

	Estd Actual FY 2004	Current FY 2005	Budget FY 2006	Remaining Years
Central Imperial	\$2,296	\$611	\$546	\$29,866
Dells Imperial (Study)	0	0	0	0
Gateway Center West	331	272	274	23,851
Mount Hope	1,545	1,796	1,289	25,898
Southcrest	2,128	2,573	2,958	23,261
Total	\$6,300	\$5,252	\$5,067	\$102,876

Southeastern Economic Development Corporation
 FY 2006 Expenditures
 By Project Area
 (Thousand)

	Capital Projects	Low/Mod Housing	Administration SEDC	Debt Service/ Loan Repay	Total
Central Imperial	4,304	611	1,332	546	6,793
Dells Imperial Study	0	0	0	0	0
Gateway Center West	1,180	286	0	274	1,740
Mount Hope	7,134	630	134	1,289	9,187
Southcrest	1,821	770	496	2,958	6,045
Commercial Rehab.	171	0	0	0	171
Bridge Lights	13	0	0	0	13
Total	\$14,623 *	\$2,297	\$1,962 *	\$5,067	\$23,949

** A total of \$253,220 in City Administration and insurance charges is included in the capital projects.
 A total of \$90,916 in project management costs is included in SEDC administration*

Southeastern Economic Development Corporation
 Gross Tax Increment
 by Project Area
 FY 2005 - FY 2006
 (In Thousands)

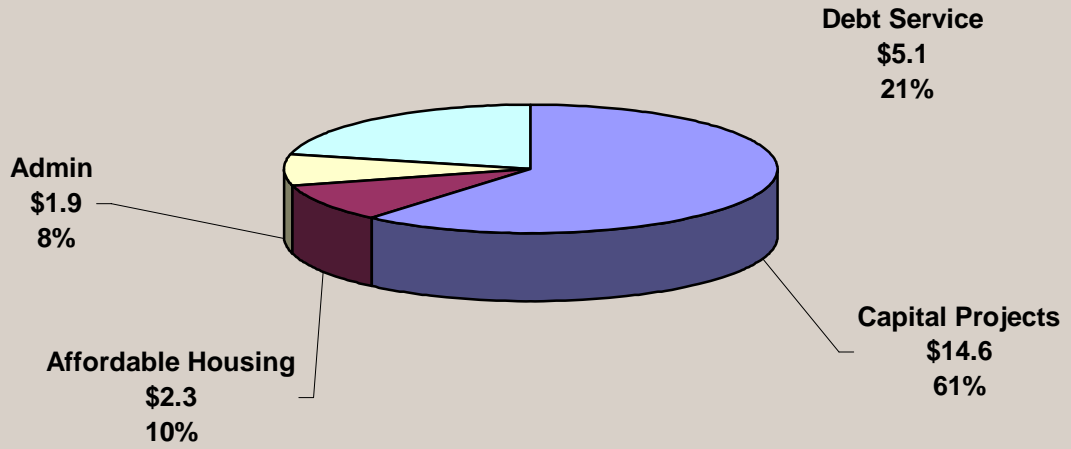
	Actual FY 2004	Current FY 2005	Budget FY 2006
Central Imperial	\$1,164	\$1,016	\$1,736
Gateway Center West	249	247	321
Mount Hope	1,061	1,214	1,109
Southcrest	825	1,077	1,126
Total	\$3,299	\$3,554	\$4,292

Net Tax Increment for Capital Projects
 FY 2006
 (Thousand)

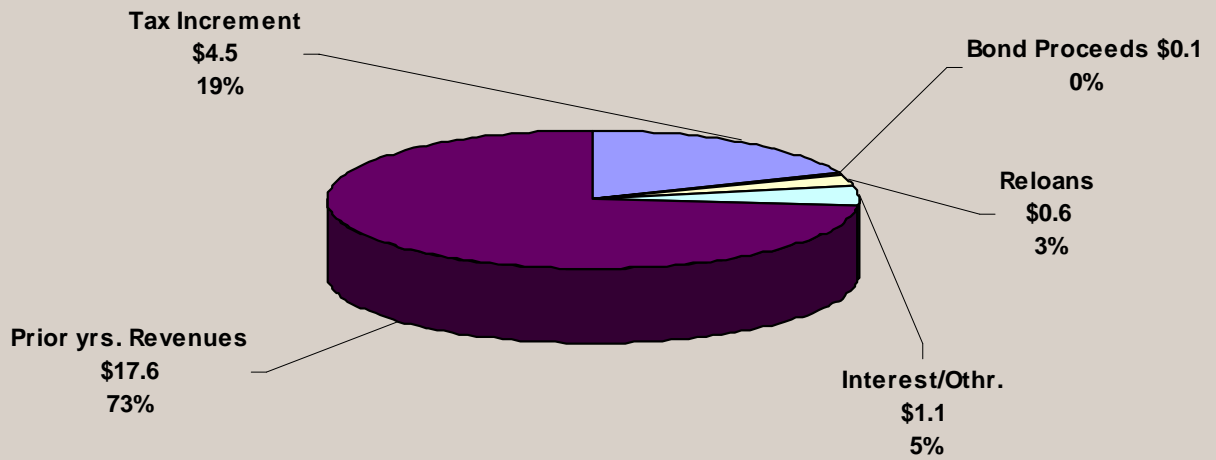
Gross Tax Increment	(1)	<u>\$4,292</u>
Less:		
Housing Set-aside (Net of DS)		566
Tax-sharing Agreements and ERAF		543
County Service Fee		33
Debt Service		1,457
Total Deductions		<u><u>\$2,599</u></u>
Net Tax Increment		<u><u>\$1,693</u></u>

(1) Excludes interest earnings

**Southeastern Economic Development Corporation
Fiscal Year 2006 Expenditure Summary - \$23.9
(In Millions)**



**Southeastern Economic Development Corporation
Fiscal Year 2006 Revenue Summary - \$23.9
(In Millions)**



Southeastern Economic Development Corporation
 Revenue and Expenditures
 FY 2005 to FY 2006
 (In Thousands)

	Est'd Actual FY 2004	Current FY 2005	Budget FY 2006
Revenue:			
Tax Increment	\$3,299	\$3,554	\$4,471 *
Bond Proceeds	126	547	46
Re loans	135	1,094	605 *
Interest/Rent/Misc	338	130	991
Developer Proceeds	1,249	71	90 *
City Loans	0	0	153 *
Other	6,598	18,172	17,593
Total Revenue	\$11,745	\$23,568	\$23,949
Expenditures:			
Capital Projects	1,400	\$14,571	\$14,623
Low/Mod Housing	500	1,902	2,297
Administration	1,943	1,843	1,962
Debt Service/Loan Repayment	6,300	3,628	3,444
Total Expenditures	\$10,143	\$21,944	\$22,326
Carryover	\$1,602	\$1,624	\$1,623

**Includes prior year's appropriation adjustment.*

Summary of Central Imperial Redevelopment Area
Revenue and Expenditures
(In Thousands)

	Total FY2006
Revenue	
Tax Increment	\$ 1,915 *
Bond Proceeds	23
Re loans	605
Interest/Rent/Misc.	797
Developer Proceeds	0
City Loans	53
Other	3,400
Total Revenue	\$6,793
Expenditures	
Admin/Legal/Planning	\$ 3,197
Real Estate Acquisition	225
Public Improv./Engineering	1,609
Rehab/Property Mgt/Other	1,762
Total Expenditures	\$6,793



Additional Information

Central Imperial Expenditures by Objective

Capital Projects	\$4,304
Low/Mod Housing	611
Administration	1,332
Debt Service/Loan Repayment	546
Total Expenditures	\$6,793

Statutory and contractual obligations dictate the use of portions of tax increment, as shown below, which reduces the amount available for projects

Gross Tax Increment	(1)	<u>\$1,736</u>
Less:		
Housing Set-Aside		294
Tax-sharing Agreements		298
County Fee		15
Debt Service/Loan Repayment		264
Subtotal Deductions		\$871
Net Tax Increment		\$865

* Includes prior year adjustment as applicable.

