

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

844



**SUBMITTAL DATE:**  
November 23, 2010

**FROM:** Economic Development Agency

**SUBJECT:** Agency Annual Reports

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the Annual Budget Report for Fiscal Year 2010-2011, attached hereto as Attachment "A";
2. Receive and file the Component Unit Financial Audit Report for Fiscal Year 2009-2010 attached hereto as Attachment "B";
3. Receive and file the Annual Report of Housing Activity prepared for the California Department of Housing and Community Development (HCD) in accordance with Sections 33080.4 and 33080.7 of the California Redevelopment Law, attached hereto as Attachment "C"; and

(Continued)

*Lisa Brandl for*

Robert Field  
Assistant County Executive Officer/EDA  
By Lisa Brandl, Managing Director

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/11

**COMPANION ITEM ON BOARD OF DIRECTORS AGENDA:** Yes

**SOURCE OF FUNDS:** N/A

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

*Jennifer J. Sargent*

**County Executive Office Signature**

BY: Jennifer J. Sargent

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Stone, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley  
Nays: None  
Absent: None  
Date: December 7, 2010  
xc: EDA

Kecia Harper-Ihem  
Clerk of the Board  
By: *Kecia Harper-Ihem*  
Deputy

Prev. Agn. Ref.: 12/15/09; 3.14

District: ALL

Agenda Number:

**3.8**

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

FORM APPROVED COUNTY COUNSEL  
BY: ANITA C. WILLIS  
DATE: 11-22-10  
Concurrent Concurrence

Dep't Recomm.:  Consent  Policy  Policy  
Per Exec. Ofc.:  Consent  Policy

**RECOMMENDED MOTION:** (Continued)

4. Receive and file the State Controller's Report, attached hereto as Attachment "D".

**BACKGROUND:**

Each year the Redevelopment Agency is required to prepare several reports that discuss the Agency's annual accomplishments and plans. First, while the Board of Supervisors adopted the Agency's budget earlier this year as part of the County's budget, Section 33606 of the California Community Redevelopment Law (the "CRL") requires that the Agency also submit an annual budget to the Board of Supervisors that contains the Agency's proposed expenditures, indebtedness, revenues, a work program, and an examination of achievements for the prior fiscal year.

The attached budget report contains all of the information specified in the CRL and is consistent with the budget previously adopted by the Board of Supervisors. Agency investments for redevelopment activity over the past fiscal year include expenditures of approximately \$50,132,800 for public facilities; \$27,489,500 for parks and trails projects, \$15,506,700 for infrastructure projects; \$221,600 for planning; \$2,202,700 for business incentive activities, of which approximately \$952,300 was expended for economic development assistance and \$849,900 for the Façade Improvement Program; and \$1,039,400 for blight elimination activities, of which approximately \$383,000 was expended for the Graffiti Abatement Program. Staff recommends that the Board approve the attached Annual Budget Report for Fiscal Year 2010-2011.

Second, Section 33080.1 of the CRL requires the Agency to annually present to the Board of Supervisors an independent audited financial report for the previous fiscal year. It is recommended that the Board receive and file the attached audited financial statements from Teaman, Ramirez, and Smith, Inc., which includes the independent financial audit, an opinion on the financial statements, and the Agency's financial position. The report also contains tests of the Agency's compliance with certain provisions of laws, regulations, contracts, and grants that could have a direct and material effect on the determination of financial statement amounts. The results of the tests disclosed no instances of non-compliance that are required to be reported under Government Auditing Standards.

Third, the Agency is required to submit to the California Department of Housing and Community Development an annual housing activity report, in accordance with Sections 33080.4 and 33080.7 of the CRL, prior to the end of the calendar year. Upon Board acceptance, the Agency will forward the Audit and Annual Report of Housing Activity to HCD in accordance with the CRL. Housing expenditures and commitment of Redevelopment funds reported over the past fiscal year include \$315,700 for the Redevelopment Homeownership Program; \$1,893,800 for rehabilitation housing programs, \$1,293,300 for the Mobile Home Housing Program; \$2,746,700 for infill housing projects; \$9,722,700 for new construction of single family housing; and \$63,984,500 for new construction of multi-family and special needs housing projects.

Fourth, the Agency is required to submit to the State Controller's Office an annual report on all financial activities in redevelopment project areas, prior to the end of the calendar year. Staff recommends that the Board direct Agency staff to forward the report to the State Controller's Office with the authorization to amend the report prior to submission if needed.

Staff recommends that the Board accept the above documents, after which they will be submitted to the State Controller's Office and California Department of Housing and Community Development.

Redevelopment Agency for the County of Riverside  
**Annual Reports**

**Attachment A: Budget Report For  
Fiscal Year 2010-2011**

**Attachment B: Financial Audit For  
Fiscal Year 2009-2010**

**Attachment C: HCD Report For  
Fiscal Year 2009-2010**

**Attachment D: State Controller's Office  
Report For Fiscal Year 2009-2010**

**Attachment E: Statement of Indebtedness  
For Fiscal Year 2009-2010**



Attachment A: Annual Budget

Attachment B: Financial Audit

Attachment C: HCD Report

Attachment D: SCO Report

Attachment E: Statement of Indebtedness

**REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE  
ANNUAL BUDGET REPORT FOR FY 2010-2011**

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**REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE  
ANNUAL BUDGET REPORT FOR FY 2010-2011**

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**I. INTRODUCTION**

The Annual Budget of the Redevelopment Agency for the County of Riverside (the "Agency") for fiscal year 2010-2011 was prepared by the Agency in accordance with Section 33606 of the California Community Redevelopment Law (Health and Safety Code Section 33300 *et seq.*; hereinafter the "CRL"). The CRL requires redevelopment agencies to:

"[A]dopt an annual budget containing all of the following specific information, including all activities to be financed by the Low- and Moderate-Income Housing Fund established pursuant to Section 33334.3:

- the proposed expenditures of the Agency;
- the proposed indebtedness to be incurred by the Agency;
- the anticipated revenues of the Agency; and
- the work program for the coming year, including goals."

