

STAFF REPORT



ITEM NO. 10
CITY OF OCEANSIDE

DATE: December 14, 2011
TO: Chairman and Members, Community Development Commission
FROM: Economic & Community Development Department
SUBJECT: **RESOLUTION ACCEPTING THE FISCAL YEAR 2010/11
OCEANSIDE DOWNTOWN REDEVELOPMENT AGENCY
ANNUAL REPORT**

SYNOPSIS

Staff recommends that the Community Development Commission adopt a resolution accepting the Fiscal Year 2010/11 Oceanside Downtown Redevelopment Agency Annual Report which includes the following items: State Controller's Office (SCO) Report including the Agency's Financial Transaction Report and Statement of Indebtedness; the State Department of Housing and Community Development (HCD) Report; the Blight Progress Report, Loan Report and Property Report and the Agency Independent Audit Report for fiscal year 2010-11.

BACKGROUND

In accordance with Section 33080.1 of the California Health and Safety Code, the Oceanside Redevelopment Agency (Agency) is required to prepare an Annual Report for consideration by the Community Development Commission (CDC) and for submittal to the SCO and the HCD. The report includes the following elements which are required by law.

- Independent financial audit report and opinion regarding the Agency's compliance with laws, regulations, and administrative requirements governing activities of the Agency;
- SCO Report and Report of Financial Transactions of Community Redevelopment Agencies;
- Blight Progress Report;
- Outstanding Loan Report;
- Agency Owned Property Report;
- HCD Schedules A, B, C, D, and E which includes the annual report of housing activity of community redevelopment Agencies.

These reports must be forwarded to the SCO and HCD within six months of the close of the fiscal year.

01 **ANALYSIS**

The Independent Annual Audit Report (Exhibit 1) was conducted by LSL Certified Public Accountants, an outside independent audit firm. The Audit includes financial statements for both Redevelopment Funds and Low- and Moderate-Income Housing Funds for fiscal year 2010-11. The Audit indicates that the Agency has complied with the laws and regulations contained within the Guidelines for Compliance Audits of California Redevelopment Agencies issued by the State Controller's Office.

The SCO Report (Exhibit 2) provides a summary of the revenues and expenditures of both redevelopment funds and low- and moderate-income housing funds during the 2010-11 fiscal year including the Statement of Indebtedness and Financial Transactions Report. This report is based on the numbers generated by the Agency's annual audit and was compiled by LSL Certified Public Accountants.

The HCD Report includes Schedules A, B, C, D, and E (Exhibit 3) which details the amount of Redevelopment Tax Increment received, deposits to the low- and moderate-income housing fund, expenditures of low- and moderate-income housing funds, and redevelopment and housing activities and achievements by the Agency during the 2010-11 fiscal year. LSL Certified Public Accountants prepares the financial sections and staff updates the text portion of the report that includes activities and achievements.

The Agency is required to provide a description of the total number and nature of the properties that it owns including properties the Agency has acquired over the reporting period of fiscal year 2010-11 (Exhibit 4). In addition, the Agency must prepare a summary of Agency expenditures in fiscal year 2010-11 and a progress report on activities undertaken in fiscal year 2010-11 that have contributed to alleviating blight in the Oceanside Downtown Project Area (Exhibit 5).

The Agency is also required to provide a list and a status report regarding all loans made by the Agency that are greater than \$50,000 and are in default, or out of compliance with the terms of the loan (Exhibit 6). All loans made by the Agency were in compliance with the terms of Agency agreements at the close of fiscal year 2010-11. Staff prepares and updates Exhibits 4, 5, & 6.

FISCAL IMPACT

None.

COMMISSION OR COMMITTEE REPORT

The Redevelopment Advisory Committee was sent a copy of the FY 2010-2011 annual report and resolution and will review at the next scheduled quarterly meeting.

CITY ATTORNEY ANALYSIS

The resolution has been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the Community Development Commission adopt a resolution accepting the Fiscal Year 2010-11 Oceanside Downtown Redevelopment Agency Annual Report which includes the following items: State Controller's Office (SCO) Report including the Agency's Financial Transaction Report and Statement of Indebtedness; the State Department of Housing and Community Development (HCD) Report; the Blight Progress Report, Loan Report and Property Report and the Agency Independent Audit Report for fiscal year 2010-11.

PREPARED BY:


Kathy Baker
Redevelopment Manager

SUBMITTED BY:


Peter A. Weiss
Executive Director

REVIEWED BY:

Michelle Skaggs Lawrence, Deputy City Manager



ATTACHMENTS:

1. Resolution

EXHIBITS:

1. FY 2010-11 Agency Annual Audit Report (Audit)
2. State Controllers Report for FY 2010-11 (SCO)
3. Housing and Community Development Report for FY 2010-11 (HCD)
4. Property Owned by the Agency
5. Blight Progress Report
6. Outstanding Loan Report
7. Oceanside Redevelopment Plan & Amendments
8. Fiscal Statement 2010-11
9. Annual Report Information 2010-11

1 RESOLUTION NO.

2 A RESOLUTION OF THE COMMUNITY DEVELOPMENT
3 COMMISSION OF THE CITY OF OCEANSIDE ACCEPTING
4 THE 2010/2011 ANNUAL REPORT AND DIRECTING STAFF
5 TO FORWARD ANNUAL REPORT TO THE STATE
6 CONTROLLER

7 WHEREAS, pursuant to Sections 33080.1 and 33080.2 of the California Health and
8 Safety Code, the Executive Director has prepared and submitted the 2010-2011 Annual Report
9 to the Community Development Commission for its review and approval; and

10 WHEREAS, the Community Development Commission has received and reviewed the
11 2010-2011 Annual Report.

12 NOW, THEREFORE, the Community Development Commission of the City of
13 Oceanside does resolve as follows:

14 SECTION 1. The Community Development Commission hereby accepts the 2010-2011
15 Annual Report as received and directs that a copy of the Annual Report be forwarded to the
16 Office of the State Controller.

17 PASSED AND ADOPTED by the Community Development Commission of the City of
18 Oceanside, California, this 14th day of December, 2011, by the following vote:

19 AYES:

20 NAYS:

21 ABSENT:

22 ABSTAIN:

23 _____
24 CHAIRMAN

25 ATTEST:

26 APPROVED AS TO FORM:

27 _____
28 SECRETARY

29 
30 _____
31 GENERAL COUNSEL

EXHIBIT NO. **1**



**OCEANSIDE COMMUNITY
DEVELOPMENT COMMISSION**

**COMPONENT UNIT
FINANCIAL STATEMENTS**

For the Year Ended June 30, 2011

Lance Soll & Lunghard, LLP

203 North Brea Blvd
Suite 203
Brea, CA 92821

41185 Golden Gate Circle
Suite 103
Murrieta, CA 92562

**OCEANSIDE COMMUNITY
DEVELOPMENT COMMISSION**

**COMPONENT UNIT
FINANCIAL STATEMENTS**

For the Year Ended June 30, 2011

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION
COMPONENT UNIT FINANCIAL STATEMENTS

June 30, 2011

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CERTIFIED PUBLIC ACCOUNTANTS

- Brandon W. Burrows, CPA
- David E. Hale, CPA, CFP
A Professional Corporation
- Donald G. Slater, CPA
- Richard K. Kikuchi, CPA
- Susan F. Matz, CPA
- Shelly K. Jackley, CPA
- Bryan S. Gruber, CPA

INDEPENDENT AUDITOR'S REPORT

To the Chairman and Commissioners of the
Oceanside Community Development Commission
City of Oceanside, California

We have audited the accompanying financial statements of the governmental activities and each major fund of the Oceanside Community Development Commission, a component unit of City of Oceanside, California, as of and for the year ended June 30, 2011, which collectively comprise the Oceanside Community Development Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Oceanside Community Development Commission's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 opinions.

In our opinion, the 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 Oceanside Community Development Commission as of June 30, 2011, and the respective changes in financial position thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

We would like to draw the reader's attention to Note 10 – "California Redevelopment Agency Uncertainty". The note provides information on two bills passed, AB1X26 and 27 which dissolve redevelopment agencies effective October 1, 2011 and provide an option to avoid dissolution by making certain defined payments.

In accordance with *Government Auditing Standards* issued by the Comptroller General of the United States, we have also issued our report dated October 21, 2011, on our consideration of the Oceanside Community Development Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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.



CERTIFIED PUBLIC ACCOUNTANTS

To the Chairman and Commissioners of the
Oceanside Community Development Commission
City of Oceanside, California

The Oceanside Community Development Commission has not presented the management's discussion and analysis that is a required supplement, although not required to be part of the basic financial statements prepared in accordance with accounting principles generally accepted in the United States of America.

The budgetary comparison schedule identified in the accompanying table of contents is supplementary information and is also not a required part of the basic financial statements but is supplementary information required by the accounting principles generally accepted in the United States of America. 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 conducted for the purpose of forming opinion on the financial statements that collectively comprise the Oceanside Community Development Commission's basic financial statements. The computation of low and moderate income housing funds excess/surplus are presented for purposes of additional analysis and are not a required part of the basic financial statements. The low and moderate income housing funds excess/surplus and related note have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.



Brea, California
October 21, 2011



CERTIFIED PUBLIC ACCOUNTANTS

- Brandon W. Burrows, CPA
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER COMPLIANCE

To the Chairman and Commissioners of the
Oceanside Community Development Commission
City of Oceanside, California

Compliance

We have audited the Oceanside Community Development Commission's 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 Oceanside Community Development Commission's management. Our responsibility is to express an opinion on Oceanside Community Development Commission'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 the *Guidelines for Compliance Audits of California Redevelopment Agencies, June 2011*, issued by the State Controller and as interpreted in the *Auditing Procedures for Accomplishing Compliance Audits of California Redevelopment Agencies, August 2011*, issued by the Governmental Accounting and Auditing Committee of the California Society of Certified Public Accountants. 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 redevelopment program has occurred. An audit includes examining, on a test basis, evidence about the Oceanside Community Development Commission'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 Oceanside Community Development Commission's compliance with those requirements.

In our opinion, the Oceanside Community Development Commission complied, in all material respects, with the compliance requirements referred to above that are applicable to the redevelopment program for the year ended June 30, 2011.

Internal Control Over Compliance

Management of the Oceanside Community Development Commission 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 Oceanside Community Development Commission'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 Oceanside Community Development Commission's internal control over compliance.



CERTIFIED PUBLIC ACCOUNTANTS

To the Chairman and Commissioners of the
Oceanside Community Development Commission
City of Oceanside, California

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.

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 for the information of management, the Audit Committee, management, and the California State Controller and it is not intended to be and should not be used by anyone other than these specified parties.