(1) Excludes interest earnings

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

CENTRAL IMPERIAL FUND 98770

DESCRIPTION/ACTIVITIES: Central Imperial Redevelopment Project Area – the project area is approximately 580 acres. The programs and projects of this redevelopment plan are designed to provide limited public assistance to convert unproductive land to viable urban uses, serve many of the unmet commercial and retail needs of the community, rehabilitate, construct and preserve low and moderate income housing stock and create various employment opportunities.

The Central Imperial Project Area has been the location of numerous public/private partnerships resulting in the creation of new services in the area. In FY 02-03 the public improvements for the 30-acre retail center known as Imperial Marketplace were completed. The center, anchored by Home Depot, continues to be leased by national tenants. In FY 03-04, the office component to the center added approximately 60,000 sq. ft. of office space to the area. The opportunity remains for an additional 50,000 sq. ft. Market Creek Plaza was originally conceived as a 19-acre retail center. The development is anchored by Food-4-Less and includes several small businesses. In FY 03-04 the City of San Diego designated the balance of the site as one of the City's Pilot Urban Villages. This designation changes the retail use to one that includes a mixed-use concept.

Light industrial opportunities are available in the Valencia Business Park as well as a two-acre site located on Market Street at 54th Street. The Agency completed the necessary public improvements for Valencia Business Park in FY 02-03. The vertical construction of the Encanto Post Office began in June 2004 and was completed in November 2004 and the opportunity for approximately 65,000 square feet of space remains for light industrial uses.

Due to the numerous developments planned for the Central Imperial Redevelopment Project Area and in order to implement the Imperial Avenue Corridor Master Plan, along 47th and Imperial Avenue and 61st through 69th Streets, the Central Imperial Redevelopment Plan will be amended during FY 05-06 and will include a programmatic Environmental Impact Report contemplating new housing and mixed-use developments.

In FY 04-05, \$1,094,003 of CDBG funds was re-loaned from the Mount Hope and Southcrest Redevelopment Project Areas to augment the Central Imperial Redevelopment projects (\$255,000 is appropriated for Fund No. 98770).

In FY 05-06, \$600,000 of developer proceeds will be re-loaned from the Southcrest Redevelopment Project Area to augment the Central Imperial Redevelopment project (Fund No. 98770).

(Budget detail table continued on page 13)

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

CENTRAL IMPERIAL FUND 98770

Budget detail table

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 1,519	Tax Increment	\$ -	\$ 1,120	\$ 1,120
44	Bond Proceeds	-	-	-
2,915	Re loans	-	600	600
65	Interes/Rent/Other	-	194	194
1,827	Developer Proceeds	-	-	-
2,174	City Loans	-	-	-
-	Other Agencies	-	-	-
640	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	-	278	278
<u>\$ 9,184</u>	TOTAL REVENUES	<u>\$ -</u>	<u>\$ 2,192</u>	<u>\$ 2,192</u>
EXPENDITURE				
\$ 5,067	Admin/Legal/Planning	\$ (3)	\$ 1,986	\$ 1,983
1,744	Real Estate Acquisition	-	-	-
81	Public Improv/Engineering	3	34	37
2,014	Rehab/Property Mgt/Other	-	172	172
<u>\$ 8,906</u>	TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 2,192</u>	<u>\$ 2,192</u>
<u>\$ 278</u>	Continuing to Next Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

CENTRAL IMEPRIAL FUND 98780 (CIP 52-677.0)

DESCRIPTION/ACTIVITIES: Imperial Marketplace (formerly known as North Creek) – Located south of Imperial Avenue generally between 40th and 45th Streets, this 30-acre site is the location of an approximately 300,000 square foot retail center anchored by Home Depot. The site was added to the Central Imperial Redevelopment Project Area as a part of the Second Amendment to the Redevelopment Plan. A Disposition and Development Agreement was approved in FY 98-99 and construction started in the third quarter of FY 99-00. On March 30, 1999, Resolution No. R-291447 was adopted by the Council of the City of San Diego amending the FY 99 CIP budget to add CIP 52-677.0, Imperial Avenue/Ocean View Boulevard Street Improvements. The expenditures in the amount not to exceed \$300,000 in FY 98-99 (TransNet Funds), \$2,123,963 in FY 99-00 (TransNet Funds) and \$1,576,037 in SANDAG issued commercial paper backed by TransNet Funds were approved.

In FY 01-02 the Agency received \$2,629,939 in developer contributions for the development of on-site improvements. There was \$4,000,000 of TransNet funds budgeted for all off-site improvements. The Agency appropriated \$1,000,000 of bond proceeds. The total expenditure for street improvements (CIP 52-677.0) is \$9.9 million as of March 2005.

In FY 02-03 a reloan of \$678,082 was included from the FY 01-02 tax allocation bond issuance to augment the street improvements.

In the FY 04-05, Fund No. 98780 included a \$140,000 reloan from the Mount Hope Redevelopment Project Area to augment this project. Approval of the public improvements and bond release by the City of San Diego is scheduled to take place during the fourth quarter of FY 04-05.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$	325		\$ 33	\$ 33
	807		10	10
	5,606		5	5
	9		449	449
	2,789		-	-
	-		-	-
	-		-	-
	318		-	-
	-	(47)	47	-
\$	9,854	\$	(47)	\$
	TOTAL REVENUES		544	\$
			497	
EXPENDITURE				
\$	2,724	\$ 45	\$ 160	\$ 205
	1,194	-	-	-
	680	(124)	-	(124)
	5,256	32	384	416
\$	9,854	\$	(47)	\$
	TOTAL EXPENDITURES		544	\$
			497	
\$	-	-	-	-
	Continuing to Next Year			

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

CENTRAL IMPERIAL FUNDS 98779/987702/87705

DESCRIPTION/ACTIVITIES: The Valencia Business Park (formerly known as Potter Tract) – This project is located within the Central Imperial Redevelopment Project Area. It consists of 14.7 gross acres and is bound by the San Diego Trolley line to the north, 54th Street to the west and Imperial Avenue to the south. The site is currently zoned light industrial (I-1). The construction of public improvements for the site began in FY 01-02 and was completed in FY 03-04. A major portion of the site was located within the 100-year flood plain and has been elevated as a result of the Agency's public improvements. In FY 02-03, a reloan from the Mt. Hope Project Area combined with FY 01-02 tax allocation bond proceeds were utilized to complete the necessary improvements.

In FY 03-04, construction began on the Encanto Post Office, a 25,000 square foot facility that will service the 92114 zip code. Construction of the post office was completed in the second quarter of FY 04-05. Approximately 65,000 square feet of light industrial space is planned on the balance of the site.

Included in FY 04-05, was \$699,003 of loan repayment from the Southcrest Redevelopment Project Area to augment this project.

CUMULATIVE PRIOR YRS		CONTING APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 270	Tax Increment	\$ -	\$ 6	\$ 6
1,729	Bond Proceeds	-	-	-
2,768	Re loans	-	-	-
17	Interes/Rent/Other	-	10	10
2,715	Developer Proceeds	-	-	-
2,497	City Loans	-	-	-
-	Other Agencies	-	-	-
681	Trans FM Other Project	-	-	-
-	Prior Years	2,286	400	2,686
<u>\$ 10,677</u>	TOTAL REVENUES	<u>\$ 2,286</u>	<u>\$ 416</u>	<u>\$ 2,702</u>
EXPENDITURE				
\$ 2,110	Admin/Legal/Planning	\$ 247	\$ 145	\$ 392
241	Real Estate Acquisition	-	220	220
4,827	Public Improv/Engineering	1,539	10	1,549
813	Rehab/Property Mgt/Other	500	41	541
<u>\$ 7,991</u>	TOTAL EXPENDITURES	<u>\$ 2,286</u>	<u>\$ 416</u>	<u>\$ 2,702</u>
\$ 2,686	Continuing to Next Year	\$ -	\$ -	\$ -

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

CENTRAL IMPERIAL FUND 98783

DESCRIPTION/ACTIVITIES: Las Chollas Creek – This project includes that portion of Las Chollas Creek (Creek) that lies generally south of Imperial Avenue, west of 45th Street and north of Ocean View Boulevard across the street from the Educational Cultural Complex, adjacent to the Imperial Marketplace property. The Creek and the land surrounding it are dedicated open space. This project mitigated the flood plain and developed an area adjacent to the Creek into a passive trail that provides for the community an improved open space. The development at the Creek is a model for improvements that have been identified in the Las Chollas Creek Enhancement Plan. In addition, there are eight homes that have benefited from the Agency's work up-stream. The eight homeowners are no longer required to carry flood insurance because the area was elevated out of the 100-year flood plain, and since the acceptance and receipt of the Letter of Map Revision (LOMR) from the Federal Emergency Management Agency (FEMA) on August 2004.