An examination of the previous year's achievements, along with a comparison of the achievements and the previous year's program goals are included in this report. The program goals are outlined in detail to depict the progress of the Agency's effort to eliminate blight throughout all redevelopment project areas.

The following is a brief summary of the required information regarding the Agency's expenditures, indebtedness, revenues, work program and accomplishments. This summary is not intended to be a comprehensive description of all activities financed by the Agency.

The Redevelopment Agency for the County of Riverside

The Agency was established in 1985 to achieve the following goals: 1) alleviate conditions of blight in identified communities throughout the County, 2) address the growing needs and services to residents within established redevelopment project areas, and 3) ensure the growth of the County's economic base through the provision of new public improvements, commercial and industrial developments and affordable housing. While the Agency is a separate, legal entity, the Board of Supervisors of Riverside County, acting as the Board of Directors for the Redevelopment Agency, serves as the legislative body of the Agency.

Riverside County has adopted five redevelopment project areas that consist of 37 sub-areas which encompass approximately 82,334 acres. Agency activities include the management of housing programs, business incentive programs, planning and development of projects, management of capital improvement projects, real property activities, and general administration duties. General administration duties include activities such as accounting, coordinating budget and reporting requirements and maintaining the Agency's official records.

**REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE  
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**II. YEAR IN REVIEW - FY 2009-10**

Fiscal Year 2009-10 marked the first year of initiatives as prescribed in the Five Year Implementation Plans as approved the Board of Directors in December 2009. An Implementation Plan was prepared for each of the five project areas and describes specific goals and objectives, including a program of actions and expenditures for a period of five years. The primary goals of the Implementation Plan include the following:

- a. **Develop and Implement Inclusionary and Replacement Housing Programs** and projects to meet such needs and to increase, improve and preserve the County's affordable housing stock.
- b. **Assist in the Development of Business Incentive Programs** to reconstruct, upgrade and expand commercial areas in conformance with the Riverside County General Plan.
- c. **Effectuate Comprehensive Planning**, redesign, replanning, reconstruction and/or rehabilitation of project areas in such a manner as to facilitate a higher and better utilization of land uses in accordance with the Riverside County General Plan.
- d. **Assist in the Development of Capital Improvements** to eliminate and prevent the acceleration of physical blight and to encourage the better utilization of real property and new private enterprise investment.
- e. **Eliminate Blight** through ongoing, expanded, and new programs designed to increase appropriate land use, maintain clean communities, minimize unsafe conditions, and other related activities.

This Annual Budget Report builds upon the goals detailed in the Implementation Plans and provides specific information for each project area.

The Agency has engaged in a number of housing and capital improvement projects, as well as planning and business development activities, over the past year. Section VII, *A Comparison of the Achievements with the Goals of the Previous Year's Work Program*, highlights the Agency's activities during the 2009-10 Fiscal Year.

**REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE  
ANNUAL BUDGET REPORT FOR FY 2010-2011**

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**III. PROPOSED EXPENDITURES**

The 2010-2011 Budget and Work Program includes approximately \$353 million in expenditures. The table below is a summary of the expenditures for the Agency's Capital Projects Fund, Debt Service Fund and Housing Fund.

<b>ANTICIPATED EXPENDITURES</b>				
	<b>Capital Projects Fund (32700)</b>	<b>Debt Service Fund (37100)</b>	<b>Housing Fund (25000)</b>	<b>Total</b>
<i>Services and Supplies</i>	\$ 5,332,054	\$ -	\$ 198,955	\$ 5,531,009
<i>Other Charges</i>	\$ 166,000,000	\$ 78,603,402	\$ 70,955,000	\$ 315,558,402
<i>Fixed Assets</i>	\$ -	\$ -	\$ -	\$ -
<i>Operating Transfers Out</i>	\$ 4,000,000	\$ 18,267,282	\$ 10,000,000	\$ 32,267,282
<b>Total Expenditures</b>	<b>\$ 175,332,054</b>	<b>\$ 96,870,684</b>	<b>\$ 81,153,955</b>	<b>\$ 353,356,693</b>



**REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE  
ANNUAL BUDGET REPORT FOR FY 2010-2011**

**IV. PROPOSED INDEBTEDNESS**

Under Article XVI, Section 16 of the California Constitution and CRL Section 33670, a redevelopment agency is able to receive tax increment until its debts are paid. The Agency files an annual Statement of Indebtedness with the County Auditor by October 1 of each year to report its indebtedness and thus show its eligibility for the receipt of tax increments. The Agency filed its 2010-2011 Statement of Indebtedness with the County Auditor prior to October 1, 2010. The table below illustrates the Agency's current indebtedness.