Lance, Soll & Lughard, LLP

Brea, California
October 21, 2011

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

STATEMENT OF NET ASSETS
JUNE 30, 2011

	Governmental Activities
Assets:	
Cash and investments	\$ 15,438,192
Restricted cash and investments with fiscal agent	3,216,717
Receivables:	
Accounts	222,461
Interest	72,783
Loans	13,354,694
Due from other governments	41,781
Land and building held for resale (net)	<u>9,492,993</u>
 Total current assets	 <u>41,839,621</u>
 Noncurrent assets:	
Capital assets (net of depreciation):	
Non depreciable assets	22,555,194
Depreciable assets, net	<u>17,493,495</u>
Total capital assets, net	<u>40,048,689</u>
 Total Assets	 <u>81,888,310</u>
 Liabilities:	
Current liabilities:	
Accounts payable and accrued expenses	1,683,110
Interest payable	927,913
Due to other governments	121,564
Deposits	103,935
Long-term liabilities - due within one year	<u>4,061,705</u>
 Total current liabilities	 <u>6,898,227</u>
 Noncurrent liabilities:	
Long-term liabilities - due in more than one year	<u>74,816,815</u>
 Total Liabilities	 <u>81,715,042</u>
 Net Assets:	
Invested in capital assets, net of related debt	22,053,689
Restricted for:	
Community development	35,337,575
Debt service	294,146
Unrestricted	<u>(57,512,142)</u>
 Total Net Assets	 <u>\$ 173,268</u>

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenues and Changes in Net Assets Governmental Activities</u>	
		<u>Charges for Services</u>	<u>Operating Contributions and Grants</u>		<u>Capital Contributions and Grants</u>
Functions/Programs					
Governmental Activities:					
Community development	\$ 18,190,425	\$ 145,533	\$ 17,182,770	\$ -	\$ (862,122)
Interest on long-term debt	4,116,720	-	-	-	(4,116,720)
Contributions to other governments	14,227,459	-	-	-	(14,227,459)
Total Governmental Activities	\$ 36,534,604	\$ 145,533	\$ 17,182,770	\$ -	(19,206,301)
General Revenues:					
Taxes (net of pass-through payments)					10,028,701
Use of money and property					278,802
Other					443,054
Total General Revenues					10,750,557
Change in Net Assets					(8,455,744)
Net Assets at Beginning of Year					8,143,397
Restatement of Net Assets					485,615
Net Assets at End of Year					\$ 173,268

FUND FINANCIAL STATEMENTS
Governmental Fund Financial Statements

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011

	Housing Assistance Program Special Revenue	Redevelopment Area Capital Project	Low and Moderate Housing Capital Project	Redevelopment Area Debt Service	Total Governmental Funds
Assets:					
Cash and investments	\$ 3,514,810	\$ 6,000,456	\$ 5,408,816	\$ 514,110	\$ 15,438,192
Restricted cash and investments	136,564	100,000	-	2,980,153	3,216,717
Receivables:					
Accounts	13,849	173,843	34,769	-	222,461
Interest	-	72,783	-	-	72,783
Notes	4,652,290	363,828	8,338,576	-	13,354,694
Due from other governments	41,781	-	-	-	41,781
Land and buildings held for resale	-	9,492,993	-	-	9,492,993
Advances to other funds	-	-	4,317,085	-	4,317,085
Total Assets	\$ 8,359,294	\$ 16,203,903	\$ 18,099,246	\$ 3,494,263	\$ 46,156,706
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable and accrued liabilities	\$ 238,043	\$ 1,445,067	\$ -	\$ -	\$ 1,683,110
Deposits	103,935	-	-	-	103,935
Due to other governments	121,564	-	-	-	121,564
Deferred revenue	1,251,697	363,828	2,683,766	-	4,299,291
Advances from other funds	-	1,116,968	-	3,200,117	4,317,085
Total Liabilities	1,715,239	2,925,863	2,683,766	3,200,117	10,524,985
Fund Balances:					
Nonspendable:					
Advances to other funds	-	-	4,317,085	-	4,317,085
Land and buildings held for resale	-	9,492,993	-	-	9,492,993
Long-term receivables	3,400,593	-	5,654,810	-	9,055,403
Restricted for:					
Debt utilization and/or by debt covenants	-	-	-	294,146	294,146
Low and moderate income housing	3,243,462	-	5,443,585	-	8,687,047
Capital projects	-	3,785,047	-	-	3,785,047
Total Fund Balances	6,644,055	13,278,040	15,415,480	294,146	35,631,721
Total Liabilities and Fund Balances	\$ 8,359,294	\$ 16,203,903	\$ 18,099,246	\$ 3,494,263	\$ 46,156,706

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2011**

Fund balances of governmental funds **\$ 35,631,721**

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets	\$ 50,835,481	
Accumulated depreciation	<u>(10,786,792)</u>	
		40,048,689

Deferred revenue is present in governmental fund financial statements to indicate that receivables are not available currently; however, in the Statement of Net Assets these deferrals are eliminated.

4,299,291

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds payable	(48,560,000)	
Certificates of participation	(17,995,000)	
Advances from City of Oceanside	<u>(12,323,520)</u>	
		(78,878,520)

Accrued interest payable for the current portion of interest due on long-term liabilities has not been reported in the governmental funds.

(927,913)

Net assets of governmental activities

\$ 173,268

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Housing Assistance Program Special Revenue	Redevelopment Area Capital Project	Low and Moderate Housing Capital Project	Redevelopment Area Debt Service	Total Governmental Funds
Revenues:					
Taxes	\$ -	\$ 8,861,658	\$ 2,215,415	\$ -	\$ 11,077,073
Intergovernmental	14,964,007	-	-	-	14,964,007
Charges for services	117,022	11,806	-	-	128,828
Interest and rental	185,349	60,755	22,604	10,094	278,802
Developer fees	-	16,705	-	-	16,705
Other revenue	428,401	14,653	-	-	443,054
Total Revenues	15,694,779	8,965,577	2,238,019	10,094	26,908,469
Expenditures:					
Current:					
Community development	15,956,402	1,309,518	210,217	-	17,476,137
Capital outlay	-	31,458	-	-	31,458
Debt service	-	-	-	8,092,086	8,092,086
Total Expenditures	15,956,402	1,340,976	210,217	8,092,086	25,599,681
Excess (Deficiency) of Revenues Over (Under) Expenditures	(261,623)	7,624,601	2,027,802	(8,081,992)	1,308,788
Other Financing Sources (Uses):					
Transfers in	-	-	288,900	5,144,848	5,433,748
Transfers out	-	(5,144,848)	-	(288,900)	(5,433,748)
Long-term debt issued	-	-	-	871,019	871,019
Pass-through agreement payments	-	(1,048,372)	-	-	(1,048,372)
Payment to Educational Revenue Augmentation Fund	-	(748,727)	-	-	(748,727)
Contribution from (to) City	29,268	(14,497,062)	-	989,062	(13,478,732)
Total Other Financing Sources (Uses):	29,268	(21,439,009)	288,900	6,716,029	(14,404,812)
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(232,355)	(13,814,408)	2,316,702	(1,365,963)	(13,096,024)
Fund Balances:					
Beginning of Year, as previously reported	7,011,795	27,092,448	13,098,778	1,660,109	48,863,130
Restatements	(135,385)	-	-	-	(135,385)
Beginning of Year, as restated	6,876,410	27,092,448	13,098,778	1,660,109	48,727,745
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(232,355)	(13,814,408)	2,316,702	(1,365,963)	(13,096,024)
End of Year	\$ 6,644,055	\$ 13,278,040	\$ 15,415,480	\$ 294,146	\$ 35,631,721

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Net change in fund balances - total governmental funds **\$ (13,096,024)**

Amounts reported for governmental activities in the Statement of Activities
are different because:

Proceeds of debt is revenue in the governmental funds, but these are additions
to the Statement of Net Assets.

Advances received from City of Oceanside (871,019)

Repayment of principal on long-term liabilities is an expenditure in the
governmental funds, but the repayment reduces long-term liabilities in
the Statement of Net Assets.

Bonds payable	\$ 2,230,000	
Certificates of participation	1,650,000	
Advances from City of Oceanside	<u>25,172</u>	
		3,905,172

Collections on receivables and loan transactions offset by deferred revenue are
reported as revenue and expenditures in governmental funds; however, they do not
provide revenue or expenses in the Statement of Activities.

2,218,763

Governmental funds report capital outlay as expenditures. However, in the
Statement of Activities the cost of those assets is capitalized and allocated
over their estimated useful lives through depreciation expense:

Depreciation	<u>(682,830)</u>	(682,830)
--------------	------------------	-----------

Expenses reported in the Statement of Activities do not require the use of
current financial resources and, therefore, are not reported as expenditures
in governmental funds:

Current accrual of interest due on bonds	(927,913)	
Prior year accrual of interest due on bonds	<u>998,107</u>	
		<u>70,194</u>

Change in net assets of governmental activities **\$ (8,455,744)**

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NOTES TO FINANCIAL STATEMENTS

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OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2011

Note 1: Summary of Significant Accounting Policies

The basic financial statements of the Oceanside Community Development Commission (the Commission) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Commission's accounting policies are described below.

a. Financial Reporting Entity

The Commission was established on July 16, 1980, and includes all activities previously performed by the Oceanside Redevelopment Agency and the Oceanside Housing Authority. The Oceanside Redevelopment Agency was originally established on November 19, 1975, pursuant to the State of California Health and Safety Code entitled "Community Redevelopment Law". Its purpose is to eliminate blighted areas by encouraging the development of residential, commercial, industrial, recreational and public facilities. The Oceanside Housing Authority was originally established on February 24, 1971, and dissolved April 9, 1975, due to inactivity. It was reactivated on April 9, 1980, pursuant to the State of California Health and Safety Code. This department is responsible for all assisted housing projects within the City of Oceanside (the City).

b. Basis of Accounting and Measurement Focus

The accounts of the Commission are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements:

The Commission's government-wide financial statements include a Statement of Net Assets and a Statement of Activities. These statements present summaries of governmental type activities for the Commission.

These basic financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Commission's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Assets. The Statement of Activities presents changes in net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the Commission in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED) JUNE 30, 2011

Note 1: Summary of Significant Accounting Policies (Continued)

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues Expenditures and Changes in Fund Balances for all major governmental funds. An accompanying schedule is presented to reconcile and explain the differences in net assets as presented in these statements to the net assets presented in the government-wide financial statements. The Commission has presented all funds as major funds.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except those revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the Commission, are property taxes and other taxes. Expenditures are generally recorded in the accounting period in which the related fund liability is incurred, except for principal and interest on long-term liabilities which are recognized as expenditures only when payment is due.

Deferred revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when the government receives resources before it has a legal claim to them as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the deferred revenue is removed from the balance sheet and revenue is recognized.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

The funds designated as major funds are determined by a mathematical calculation consistent with GASB Statement No. 34. The Commission reports the following major governmental funds:

The Housing Assistance Program Special Revenue Fund is used to account for the operation of the City's low and moderate income housing program. Financing is provided by HUD (Section 8), Community Development Block Grants, and service fees on mortgage revenue bonds.

The Redevelopment Area Capital Projects Fund is used to account for administrative costs and capital improvements funded by long-term debt issued by the Community Development Commission.

The Low and Moderate Housing Capital Projects Fund is used to account for the required 20% set-aside of property tax increments that is legally restricted for increasing or improving housing for low and moderate income households.

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Note 1: Summary of Significant Accounting Policies (Continued)

The Redevelopment Area Debt Service Fund is used to account for the payment of interest and principal on debt of the Commission.

c. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the general, special revenue and capital project funds. By policy, carry-over of unexpended operating appropriations for one fiscal year to another for incomplete projects are allowed with City Manager approval. The City Council must approve all carry-over appropriations for reallocated funds to different projects and programs.

d. Cash, Cash Equivalents and Investments

The Commission pools its available cash for investment purposes with the City of Oceanside. The Commission considers pooled cash and investment amounts with original maturities of three months or less to be cash equivalents.

Highly liquid 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.

e. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two installments on December 10 and April 10. The County of San Diego (the County) bills and collects the property taxes and remits them to the Commission in installments during the year. Commission property tax revenues are recognized when levied.

The County is permitted by State Law (Proposition 13) to levy taxes at 1% of full market value (at time of purchase) and can increase the property assessed value not more than two percent per year. The Commission received tax revenue based on the incremental increase in taxable valuation in the redevelopment area above the base year valuation.

f. Land and Buildings Held for Resale

Land and buildings held for resale is carried at the lower of cost or market but not greater than the net realizable value.

g. Capital Assets

Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated fixed assets are valued at their estimated fair market value on the date donated. City policy has set the capitalization threshold for reporting infrastructure at \$100,000; all other capital assets are set at \$10,000. Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 1: Summary of Significant Accounting Policies (Continued)

Buildings	50 - 60 years
Improvements other than buildings	30 - 60 years
Machinery and equipment	5 - 20 years

Interest accrued during capital assets construction, if any, on an asset financed by governmental fund types is not capitalized as part of the asset cost.

h. Long-Term Liabilities

Government-Wide Financial Statements

Long-term debt and other financed obligations are reported as liabilities in the appropriate funds.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds on a straight-line basis. Bonds payable are reported net of the applicable premium or discount.

Fund Financial Statements

The fund financial statements do not present long-term debt. Therefore, it is shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets.

i. Fund Balances and Net Assets

Fund Financial Statements

The fund balances reported on the fund financial statements consist of the following categories:

Nonspendable Fund Balance - This includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance - This includes amounts that can be spent only, for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed Fund Balance - This includes amounts that can be used only for the specific purposes determined by a formal action of the commission.

Assigned Fund Balance - This includes amounts that are designated by the commission for specific purposes.

Unassigned Fund Balance - This is the residual classification that includes all spendable amounts not contained in the other classifications.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Commission's policy is to apply restricted fund balance first.