CUMULATIVE PRIOR YRS		CONTING APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$	-	\$	-	\$
	-			-
	-			-
	-			-
	-			-
	820			-
	-			-
	-			-
	-	2		2
\$	820	\$	2	\$
	TOTAL REVENUES		-	\$
				2
EXPENDITURE				
\$	346	\$	-	\$
	-			-
	461			-
	11	2		2
\$	818	\$	2	\$
	TOTAL EXPENDITURES		-	\$
				2
\$	2	\$	-	\$
	Continuing to Next Year			-

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

CENTRAL IMPERIAL FUND 987771

DESCRIPTION/ACTIVITIES: Market Creek Plaza – In FY 01-02, the Redevelopment Agency approved an Owner Participation Agreement (OPA) with the Jacobs Center for NonProfit Innovation (Developer). The project is located on the property formerly known as the Langley site, which is on Euclid Avenue, south of Market Street and is divided by Las Chollas Creek. It is one of the seventeen properties removed as part of the First Amendment to the Central Imperial Redevelopment Plan in 1995. In FY 00-01 SEDC amended the Central Imperial Redevelopment Plan to expand the project area to include this site.

The Developer is currently completing the eastern portion of the center consisting of approximately 142,000 square feet, which is anchored by the Food-4-Less Supermarket. A food court for local entrepreneurs as well as general commercial and specialty shops has been created by this development. The western portion of the site is planned for development as part of the Village Center at Euclid and Market and has been designated as one of the City of San Diego's Pilot Village demonstration projects. The Pilot Village concept reduces the amount of retail and increases the amount of housing in and around the Euclid Avenue and Market Street corridors.

CUMULATIVE PRIOR YRS		CONTING APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$	-	Tax Increment	\$	- \$
	-	Bond Proceeds		-
	-	Re loans		-
	86	Interes/Rent/Other		-
	-	Developer Proceeds		-
	-	City Loans		-
	-	Other Agencies		-
	-	Trans FM/(TO) Other Project		-
	-	Prior Years		-
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\$	86	TOTAL REVENUES	\$	- \$
EXPENDITURE				
\$	85	Admin/Legal/Planning	\$	- \$
	-	Real Estate Acquisition		-
	-	Public Improv/Engineering		-
	1	Rehab/Property Mgt/Other		-
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$	86	TOTAL EXPENDITURES	\$	- \$
\$	-	Continuing to Next Year	\$	- \$

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

CENTRAL IMPERIAL LOW AND MODERATE INCOME HOUSING FUND 98775

DESCRIPTION/ACTIVITIES: Low and Moderate Income Housing – Tax increment funds will be set-aside for the purpose of creating and rehabilitating low and moderate income housing. Funding of the home-buyer assistance and housing rehabilitation programs will continue. In addition, the low/moderate housing developments located in the Central Imperial Redevelopment Project Area are eligible for funds made available through the Agency’s Notice of Funding Availability (NOFA) Collaboration.

CUMULATIVE PRIOR YRS		CONTING APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 581	Tax Increment	\$ -	\$ 274	\$ 274
165	Bond Proceeds	-	-	-
-	Re loans	-	-	-
116	Interes/Rent/Other	-	82	82
-	Developer Proceeds	-	-	-
53	City Loans	-	-	-
-	Other Agencies	-	-	-
32	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	127	-	127
<u>\$ 947</u>	TOTAL REVENUES	<u>\$ 127</u>	<u>\$ 356</u>	<u>\$ 483</u>
EXPENDITURE				
\$ 567	Admin/Legal/Planning	\$ 106	\$ 178	\$ 284
-	Real Estate Acquisition	-	-	-
26	Public Improv/Engineering	2	125	127
227	Rehab/Property Mgt/Other	19	53	72
<u>\$ 820</u>	TOTAL EXPENDITURES	<u>\$ 127</u>	<u>\$ 356</u>	<u>\$ 483</u>
\$ 127	Continuing to Next Year	-	-	-

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

CENTRAL IMPERIAL FUND 98772

DESCRIPTION/ACTIVITIES: Lincoln Park Paseo - A residential development of up to 48 for-sale condos and row-homes on a 1.16 acre site located at 50th and Imperial Avenue, within the Lincoln Park neighborhood and the Central Imperial Redevelopment Project Area. The Agency will enter into an Owner Participation Agreement with the owner in FY 05-06.

CUMULATIVE PRIOR YRS		CONTING APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$	-	\$	- \$ 57	\$ 57
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	-		-	-
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\$	-	\$	- \$ 57	\$ 57
EXPENDITURE				
\$	-	\$	- \$ 55	\$ 55
	-		-	-
	-		-	-
	-		2	2
<hr/>		<hr/>		<hr/>
\$	-	\$	- \$ 57	\$ 57
\$	-	\$	- \$	-

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

CENTRAL IMPERIAL FUND 98786

DESCRIPTION/ACTIVITIES: Hilltop and Euclid Housing – In FY 03-04, the SEDC Board of Directors approved an Exclusive Negotiating Agreement (ENA) with Barone Galasso & Associates for the development of approximately 170 residential units for the property located on Euclid Avenue, north of Hilltop Drive, in the Chollas View Neighborhood, within the Central Imperial Redevelopment Project Area (Site). The largely vacant 9.43 acre site is zoned for single-family residential development (SF 5000) in the adopted Southeast San Diego Community Plan and the Central Imperial Redevelopment Plan.

The Developer is proposing to develop the Site with 120 affordable multi-family rental units and 50 market rate single-family, for-sale attached units. The ENA negotiated with the Developer included a provision that required the Developer to assign his/her rights, title and interest in the Site to the Agency. In the first quarter of FY 04-05, the City Council and Agency approved the use of up to \$4 million dollars from the Agency's Notice of Funding Availability (NOFA) fund for the acquisition of the Site for the purpose of developing affordable housing. SEDC on behalf of the Agency has acquired the parcels assigned by the Developer and is in the process of purchasing the remaining parcels. During FY 05-06, acquisition of the Site, relocation of the existing tenants and demolition of the existing nine homes will be completed. The Agency will also enter into a Disposition and Development Agreement with the Developer to build the new housing.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 28	Tax Increment	\$ -	\$ 61	\$ 61
	Bond Proceeds	-	-	-
2	Developer Proceeds	-	-	-
-	Re loans	-	-	-
-	Interes/Rent/Other	-	50	50
	City Loans	-	-	-
-	Other Agencies	-	-	-
-	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	1	-	1
<u>\$ 30</u>	TOTAL REVENUES	<u>\$ 1</u>	<u>\$ 111</u>	<u>\$ 112</u>
EXPENDITURE				
\$ 29	Admin/Legal/Planning	\$ 1	\$ 88	\$ 89
-	Real Estate Acquisition	-	-	-
-	Public Improv/Engineering	-	20	20
-	Rehab/Property Mgt/Other	-	3	3
<u>\$ 29</u>	TOTAL EXPENDITURES	<u>\$ 1</u>	<u>\$ 111</u>	<u>\$ 112</u>
\$ 1	Continuing to Next Year	\$ -	\$ ()	\$ ()

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

CENTRAL IMPERIAL FUND 98787

DESCRIPTION/ACTIVITIES: Market Creek Housing – As a City of Villages Pilot Village Program Project, approved by the City Council during FY 02-03, the Village Center at Euclid and Market, located adjacent to Market Creek Plaza, proposes to construct approximately 839 residential units. The proposed project will require an amendment to the Central Imperial Redevelopment Plan during FY 05-06. The proposed project will also require an amendment to the Owner Participation Agreement (OPA) with the Jacobs Center for NonProfit Innovation (Developer), approved in FY 00-01 by the Redevelopment Agency.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$	8			
		\$	-	\$
			44	\$
			25	25
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			4	4
	8	\$	4	\$
			69	\$
			73	73
EXPENDITURE				
\$	4			
		\$	2	\$
			67	\$
			-	-
			-	-
			2	4
	4	\$	4	\$
			69	\$
			73	73
\$	4	\$	-	\$
			-	-

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

CENTRAL IMPERIAL FUND 98788

DESCRIPTION/ACTIVITIES: Mar Vista Mixed Use – In FY 03-04, Tyler-Smith Communities (Developer), in conjunction with the M.W. Steele Group, Inc., proposed to develop a mixed use project for the vacant 7.08 acre site located at 47th and Market Streets (Site). The Site is currently zoned light industrial (I-1) and requires a rezone to provide for mixed-use (CC-5-4). The new zone would allow for a mixture of residential, commercial and light industrial uses on the site.