<b>TOTAL INDEBTEDNESS</b>			
<b>Description</b>	<b>Date Incurred</b>	<b>Original Amount</b>	<b>Outstanding Debt (P&amp;I)*</b>
CORAL – General	June 1988	\$3,116,960	\$2,986,894
Housing Set-Aside Fund		N/A	\$373,714,908
CORAL – Mira Loma (Bellegrave Land)	May 1990	\$4,849,975	\$3,021,819
State ERAF FY10-11			\$5,716,732
Pass-Through Agreements		N/A	\$333,077,393
County Auditor's Fees		N/A	\$6,357,224
Owner Participation Agreements		N/A	\$6,279,573
Tax Increment Projects		N/A	\$7,689,113
Loan for Technology Park	December 1999	\$2,156,955	2,305,351
2004 Tax Allocation Bonds	Dec 2004	\$220,443,771	\$187,655,337
2005 Tax Allocation Bonds	Aug 2005	\$277,620,609	\$238,732,932
2006 Tax Allocation Bonds Series A	Oct 2006	\$320,209,026	\$285,096,495
2006 Tax Allocation Bonds Series B	Oct 2006	\$63,440,860	\$56,555,244
2007 Tax Allocation Bonds	Apr 2007	\$159,837,019	\$145,331,563
2010 Tax Allocation Bonds	July 2010	\$198,719,856	\$198,719,856
2009 Bond Anticipation Note	July 2009	\$16,050,000	\$15,334,103
<b>TOTAL INDEBTEDNESS</b>			<b>\$1,868,574,537</b>

\* As of June 30, 2010

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**V. ANTICIPATED REVENUES**

The 2010-2011 Budget and Work Program includes approximately \$353 million in anticipated revenues, as depicted in the table below.

<b>ANTICIPATED REVENUES</b>				
<b>Revenues</b>	<b>Capital Projects Fund (32700)</b>	<b>Debt Service Fund (37100)</b>	<b>Housing Fund (25000)</b>	<b>Total</b>
Taxes	\$ -	\$ 71,958,326	\$ 17,989,582	\$ 89,947,908
Interest-Invested Funds	\$ 479,630	\$ 73,500	\$ -	\$ 553,130
Interest-Other	\$ 316,246	\$ 486,000	\$ 773,122	\$ 1,575,368
Bond Proceeds	\$ 143,374,698	\$ 2,819,350	\$ 51,433,353	\$ 197,627,401
Operating Transfer In	\$ 18,267,282	\$ 13,998,000	\$ -	\$ 32,265,282
Other Sources	\$ 11,797,103	\$ -	\$ 141,241	\$ 11,938,344
Loss or Gain-Sale Real Estate	\$ 1,000	\$ -	\$ 1,000	\$ 2,000
Contribution from Other County Funds	\$ 1,000	\$ -	\$ 1,000	\$ 2,000
Contractual Revenue	\$ -	\$ 7,535,508	\$ 749,458	\$ 8,284,966
Temporary Use Lease	\$ 694,753	\$ -	\$ 144,343	\$ 839,096
Interfund - Miscellaneous	\$ 1,000	\$ -	\$ -	\$ 1,000
Rebates/Refunds	\$ 399,342	\$ -	\$ 9,920,856	\$ 10,320,198
<b>TOTAL</b>	<b>\$ 175,332,054</b>	<b>\$ 96,870,684</b>	<b>\$ 81,153,955</b>	<b>\$ 353,356,693</b>

**REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE  
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**VI. WORK PROGRAM**

The Agency proposes the following goals and objectives for Fiscal Year 2010-2011.

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**GOAL 1 - Housing:** *To develop and implement programs and projects which meet the Agency's inclusionary and replacement housing needs and increase, improve and preserve the County's affordable housing stock, provide decent, safe and sanitary housing and living environments to lower income residents, and to ensure that building and safety standards are met by providing homeowners and investors with technical, financial and other related assistance.*

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**ACTIONS:**

- *Continue the use of the Home Improvement Program (HIP) to help address the need for substantial rehabilitation in all redevelopment project areas.*
  - *Continue to use the Home Rehabilitation Program (HRP) in all redevelopment project areas to address residential blight in project areas.*
  - *Where deterioration makes rehabilitation infeasible the Agency will continue to demolish and replace dwelling units on a one-for-one, bedroom lost, bedroom replaced, basis at a cost affordable to or lower than the existing occupying household.*
  - *Increase homeownership opportunities for low and very low-income large family households through increased marketing of the First Time Homebuyer Program (FTHB) using 20% low and moderate income housing funds, the Neighborhood Stabilization Homeownership Program (NSHP), the Redevelopment Homeownership Program (RHP), and the Mortgage Credit Certificate Program (MCC).*
  - *Increase the supply of new rental housing for low and very low-income large family households in the unincorporated County through exploration of new and utilization of existing partnerships with both the non-profit and private sectors.*
  - *Continue to monitor all Agency-assisted housing projects to ensure compliance with affordability and maintenance requirements pursuant to existing covenants and agreements.*
  - *Continue to implement and expand the Infill Housing Program (IHP) in project areas, where ever feasible and possible, to address underutilized and blighted parcels and increase homeownership among low, very low, and moderate-income households.*
- 

**GOAL 2 - Business Incentive Programs:** *To reconstruct, upgrade and expand commercial areas in conformance with the Comprehensive General Plan.*