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Note 1: Summary of Significant Accounting Policies (Continued)

When an expenditure is incurred for purposes for which committed, assigned or unassigned fund balances are available, the Commission's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

Government-Wide Financial Statements

The net assets reported on the Statement of Net Assets consist of the following three categories:

Invested in Capital Assets, Net of Related Debt - This amount consists of capital assets, net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Assets - This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other 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".

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

j. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates and assumptions

Note 2: Cash and Investments

Cash and investments at June 30, 2011, are classified in the accompanying financial statements as follows:

Unrestricted	
Cash and investments pooled with the City of Oceanside	\$ 15,438,192
Restricted	
Cash and investments with fiscal agent	<u>3,216,717</u>
	<u>\$ 18,654,909</u>

The Commission's funds are pooled with the City of Oceanside's cash and investments in order to generate optimum interest income. The information required by GASB Statement No. 40 related to authorized investments, credit risk, etc., is available in the comprehensive annual financial report of the City.

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011**

Note 3: Note Receivable

At June 30, 2011, the Commission had notes receivable reported in the following funds:

Housing Assistance Program Special Revenue Fund	\$ 4,652,290
Low and Moderate Housing Capital Projects Fund	8,338,576
Redevelopment Area Capital Projects Fund	<u>363,828</u>
Total	<u>\$ 13,354,694</u>

At June 30, 2011, the Commission's Housing Assistance Program Special Revenue Fund was owed \$4,652,290 for various low or noninterest bearing loans to property owners for the rehabilitation of property and first time home buyer program within the City. The notes are payable upon the sale of the property or upon the death of the current property owner.

At June 30, 2011, the Commission's Low and Moderate Housing Capital Projects Fund was owed \$54,810 for various low and moderate income housing loans for a home buyer program.

On September 10, 2008, the Commission loaned \$5,600,000 to a developer in accordance with a regulatory agreement executed by the Commission and the Developer. The note is secured by a deed of trust. The note bears interest at a rate of 3% compounded annually from the date the amounts are disbursed for 55 years, at which time all principal and interest are due. At June 30, 2011, the outstanding balance including accrued interest of \$489,566 is \$6,089,566.

On June 10, 2009, the Commission loaned \$606,380 to California Surf Museum in accordance with the tenant improvement loan agreement executed by the Commission and the Museum on August 13, 2008. Pursuant to the agreement, in the event that the Museum satisfies the performance standards set forth in the agreement, the Commission agrees to forgive 1/5th of the loan amount each year for five years. At June 30, 2011, the outstanding balance is \$363,828.

The Commission entered into various loan agreements with Mission Grove Housing, L.P, dated December 21, 2001 totaling \$1,385,000 at a rate of 0% interest during the construction phase and 3% simple interest thereafter. The note is secured by a deed of trust. At June 30, 2011, the outstanding balance with accrued interest is \$1,696,625. On February 11, 2003, entered into another agreement with Mission Grove Housing, L.P, for \$718,000 at a rate of 3%. The term of the note is for 20 years. The note is secured by a deed of trust. At June 30, 2011, the outstanding balance is \$497,575.

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 4: Interfund Transactions

Long-Term Advances

At June 30, 2011, the Commission had the following interfund long-term advances:

<u>Advances From</u>	<u>Advances To</u>	<u>Amount</u>
Low and Moderate Housing Capital Projects Fund	Debt Services Fund	\$ 3,200,117
	Redevelopment Area Capital Projects Fund	<u>1,116,968</u>
		<u>\$ 4,317,085</u>

The Low and Moderate Income Housing Fund advanced funds to the Redevelopment Area Capital Project Fund to fund redevelopment projects. The loan is payable from tax increment revenues. The loan bears no interest and principal payments are due annually through June 1, 2017. The remaining principal payments are as follows:

Year Ending <u>June 30,</u>	<u>Principal</u>
2012	\$ 506,475
2013	547,500
2014	574,500
2015	594,975
2016	567,555
2017	<u>409,112</u>
	<u>\$ 3,200,117</u>

On June 23, 2010, the Commission passed a resolution approving an advance from the Low and Moderate Housing Capital Project Fund to the Redevelopment Area Capital Project Fund for \$1,116,968 for the purpose of providing funding to pay the County's "Supplemental" Educational Revenue Augmentation Fund (SERAF) payment for 2010-2011. There is no repayment schedule, however State legislation requires it to be repaid by June 30, 2015, to avoid penalty. If it is not repaid by that date, then the set-aside percentage to Low and Moderate Income Housing will increase from 20% to 25% for the remainder of the life of the Agency.

Transfers

Transfers in and out for the year ended June 30, 2011 are as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>
Redevelopment Area Capital Projects Fund	Redevelopment Area Debt Service Fund	\$ 5,144,848
Redevelopment Area Debt Service Fund	Low and Moderate Housing Capital Project	<u>288,900</u>
		<u>\$ 5,433,748</u>

The transfers were for debt service payments and for advances.

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011**

Note 5: Capital Assets

A summary of changes in the capital assets at June 30, 2011, is as follows:

	Balance at July 1, 2010	Adjustments	Adjusted Balance at July 1, 2010	Additions	Deletions	Balance at June 30, 2011
Capital assets, not being depreciated:						
Land	\$ 20,013,231	\$ 621,000	\$ 20,634,231	\$ -	\$ -	\$ 20,634,231
Construction in progress	1,920,963	-	1,920,963	-	-	1,920,963
Total capital assets, not being depreciated	21,934,194	621,000	22,555,194	-	-	22,555,194
Capital assets, being depreciated:						
Buildings and structures	27,236,400	-	27,236,400	-	-	27,236,400
Machinery and equipment	200,413	-	200,413	-	-	200,413
Improvements other than building	843,474	-	843,474	-	-	843,474
Total capital assets, being depreciated	28,280,287	-	28,280,287	-	-	28,280,287
Less accumulated depreciation for:						
Buildings and structures	9,853,146	-	9,853,146	587,168	-	10,440,314
Machinery and equipment	166,469	-	166,469	11,314	-	177,783
Improvements other than building	84,347	-	84,347	84,348	-	168,695
Total accumulated depreciation	10,103,962	-	10,103,962	682,830	-	10,786,792
Total capital assets, being depreciated, net	18,176,325	-	18,176,325	(682,830)	-	17,493,495
Capital assets, net	\$ 40,110,519	\$ 621,000	\$ 40,731,519	\$ (682,830)	\$ -	\$ 40,048,689

Depreciation expense of \$682,830 was charged to community development and is reflected on the Statement of Activities.

Note 6: Land and Buildings Held for Resale:

Land and buildings held for resale are recorded in the Redevelopment Area Capital Projects Fund at the lower of cost or market, but not greater than net realizable value. The available fund balance is reserved in amount equal to the carrying value of land and buildings held for resale because such assets are not available to finance current operations. The amount recorded as assets held for resale and the corresponding fund balance reserved as of June 30, 2011, was \$9,492,993.

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Note 7: Long Term Liabilities:

The following is a summary of changes in governmental activities long-term debt for the year ended June 30, 2011:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011	Due Within One Year
Bonds payable	\$ 50,790,000	\$ -	\$ (2,230,000)	\$ 48,560,000	\$ 2,330,000
Certificates of Participation	19,645,000	-	(1,650,000)	17,995,000	1,705,000
Advances from City	11,477,673	871,019	(25,172)	12,323,520	26,705
Total	\$ 81,912,673	\$ 871,019	\$ (3,905,172)	\$ 78,878,520	\$ 4,061,705

a. Bonds Payable

At June 30, 2011, bonds payable consisted of the following:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011	Due Within One Year	Due in More Than One Year
2002 Tax Allocation Refunding Bonds	\$ 18,030,000	\$ -	\$ (750,000)	\$ 17,280,000	\$ 785,000	\$ 16,495,000
2003 Tax Allocation Refunding Bonds	5,150,000	-	(485,000)	4,665,000	505,000	4,160,000
Subordinate 2003 Tax Allocation Bond	15,725,000	-	(655,000)	15,070,000	685,000	14,385,000
2004 Tax Allocation Refunding Bonds	11,885,000	-	(340,000)	11,545,000	355,000	11,190,000
Totals	\$ 50,790,000	\$ -	\$ (2,230,000)	\$ 48,560,000	\$ 2,330,000	\$ 46,230,000

2002 Tax Allocation Refunding Bonds - Original Issue \$22,030,000

The 2002 Tax Allocation Refunding Bonds were issued to finance the Commission's projects in the Downtown Redevelopment Project pursuant to the Redevelopment Plan, to provide for fund reserves, and pay for the costs of the bond issuance.

The bonds mature annually through 2020, in amounts ranging from \$715,000 to \$1,640,000. Interest rates vary from 3.0% to a maximum of 5.5% and are payable semiannually on September 1 and March 1. The bonds can be redeemed prior to maturity if notice of such redemption is mailed and trustee is satisfied with such procedure. Bonds maturing before September 1, 2013, are not subject to redemption prior to maturity. Bonds maturing on or after September 1, 2013, are subject to redemption in whole or in part on September 1, 2012, and each interest date thereafter. At June 30, 2011, the outstanding balance of these bonds was \$17,280,000.

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011****Note 7: Long Term Liabilities (Continued)**

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 785,000	\$ 928,463	\$ 1,713,463
2013	825,000	888,213	1,713,213
2014	865,000	845,963	1,710,963
2015	910,000	801,019	1,711,019
2016	955,000	752,631	1,707,631
2017-2021	5,590,000	2,912,944	8,502,944
2022-2026	7,350,000	1,104,000	8,454,000
Totals	<u>\$ 17,280,000</u>	<u>\$ 8,233,233</u>	<u>\$ 25,513,233</u>

2003 Tax Allocation Refunding Bonds - Original Issue \$7,740,000

The 2003 Tax Allocation Refunding Bonds were issued to defease the Commission's outstanding \$7,725,000 Downtown Redevelopment Project, 1993 Tax Allocation Refunding Bonds, to acquire a municipal bond issuance policy and to pay costs of issuance.

The bonds mature annually through 2019, in amounts ranging from \$460,000 to \$670,000. Interest rates vary from 2.0% to a maximum of 4.0% and are payable semiannually on September 1 and March 1. The bonds can be redeemed prior to maturity if notice of such redemption is mailed and trustee is satisfied with such procedure. Bonds maturing before September 1, 2014, are not subject to redemption prior to maturity. Bonds maturing on or after September 1, 2014, are subject to redemption in whole or in part on September 1, 2013, and each interest date thereafter. At June 30, 2011, the outstanding balance of these bonds was \$4,665,000.

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 505,000	\$ 169,450	\$ 674,450
2013	525,000	148,850	673,850
2014	545,000	128,813	673,813
2015	570,000	109,300	679,300
2016	590,000	88,263	678,263
2017-2021	1,930,000	118,000	2,048,000
Totals	<u>\$ 4,665,000</u>	<u>\$ 762,676</u>	<u>\$ 5,427,676</u>

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

JUNE 30, 2011

Note 7: Long Term Liabilities (Continued)

Subordinate 2003 Tax Allocation Bonds - Original Issue \$17,800,000

The Subordinate 2003 Tax Allocation Bonds were issued to finance the Commission's undertakings in the Downtown Redevelopment Project pursuant to the Redevelopment Plan, to fund a reserve account, to pay costs of issuance and to fund capitalized interest on the 2003 Escrow Term Bonds.

The bonds mature annually through 2026, in amounts ranging from \$620,000 to \$1,425,000. Interest rates vary from 2.0% to a maximum of 5.2% and are payable semiannually on September 1 and March 1. The bonds can be redeemed prior to maturity if notice of such redemption is mailed and trustee is satisfied with such procedure. Bonds maturing before September 1, 2013, are not subject to redemption prior to maturity. Bonds maturing on or after September 1, 2013, are subject to redemption in whole or in part on September 1, 2012, and each interest date thereafter. At June 30, 2011, the outstanding balance of these bonds was \$15,070,000.

The annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 685,000	\$ 801,220	\$ 1,486,220
2013	720,000	766,058	1,486,058
2014	755,000	728,798	1,483,798
2015	790,000	689,590	1,479,590
2016	835,000	648,205	1,483,205
2017-2021	4,880,000	2,514,478	7,394,478
2022-2026	6,405,000	946,534	7,351,534
Total	<u>\$ 15,070,000</u>	<u>\$ 7,094,883</u>	<u>\$ 22,164,883</u>

2004 Tax Allocation Refunding Bonds - Original Issue \$13,510,000

The 2004 Tax Allocation Refunding Bonds were issued to defease the Commission's outstanding \$14,935,000 Downtown Redevelopment Project, 1994 Tax Allocation Refunding Bonds outstanding, to acquire a municipal bond issuance policy and to pay costs of issuance.