The proposed development also requires an amendment to the Central Imperial Redevelopment Plan to reflect the amended Community Plan and zone change from I-1 to CC-5-4 (Commercial – Community).

The residential component of this project would produce approximately 135 large family, for-sale condominiums that would be built upon 5,000 sq. ft. of restaurant, 18,000 sq. ft. of commercial and 43,000 sq. ft. of light industrial space. Ten percent of the units will be restricted to low/moderate incomes.

The proposed project requires the Developer to enter into an Owner Participation Agreement with the Agency.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 14	Tax Increment	\$ -	\$ 109	\$ 109
39	Bond Proceeds	-	-	-
-	Developer Proceeds	-	-	-
-	Re loans	-	-	-
-	Interes/Rent/Other	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
-	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	20	-	20
\$ 53	TOTAL REVENUES	\$ 20	\$ 109	\$ 129
EXPENDITURE				
\$ 30	Admin/Legal/Planning	\$ 20	\$ 100	\$ 120
-	Real Estate Acquisition	-	5	5
-	Public Improv/Engineering	-	-	-
3	Rehab/Property Mgt/Other	-	4	4
\$ 33	TOTAL EXPENDITURES	\$ 20	\$ 109	\$ 129
\$ 20	Continuing to Next Year	-	-	-

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

CENTRAL IMPERIAL TAX ALLOCATION BONDS – (SERIES 2000, TAX EXEMPT)
FUND 99034/990333

DESCRIPTION/ACTIVITIES: Tax Allocation Bonds – In FY 99-00, the Agency/SEDC issued tax allocation bonds to finance a major portion of its project budget. This budget provides for the estimated debt service on the Series 2000 Bonds. In FY 05-06, the debt service payment will total \$263,475.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$	-	\$	\$ 211	\$ 211
	221		(12)	(12)
	-		-	-
	286		12	12
	-		-	-
	-		-	-
	-		-	-
	1,100		53	53
	-		197	197
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$	1,607	\$	\$ 461	\$ 461
EXPENDITURE				
\$	-	\$	\$ -	\$ -
	-		-	-
	-		-	-
	1,410		263	263
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$	1,410	\$	\$ 263	\$ 263
\$	197	\$	\$ 198	\$ 198

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

CENTRAL IMPERIAL SPECIAL DEBT SERVICE FUND 98782

DESCRIPTION/ACTIVITIES: Special Debt Service – On August 15, 1995, the Agency purchased the property located at 49th and Imperial Avenue. A Loan Agreement in the amount of \$960,502 was signed and it is payable no later than June 30, 2026. On June 27, 1997, a Memorandum of Understanding (MOU) was executed between the City of San Diego (City) and the Redevelopment Agency canceling the loan agreement dated August 15, 1995. In exchange for canceling the Agency debt, the Agency agreed to convey approximately 9-acres of Agency owned property to the City of San Diego for the development of a park in the Southcrest Redevelopment Project Area (252 Corridor) and provide up to \$554,000 for a portion of the park construction.

In FY 02-03, the site was conveyed to the City along with \$500,000. The park planning begun in FY 03-04. In FY 04-05, construction for the park began and is scheduled for completion in FY 05-06.

CUMULATIVE PRIOR YRS		CONTING APPROP	FY 2006 APPROP	TOTAL FY 2006
	REVENUE			
\$ -	Tax Increment	\$ -	\$ -	\$ -
-	Bond Proceeds	-	-	-
-	Re loans	-	-	-
-	Interes/Rent/Other	-	-	-
-	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
372	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	85	-	85
<u>\$ 372</u>	TOTAL REVENUES	<u>\$ 85</u>	<u>\$ -</u>	<u>\$ 85</u>
	EXPENDITURE			
\$ -	Admin/Legal/Planning	\$ -	\$ -	\$ -
-	Real Estate Acquisition	-	-	-
-	Public Improv/Engineering	-	-	-
287	Rehab/Property Mgt/Other	85	-	85
<u>\$ 287</u>	TOTAL EXPENDITURES	<u>\$ 85</u>	<u>\$ -</u>	<u>\$ 85</u>
\$ 85	Continuing to Next Year	\$ -	\$ -	-

Summary of Dells/Imperial Study Area
Revenue and Expenditures
(In Thousands)

	Total FY 2006
Revenue	
Tax Increment	\$0
Re loans	0
Interest/Rent/Misc.	0
Developer Proceeds	0
City Loans	0
Other	0
Total Revenue	\$0
Expenditures	
Admin/Legal/Planning	0
Real Estate Acquisition	0
Public Improv./Engineering	0
Rehab/Property Mgt/Other	0
Total Expenditures	\$0

Additional Information

Dells/Imperial Expenditures by Objective

Capital Projects	\$0
Low/Mod Housing	0
Administration	0
Debt Service/Loan Repayment	0
Total Expenditures	\$0

Statutory and contractual obligations dictate the use of portions of tax increment,
as shown below, which reduces the amount available for projects

Gross Tax Increment	(1)	\$0
Less:		
Housing Set-Aside		0
Tax-sharing Agreements		0
Debt Service/Loan Repayment		0
Subtotal Deductions		\$0
Net Tax Increment		\$0

(1) Excludes interest earnings

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

DELLS/IMPERIAL FUND 98630

DESCRIPTION/ACTIVITIES: The Dells/Imperial Study Area. The Dells/Imperial Redevelopment Study Area consists of approximately 960 gross acres. The area includes two designated historic districts (Sherman Heights and Grant Hill). There have been periodic enhancements throughout the area such as street lights and street trees. This area will remain a study area in FY 05-06. Projects in the area are reviewed for compliance with the Southeast Planned District Ordinance (PDO).

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$	-	\$	-	\$ -
	Tax Increment			
	Bond Proceeds			
723	Re loans			
	Interes/Rent/Other			
	Developer Proceeds			
	City Loans			
	Other Agencies			
	Trans FM/(TO) Other Project			
	Prior Years			
\$	723	\$	-	\$ -
	TOTAL REVENUES			
EXPENDITURE				
\$	626	\$	-	\$ -
	Admin/Legal/Planning			
	Real Estate Acquisition			
	Public Improv/Engineering			
97	Rehab/Property Mgt/Other			
\$	723	\$	-	\$ -
	TOTAL EXPENDITURES			
\$	-	\$	-	\$ -
	Continuing to Next Year			

Summary of Gateway Center West Redevelopment Area
Revenue and Expenditures
(In Thousands)

	Total FY 2006
Revenue	
Tax Increment	\$321 *
Bond Proceeds	0
Re loans	0
Interest/Rent/Misc.	0
Developer Proceeds	0
City Loans	0
Other	1,419
Total Revenue	\$1,740
Expenditures	
Admin/Legal/Planning	\$604
Real Estate Acquisition	0
Public Improv./Engineering	156
Rehab/Property Mgt/Other	980
Total Expenditures	\$1,740



Additional Information

Gateway Center West Expenditures by Objective

Capital Projects	\$1,180
Low/Mod Housing	286
Administration	0
Debt Service/Loan Repayment	274
Total Expenditures	\$1,740

Statutory and contractual obligations dictate the use of portions of tax increment,
as shown below, which reduces the amount available for projects

Gross Tax Increment	(1)	\$321
Less:		
Housing Set-Aside		34
Tax-sharing Agreements and ERAF		25
County Fee		6
Debt Service/Loan Repayment		149
Subtotal Deductions		\$214
Net Tax Increment		\$107

(1) Excludes interest earnings

* Includes prior year adjustment as applicable.