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**ACTIONS:**

- *Implement an ongoing economic development and business promotion program to expand existing businesses and attract new ones.*
  - *Continue to offer small business commercial rehabilitation programs to rehabilitate deteriorated commercial buildings.*
  - *Provide incentives for development of new or existing commercial and industrial facilities to encourage employment and investment in project areas.*
-

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**GOAL 3 - Planning:** *To effectuate the comprehensive planning, redesign, replanning, reconstruction and/or rehabilitation of project areas in such a manner as to facilitate a higher and better utilization of land uses in accordance with the Comprehensive General Plan.*

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**ACTIONS:**

- *Assist in future updates of the Housing Element, as necessary.*
  - *Eliminate non-conforming uses as appropriate and necessary.*
  - *Buffer residential neighborhoods from the intrusion of incompatible land uses.*
  - *Provide incentives for the development of under-utilized parcels.*
  - *Remove economic impediments to land assembly and in-fill development in areas that are not properly subdivided for development or redevelopment.*
  - *Actively engage in community outreach for land use planning and project area activities, including, but not limited to, Project Area Committee (PAC) and community meetings.*
- 

**GOAL 4 - Capital Improvements:** *To encourage the better utilization of real property and new private enterprise investment.*

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**ACTIONS:**

- *Assist in the improvement of public infrastructure. Such improvements could include the construction or reconstruction of roads, curbs and gutters, and sidewalks; providing signalization; installing landscaping, sidewalks, multi-use trails, lighting and street furniture; and the construction or reconstruction of water storage and distribution facilities, drainage and flood control measures, and sewer systems.*
  - *Assist in the development of public facilities and utilities, such as the construction or rehabilitation of fire and sheriff stations, community centers, school facilities, parks, multi-use trails, and utility improvements.*
  - *Assist in the rehabilitation of residential properties (see Housing Goals above).*
- 

**GOAL 5 – Eliminate Blight:** *To eliminate and prevent the acceleration of physical blight.*

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**ACTIONS:**

- *Acquire real property for future infill housing, adaptive reuse, and economic development activities.*
  - *Conduct a weed abatement program.*
  - *Continue to implement a Graffiti Abatement Program.*
  - *Continue to offer the volunteer demolition grant program to remove unsafe structures that pose public health and safety hazards.*
  - *Assist in reducing crime through such activities as crime watch and patrol programs, refurbishment or construction of sheriff's facilities, and youth and senior facilities and programs.*
-

**REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE  
ANNUAL BUDGET REPORT FOR FY 2010-2011**

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**VII. COMPARISON OF THE ACHIEVEMENTS WITH THE GOALS OF THE PREVIOUS YEAR'S WORK PROGRAM**

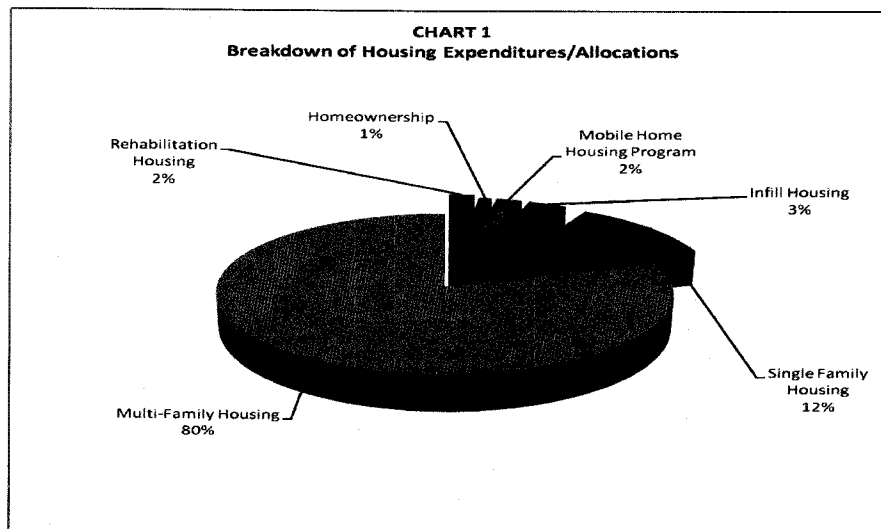
Progress toward the aforementioned goals will be summarized under the following general categories: A) Housing, B) Business Incentive Programs, C) Planning, D) Capital Improvements, and E) Elimination of Blight.

**A. HOUSING**

The Redevelopment Agency for the County of Riverside (RDA) directly participated in a number of housing projects and programs which are identified below. As imposed by California Community Redevelopment Laws, redevelopment agencies are required to deposit 20% of all redevelopment tax increment dollars into a separate Housing Set-Aside fund. This fund is used to provide financing for projects and programs to improve and increase affordable housing for low- and moderate- income residents in the unincorporated areas of the County of Riverside (County) and RDA project areas.

For Fiscal Year 2009-2010 (FY 09-10), funds were expended on Rehabilitation Housing Programs, Homeownership Assistance Programs, Mobile Home Housing Programs, the Infill Housing Program, new construction of Single Family Housing Projects, Multi-Family Housing Projects, and Mobile Home Housing Projects, and land acquisition.