The bonds mature annually through 2024, in amounts ranging from \$340,000 to \$1,550,000. Interest rates vary from 2.5% to a maximum of 4.5% and are payable semiannually on March 1 and September 1, commencing March 1, 2005. The bonds can be redeemed prior to maturity if notice of such redemption is mailed and trustee is satisfied with such procedure. Bonds maturing before September 1, 2015, are not subject to redemption prior to maturity. Bonds maturing on or after September 1, 2015, are subject to redemption in whole or in part on September 1, 2014 and each interest date thereafter. At June 30, 2011, the outstanding balance of these bonds was \$11,545,000.

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011**

Note 7: Long Term Liabilities (Continued)

Year Ending June 30,	Principal	Interest	Total
2012	\$ 355,000	\$ 489,854	\$ 844,854
2013	370,000	476,279	846,279
2014	375,000	462,773	837,773
2015	385,000	448,041	833,041
2016	400,000	432,341	832,341
2017-2021	3,840,000	1,832,566	5,672,566
2022-2026	5,820,000	537,068	6,357,068
Total	\$ 11,545,000	\$ 4,678,922	\$ 16,223,922

b. Certificates of Participation

At June 30, 2011, certificates of participation (COP) payable consisted of the following:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011	Due Within One Year	Due in More Than One Year
2005 Refunding COP	\$ 19,645,000	\$ -	\$ (1,650,000)	\$ 17,995,000	\$ 1,705,000	\$ 16,290,000
Totals	\$ 19,645,000	\$ -	\$ (1,650,000)	\$ 17,995,000	\$ 1,705,000	\$ 16,290,000

2005 Refunding Certificates of Participation - Original Issue \$20,170,000

The 2005 Refunding Certificates of Participation were issued by the Commission to partially refund the 1995 Refunding Certificates of Participation, which was used for the City's Civic Center Project and to pay the costs of issuance. The certificates consist of serial certificates in the amount of \$20,170,000 due in annual installments of \$135,000 to \$2,350,000. Interest rates range from 3% to 5% and are payable semiannually on February 1 and August 1. Certificates maturing before August 1, 2016, are not subject to redemption prior to maturity. Certificates maturing on or after August 1, 2016, are subject to redemption in whole or in part on August 1, 2015, and each interest date thereafter. At June 30, 2011, the outstanding balance of these certificates was \$17,995,000.

The annual debt service requirements on these certificates are as follows:

Year Ending June 30	Principal	Interest	Total
2012	\$ 1,705,000	\$ 716,007	\$ 2,421,007
2013	1,765,000	653,001	2,418,001
2014	1,835,000	583,088	2,418,088
2015	1,905,000	510,375	2,415,375
2016	1,990,000	434,963	2,424,963
2017-2021	8,795,000	860,825	9,655,825
Totals	\$ 17,995,000	\$ 3,758,259	\$ 21,753,259

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011**

Note 7: Long Term Liabilities (Continued)

c. Advances from the City

At June 30, 2011, advances from the City consisted of the following:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011	Due Within One Year	Due in More Than One Year
Consolidated Loan Principal	\$ 8,918,297	\$ -	\$ -	\$ 8,918,297	\$ -	\$ 8,918,297
Consolidated Loan Matured						
Unpaid Interest	1,969,445	871,019	-	2,840,464	-	2,840,464
Total Consolidated Loan	10,887,742	871,019	-	11,758,761	-	11,758,761
2001 Advance from City	589,931	-	(25,172)	564,759	26,705	538,054
Total	\$ 11,477,673	\$ 871,019	\$ (25,172)	\$ 12,323,520	\$ 26,705	\$ 12,296,815

1. The Commission entered into a loan agreement with the City to restructure unpaid loans made to the Commission in 1986 and 1989 to fund downtown redevelopment projects. The loan represents the unpaid principal portion of \$2,000,000 and \$1,443,011 of the 1986 and 1989 loans, respectively, and the accumulated unpaid interest on those loans. Annual interest of 10% is deferred and added to the outstanding balance until December 2017. Annual payments ranging from \$2,870,000 to \$3,115,000 will begin in December 2018. As of June 30, 2011, the outstanding balance of the loan including matured unpaid interest of \$2,840,464 was \$11,758,761.

The annual debt service requirements on this loan are as follows:

Year Ending June 30,	Principal	Interest	Total
2019-2023	\$ 7,467,757	\$ 7,862,243	\$ 15,330,000
2024-2028	11,786,177	3,753,192	15,539,369
	19,253,934	<u>\$ 11,615,435</u>	<u>\$ 30,869,369</u>
Less: Future interest added to principal	<u>(7,495,173)</u>		
Balance at June 30, 2011	<u>\$ 11,758,761</u>		

2. On June 1, 2001, the Commission entered into a loan agreement with the City whereby the City agreed to advance \$738,321. The loan is payable in semiannual payments of \$30,098 on June 1 and December 1, at a 6% interest rate. As of June 30, 2011, the outstanding balance of the loan was \$564,759.

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 7: Long Term Liabilities (Continued)

The annual debt service requirements on this loan are as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 26,705	\$ 33,491	\$ 60,196
2013	28,331	31,865	60,196
2014	30,056	30,140	60,196
2015	31,887	28,309	60,196
2016	33,828	26,366	60,194
2017-2021	202,674	98,306	300,980
2022-2026	211,278	29,505	240,783
Totals	<u>\$ 564,759</u>	<u>\$ 277,982</u>	<u>\$ 842,741</u>

Note 8: Commitments and Contingencies

a. SERAF

On July 23, 2009, the State adopted legislation, requiring a shift of monies during fiscal years 2009-2010 and 2010-2011 to be deposited into the County "Supplemental" Educational Revenue Augmentation Fund (SERAF). These monies were to be distributed to meet the State's Prop 98 obligations to schools. The California Redevelopment Association (CRA) and its member agencies filed a legal action in an attempt to stop these amounts from having to be paid; however, in May 2010 the Sacramento Superior Court upheld the legislation.

The payment of the SERAF was due on May 10, 2011, for fiscal year 2010-2011 and it was made in the amount of \$748,727 using available resources.

To accomplish the payment for 2009-2010, the Commission borrowed \$1,116,968 from the Low and Moderate Housing Capital Projects Fund (after adopting appropriate findings of necessity) and used \$2,519,708 of its available resources. In the accompanying financial statements, the amount paid to the County has been reported as a use of current year resources. Borrowings and/or suspended set-aside amounts relating to the Low and Moderate Housing Capital Projects Fund have been reflected as inter-fund advances between the accounting funds of the Commission.

b. Contingent Liabilities

The Commission is involved in certain matters of litigation that have arisen in the normal course of conducting business. Commission management believes, based upon consultation with the City Attorney, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the Commission. Additionally, Commission management believes that the current insurance programs are sufficient to cover any potential losses should an unfavorable outcome be realized.

c. Development Disposition Agreement

On June 17, 2009, the Commission approved a Disposition Agreement and authorized the Executive Director of the Commission to enter into a lease with S.D. Malkin Properties for the development of the Beachfront Resort. The Commission's investment

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011**

Note 8: Commitments and Contingencies (Continued)

in the project is expected to total \$27.61 million and includes environmental impact reports, off-site public improvements, and parking garage easements and extraordinary covenants. In order to fund these commitments, the Commission intends to use \$5.1 million of existing Tax Allocation Bond proceeds to pay for a portion of the off-site public improvements and additional impact fees, and will issue two additional Tax Allocation Bonds totaling \$17.26 million and future transient occupancy tax generated from the project totaling \$5 million to pay for the parking garage easements and extraordinary covenants. During the fiscal year ended June 30, 2011, the Commission did not make any payments towards this project. The total cost to date as of June 30, 2011, is \$0.

Note 9: Restatement of Net Assets and Fund Balances

a. Government-Wide Financial Statements

Beginning net assets balances in the government-wide financial statements were restated as follows:

	Governmental Activities
To capitalize land purchased in prior year	\$ 621,000
To adjust for loans which were forgiven in prior years	<u>(135,385)</u>
	<u>\$ 485,615</u>

b. Governmental Fund Financial Statements

Beginning fund balances in the governmental fund financial statements were restated as follows:

	Low and Moderate Housing Capital Projects Fund
To adjust for loans which were forgiven in prior years	\$ <u>(135,385)</u>
	<u>\$ (135,385)</u>

Note 10: California Redevelopment Agency Uncertainty

On July 18, 2011, the California Redevelopment Association ("CRA") and the League of California Cities ("League") filed a petition for writ of mandate with the California Supreme Court, requesting the Court to declare unconstitutional two bills that were passed as part of the 2011-12 State Budget, AB1X 26 and 27. AB1X 26 dissolves redevelopment agencies effective October 1, 2011. AB1X 27, give redevelopment agencies an option to avoid dissolution if it commits to making defined payments for the benefit of the State, school districts and certain special districts. In 2011-12, these payments amount to a state-wide total of \$1.7 billion. In 2012-13 and subsequent years, the payments total \$400 million, annually. Each city or county's share of these payments is determined based on its proportionate share of state-wide tax increment.

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 10: California Redevelopment Agency Uncertainty (Continued)

CRA and the League contend that AB1X 26 and 27 are unconstitutional because they violate Proposition 22 which was passed by the voters in November, 2010. The effect of the legislation is to achieve a possible unconstitutional result, the use of redevelopment agencies' tax increment funds to benefit the State and other units of local government, by way of threatening of the dissolution of redevelopment agencies.

Therefore, the CRA and the League have requested that the Court issue a stay, suspending the effectiveness of AB1X 26 and 27 until the Court can rule on its constitutionality. CRA and the League also asked the Court to expedite the briefing and hearing of the case so that a decision can be rendered by the Court before January 15, 2012, when the first payments are due. On August 11th, the California Supreme Court agreed to hear the case and granted a partial stay which was subsequently clarified.

As of the time of the issuance of this report, the outcome of AB1X 26 and 27 upon the Agency is unknown and consequently the status and even future existence of the Agency is uncertain as such. In accordance with AB1X 27, the Agency has passed a resolution of intent to continue and will be required to make a payment to the State in the estimated amount of \$2,851,264, by January 15, 2012, to avoid dissolution.

REQUIRED SUPPLEMENTARY INFORMATION

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

**BUDGETARY COMPARISON SCHEDULE
HOUSING ASSISTANCE PROGRAM
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1, as restated	\$ 6,876,410	\$ 6,876,410	\$ 6,876,410	\$ -
Resources (Inflows):				
Intergovernmental	15,361,006	15,361,006	14,964,007	(396,999)
Charges for services	153,942	153,942	117,022	(36,920)
Interest and rental	83,750	83,750	185,349	101,599
Other revenue	822,713	2,202,713	428,401	(1,774,312)
Contribution from (to) City	-	-	29,268	29,268
Amounts Available for Appropriation	23,297,821	24,677,821	22,600,457	(2,077,364)
Charges to Appropriation (Outflow):				
Community development	16,817,239	18,204,239	15,956,402	2,247,837
Total Charges to Appropriations	16,817,239	18,204,239	15,956,402	2,247,837
Budgetary Fund Balance, June 30	\$ 6,480,582	\$ 6,473,582	\$ 6,644,055	\$ 170,473

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2011

1. BUDGETARY INFORMATION:

The Commission follows these procedures in establishing the budgetary data reflected in the financial statements.

- During May of each year, the Executive Director submits to the Commissioners a proposed annual operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the revenue sources to finance the expenditures.
- Public hearings are conducted at Commissioners' meetings to obtain taxpayer comments prior to and after May.
- Prior to July 1, the budget is legally adopted through passage of an appropriation resolution.

The Executive Director is authorized to transfer funds appropriated within the same fund. Revisions that alter the total appropriations of any department or fund must be approved by the Commissioners.

Budgets are adopted for the special revenue and capital project funds on a basis consistent with accounting principles generally accepted in the United States of America. Budgeted amounts are as originally adopted and as further amended by the Commissioners. All annual appropriations lapse at year-end.