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

GATEWAY CENTER WEST FUND 98350

DESCRIPTION/ACTIVITIES: Gateway Center West Redevelopment Project Area – SEDC’s Gateway Center West Redevelopment Project Area was originally known as the Dells Redevelopment Project Area when it was adopted in 1976. The project area encompasses approximately 59-acres in an area designated for industrial use. It is bound on the west by 32nd Street, by Highway 15 to the east, to the south by Market Street and to the north by Martin Luther King, Jr. Freeway (Highway 94).

Beginning in December of 1984 and as recently as 2002 with the completion of the construction of the Padre Janitorial building, seven businesses have been built on Agency-owned property. The new industrial development commenced in December 1984 on Agency-owned property. The Redevelopment Agency/SEDC will continue to acquire additional property in an effort to assemble sites large enough to attract additional employment generating businesses.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 1,560	Tax Increment	\$ -	\$ 111	\$ 111
87	Bond Proceeds	-	-	-
-	Re loans	-	-	-
65	Interes/Rent/Other	-	-	-
320	Developer Proceeds	-	-	-
7,637	City Loans	-	-	-
-	Other Agencies	-	-	-
-	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	534	-	534
<u>\$ 9,669</u>	TOTAL REVENUES	<u>\$ 534</u>	<u>\$ 111</u>	<u>\$ 645</u>
EXPENDITURE				
\$ 3,531	Admin/Legal/Planning	\$ 478	\$ 31	\$ 509
3,019	Real Estate Acquisition	-	-	-
1,565	Public Improv/Engineering	38	80	118
1,020	Rehab/Property Mgt/Other	18	-	18
<u>\$ 9,135</u>	TOTAL EXPENDITURES	<u>\$ 534</u>	<u>\$ 111</u>	<u>\$ 645</u>
\$ 534	Continuing to Next Year	\$	-	-

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

GATEWAY CENTER WEST FUND 983501

DESCRIPTION/ACTIVITIES: Land Acquisition and Assembly – This activity consists of the Redevelopment Agency/SEDC acquiring additional property to assemble and develop 2.5 acres to facilitate additional businesses wanting to locate in the Gateway Center West Industrial Park.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 59	Tax Increment	\$ -	\$ 28	\$ 28
910	Bond Proceeds	-	-	-
105	Re loans	-	-	-
27	Interes/Rent/Other	-	-	-
105	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
-	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	507	-	507
<u>\$ 1,206</u>	TOTAL REVENUES	<u>\$ 507</u>	<u>\$ 28</u>	<u>\$ 535</u>
EXPENDITURE				
\$ 464	Admin/Legal/Planning	\$ 62	\$ -	\$ 62
164	Real Estate Acquisition	-	-	-
17	Public Improv/Engineering	5	-	5
54	Rehab/Property Mgt/Other	440	28	468
<u>\$ 699</u>	TOTAL EXPENDITURES	<u>\$ 507</u>	<u>\$ 28</u>	<u>\$ 535</u>
\$ 507	Continuing to Next Year	\$ -	\$ -	\$ -

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

GATEWAY CENTER WEST LOW AND MODERATE INCOME HOUSING
FUND 983512

DESCRIPTION/ACTIVITIES: Low and Moderate Income Housing – Tax increment funds are set aside to create home ownership, rental and/or rehabilitation opportunities for low and moderate income residents.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$	958			
	265	-	\$ 63	\$ 63
	-	-	-	-
	252	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	223	-	223
	1,475	223	\$ 63	\$ 286
EXPENDITURE				
\$	362	\$ 33	-	\$ 33
	124	-	-	-
	151	-	33	33
	615	190	30	220
	1,252	223	\$ 63	\$ 286
	223	-	-	-

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

GATEWAY CENTER WEST TAX ALLOCATION BONDS – SERIES 1995 (TAXABLE)
FUNDS 983507/983510

DESCRIPTION/ACTIVITIES: Tax Allocation Bonds – In FY 95-96, the Agency/SEDC issued tax allocation bonds to finance a major portion of its project budgets. The budget provides for the estimated debt service on the Series 1995 Bonds. In FY 05-06 the estimated debt service payment with principal and interest is \$149,028.

Cumulative Prior Yrs		Contin'g Approp	FY 2006 APPROP	TOTAL FY 2006
	REVENUE			
\$ 1,541	Tax Increment	\$ -	\$ 119	\$ 119
173	Bond Proceeds	-	-	-
-	Re loans	-	-	-
75	Interes/Rent/Other	-	-	-
-	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
-	Trans FM/(TO) Other Project	-	30	30
-	Prior Years	-	121	121
<u>\$ 1,789</u>	<u>TOTAL REVENUES</u>	<u>\$ -</u>	<u>\$ 270</u>	<u>\$ 270</u>
	EXPENDITURE			
\$ -	Admin/Legal/Planning	\$ -	\$ -	\$ -
-	Real Estate Acquisition	-	-	-
-	Public Improv/Engineering	-	-	-
1,668	Rehab/Property Mgt/Other	-	149	149
<u>\$ 1,668</u>	<u>TOTAL EXPENDITURES</u>	<u>\$ -</u>	<u>\$ 149</u>	<u>\$ 149</u>
\$ 121	Bond Reserve Requirements	\$ -	\$ 121	\$ 121

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

GATEWAY CENTER WEST LOAN REPAYMENTS FUND 98351

DESCRIPTION/ACTIVITIES: Loan Repayment – City, HUD Section 108 and CDBG funds have been loaned to the Agency for public improvements and acquisition in the Gateway Center West Project Area. Included in FY 01-02, the Agency appropriated \$400,000 to repay a portion of the CDBG loans owed to the City. The repayment of \$400,000 was borrowed back by the Agency to augment the Project Budget for activities being undertaken in the Southcrest Redevelopment Project Area.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 809	Tax Increment	\$ -	\$ -	\$ -
-	Bond Proceeds	-	-	-
-	Re loans	-	-	-
298	Interes/Rent/Other	-	-	-
-	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
702	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	4	-	4
<u>\$ 1,809</u>	TOTAL REVENUES	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 4</u>
EXPENDITURE				
\$ -	Admin/Legal/Planning	\$ -	\$ -	\$ -
-	Real Estate Acquisition	-	-	-
-	Public Improv/Engineering	-	-	-
1,805	Rehab/Property Mgt/Other	4	-	4
<u>\$ 1,805</u>	TOTAL EXPENDITURES	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 4</u>
<u>\$ 4</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Summary of Mount Hope Redevelopment Area
Revenue and Expenditures
(In Thousands)

	Total FY 2006
Revenue	
Tax Increment	\$1,109 *
Bond Proceeds	1
Re loans	0
Interest/Rent/Misc.	121
Developer Proceeds	0
City Loans	100
Other	7,856
Total Revenue	\$9,187
Expenditures	
Admin/Legal/Planning	\$988
Real Estate Acquisition	1,276
Public Improv./Engineering	1,776
Rehab/Property Mgt/Other	5,147
Total Expenditures	\$9,187



Additional Information

Mount Hope Expenditures by Objective

Capital Projects	\$7,134
Low/Mod Housing	630
Administration	134
Debt Service/Loan Repayment	1,289
Total Expenditures	\$9,187

Statutory and contractual obligations dictate the use of portions of tax increment, as shown below, which reduces the amount available for projects

Gross Tax Increment	(1)	\$1,109
Less:		
Housing Set-Aside (Net of D/S)		99
Tax-sharing Agreements and ERAF		107
County Fee		6
Debt Service/Loan Repayment		613
Subtotal Deductions		\$825
Net Tax Increment		\$284

(1) Excludes interest earnings

* Includes prior year adjustment as applicable.

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

MOUNT HOPE FUND 98360

DESCRIPTION/ACTIVITIES: The Mount Hope Redevelopment Project Area – The Mount Hope Redevelopment Project was adopted in 1982 and consists of approximately 210 gross acres. The project area is located to the north and south of Market Street between Interstate 805 (I-805) and Interstate 15 (I-15). Located within the redevelopment project area is the 66-acre Gateway Center East business park which is bound by I-15, Martin Luther King, Jr. Freeway, Boundary and Market Streets. Gateway Center East is home to approximately 1,200 employees and 33 businesses including Wallace Commercial Press, Costco and Figi & Market & Company.