The total amount of housing expenditures and allocations for Fiscal Year 2009-2010 was \$80,006,783. Chart 1 below illustrates the breakdown of the Housing Set-Aside funds expended and/or allocated on housing needs during FY 09-10. As shown on Chart 1, 2% of the funds were allocated to Rehabilitation Housing Programs, 1% of funds on the Redevelopment Homeownership Program, 2% on Mobile Home Housing Programs, 3% on the Infill Housing Program, 12% on new construction of Single Family Housing Projects, and 80% on new construction of Multi-Family and Special Needs Housing Projects.



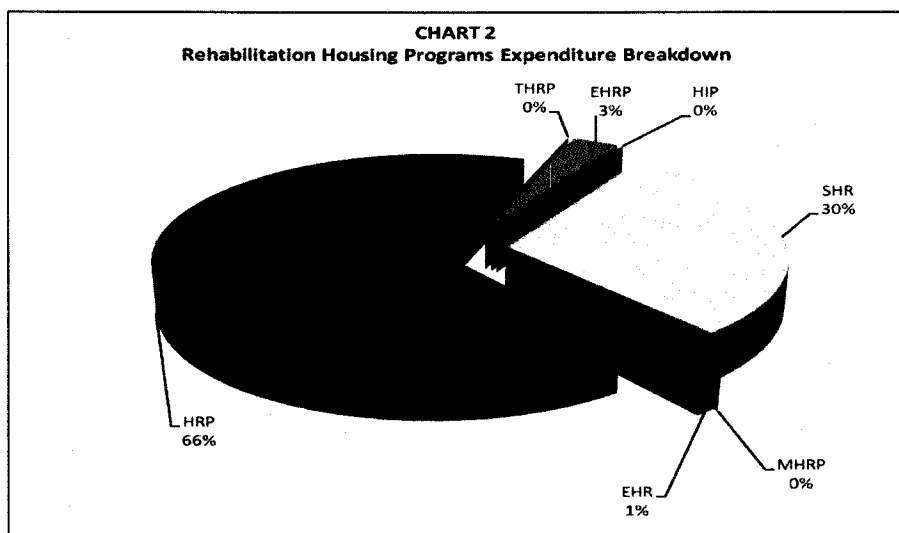
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**1. Rehabilitation Housing Programs**

The RDA assists families with housing needs through various programs that offer financial assistance for rehabilitation of existing homes. In addition, Community Development Block Grant funds (CDBG) were used to assist in funding some of these programs. The programs offered by the RDA are described below and include the number of projects completed and expenditures for FY 09-10.

The total amount expended on rehabilitation housing programs in Fiscal Year 2009-2010 was \$1,893,803 and Chart 2 below illustrates the cost breakdown by specific programs. The activity for each program is described in the following paragraphs.



**a. Emergency Housing Response Program (EHRP)**

EHRP was created to assist income qualified households displaced by emergencies, such as the Esperanza Fire, with temporary tenant based rental assistance. Limited to unincorporated areas of the County, the Housing Authority of the County of Riverside administers the program with an initial fund of \$1,250,000 to provide families displaced by natural disaster or government action with a maximum of 24 months of rental assistance. An additional \$200,000 was allocated for a new total of \$1,450,000. A total of \$1,249,939 has been expended and assisted 53 families since the inception of the program. A total of \$52,539 was expended this past fiscal year assisting 26 families.

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**b. Senior Home Repair (SHR) Program**

The SHR Program provides one-time-only grants up to \$6,000 to qualified extremely low- and very low-income senior homeowners (62 years or older) or extremely low- and very low-income disabled persons of any age to repair or improve their homes. The grant requires that the repairs and/or enhancements address health and safety issues exclusively.

Eligibility is based upon owner-occupancy and a household income that does not exceed 50% of the area median income. The RDA has contracted with the Riverside County Office on Aging to assist in caseload management. The Office on Aging takes applications over the phone and submits eligible applications directly to RDA. RDA staff, upon receipt of applications, visits each site and conducts an in-depth assessment of the repairs needed and make an evaluation of which program is best suited to the homeowner. A total of 123 SHR projects were completed with a total expenditure of \$691,248 with an average assistance of \$5,620.

RDA Funded Projects:	100	Expenditures:	\$567,934
CDBG Funded Projects:	23	Expenditures:	\$123,313
Total Funded Projects:	123	Total Expenditures:	\$691,248

**c. Enhanced Home Repair (EHR) Program**

The EHR Program provides one-time grants up to \$6,000 to extremely low-income and very low-income households for home repair or enhancements to address health and safety issues. The program is available to all homeowners regardless of age and it does not require a specific disability. During the fiscal year 2009-2010, 1 EHR project was completed using CDBG funds with a total expenditure of \$5,830. 4 EHR projects were completed using RDA Funds, with a total expenditure of \$26,824. The average per unit expenditure was \$6,531. Of the 5 completed projects, one (1) assisted a low income family, two (2) assisted very low income families and two (2) assisted extremely low income families.

RDA Funded Projects:	4	Expenditures:	\$26,824
CDBG Funded Projects:	1	Expenditures:	\$5,830
Total Funded Projects:	5	Total Expenditures:	\$32,654

**d. Home Rehabilitation Program (HRP)**

HRP provides one-time grants of up to \$20,000 to qualified low-income homeowners to repair or improve the quality of their homes. The grant allows homeowners to address both interior and exterior health and safety issues, housing quality standards (HQS), and handicapped accessibility improvements. During FY 09-10, 14 projects were completed using CDBG Funds, with a total expenditure of \$239,905, and 64 projects were completed using RDA Funds, with a total expenditure of \$1,246,506. A total of 78 projects were completed using both CDBG and RDA funds. The total

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ANNUAL BUDGET REPORT FOR FY 2010-2011**

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expenditure for HRP projects was \$1,486,411. The average assistance per unit was \$19,057. A total of 13 households assisted were extremely low-income, 28 were very low-income, and 34 were low-income. All HRP-assisted units are restricted to low-income households and the homeowner signs an agreement to maintain the property in good condition for a period of 10 years.