Formal budgetary integration is employed as a management control device during the year for the governmental fund types other than the debt service funds. Expenditures may not legally exceed appropriations at the activity level.

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SUPPLEMENTARY INFORMATION

OCEANSIDE COMMUNITY DEVELOPMENT COMMISSION

**COMPUTATION OF LOW AND MODERATE
INCOME HOUSING FUNDS
EXCESS/SURPLUS**

	Low and Moderate Housing Funds - All Project Areas July 1, 2010	Low and Moderate Housing Funds - All Project Areas July 1, 2011
Opening Fund Balance	\$ 13,098,778	\$ 15,415,480
Less Unavailable Amounts:		
Advances to other funds	\$ (4,605,985)	\$ (4,317,085)
Notes receivable	<u>(5,949,230)</u>	<u>(8,338,576)</u>
	<u>(10,555,215)</u>	<u>(16,972,746)</u>
Available Low and Moderate Income Housing Funds	2,543,563	(1,557,266)
Limitation (greater of \$1,000,000 or four years set-aside)		
Set-Aside for last four years:		
2010 - 2011	-	2,215,415
2009 - 2010	2,228,294	2,228,294
2008 - 2009	2,842,988	2,842,988
2007 - 2008	2,117,273	2,117,273
2006 - 2007	<u>1,807,499</u>	<u>-</u>
Total	<u>\$ 8,996,054</u>	<u>\$ 9,403,970</u>
Base Limitation	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>
Greater amount	<u>8,996,054</u>	<u>9,403,970</u>
Computed Excess/Surplus	<u>None</u>	<u>None</u>

REDEVELOPMENT AGENCIES FINANCIAL TRANSACTIONS REPORT

COVER PAGE

Oceanside Community Development Commission

Fiscal Year: 2011

ID Number: 13983759800

Certification:

I hereby certify that, to the best of my knowledge and belief, the report forms fairly reflect the financial transactions of the agency in accordance with the requirements as prescribed by the California State Controller.

Fiscal Officer



Signature

Financial Services Director

Title

Teri Ferro

Name (Please Print)

11-29-11

Date

Per Health and Safety Code section 33080, this report is due within six months after the end of the fiscal year. The report is to include two (2) copies of the agency's component unit audited financial statements and the report on the Status and Use of the Low and Moderate Income Housing Fund (HCD report). To meet the filing requirements, all portions must be received by the California State

Please complete, sign, and mail this cover page to either address below.

Mailing Address:

State Controller's Office
Division of Accounting and Reporting
Local Government Reporting Section
P. O. Box 942850
Sacramento, CA 94250

Express Mailing Address:

State Controller's Office
Division of Accounting and Reporting
Local Government Reporting Section
3301 C Street, Suite 700
Sacramento, CA 95816

Supplement to the Annual Report of Community Redevelopment Agencies

Redevelopment Agency ID Number:	Oceanside Community Development Commission
Name of Redevelopment Agency:	13983759800

Mark the appropriate box below to indicate the ending date of your agency's fiscal year. Report data for that period only.

September 2010 December 2010 June 2011

Return this form to the **California State Controller's Office**. If you have any questions regarding this form please contact:

U.S. Bureau of the Census, Shannon Doyle, 1-800-242-4523

A. Personnel Expenditures

Report your government's total expenditures for salaries and wages during the year, including amounts paid on force account construction projects.

Z00	\$ None
------------	----------------

B. Mortgage Revenue Bond Interest Payments

Report your government's total amount of interest paid on mortgage revenue bonds during the year.

U20	\$ None
------------	----------------

Oceanside Community Development Commission

Redevelopment Agencies Financial Transactions Report

General Information

Fiscal Year 2011

Members of the Governing Body			
	Last Name	First Name	Middle Initial
Chairperson	Wood	Jim	
Member	Feller	Jack	
Member	Kern	Jerome	
Member	Sanchez	Esther	
Member	Felien	Gary	
Member			

Mailing Address

Street 1 300 N. Coast Hwy

Street 2

City Oceanside State CA Zip 92054-

Phone (760) 435-3839 Is Address Changed?

Agency Officials				
	Last Name	First Name	Middle Initial	Phone
Executive Director	Weiss	Peter		(760) 435-3066
Fiscal Officer	Ferro	Teri		(760) 435-3839
Secretary	Riegal Wayne	Barbara		(760) 435-3010

Report Prepared By			
	Firm Name	Independent Auditor	
Last	Gruber	Lance Soll & Lungard LLP	
First	Bryan	Kikuchi	
Middle Initial		Richard	
Street	203 N. Brea Blvd.		
City	Brea		
State	CA		
Zip Code	92821-		
Phone	(714) 672-0022		

Oceanside Community Development Commission Redevelopment Agencies Financial Transactions Report

Achievement Information (Unaudited)

Fiscal Year 2011

Indicate Only Those Achievements Completed During the Fiscal Year of this Report as a Direct Result
of the Activities of the Redevelopment Agency.

Please provide a description of the agency's activities/accomplishments during the past year.

(Please be specific, as this information will be the basis for possible inclusion in the publication.)

Activity Report

**CITY OF OCEANSIDE REDEVELOPMENT AGENCY
FINANCIAL TRANSACTIONS REPORT – FY 2010/11**

Achievements Completed During FY 2010/11

1. Motel 6: Construction is completed for the remodel and addition of 17-units to the existing Motel 6 located at 909 North Coast Highway. The additional 17-units bring the motel to a total of 123-units.

2. 801 N. Pacific: Construction is completed on a 2-unit condominium located at 801 North Pacific Street.

3. 202 S. Pacific Street: Construction is completed on a 364 balcony addition and spiral staircase to an existing single family house located at 202 S. Pacific Street.

4. Directional Signage: Two additional directional signs were installed that provides information about upcoming events, a map of the downtown and promotes downtown businesses. One sign was located at the North County Transit Center which operates the "Breeze" bus service, the Sprinter light rail service between Oceanside and Escondido, and the San Diego Coaster, a commuter rail service between Oceanside and Downtown San Diego, in conjunction with Amtrak. The other sign was located just outside of a 450-space public parking structure.

5. Holiday Decorations/Annual Tree Lighting: Several holiday banners were

Enter the amount of square footage completed this year by building type and segregated by new or rehabilitated construction.

Square Footage Completed

New Construction Rehabilitated

Commercial Buildings			
Industrial Buildings			
Public Buildings			
Other Buildings			
Total Square Footage	0		0

Enter the Number of Jobs Created from the Activities of the Agency

Types Completed

A=Utilities B=Recreation C=Landscaping D=Sewer/ Storm E=Streets/ Roads
F=Bus/Transit

**Oceanside Community Development Commission
Redevelopment Agencies Financial Transactions Report**

Achievement Information (Unaudited)

installed throughout the redevelopment area, and holiday lights were installed on Mission Avenue, (the primary entrance to the downtown). The holiday tree was installed on the same night as the weekly Sunset market, and included arts and crafts and children's activities.

6. Bike Racks & Cigarette Urns: Several more bike racks were installed throughout the downtown. In addition, several cigarette urns were installed to keep people from throwing their cigarettes in the streets, sidewalks, and planter areas.

7. Top Gun Event: The 25th year anniversary of the Top Gun movie, (part of the movie was filmed in the downtown) was celebrated by having two outdoor screenings of the movie at the beach amphitheater, a performance by the First Marine Division Band, a fly over by a Mira Mar jet, a volleyball clinic and food booths, which included San Diego's Kansas City Barbeque.

Oceanside Community Development Commission Redevelopment Agencies Financial Transactions Report

Audit Information

Fiscal Year 2011

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

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

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?

**Oceanside Community Development Commission
Redevelopment Agencies Financial Transactions Report**

Assessed Valuation Data

Fiscal Year **2011**

Project Area Name

Downtown Project Area

Frozen Base Assessed Valuation

47,581,472

Increment Assessed Valuation

1,097,822,948

Total Assessed Valuation

1,145,404,420

**Oceanside Community Development Commission
Redevelopment Agencies Financial Transactions Report**

Pass-Through / School District Assistance

Fiscal Year | 2011

Project Area Name

Downtown Project Area

Tax Increment Pass Through Detail

Amounts Paid To Taxing Agencies Pursuant To:

	H & S Code Section 33401	H & S Code Section 33676	H & S Code Section 33607	Total	Other Payments
County				\$0	
Cities				\$0	
School Districts				\$0	
Community College Districts				\$0	
Special Districts				\$0	
Total Paid to Taxing Agencies	\$0	\$0	\$0	\$0	\$0
Net Amount to Agency				\$11,077,073	
Gross Tax Increment Generated				11,077,073	

County

Cities

School Districts

Community College Districts

Special Districts

Total Paid to Taxing Agencies

Net Amount to Agency

Gross Tax Increment Generated

**Oceanside Community Development Commission
Redevelopment Agencies Financial Transactions Report**

Summary of the Statement of Indebtedness - Project Area

Fiscal Year 2011

Project Area Name

Downtown Project Area

Tax Allocation Bond Debt	69,053,832
Revenue Bonds	
Other Long Term Debt	
City/County Debt	34,912,227
Low and Moderate Income Housing Fund	
Other	130,752,245
Total	\$234,718,304
Available Revenues	3,972,418
Net Tax Increment Requirements	\$230,745,886

Oceanside Community Development Commission

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year			
Bond Type	Yes		Certificates of Participation
Year of Authorization		2005	
Principal Amount Authorized		20,170,000	
Principal Amount Issued		20,170,000	
Purpose of Issue		Refund 1995 COP	
Maturity Date Beginning Year		2006	
Maturity Date Ending Year		2019	
Principal Amount Unmatured Beginning of Fiscal Year		\$19,645,000	
Adjustment Made During Year			
Adjustment Explanation			
Interest Added to Principal			
Principal Amount Issued During Fiscal Year			
Principal Amount Matured During Fiscal Year		1,650,000	
Principal Amount Deceased During Fiscal Year			
Principal Amount Unmatured End of Fiscal Year		\$17,995,000	
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

Oceanside Community Development Commission

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

2011

Project Area Name

Downtown Project Area

	Yes
Forward from Prior Year	
Bond Type	City/County Debt
Year of Authorization	2001
Principal Amount Authorized	12,997,082
Principal Amount Issued	12,997,082
Purpose of Issue	Consolidation
Maturity Date Beginning Year	2011
Maturity Date Ending Year	2028
Principal Amount Unmatured Beginning of Fiscal Year	\$11,977,673
Adjustment Made During Year	-500,000
Adjustment Explanation	Adjustment for prior period
Interest Added to Principal	871,019
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	25,172
Principal Amount Deceased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$12,323,520
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

Oceanside Community Development Commission

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	
Bond Type	Tax Allocation Bonds
Year of Authorization	2002
Principal Amount Authorized	22,030,000
Principal Amount Issued	22,030,000
Purpose of Issue	Projects
Maturity Date Beginning Year	2003
Maturity Date Ending Year	2025
Principal Amount Unmatured Beginning of Fiscal Year	\$18,030,000
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	750,000
Principal Amount Deceased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$17,280,000
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

Oceanside Community Development Commission

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text"/>	Yes
Bond Type	<input type="text" value="Tax Allocation Bonds"/>	
Year of Authorization	<input type="text" value="2003"/>	
Principal Amount Authorized	<input type="text" value="17,800,000"/>	
Principal Amount Issued	<input type="text" value="17,800,000"/>	
Purpose of Issue	<input type="text" value="Projects"/>	
Maturity Date Beginning Year	<input type="text" value="2005"/>	
Maturity Date Ending Year	<input type="text" value="2025"/>	
Principal Amount Unmatured Beginning of Fiscal Year	<input type="text" value="\$15,725,000"/>	
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" value="655,000"/>	
Principal Amount Matured During Fiscal Year	<input type="text"/>	
Principal Amount Deceased During Fiscal Year	<input type="text"/>	
Principal Amount Unmatured End of Fiscal Year	<input type="text" value="\$15,070,000"/>	
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