In FY 01-02, tax allocation bonds were secured by the Redevelopment Agency/SEDC to provide additional public improvements in the project area and provide for additional property acquisition along the Market Street Corridor. In addition, Section 108 financing has been approved by HUD for additional public improvements that will be installed in FY 05-06.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 5,821	Tax Increment	\$ -	\$ 364	\$ 364
2,521	Bond Proceeds	-	-	-
1,045	Re loans	-	-	-
3,167	Interest/Rent/Other	-	83	83
4,535	Developer Proceeds	-	-	-
7,862	City Loans	-	-	-
-	Other Agencies	-	-	-
-	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	5,579	-	5,579
\$ 24,951	TOTAL REVENUES	\$ 5,579	\$ 447	\$ 6,026
EXPENDITURE				
\$ 6,900	Admin/Legal/Planning	\$ 488	\$ 411	\$ 899
1,299	Real Estate Acquisition	1,276	-	1,276
5,791	Public Improv/Engineering	1,422	-	1,422
5,382	Rehab/Property Mgt/Other	2,393	36	2,429
\$ 19,372	TOTAL EXPENDITURES	\$ 5,579	\$ 447	\$ 6,026
\$ 5,579	Continuing to Next Year	\$ -	\$ -	\$ -

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

MOUNT HOPE FUND 983616

DESCRIPTION/ACTIVITIES: Market Street Demonstration Project – The demonstration block is currently one block with the opportunity to expand beyond the block in the future. The Redevelopment Agency/SEDC has acquired two-thirds of one block north and two-thirds of another block south of Market Street. The site is the former location of the San Diego Urban League, which with the assistance of SEDC relocated into the Gateway Center East Business Park.

In FY 05-06, the Redevelopment Agency/SEDC will continue to acquire property and identify developers interested in developing along the Market Street Corridor.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 339	Tax Increment	\$ -	\$ 33	\$ 33
2,734	Bond Proceeds	-	-	-
-	Re loans	-	-	-
1,307	Interes/Rent/Other	-	3	3
-	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
-	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	972	-	972
<u>\$ 4,380</u>	TOTAL REVENUES	<u>\$ 972</u>	<u>\$ 36</u>	<u>\$ 1,008</u>
EXPENDITURE				
\$ 537	Admin/Legal/Planning	\$ 12	\$ 33	\$ 45
1,531	Real Estate Acquisition	-	-	-
8	Public Improv/Engineering	170	-	170
1,332	Rehab/Property Mgt/Other	790	3	793
<u>\$ 3,408</u>	TOTAL EXPENDITURES	<u>\$ 972</u>	<u>\$ 36</u>	<u>\$ 1,008</u>
\$ 972	Continuing to Next Year	\$ -	\$ -	\$ -

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

MOUNT HOPE FUND 9836XX

DESCRIPTION/ACTIVITIES: Public Improvements – Phase II - Street improvements in the Mount Hope Redevelopment Project Area will include replacement of curb, gutter and sidewalk on a portion of 36th Street, trench patching of a portion of Morrison Street, and installation of street lights in the mid-block of five streets crossing Market Street.

CUMULATIVE PRIOR YRS		CONTING' APPROP	FY 2006 APPROP	TOTAL FY 2006
	REVENUE			
\$	-	Tax Increment	\$ -	\$ -
	-	Bond Proceeds	-	-
	-	Re loans	-	-
	-	Interes/Rent/Other	-	-
	-	Developer Proceeds	-	-
	-	City Loans	100	100
	-	Other Agencies	-	-
	-	Trans FM/(TO) Other Project	124	124
	-	Prior Years	-	-
<hr/>	<hr/>	TOTAL REVENUES	<hr/>	<hr/>
\$	-		\$ 224	\$ 224
	EXPENDITURE			
\$	-	Admin/Legal/Planning	\$ -	\$ -
	-	Real Estate Acquisition	-	-
	-	Public Improv/Engineering	224	224
	-	Rehab/Property Mgt/Other	-	-
<hr/>	<hr/>	TOTAL EXPENDITURES	<hr/>	<hr/>
\$	-		\$ 224	\$ 224
\$	-	Continuing to Next Year	\$ -	\$ -

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

MOUNT HOPE LOW AND MODERATE INCOME HOUSING FUND 98362

DESCRIPTION/ACTIVITIES: Low and Moderate Income Housing – Tax increment funds are set aside for the purpose of creating and rehabilitating low and moderate income housing. As of June 30, 2000, the Redevelopment Agency/SEDC has committed approximately \$2.2 million of the 20% housing set-aside and of the 1995 tax allocation bond to low and moderate housing activities. In FY 04-05 the continuing appropriation included, \$435,000 of the set-aside funds that were used for street improvements for Phase II of the Southcrest Park Estates (62 for-sale units).

CUMULATIVE PRIOR YRS		CONTING APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 2,776	Tax Increment	\$ -	\$ 222	\$ 222
1,110	Bond Proceeds	-	1	1
-	Re loans	-	-	-
672	Interes/Rent/Other	-	35	35
-	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
-	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	382	-	382
<u>\$ 4,558</u>	TOTAL REVENUES	<u>\$ 382</u>	<u>\$ 258</u>	<u>\$ 640</u>
EXPENDITURE				
\$ 808	Admin/Legal/Planning	\$ 22	\$ 22	\$ 44
81	Real Estate Acquisition	-	-	-
1,307	Public Improv/Engineering	184	-	184
1,980	Rehab/Property Mgt/Other	176	236	412
<u>\$ 4,176</u>	TOTAL EXPENDITURES	<u>\$ 382</u>	<u>\$ 258</u>	<u>\$ 640</u>
\$ 382	Continuing to Next Year	\$ -	\$ -	-

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

MOUNT HOPE TAX ALLOCATION BONDS (SERIES A FY 2002 TAX EXEMPT)
FUND 983650

DESCRIPTION/ACTIVITIES: Tax Allocation Bonds – The Agency/SEDC issued tax allocation bonds to finance a major portion of the project budgets. This budget provides for debt service. In FY 05-06 the debt service interest payment is \$153,000.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 606	Tax Increment	\$ -	\$ 122	\$ 122
294	Bond Proceeds	-	-	-
-	Re loans	-	-	-
13	Interes/Rent/Other	-	-	-
-	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
-	Trans FM/(TO) Other Project	-	31	31
-	Prior Years	-	-	-
<u>\$ 913</u>	TOTAL REVENUES	<u>\$ -</u>	<u>\$ 153</u>	<u>\$ 153</u>
EXPENDITURE				
\$ -	Admin/Legal/Planning	\$ -	\$ -	\$ -
-	Real Estate Acquisition	-	-	-
-	Public Improv/Engineering	-	-	-
913	Rehab/Property Mgt/Other	-	153	153
<u>\$ 913</u>	TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 153</u>	<u>\$ 153</u>
\$ -	Bond Reserve Requirements	\$ -	\$ -	\$ -

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

MOUNT HOPE TAX ALLOCATION BONDS (SERIES A – TAX EXEMPT & B TAXABLE 1995)
FUNDS 983607/983610/983627/983630

DESCRIPTION/ACTIVITIES: Tax Allocation Bonds – The Agency/SEDC issued tax allocation bonds to finance a major portion of the project budgets. This budget provides for the estimate for debt service. In FY 05-06 the debt service payment of interest and principal is \$92,827.50 for Series A 1995 Tax Exempt Bonds and \$367,200 for Series B 1995 Taxable Bonds.

CUMULATIVE PRIOR YRS		CONTING APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 4,214	Tax Increment	\$ -	\$ 368	\$ 368
789	Bond Proceeds	-	-	-
-	Re loans	-	-	-
271	Interes/Rent/Other	-	-	-
-	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
-	Trans FM/(TO) Other Project	-	92	92
-	Prior Years	-	497	497
<u>\$ 5,274</u>	TOTAL REVENUES	<u>\$ -</u>	<u>\$ 957</u>	<u>\$ 957</u>
EXPENDITURE				
\$ -	Admin/Legal/Planning	\$ -	\$ -	-
-	Real Estate Acquisition	-	-	-
-	Public Improv/Engineering	-	-	-
4,777	Rehab/Property Mgt/Other	-	460	460
<u>\$ 4,777</u>	TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 460</u>	<u>\$ 460</u>
\$ 497	Bond Reserve Requirements	\$ -	\$ 497	\$ 497

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

MOUNT HOPE LOAN REPAYMENTS FUND 98361

DESCRIPTION/ACTIVITIES: Loan Repayments – A combination of City, Community Development Block Grant (CDBG) and HUD Section 108 funds were used for public improvements and acquisition in the Mount Hope Redevelopment Project Area. In FY 02-03, \$2,559,456 was borrowed back to fund the Southcrest (\$850,000) and Central Imperial (\$1,709,456) Redevelopment Project Areas.