RDA Funded Projects:	64	Expenditures:	\$1,246,506
CDBG Funded Projects:	14	Expenditures:	\$239,905
Total Funded Projects:	78	Total Expenditures:	\$1,486,411

**e. Home Improvement Program (HIP)**

HIP is an auxiliary program to the HRP. The primary purpose of HIP is to improve the living conditions of low-income homeowners. HIP provides 0% interest loans for essential repairs to low-, very low-, and extremely low-income owner-occupants of single-family homes whose repair goes beyond a non-substantial rehabilitation.

No RDA funded HIP projects were completed during FY 09-10 program year.

**f. Manufactured Home Replacement Program (MHRP)**

MHRP provides financial assistance to mobile home owners for dwelling units that have been identified or declared substandard. The MHRP utilizes RDA funds to provide assistance to low-, very low-, and extremely low-income households for the replacement of existing substandard owner-occupied mobile homes and ancillary infrastructure improvements of existing substandard owner occupied mobile homes located in the unincorporated areas of the County or within RDA project areas. Assisted units are restricted by a 45 year affordability covenant.

No RDA funded MHRP projects were completed during the FY 09-10 program year.

**g. Tenant-Occupied Home Rehabilitation Program (THRP)**

The THRP provides assistance to property owners of tenant-occupied single-family residents. Assistance is in the form of a completely deferred loan with a maximum assistance of up to \$20,000. The loan has a term of 10 years and an annual interest rate of zero percent (0%). The affordability covenant also requires control of the rents to remain affordable to low-income tenants. The THRP addresses both interior and exterior of homes for health and safety issues, HQS and allows property owners to enhance the exterior appearance of tenant occupied properties. All THRP-assisted units are restricted to low-income households for a period of 10 years.

No RDA funded THRP projects were completed during the FY 09-10 program year.



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**2. Redevelopment Homeownership Program (RHP)**

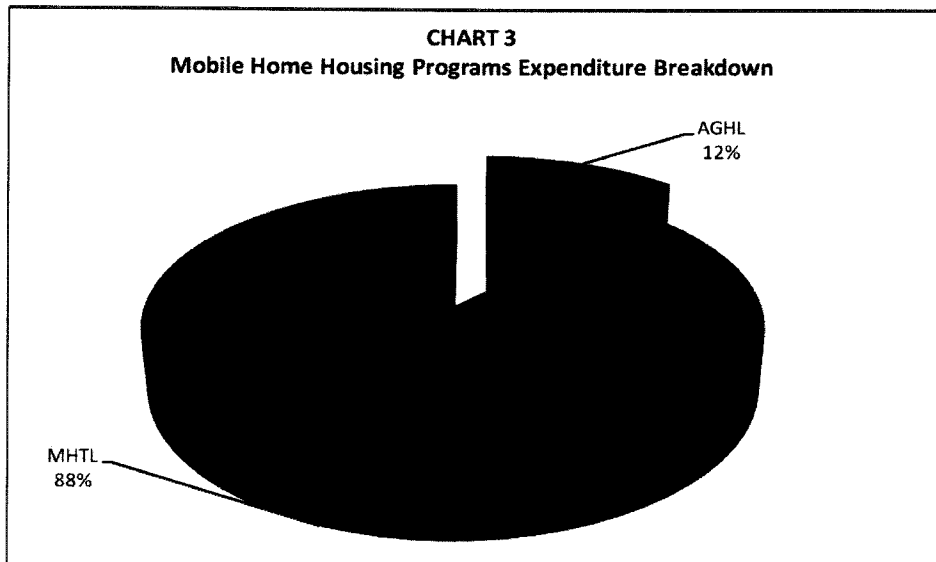
RHP provides down payment assistance, up to 20% of the purchase price, in the unincorporated and redevelopment project areas of the County. Assistance is provided in the form of a silent second, deferred and forgivable loan, with an affordability covenant recorded against the property to ensure that it remains owner-occupied by an eligible household for a minimum of 45 years. Households must qualify as a first time home buyer or not have owned a home within the last three (3) years and be of low- or moderate- income.

RDA Funded Projects:	10	Expenditures:	\$315,710
Total Funded Projects:	10	Total Expenditures:	\$315,710

**3. Mobile Home Housing Programs**

The RDA assists families with housing needs through various programs that offer financial assistance for rehabilitation of existing mobile homes or mobile home parks. The programs offered by the RDA are described below and include current and completed projects and expenditures for Fiscal Year 09-10.

The total amount expended and/or allocated to date on current mobile home or mobile home park rehabilitation projects in Fiscal Year 2009-2010 was \$1,293,310. Chart 3 below shows the percentage of cost expended by the Mobile Home Housing Programs. The activity for each program is described in the following paragraphs.