Oceanside Community Development Commission

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	
Bond Type	Tax Allocation Bonds
Year of Authorization	2003
Principal Amount Authorized	7,740,000
Principal Amount Issued	7,740,000
Purpose of Issue	Refunding
Maturity Date Beginning Year	2005
Maturity Date Ending Year	2019
Principal Amount Unmatured Beginning of Fiscal Year	\$5,150,000
Adjustment Made During Year	
Adjustment Explanation	
Interest Added to Principal	
Principal Amount Issued During Fiscal Year	
Principal Amount Matured During Fiscal Year	485,000
Principal Amount Defeased During Fiscal Year	
Principal Amount Unmatured End of Fiscal Year	\$4,665,000
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

Oceanside Community Development Commission

Redevelopment Agencies Financial Transactions Report

Agency Long-Term Debt

Fiscal Year

Project Area Name

Forward from Prior Year	<input type="text"/>	Yes
Bond Type	Tax Allocation Bonds	
Year of Authorization	2004	
Principal Amount Authorized	13,510,000	
Principal Amount Issued	13,510,000	
Purpose of Issue	Refund 1994 TAB	
Maturity Date Beginning Year	2006	
Maturity Date Ending Year	2024	
Principal Amount Unmatured Beginning of Fiscal Year	\$11,885,000	
Adjustment Made During Year		
Adjustment Explanation		
Interest Added to Principal		
Principal Amount Issued During Fiscal Year		
Principal Amount Matured During Fiscal Year	340,000	
Principal Amount Deceased During Fiscal Year		
Principal Amount Unmatured End of Fiscal Year	\$11,545,000	
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

Oceanside Community Development Commission

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Revenues

Fiscal Year **2011**
 Project Area Name **Downtown 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>	8,861,658		2,215,415		\$11,077,073
Special Supplemental Subvention					\$0
Property Assessments					\$0
Sales and Use Tax					\$0
Transient Occupancy Tax					\$0
Interest Income	60,755	10,094	22,604	185,349	\$278,802
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				14,964,007	\$14,964,007
Bond Administrative Fees					\$0
Other Revenues	43,164			545,423	\$588,587
Total Revenues	\$8,965,577	\$10,094	\$2,238,019	\$15,694,779	\$26,908,469

Oceanside Community Development Commission

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Expenditures

Fiscal Year

Project Area Name

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	Total
Administration Costs	968,350			298,700	\$1,267,050
Professional Services	173,282				\$173,282
Planning, Survey, and Design	63,609		210,217	265,686	\$539,512
Real Estate Purchases					\$0
Acquisition Expense					\$0
Operation of Acquired Property					\$0
Relocation Costs	104,277				\$104,277
Relocation Payments					\$0
Site Clearance Costs					\$0
Project Improvement / Construction Costs	31,458				\$31,458
Disposal Costs					\$0
Loss on Disposition of Land Held for Resale					\$0

Oceanside Community Development Commission

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Expenditures

Fiscal Year 2011
 Project Area Name Downtown 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				329,471	\$329,471
Interest Expense		4,186,914			\$4,186,914
Fixed Asset Acquisitions					\$0
Subsidies to Low and Moderate Income Housing				15,062,545	\$15,062,545
Debt Issuance Costs					\$0
Other Expenditures Including Pass-Through Payment(s)	1,797,099				\$1,797,099
Debt Principal Payments:					
Tax Allocation Bonds and Notes		2,230,000			\$2,230,000
Revenue Bonds, Certificates of Participation, Financing Authority Bonds		1,650,000			\$1,650,000
City/County Advances and Loans		25,172			\$25,172
All Other Long-Term Debt					\$0
Total Expenditures	\$3,138,075	\$8,092,086	\$210,217	\$15,956,402	\$27,396,780
Excess (Deficiency) Revenues over (under) Expenditures	\$5,827,502	(\$8,081,992)	\$2,027,802	(\$261,623)	(\$488,311)

Oceanside Community Development Commission

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year 2011

Project Area Name Downtown Project Area

	Downtown Project Area				Total
	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing	Special Revenue/Other	
Proceeds of Long-Term Debt		871,019			\$871,019
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)		989,062		29,268	(\$13,478,732)
Operating Transfers In		5,144,848	288,900		\$5,433,748
Tax Increment Transfers In					\$0
Operating Transfers Out	5,144,848	288,900			\$5,433,748
Tax Increment Transfers Out					\$0
<i>(To the Low and Moderate Income Housing Fund)</i>					
Total Other Financing Sources (Uses)	(\$19,641,910)	\$6,716,029	\$288,900	\$29,268	(\$12,607,713)

Oceanside Community Development Commission

Redevelopment Agencies Financial Transactions Report

Statement of Income and Expenditures - Other Financing Sources

Fiscal Year 2011
 Project Area Name Downtown 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	(\$13,814,408)	(\$1,365,963)	\$2,316,702	(\$232,355)	(\$13,096,024)
Equity, Beginning of Period	\$27,173,976	\$1,660,109	\$13,411,202	\$31,455,241	\$73,700,528
Prior Period Adjustments	-81,528		-312,424	-24,578,831	(\$24,972,783)
Residual Equity Transfers					\$0
Equity, End of Period	\$13,278,040	\$294,146	\$15,415,480	\$6,644,055	\$35,631,721

Oceanside Community Development Commission 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	6,000,456	514,110	5,408,816	3,514,810				\$15,438,192
Cash with Fiscal Agent	100,000	2,980,153		136,564				\$3,216,717
Tax Increments Receivable								\$0
Accounts Receivable	173,843		34,769	13,849				\$222,461
Accrued Interest Receivable	72,783							\$72,783
Loans Receivable	363,828		8,338,576	4,652,290				\$13,354,694
Contracts Receivable								\$0
Lease Payments Receivable								\$0
Unearned Finance Charge								\$0
Due from Capital Projects Fund			1,116,968					\$1,116,968
Due from Debt Service Fund			3,200,117					\$3,200,117
Due from Low/Moderate Income Housing Fund								\$0
Due from Special Revenue/Other Funds								\$0

**Oceanside Community Development Commission
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					41,781			\$41,781
Investments: Land Held for Resale	9,492,993							\$9,492,993
Allowance for Decline In Value of Land Held for Resale								\$0
Fixed Assets: Land, Structures, and Improvements							20,634,231	\$20,634,231
Equipment							30,201,250	\$30,201,250
Amount Available in Debt Service Fund								\$0
Amount to be Provided for Payment of Long-Term Debt						78,878,520		\$78,878,520
Total Assets and Other Debits	\$16,203,903	\$3,494,263	\$18,099,246	\$8,359,294	\$78,878,520	\$50,835,481		\$175,870,707

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

**Oceanside Community Development Commission
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	1,445,067				238,043			\$1,683,110
Interest Payable								\$0
Tax Anticipation Notes Payable								\$0
Loans Payable								\$0
Other Liabilities	363,828			2,683,766	1,477,196			\$4,524,790
Due to Capital Projects Fund								\$0
Due to Debt Service Fund								\$0
Due to Low/Moderate Income Housing Fund	1,116,968		3,200,117					\$4,317,085
Due to Special Revenue/Other Funds								\$0
Tax Allocation Bonds Payable						48,560,000		\$48,560,000
Lease Revenue, Certificates of Participation Payable, Financing Authority Bonds						17,995,000		\$17,995,000
All Other Long-Term Debt						12,323,520		\$12,323,520
Total Liabilities and Other Credits	\$2,925,863	\$3,200,117	\$2,683,766	\$1,715,239	\$78,878,520			\$89,403,505

**Oceanside Community Development Commission
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							50,835,481	\$50,835,481
Fund Balance Reserved	9,492,993		9,971,895	3,400,593				\$22,865,481
Fund Balance Unreserved-Designated	3,785,047		294,146	5,443,585	3,243,462			\$12,766,240
Fund Balance Unreserved-Undesignated								\$0
Total Equities	\$13,278,040	\$294,146	\$15,415,480	\$6,644,055			\$50,835,481	\$86,467,202
Total Liabilities, Other Credits, and Equities	\$16,203,903	\$3,494,263	\$18,099,246	\$8,359,294	\$78,878,520		\$50,835,481	\$175,870,707

Oceanside Community Development Commission

Redevelopment Agencies Financial Transactions Report

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

Fiscal Year	2011
Operating Transfers In	\$5,433,748
Tax Increment Transfers In	\$0
Operating Transfers Out	\$5,433,748
Tax Increment Transfers Out	\$0

**Oceanside Community Development Commission
Redevelopment Agencies Financial Transactions Report
Statement of Income and Expenditures**

Revenues - Consolidated

Fiscal Year 2011

	Capital Project Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Tax Increment Gross	\$8,861,658	\$0	\$2,215,415	\$0	\$11,077,073
Special Supplemental Subvention	\$0	\$0	\$0	\$0	\$0
Property Assessments	\$0	\$0	\$0	\$0	\$0
Sales and Use Tax	\$0	\$0	\$0	\$0	\$0
Transient Occupancy Tax	\$0	\$0	\$0	\$0	\$0
Interest Income	\$60,755	\$10,094	\$22,604	\$185,349	\$278,802
Rental Income	\$0	\$0	\$0	\$0	\$0
Lease Income	\$0	\$0	\$0	\$0	\$0
Sale of Real Estate	\$0	\$0	\$0	\$0	\$0
Gain on Land Held for Resale	\$0	\$0	\$0	\$0	\$0
Federal Grants	\$0	\$0	\$0	\$0	\$0
Grants from Other Agencies	\$0	\$0	\$0	\$14,964,007	\$14,964,007
Bond Administrative Fees	\$0	\$0	\$0	\$0	\$0
Other Revenues	\$43,164	\$0	\$0	\$545,423	\$588,587
Total Revenues	\$8,965,577	\$10,094	\$2,238,019	\$15,694,779	\$26,908,469

**Oceanside Community Development Commission
 Redevelopment Agencies Financial Transactions Report
 Statement of Income and Expenditures
 Expenditures - Consolidated**

Fiscal Year 2011

	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
Administration Costs	\$968,350	\$0	\$0	\$298,700	\$1,267,050
Professional Services	\$173,282	\$0	\$0	\$0	\$173,282
Planning, Survey, and Design	\$63,609	\$0	\$210,217	\$265,686	\$539,512
Real Estate Purchases	\$0	\$0	\$0	\$0	\$0
Acquisition Expense	\$0	\$0	\$0	\$0	\$0
Operation of Acquired Property	\$0	\$0	\$0	\$0	\$0
Relocation Costs	\$104,277	\$0	\$0	\$0	\$104,277
Relocation Payments	\$0	\$0	\$0	\$0	\$0
Site Clearance Costs	\$0	\$0	\$0	\$0	\$0
Project Improvement / Construction Costs	\$31,458	\$0	\$0	\$0	\$31,458
Disposal Costs	\$0	\$0	\$0	\$0	\$0
Loss on Disposition of Land Held for Resale	\$0	\$0	\$0	\$0	\$0

**Oceanside Community Development Commission
Redevelopment Agencies Financial Transactions Report
Statement of Income and Expenditures**

Expenditures - Consolidated

Fiscal Year 2011

	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
	A	B	C	D	E
Decline in Value of Land Held for Resale	\$0	\$0	\$0	\$0	\$0
Rehabilitation Costs	\$0	\$0	\$0	\$0	\$0
Rehabilitation Grants	\$0	\$0	\$0	\$329,471	\$329,471
Interest Expense	\$0	\$4,186,914	\$0	\$0	\$4,186,914
Fixed Asset Acquisitions	\$0	\$0	\$0	\$0	\$0
Subsidies to Low and Moderate Income Housing Fund	\$0	\$0	\$0	\$15,062,545	\$15,062,545
Debt Issuance Costs	\$0	\$0	\$0	\$0	\$0
Other Expenditures Including Pass Through Payment(s)	\$1,797,099	\$0	\$0	\$0	\$1,797,099
Debt Principal Payments:					
Tax Allocation Bonds and Notes	\$0	\$2,230,000	\$0	\$0	\$2,230,000
Revenue Bonds and Certificates of Participation	\$0	\$1,650,000	\$0	\$0	\$1,650,000
City/County Advances and Loans	\$0	\$25,172	\$0	\$0	\$25,172
U.S., State and Other Long-Term Debt	\$0	\$0	\$0	\$0	\$0
Total Expenditures	\$3,138,075	\$8,092,086	\$210,217	\$15,956,402	\$27,396,780
Excess (Deficiency) Revenues Over (Under) Expenditures	\$5,827,502	(\$8,081,992)	\$2,027,802	(\$261,623)	(\$488,311)