Included in FY 04-05, \$395,000 will be borrowed back to fund the Central Imperial Redevelopment Project Area.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 1,730	Tax Increment	\$ -	\$ -	\$ -
3,829	Bond Proceeds	-	-	-
-	Re loans	-	-	-
297	Interes/Rent/Other	-	-	-
4,858	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
-	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	179	-	179
<u>\$ 10,714</u>	TOTAL REVENUES	<u>\$ 179</u>	<u>\$ -</u>	<u>\$ 179</u>
EXPENDITURE				
\$ -	Admin/Legal/Planning	\$ -	\$ -	\$ -
-	Real Estate Acquisition	-	-	-
-	Public Improv/Engineering	-	-	-
10,535	Rehab/Property Mgt/Other	179	-	179
<u>\$ 10,535</u>	TOTAL EXPENDITURES	<u>\$ 179</u>	<u>\$ -</u>	<u>\$ 179</u>
\$ 179	Continuing to Next Year	\$ -	\$ -	\$ -

**Summary of Southcrest Redevelopment Area
Revenue and Expenditures
(In Thousands)**

	Total FY 2006
Revenue	
Tax Increment	\$1,126 *
Bond Proceeds	22
Re loans	0
Interest/Rent/Misc.	73
Developer Proceeds	90
City Loans	0
Other	4,734
Total Revenue	\$6,045
Expenditures	
Admin/Legal/Planning	891
Real Estate Acquisition	0
Public Improv./Engineering	1,065
Rehab/Property Mgt/Other	4,089
Total Expenditures	\$6,045



Additional Information

Southcrest Expenditures by Objective

Capital Projects	\$1,821
Low/Mod Housing	770
Administration	496
Debt Service/Loan Repayment/Bond Reserves	2,958
Total Expenditures	\$6,045

Statutory and contractual obligations dictate the use of portions of tax increment, as shown below, which reduces the amount available for projects

Gross Tax Increment	(1)	\$1,126
Less:		
Housing Set-Aside		139
Tax-sharing Agreements and ERAF		113
County Fee		6
Debt Service/Loan Repayment		431
Subtotal Deductions		\$689
Net Tax Increment		\$437

(1) Excludes interest earnings

* Includes prior year adjustment.

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

SOUTHCREST FUND 98330

DESCRIPTION/ACTIVITIES: The Southcrest Redevelopment Project Area – The Southcrest Project Area was adopted in 1986. The project area consists of approximately 301 acres. The area is bound on the west by Highway 15 and Interstate 5, 44th Street to the east, south by Gamma Street and Vesta Streets and to the north by Logan Avenue. The primary focus of the redevelopment plan is the redevelopment of the 252 Corridor (66 acres) located in the rescinded freeway corridor located between Interstates 5 and 805.

As a result of redevelopment, the corridor now includes Southcrest Park Plaza, Phase I of Southcrest Park Estates (33 homes), the Cesar Chavez Elementary School and a neighborhood park. Construction of Southcrest Park Estates Phase II (62 homes), began in the fourth quarter of FY 03-04 and was completed in FY 04-05. The City of San Diego began the community park design in FY 03-04, construction began in FY 04-05 and the park is scheduled to be opened in FY 05-06.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 2,197	Tax Increment	\$ -	\$ 502	\$ 502
4,753	Bond Proceeds	-	-	-
1,334	Re loans	-	-	-
169	Interes/Rent/Other	-	(35)	(35)
301	Developer Proceeds	-	90	90
2,122	City Loans	-	-	-
-	Other Agencies	-	-	-
661	Trans FM Other Project	-	101	101
-	Prior Years	13	-	13
<u>\$ 11,537</u>	TOTAL REVENUES	<u>\$ 13</u>	<u>\$ 658</u>	<u>\$ 671</u>
EXPENDITURE				
\$ 5,008	Admin/Legal/Planning	\$ 21	\$ 596	\$ 617
3,347	Real Estate Acquisition	-	-	-
206	Public Improv/Engineering	(5)	7	2
2,963	Rehab/Property Mgt/Other	(3)	55	52
<u>\$ 11,524</u>	TOTAL EXPENDITURES	<u>\$ 13</u>	<u>\$ 658</u>	<u>\$ 671</u>
\$ 13	Continuing to Next Year	\$ -	\$ -	\$ -

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

SOUTHCREST FUND 98335

DESCRIPTION/ACTIVITIES: Community Park – The Redevelopment Agency/SEDC has provided a 8.5 acre site to be developed as a community park within the 252 Corridor. The community worked with the City of San Diego (City) to create the park design. The site was conveyed to the City in the third quarter of FY 02-03. The funding for this project is included in the continuing appropriations (CDBG reloan in the amount of \$554,000).

In FY 03, \$445,000 of CDBG was reprogrammed and transferred to Fund 98330/97171. A reloan of \$500,000 from the FY 02 tax allocation bond issuance (Mount Hope Project Area) was included in FY 02-03. SEDC transferred the \$500,000 to the City to assist with the design/construction of the park. This fund will be closed in FY 05-06.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$	-	\$	-	\$
	28		-	-
	609		-	-
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	-		17	17
\$	637	\$	17	\$
	TOTAL REVENUES		\$	-
			17	\$
			-	17
EXPENDITURE				
\$	79	\$	17	\$
	4		-	-
	37		-	-
	500		-	-
\$	620	\$	17	\$
	TOTAL EXPENDITURES		\$	-
			17	\$
			-	17
\$	17	\$	-	-
	Continuing to Next Year		-	-

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

SOUTHCREST FUND 983302

DESCRIPTION/ACTIVITIES: Alpha Street Construction Phase II (36th Street through 38th Street) The Redevelopment Agency/SEDC completed the construction of Alpha Street concurrently with the development of Phase II residential (62 homes). The \$2.2 million allocation for the public improvements includes the following funds: \$1.8 million from bond proceeds, land sale proceeds and CDBG reloan; and \$435,000 from Mount Hope Housing Trust Fund.

Construction began in the fourth quarter of FY 02-03 and was completed in the fourth quarter of FY 04-05. As a re-loan to Central Imperial Project Area, \$600,000 will be transferred to Fund No. 98331 in FY 05-06

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 385	Tax Increment	\$ -	\$ 56	\$ 56
3,538	Bond Proceeds	-	-	-
692	Re loans	-	-	-
222	Interes/Rent/Other	-	10	10
2,720	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
227	Trans FM/ Other Project	-	-	-
-	Prior Years	1,515	-	1,515
<u>\$ 7,784</u>	TOTAL REVENUES	<u>\$ 1,515</u>	<u>\$ 66</u>	<u>\$ 1,581</u>
EXPENDITURE				
\$ 1,718	Admin/Legal/Planning	\$ 54	\$ 54	\$ 108
205	Real Estate Acquisition	-	-	-
2,931	Public Improv/Engineering	1,333	(691)	642
1,415	Rehab/Property Mgt/Other	128	703	831
<u>\$ 6,269</u>	TOTAL EXPENDITURES	<u>\$ 1,515</u>	<u>\$ 66</u>	<u>\$ 1,581</u>
\$ 1,515	Continuing to Next Year	\$ -	\$ -	\$ -

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

SOUTHCREST LOW AND MODERATE INCOME HOUSING FUND 98332

DESCRIPTION/ACTIVITIES: Low and Moderate Income Housing – Tax increment funds are set aside for the purpose of creating or rehabilitating low and moderate income housing.