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**a. Agricultural Housing Loan (AGHL) Fund**

AGHL improves the housing conditions of low-income farm worker households who are tenants of substandard and un-permitted mobile home parks in the unincorporated areas of the Coachella Valley in the County. The improved housing conditions are achieved by providing financing for the rehabilitation of these agricultural housing facilities, typically 12-spaces or less, operating throughout unincorporated areas of the Coachella Valley. A total of 45 Agricultural Housing Facilities totaling 518 spaces were completed since the inception of the AGHL (December 1999), the RDA directly assisted 14 facilities. These facilities generate new mobile home rental spaces that are available to recipients of the Mobile Home Tenant Loan (MHTL) Assistance Program.

**1) Hope Ranch Mobile Home Park (a.k.a Gonzalez Mobile Home Park), Oasis**

The Hope Ranch Mobile Home Park project is located in the unincorporated community of Oasis, outside of a redevelopment project area. The project is the rehabilitation of twelve (12) mobile home spaces and improvements utilizing the AGHL program. It will be restricted by a 55 year Affordability Covenant for very low-income households. The project received RDA funding of \$153,574 and a permit grant of \$10,000. Other funding sources were a California Department of Housing and Community Development (HCD) Joe Serna, Jr. Farm Worker Housing Grant (Joe Serna Grant) funding of \$67,500 and a USDA Grant of \$35,000. The total development cost is \$266,074. Construction was completed in May 2010. Installation of manufactured homes shall be substantially complete by December 2010.

**2) Polanco Park Rehabilitation**

A formal agreement was approved by the RDA Board of Directors between the RDA and Desert Alliance for Community Empowerment ("DACE") on July 14, 2009 to facilitate the rehabilitation of otherwise un-permitted mobile home parks improving the housing conditions of low-income farm worker households who are tenants of substandard and un-permitted mobile home parks in the unincorporated areas of the Coachella Valley in the County of Riverside. The improved housing conditions are achieved by providing financing for the rehabilitation of these agricultural housing facilities, typically 12-spaces or less, operating throughout unincorporated areas of the Coachella Valley and by providing the technical assistance required to accomplish the rehabilitation of these parks.

**b. Mobile Home Tenant Loan Program (MHTL)**

MHTL was established to improve substandard living conditions of mobile home owners living in un-permitted mobile home parks. This program provides financial assistance to mobile home owners by providing a zero (0%) interest loan in an amount up to \$40,000. The funds from the loan are used to purchase a unit that will replace the existing substandard unit and will be installed in a permitted site. As a supplement to the MHTL loan, HCD's Joe Serna Grant was utilized to provide a matching source of funds up to \$15,000.

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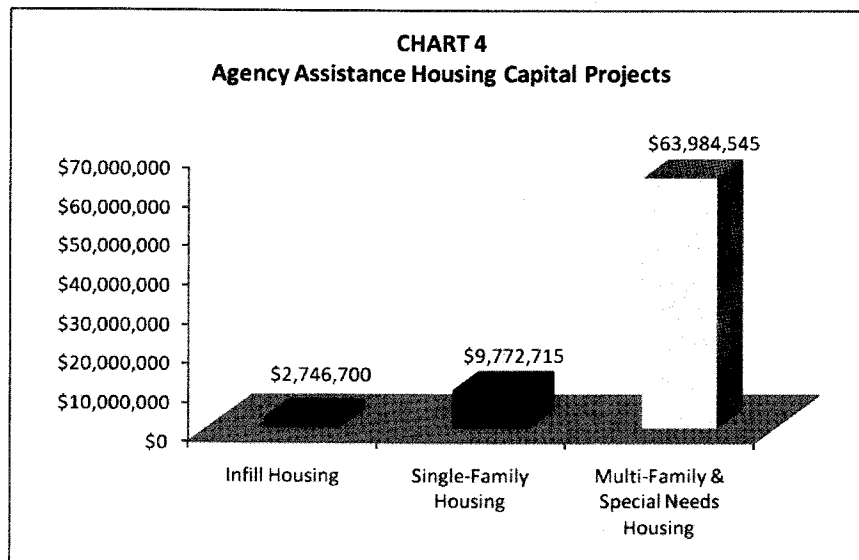
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For FY 09-10, MHTL assisted a total of 31 households with a total expenditure of \$1,021,398 in RDA funds. 15 households were very low-income and 16 households were extremely low-income. The average MHTL RDA expenditure per unit was \$32,948.

During the FY 09-10, \$1,500,000 in Joe Serna Grant funds was awarded to RDA in October 2009. Of the 31 households assisted with MHTL, 24 were farm worker households assisted with a total of \$360,000 in Joe Serna Grant match funds.

The abatement of the existing substandard owner-occupied units is a requirement of the MHTL Program. During FY 09-10, \$118,338 in RDA funds was expended to demolish those units.

Chart 4 below illustrates the breakdown of the housing Set-Aside funds expended and/or allocated by the Agency during Fiscal Year 2009-2010 for capital projects, including the Infill Housing Program, Single Family Housing Projects, and the Multi-Family and Special Needs Housing Projects. The activity for each category is described in the following paragraphs.



**4. Infill Housing Program (IHP)- “Build 2005”**

The IHP is designed to promote new development of affordable single-family housing on previously vacant or blighted lots. The new homes developed through the program are required to be sold as affordable owner-occupied housing to lower-income households with an emphasis placed on development within the County’s redevelopment project areas. Funding assistance for development cost is provided to developers to build homes on land that has been acquired either by the RDA or by the developer for the purpose of building affordable housing. The following is a list of projects where RDA funds were either committed and/or expended under this program during FY 09-10.