**Oceanside Community Development Commission
Redevelopment Agencies Financial Transactions Report**

**Statement of Income and Expenditures
Other Financing Sources (Uses) - Consolidated**

Fiscal Year	2011	Other Financing Sources (Uses) - Consolidated				Total
		Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	
Proceeds of Long-Term Debt	\$0	\$871,019	\$0	\$0	\$0	\$871,019
Proceeds of Refunding Bonds	\$0	\$0	\$0	\$0	\$0	\$0
Payment to Refunded Bond Escrow Agent	\$0	\$0	\$0	\$0	\$0	\$0
Advances from City/County	\$0	\$0	\$0	\$0	\$0	\$0
Sale of Fixed Assets	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous Financing Sources (Uses)	(\$14,497,062)	\$989,062	\$0	\$29,268	(\$13,478,732)	
Operating Transfers In	\$0	\$5,144,848	\$288,900	\$0	\$0	\$5,433,748
Tax Increment Transfers In				\$0		\$0
Operating Transfers Out	\$5,144,848	\$288,900	\$0	\$0	\$0	\$5,433,748
Tax Increment Transfers Out <i>(To the Low and Moderate Income Housing Fund)</i>	\$0	\$0				\$0
Total Other Financing Sources (Uses)	(\$19,641,910)	\$6,716,029	\$288,900	\$29,268	(\$12,607,713)	

**Oceanside Community Development Commission
Redevelopment Agencies Financial Transactions Report**

**Statement of Income and Expenditures
Other Financing Sources (Uses) - Consolidated**

	Capital Projects Funds	Debt Service Funds	Low/Moderate Income Housing Funds	Special Revenue/Other Funds	Total
	A	B	C	D	E
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	(\$13,814,408)	(\$1,365,963)	\$2,316,702	(\$232,355)	(\$13,096,024)
Equity Beginning of Period	\$27,173,976	\$1,660,109	\$13,411,202	\$31,455,241	\$73,700,528
Prior Year Adjustments	(\$81,528)	\$0	(\$312,424)	(\$24,578,831)	(\$24,972,783)
Residual Equity Transfers	\$0	\$0	\$0	\$0	\$0
Other (Explain)	\$0	\$0	\$0	\$0	\$0
Equity, End of Period	\$13,278,040	\$294,146	\$15,415,480	\$6,644,055	\$35,631,721

PROJECT AREA CONTRIBUTIONS TO LOW AND MODERATE INCOME HOUSING FUNDS
 Sch A Project Area Summary Report
 OCEANSIDE

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
DOWNTOWN PROJECT	\$11,077,073	\$2,215,415	\$2,215,415	\$0	\$0	\$2,215,415	20.00%	*****	\$22,604	\$2,526,919
Agency Totals:	\$11,077,073	\$2,215,415	\$2,215,415	\$0	\$0	\$2,215,415	20.00%	\$288,900	\$22,604	\$2,526,919

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

California Redevelopment Agencies - Fiscal Year 2010/2011
 Sch A/B Project Area Program Information
OCEANSIDE

Project Area: OUTSIDE PROJECT AREA

FUTURE UNIT CONSTRUCTION

<u>Contract Name</u>	<u>Execution Date</u>	<u>Estimated Completion Date</u>	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Total</u>
Lil Jackson Sr. Apts.	04/01/08	09/01/11	79	0	0	79
Mission Avenue	05/01/09	06/01/14	0	0	0	0

Status of Low and Moderate Income Housing Funds
 Sch C Agency Financial Summary
 OCEANSIDE

Adjusted Beginning Balance	Project Area Receipts	Agency Other Revenue	Total Expenses	Net Resources Available	Other Housing Fund Assets	Total Housing Fund Assets	Encumbrances	* Unencumbered Balance	Unencumbered Designated	Unencumbered Not Dsgntd
\$2,837,983	\$2,526,919	\$288,900	\$210,217	\$5,443,585	\$9,971,895	\$15,415,480	\$0	\$5,443,585	\$5,443,585	\$0

Expenses	Planning and Administration Costs	Total
2010/2011	\$210,217	\$210,217

*The Unencumbered Balance is equal to Net Resources Available minus Encumbrances

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

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

	Beginning Balance	\$2,980,295
	Adjustment to Beginning Balance	-\$142,312
	Adjusted Beginning Balance	\$2,837,983
Total Tax Increment From PA(s)	\$2,504,315	
	Total Receipts from PA(s)	\$2,526,919
	Other Revenues not reported on Schedule A	\$288,900
	Sum of Beginning Balance and Revenues	\$5,653,802

<u>Expenditure</u>	<u>Item</u>	<u>Subitem</u>	<u>Amount</u>	<u>Remark</u>
Planning and Administration Costs				
	Planning, Survey/Design		\$210,217	
	Subtotal of Planning and Administration Costs		\$210,217	
	Total Expenditures		\$210,217	

Net Resources Available **\$5,443,585**

Indebtedness For Setasides Deferred **\$3,200,116**

Other Housing Fund Assets				
<u>Category</u>			<u>Amount</u>	<u>Remark</u>
SERAF Total Receivable			\$0	
ERAF Loans Receivable(all years)			\$1,116,969	
Loan Receivable for Housing Activities			\$5,654,810	
	Total Other Housing Fund Assets		\$6,771,779	

Total Fund Equity **\$15,415,480**

2006/2007	\$1912499			
2007/2008	\$2117273			
2008/2009	\$2467214	sum of 4 Previous Years' Tax Increment for 2010/2011	Prior Year Ending Unencumbered Balance	Excess Surplus for 2010/2011
2009/2010	\$2476544	\$8973530	\$2,980,295	\$0

Sum of Current and 3 Previous Years' Tax Increments **\$9,565,346**

Adjusted Balance **\$5,443,585**

Excess Surplus for next year **\$0**

Net Resources Available **\$5,443,585**

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

Unencumbered Designated	\$5,443,585
Unencumbered Undesignated	\$0
Total Encumbrances	\$0
Unencumbered Balance	\$5,443,585
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

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>
Mission Avenue	14.47	Residential	08/01/2006	01/01/2014	Development Agreements and Entitlements to be processed in Spring 2012.
Carolyn Circle	.11	Residential	08/01/2006	01/01/2014	Development Agreements and Entitlements to be processed in Spring 2012.

Use of the Housing Fund to Assist Mortgageors

Income Adjustment Factors	<input type="text"/>	Requirements Completed	<input type="text"/>
Home	\$ <input type="text"/>	Hope	\$ <input type="text"/>

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>

Achievements

Description

Active Housing Projects with 20% Set-Aside Funding:

Lil Jackson Senior Apartments:

The City has partnered with Southern California Presbyterian Homes, a non-profit affordable housing developer, to develop an 80-unit Section 202 Senior Housing project on a 5-acre City-owned parcel located on Lake Boulevard. (Section 202 is the HUD funding program for the construction, rehabilitation or acquisition of structures which provide supportive housing for very low-income elderly persons). The developer was awarded \$9.8 million in HUD 202 funding for this project. The City has provided \$4.138 million in Housing Funds plus the value of the site (\$1.8 million) as a gap financing loan to complete amenities and other required off-site improvements which are not funded by HUD. The project is estimated to be completed and fully occupied by December 2011. □

Mission Cove Affordable Housing Mixed-Use Development Site:

The 14.47 acre parcel located along the 3200 block of Mission Avenue was identified in the 2004 Affordable Housing Task Force Report as a potential site for the development of future affordable housing. The site was purchased by the City in 2006 for a potential affordable housing/mixed-use development. Approval of an RFP for the site Vision and Strategic Planning process was recommended by the Housing Commission at its July 2008 meeting and approved for issuance by the City Council in September 2008. 10 proposals were received by the established RFP deadline. At its October 28, 2008 meeting, the Housing Commission recommended that a professional review panel conduct an initial review of the proposals based up the RFP and Housing Commission criteria and that the top three proposals be presented to the Commission for its review and selection of the firm. The top three proposals were presented at the December 9, 2008 Housing Commission meeting. RRM Design Group was selected as the design firm. The contract was approved by the City Council on January 21, 2009. Three community meetings facilitated by the City's consultant, RRM Design Group, were held in April, July, and September 2009 at the Best Western Marty's Valley Inn Conference Center which is located directly across Mission Avenue from the site. Input and comments from attendees were incorporated into a Vision Plan for the site. The Vision Plan was presented to the Housing Commission, the Redevelopment Advisory Committee, and was approved the City Council in March 2010. An RFQ for the selection of a Development Team was issued in July 2010. Six RFQ submittals were received by the established deadline. National Community Renaissance and Community HousingWorks was selected by the City Council as the Development Team for the site. Development Agreements for the site will be finalized in 2012 and are contingent upon the status of Redevelopment

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

Project Area Name: OUTSIDE PROJECT AREA

Project Name: Lil Jackson Sr. Apts
Address: Lake Blvd. Oceanside 92054
Owner Name: CDC - So Cal Presbyterian Homes

SPECIAL NEEDS UNITS

<u>Category</u>	<u>Sub Category</u>	<u>Count</u>
Special Need Unit	Special Needs	79
Special Need Unit	Elderly	79

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>								
<u>New Construction</u>								
Agency	Rental	Elderly	79	0	0	0	0	79
<u>Substantial Rehabilitation</u>								
Agency	Rental	Elderly	79	0	0	0	0	79
<u>Unit Total</u>			158	0	0	0	0	158

PROJECT FUNDING SOURCE

<u>Funding Source</u>	<u>Amount</u>
State Funds	\$1,500,000
Redevelopment Funds	\$2,990,766
Federal Funds	\$9,981,800
Other Local Funds	\$2,638,443
Private Funds	\$183,400

PROPERTY REPORT
Fiscal Year 2010-11

Prepared By: Redevelopment Agency of the City of Oceanside
As of June 30, 2011

This report is prepared pursuant to Health and Safety Code Section 33080.1(f).

The following is a list of properties owned by the Redevelopment Agency and the current uses. The Community Development Commission owns a total of 21 individual parcels.

APN	Site	Current Use
14320103	801 N. Coast Hwy.	Vacant/Bode
14702038	1000 Block North Coast Hwy.	Vacant
14707601	200 Block North Myers Street	Vacant
14707602	200 Block North Myers Street	Vacant
14707603	200 Block North Myers Street	Vacant
14707610	200 Block North Pacific Street	Vacant
14707611	200 Block North Myers Street	Vacant
14707612	200 Block North Pacific Street	Vacant
14716111	300 North Cleveland Street	Parking Lot 23
14726101	Myers Street S of Mission Avenue	Vacant
14726102	Myers Street S of Mission	Vacant
14726103	Myers Street S of Mission Avenue	Vacant
14726104	109 North Myers Street	Vacant
14726105	Myers Street N of Seagaze Drive	Vacant
14726106	Myers Street N of Seagaze Drive	Vacant
14726107	Pacific Street N of Seagaze Drive	Vacant
14726108	Pacific Street N of Seagaze Drive	Vacant
14726109	Pacific Street N of Seagaze Drive	Vacant
14726110	Pacific Street S of Mission Avenue	Vacant
14726111	Pacific Street S of Mission Avenue	Vacant
14726112	Pacific Street S of Mission Avenue	Vacant

EXHIBIT 4

HOUSING DEPARTMENT: HOUSING HELD THRU JUNE 2011

Project Name	Ownership Information		Address	Property Purchase	Acres	Occup.	Affordability Level Low - L, Very Low - VL, Moderate - M	# Units	Funding Sources Including 20%, Inclusionary, HOME, Tax Credits, and Other	Funding Amount
	Land	Structures								
Lil Jackson Sr. Apts.	CDC	So. Cal Presbyterian Homes	3512 Lake Blvd.	Feb-03	5.03	Rental	VL	80	Inclusionary, HOME, 20% RDA	\$4.1m
La Mission Village	City	Oceanside Housing Partners LP	3232 Mission Ave.	Dec-04	3.1	Rental	L	80	Inclusionary, HOME, 4% Tax Credits, MHP	\$6.2m
Libby Lake Village	City	Habitat for Humanity	Libby Lake Way	Mar -99	2.69	For-Sale	VL	20	Inclusionary	\$2.7m
Mission Avenue Parcel	CDC	No structures	Mission Ave.	Aug-06	14.47	Rental	VL, L	TBD	Inclusionary, 20% RDA, 9% & 4% Tax Credits, MHP	\$7.9m

BLIGHT PROGRESS REPORT
Fiscal Year 2010-11

Prepared By: Redevelopment Agency of the City of Oceanside
Date: June 30, 2011

This report is prepared pursuant to Health and Safety Code Section 33080.1(d).