In FY 02-03, \$10,982 of the Southcrest Housing Trust Fund continuing appropriation was designated for the Phase II residential development (Phase III Public Improvements). In FY 03-04, \$130,000 was identified for the housing rehabilitation program and \$240,000 is encumbered in Mount Hope Low/Mod Housing Fund for first-time homebuyers' assistance for Southcrest Park Estates.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 1,540	Tax Increment	\$ -	\$ 223	\$ 223
1,002	Bond Proceeds	-	22	22
-	Re loans	-	-	-
473	Interest/Rent/Other	-	98	98
-	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
-	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	475	-	475
<u>\$ 3,015</u>	TOTAL REVENUES	<u>\$ 475</u>	<u>\$ 343</u>	<u>\$ 818</u>
EXPENDITURE				
\$821	Admin/Legal/Planning	\$83	\$83	\$166
-	Real Estate Acquisition	-	-	-
480	Public Improv/Engineering	280	141	421
1,239	Rehab/Property Mgt/Other	112	119	231
<u>\$ 2,540</u>	TOTAL EXPENDITURES	<u>\$ 475</u>	<u>\$ 343</u>	<u>\$ 818</u>
\$ 475	Continuing to Next Year	\$ -	\$ -	\$ -

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

SOUTHCREST TAX ALLOCATION BONDS (SERIES 1995, TAX EXEMPT)
FUNDS 983307/983310

DESCRIPTION/ACTIVITIES: Tax Allocation Bonds – In FY 95-96, the Agency/SEDC issued tax allocation bonds to finance a major portion of the projects budget. This budget provides for an estimated amount for debt service. During FY 97-98, \$515,000 of bonds was called. In FY 05-06 a debt service payment was made in the amount of \$275,228.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 2,882	Tax Increment	\$ -	\$ 220	\$ 220
293	Bond Proceeds	-	-	-
-	Re loans	-	-	-
297	Interes/Rent/Other	-	-	-
-	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
-	Trans FM/(TO) Other Project	-	55	55
-	Prior Years	-	150	150
<u>\$ 3,472</u>	TOTAL REVENUES	<u>\$ -</u>	<u>\$ 425</u>	<u>\$ 425</u>
EXPENDITURE				
\$ -	Admin/Legal/Planning	\$ -	\$ -	-
-	Real Estate Acquisition	-	-	-
-	Public Improv/Engineering	-	-	-
3,322	Rehab/Property Mgt/Other	-	275	275
<u>\$ 3,322</u>	TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 275</u>	<u>\$ 275</u>
\$ 150	Bond Reserve Requirements	\$ -	\$ 150	\$ 150

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

SOUTHCREST TAX ALLOCATION BONDS (SERIES 2000, TAX EXEMPT)
FUNDS 99036/990361

DESCRIPTION/ACTIVITIES: Tax Allocation Bonds – In FY 99-00, the Agency/SEDC issued tax allocation bonds to finance a major portion of the project budget. This budget provides for a debt service payment. In FY 05-06 a debt service payment will be paid in the amount of \$155,730.

CUMULATIVE PRIOR YRS		CONTING' APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 608	Tax Increment	\$ -	\$ 125	\$ 125
159	Bond Proceeds	-	-	-
-	Re loans	-	-	-
135	Interes/Rent/Other	-	-	-
-	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
34	Trans FM/(TO) Other Project	-	31	31
-	Prior Years	-	158	158
<u>\$ 936</u>	TOTAL REVENUES	<u>\$ -</u>	<u>\$ 314</u>	<u>\$ 314</u>
EXPENDITURE				
\$ -	Admin/Legal/Planning	\$ -	\$ -	-
-	Real Estate Acquisition	-	-	-
-	Public Improv/Engineering	-	-	-
778	Rehab/Property Mgt/Other	-	156	156
<u>\$ 778</u>	TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ 156</u>	<u>\$ 156</u>
\$ 158	Bond Reserve Requirements	\$ -	\$ 158	\$ 158

**FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)**

SOUTHCREST LOAN REPAYMENTS FUND 98331/98334

DESCRIPTION/ACTIVITIES: Loan Repayment – The Agency/SEDC purchased the 252 Corridor right-of-way with an initial payment of \$1,005,200. The Agency/SEDC signed a Promissory Note for \$2,344,800 at 10.5% annual interest rate. The Agency entered into a Memorandum of Understanding with the City of National City that required a payment of \$3,750,000 to mitigate traffic problems as a result of the 252 Highway Project being rescinded. The CALTRANS Promissory Note was fully paid by SEDC in FY 91-92.

In FY 03-04, \$240,000 was included to fund the outstanding balance due to National City. This represents the final payment and interest of \$3,750,000.

In FY 04-05, \$699,003 was appropriated to fund for the re-loan to the Central Imperial Project Area.

\$600,000 will be re-loaned to Central Imperial Project Area for project costs augmentation in FY 05-06.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 733	Tax Increment	\$ -	\$ -	\$ -
747	Bond Proceeds	-	-	-
1,106	Re loans	-	-	-
39	Interes/Rent/Other	-	-	-
-	Developer Proceeds	-	-	-
926	City Loans	-	-	-
-	Other Agencies	-	-	-
5,089	Trans FM Other Project	-	600	600
-	Prior Years	1,619	-	1,619
\$ 8,640	TOTAL REVENUES	\$ 1,619	\$ 600	\$ 2,219
EXPENDITURE				
\$ -	Admin/Legal/Planning	\$ -	\$ -	\$ -
-	Real Estate Acquisition	-	-	-
-	Public Improv/Engineering	-	-	-
7,021	Rehab/Property Mgt/Other	1,619	600	2,219
\$ 7,021	TOTAL EXPENDITURES	\$ 1,619	\$ 600	\$ 2,219
\$ 1,619	Continuing to Next Year	\$ -	\$ -	\$ -

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

COMMERCIAL REHABILITATION PROGRAM AND ENTREPRENEUR ACADEMY
FUNDS 98360/98770/983352/983503/983619/987703

DESCRIPTION/ACTIVITIES: Commercial Rehabilitation Program – This program is designed to provide financial assistance to eligible business owners and commercial property owners to upgrade the appearance of buildings in order to stimulate additional economic activity in southeastern San Diego.

The Entrepreneur Academy is composed of eight (8) workshops conducted twice a year, including a Banker's Series and an intensive Training Series, both of which focus on providing skills and know-how to the small business owner in the SEDC Area of Influence, with the ultimate goal of growing new businesses and creating jobs.

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$ 85	Tax Increment	\$ -	\$ -	\$ -
-	Bond Proceeds	-	-	-
226	Re loans	-	-	-
4	Interes/Rent/Other	-	-	-
-	Developer Proceeds	-	-	-
-	City Loans	-	-	-
-	Other Agencies	-	-	-
199	Trans FM/(TO) Other Project	-	-	-
-	Prior Years	171	-	171
<u>\$ 514</u>	TOTAL REVENUES	<u>\$ 171</u>	<u>\$ -</u>	<u>\$ 171</u>
EXPENDITURE				
\$ 216	Admin/Legal/Planning	\$ 42	\$ -	\$ 42
-	Real Estate Acquisition	-	-	-
1	Public Improv/Engineering	-	-	-
126	Rehab/Property Mgt/Other	129	-	129
<u>\$ 343</u>	TOTAL EXPENDITURES	<u>\$ 171</u>	<u>\$ -</u>	<u>\$ 171</u>
\$ 171	Continuing to Next Year	\$ -	\$ -	\$ -

FISCAL YEAR 2005-06
REDEVELOPMENT AGENCY PROGRAM BUDGET
(In Thousands)

BRIDGE/TREE LIGHTS – SPECIAL PROJECT

DESCRIPTION/ACTIVITIES: Holiday Lights Over Interstate 805 and the Martin L. King, Jr. Freeway – This a decorative lighting project along Interstate 805 and the Martin L. King, Jr. Freeway (State Route 94). The lights are hung on overpasses traversing the Central Imperial, Mount Hope and Southcrest Redevelopment Project Areas. The Holiday Bridge Lights have been a positive display in the Fourth Council District for over eight years

CUMULATIVE PRIOR YRS		CONTIN'G APPROP	FY 2006 APPROP	TOTAL FY 2006
REVENUE				
\$	-		\$	-
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	155		-	-
	-		-	-
	-	13	-	13
	155	\$	13	\$ - \$ 13
	TOTAL REVENUES			
EXPENDITURE				
\$	5		\$	-
	-		-	-
	-		-	-
	137		13	13
	142	\$	13	\$ - \$ 13
	TOTAL EXPENDITURES			
\$	13		\$	-
	Continuing to Next Year			