The following is a list of activities completed during Fiscal Year 2010-11 to alleviate blight in the Downtown Redevelopment Project Area and the related expenditures.

ACTIVITY	COST
Downtown Beach Resort Hotel Negotiations	\$15,600
Mission Avenue Improvements	\$213,608
Downtown Storm Drainage Improvements	\$265,995
Waterfront Improvements	\$103,051
Hotel Block Public Improvements	\$34,035
Tyson/Wisconsin Parking Lots (lot 26)	\$46,051
Downtown Business Development	\$219,097
Total Amount	\$897,437

LOAN REPORT
Fiscal Year 2010-11

Prepared By: Redevelopment Agency of the City of Oceanside
Date: June 30, 2011

This report is prepared pursuant to Health and Safety Code Section 33080.1(e).
There are no outstanding loans with the Redevelopment Agency for Fiscal Year
2010-11

FISCAL STATEMENT

**City of Oceanside Redevelopment Agency
Fiscal Year 2010-2011**

- (1) The amount of outstanding indebtedness of the agency and each project area.

Downtown Project Area	\$125,900,658
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- (2) The amount of tax increment property tax revenues generated in the agency and in each project Area.

Downtown Project Area	\$10,943,714
-----------------------	--------------

- (3) The amount of tax increment revenues paid to, or spent on behalf of, a taxing agency, other than a school or community college district. Moneys expended on behalf of a taxing agency shall be itemized per each individual capital improvement.

Downtown Project Area	None
-----------------------	------

- (4) The financial transactions report required pursuant to Section 53891 of the Government Code.

- Independent Financial Audit Report
- Annual Report consisting of State Controller’s Report, HCD Reports, Blight/Loan/Property Reports, and Statement of Indebtedness

- (5) The amount allocated to school or community college districts: (Pass-Through/School District Assistance form, Total column for Scholl District and Community College Districts, from the Financial Transactions Report)

Downtown Project Area	None
-----------------------	------

- (6) 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.

	<u>Total Debt</u>	<u>Required Payments</u>
Downtown Project Area	\$125,900,658	\$14,046,309

- (7) Any other fiscal information which the agency believes useful to describe its programs.

- Jobs created - 46

Redevelopment Projects/Funding		Expenditure/ Valuation	New Public Infrastructure	New Construction commercial	New Construction residential	Rehab. Commercial	Rehab. Public Infrastructure	Agency Low Mod
Projects	Funding							
Redevelopment Drainage	Bond funds	\$265,995					\$265,995	
Mission Avenue Improvements	Bond funds	\$213,608					\$213,608	
Lot 26 parking lot	Bond funds	\$46,051	\$46,051					
Hotel Public Improvements	Bond funds	\$34,035	\$34,035					
Waterfront/Restrooms	Bond funds	\$103,051					\$103,051	
Beach Resort Negotiations	Tax Increment	\$15,600		\$15,600				
Pedestrian Underpass Improvements	Tax Increment	\$11,355	\$11,355					
Bike racks & cigarette urns	Tax Increment	\$5,000	\$5,000					
Directional Signage	Tax Increment	\$65,000	\$65,000					
Petite Madeline (Bakery)	Tax Increment	\$9,000				\$9,000		
Petite Madeline (Bakery)	Private funding	\$95,000				95,000		
Trendwest Time share	Private funding	\$148,000				\$148,000		
Motel 6	Private funding	\$582,555		\$582,555				
807 N. Pacific	Private funding	\$650,000		\$650,000				
202 S. Pacific St.	Private funding	\$50,000		\$50,000				
PBS Special	Tax Increment	\$20,000						
Banners/Holiday Decorations/tree lighting	Tax Increment	\$33,000						
Top Gun Event	Tax Increment	\$3,000						
Lil Jackson Senior Apartments	Low/mod tax increment							
Mission Cove - Mixed use affordable housing project	Low/mod tax increment							
Total			\$ 161,441	\$ 598,155	\$ 700,000	\$ 252,000	\$ 582,654	

Project Categories	Total Project Construction Cost	IMPLAN Sector	Output per \$1,000,000 of Construction Spending	Income per \$1,000,000 of Construction Spending	Employment per \$1,000,000 of Construction Spending	State & Local Revenues per \$1,000,000 of Construction Spending	Total Output	Total Income	Total Employment	Total State & Local Taxes
NEW CONSTRUCTION WITHIN PROJECT AREA										
New Manufacturing and Industrial		37	\$1,895,516	\$1,078,521	14.8	\$93,246	\$0	\$0	0	\$0
New Commercial	\$598,155	38	\$1,896,270	\$1,086,166	14.6	\$97,073	\$1,134,263	\$649,696	9	\$58,065
New Utility Construction		41	\$1,916,087	\$1,116,824	15.0	\$95,389	\$0	\$0	0	\$0
Total Commercial Industrial and Utility	\$598,155									
Residential: Low and Moderate Income	\$0									
New Single-Family		33								
New Multi-Family		34								
Residential: Unrestricted	\$700,000									
New Single-Family		33								
New Multi-Family	\$700,000	34								
Total New Single-Family Residential	\$0	33	\$1,877,359	\$918,207	12.3	\$91,749	\$0	\$0	0	\$0
Total New Multi-Family Residential	\$700,000	34	\$1,815,623	\$1,005,196	13.1	\$80,806	\$1,270,936	\$703,637	9	\$56,564
Total Residential	\$700,000									
Public Infrastructure	\$280,995									
New Streets & Bridges		39	\$1,848,838	\$1,013,402	12.7	\$88,540	\$0	\$0	0	\$0
New Public Buildings		38	\$1,896,270	\$1,086,166	14.6	\$97,073	\$0	\$0	0	\$0
New Water and Sewer		40	\$1,825,857	\$978,547	12.5	\$87,319	\$0	\$0	0	\$0
Other	\$280,995	41	\$1,916,087	\$1,116,824	15.0	\$95,389	\$538,411	\$313,822	4	\$26,804
REHABILITATION CONSTRUCTION SPENDING WITHIN PROJECT AREA										
Industrial and Commercial	\$252,000	43	\$1,922,675	\$991,820	13.6	\$97,561	\$484,514	\$249,939	3	\$24,585
Residential: Low and Moderate Income		35								
Residential: Unrestricted	\$0	35								
Total Residential Rehab	\$0	35	\$1,710,058	\$845,605	9.8	\$88,456	\$0	\$0	0	\$0
Total Rehab	\$252,000									
Public Infrastructure	\$0									
Street Improvements		44	\$1,951,918	\$1,122,506	15.6	\$98,989	\$0	\$0	0	\$0
Public Buildings		43	\$1,922,675	\$991,820	13.6	\$97,561	\$0	\$0	0	\$0
Other		45	\$1,972,594	\$1,245,748	18.6	\$107,631	\$0	\$0	0	\$0
AGENCY FINANCED NEW CONSTRUCTION OUTSIDE PROJECT AREA										
Residential: Low and Moderate Income	\$0									
New Single-Family		33	\$1,877,359	\$918,207	12.3	\$91,749	\$0	\$0	0	\$0
New Multi-Family		34	\$1,815,623	\$1,005,196	13.1	\$80,806	\$0	\$0	0	\$0
Public Infrastructure	\$582,654									
New Streets		39	\$1,848,838	\$1,013,402	12.7	\$88,540	\$0	\$0	0	\$0
New Public Buildings		38	\$1,896,270	\$1,086,166	14.6	\$97,073	\$0	\$0	0	\$0
New Water and Sewer		40	\$1,825,857	\$978,547	12.5	\$87,319	\$0	\$0	0	\$0
Other	\$582,654	41	\$1,916,087	\$1,116,824	15.0	\$95,389	\$1,116,416	\$650,722	9	\$55,579

Project Categories	Total Project Construction Cost	IMPLAN Sector	Output per \$1,000,000 of Construction Spending	Income per \$1,000,000 of Construction Spending	Employment per \$1,000,000 of Construction Spending	State and Local Revenues per \$1,000,000 of Construction Spending	Total Output	Total Income	Total Employment	Total State and Local Taxes
AGENCY FINANCED REHABILITATION CONSTRUCTION OUTSIDE PROJECT AREA										
Residential: Low and Moderate Income		35	\$1,710,058	\$845,605	9.8	\$88,456	\$0	\$0	0	\$0
Public Infrastructure	\$0									
Street Improvements		44	\$2,061,790	\$967,649	17.8	\$96,991	\$0	\$0	0	\$0
Public Buildings		43	\$1,922,675	\$991,820	13.6	\$97,561	\$0	\$0	0	\$0
All Other		45	\$1,972,594	\$1,245,748	18.6	\$107,631	\$0	\$0	0	\$0
Total Expenditures	\$2,413,804					Total Impacts	\$4,544,540	\$2,567,815	34	\$221,597

Total Impacts		State and Local Revenues
Output	\$4,544,540	\$221,597
Income	\$2,567,815	
Employment	34	
Agency Cost	\$743,934	
Impact per \$1,000,000 of Agency Cost	\$6,108,795	\$297,872

Agency Cost per Job
\$21,699

Agency cost categories are listed in the "construction cost" and "other agency costs" tabs. It is not necessary to itemize the amounts by category since cell B51 just requires an entry for the total.

ANNUAL REPORT INFORMATION**City of Oceanside Redevelopment Agency
Fiscal Year 2010-2011**

- (f) A list of the fiscal years that the agency expects each of the following time limits to expire:
- (1) The time limit for the commencement for eminent domain proceedings to acquire property within the project area. **(Nov. 19, 2010)**
 - (2) The time limit for the establishment of loans, advances, and indebtedness to finance the redevelopment project. **(Nov. 19, 2018)**
 - (3) The time limit for the effectiveness of the redevelopment plan. **(Nov. 19, 2018)**
 - (4) The time limit to pay indebtedness with the proceeds of property taxes. **(Nov. 19, 2028)**
- (g) Any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.
- Staff continues to monitor the Disposition Agreement for the Oceanside Beach Resort Hotel. Due to the lack of construction financing, the project has not been able to proceed.
 - The Storm Drain Improvement project is the improvement and enhancement of the storm drainage system downtown, the addition of a filtration system, and the relocation of a gas line and undergrounding of electrical lines. This area has been prone to flooding in the past and this project will correct the drainage. In addition, several street improvements have been done in anticipation of future development of the Oceanside Beach Resort Hotel project. Construction is continuing and it is anticipated it will be completed in fall/winter 2011-12.
 - The design was finalized on an approximately 242-space surface public parking lot on a vacant dirt lot immediately west of the railroad tracks. In addition to providing additional parking in the Redevelopment area, it also creates additional beach parking and constructs a portion of the Coastal Rail Trail. The Coastal Rail Trail is a regional bike path that is planned to go from Oceanside to San Diego. Construction should be completed by summer 2012.
 - Conceptual design for street improvements for Mission Avenue were approved and finalized. The improvement will create a more pedestrian friendly entrance into the downtown. Improvements include a one-way couplet system that reduces Mission Avenue from four to two lanes one way into the downtown. Improvements also include bulb-outs, landscaping, canopy trees, directional

signage, art element and street furniture. A General Plan Amendment needs to be approved to update the Circulation Element to reduce the number of lanes on Mission Avenue. The consultant is working to complete the construction drawings.

- The Agency and consultant for the Waterfront Improvements (Beach Restrooms) conducted three public workshops to solicit comments, work on completing concept designs to remodel two beach restrooms, and demolish and reconstruct an additional three beach restrooms. The three new restrooms would more than double the restroom capacity, add showers, bike and surf board racks, and the new design increases the maintenance and security.

(h) A description of the agency's activities in the previous fiscal year affecting housing and displacement.

- The City partnered with Southern California Presbyterian Homes, a non-profit affordable housing developer, to develop an 80-unit Section 202 Senior housing project on a 5-acre City-owned parcel. (Section 202 is the HUD funding program for the construction, rehabilitation or acquisition of structures which provide supportive housing for very low-income elderly persons). Groundbreaking was held in January 2010 and the project is estimated to be completed in September 2011.