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**a. Murrieta Infill Housing Project, Murrieta**

In April 2008, the RDA approved an Agreement to Develop with a for-profit affordable housing developer that provided a loan for \$538,000 for the construction of 4 single-family homes. The project consists of two (2) three-bedroom and two (2) four-bedroom homes available as affordable homeownership opportunities to low-income families developed on vacant land located in the City of Murrieta within the 1-1986 Redevelopment Project Area. The total development cost for the project is approximately \$1,346,000. All 4 homes are restricted to low-income first-time homebuyer households with an affordability restriction for a period of at least 45 years. The project received its Notice of Completion in August 2009. Three (3) homes were sold in December of 2009 and one (1) home was sold in January 2010.

**b. Habitat for Humanity 37th Street, Rubidoux**

After completing new construction of two (2) of three (3) single-family homes on infill lots in the unincorporated community of Belltown, the project was terminated and the remaining new single-family home was proposed on 37th Street (5259 37<sup>th</sup> Street) in the unincorporated community of Rubidoux. On April 1, 2008, a Disposition and Development Agreement (DDA) was approved to provide a grant of \$78,700 in RDA funds and RDA-owned land for the development and construction of the remaining single-family home located in the Jurupa Valley Redevelopment Project Area. The project included a four-bedroom single-family home as an affordable homeownership opportunity to a low-income first-time homebuyer. The new homebuyer contributed sweat equity in the construction of their home. The single-family home is restricted to lower income households for a period of 45 years. New construction of the single-family home was completed in September 2009 and the project was closed in January 2010.

**c. 37th and Wallace Infill Housing Project, Rubidoux**

In July 2005, the RDA approved a DDA with a non-profit affordable housing developer to transfer land owned by the RDA, purchased for \$72,000, and provided a loan of \$45,000 in RDA Housing Set-Aside funds for the development of 3 new single-family homes. The loan was amended to \$310,000 in September 2008. The project consists of one (1) three-bedroom and two (2) four-bedroom homes on vacant land at the corner of 37th and Wallace in the unincorporated community of Rubidoux within Jurupa Valley Redevelopment Project Area. The estimated total development cost for the project is \$1,015,000. All three (3) homes will be restricted to low-income first-time homebuyer households with an affordability restriction for a period of at least 45 years. During the past fiscal year, there have been planning and permitting issues, which led to site planning re-design and re-bidding. To date, all issues have been resolved and the project is currently pending issuance of building permits and is expected to start construction in December 2010.

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**d. Mira Loma Infill Housing Project**

In June 2006, the RDA approved a DDA with the Housing Authority of the County of Riverside to transfer land owned by the RDA, purchased for \$65,000, and provide a grant of \$350,000 in RDA Housing Set-Aside funds for the development of up to two (2) new single-family homes. The Mira Loma Infill Housing Project will be developed on vacant land located between Bellegrave Avenue and 48th Street in the unincorporated community of Mira Loma within the Jurupa Valley Redevelopment Project Area. Initial sale of the home(s) is restricted to low-income households that are first-time home buyers and will include a continuing affordability restriction for a period of at least 45 years. The project is currently entitled and one (1) home is expected to be completed by July of 2011.

**e. Mustang Lane Housing Project, Rubidoux**

In October 2006, the RDA approved an Agreement to Develop with a non-profit affordable housing developer to provide a loan of \$1,155,000 for land acquisition and construction of seven (7) single family homes in the unincorporated community of Rubidoux located within the Jurupa Valley Redevelopment Project Area. The RDA and developer have since mutually agreed to explore the development of a multifamily rental housing complex instead of the single family project initially planned. On March 2009, the RDA and developer entered into a Memorandum of Understanding that would allow the developer to utilize \$234,000 of the original \$1,155,000 grant towards pre-development expenses that would be incurred in obtaining necessary entitlements and financing for the development of the newly proposed multifamily project.

**f. Molino Way, Rubidoux**

The property was acquired in 2008 and is located at 5580 Molino Way in the unincorporated community of Rubidoux within the Jurupa Valley Redevelopment Project Area. It previously consisted of a single parcel with a blighted, fire damaged four-unit apartment complex. The structure has been demolished and the site is currently vacant. Plans are in place for a single-family infill housing project. A DDA is expected to be completed by 2010 and construction is expected to start in early 2011.

**g. Pontiac St, Rubidoux**

The project consists of two vacant parcels located at 3846 Pontiac Avenue and 3838 Pontiac Avenue in the unincorporated community of Rubidoux within the Jurupa Valley Redevelopment Project Area. The properties are located within a residential neighborhood. Plans are in place for the development of two (2) single-family infill homes. A DDA is expected to be completed by 2010 and construction is expected to start in early 2011.

**h. Sherman Road Property, Romoland**

The project involves the acquisition of an approximate 2.0 acre lot of residential land located in the unincorporated community of Romoland within the I-215 Corridor Redevelopment Project Area. The property was purchased in July 2008 for \$250,000 in

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order to remove blight and may include the construction of much needed affordable housing in the area. The property included a single family dwelling unit that was demolished in 2009. The RDA anticipates that the property will be slated to be an infill housing project and expects to receive an application for entitlements in 2011.

**5. New Construction- Single Family Housing Projects**

The RDA solicits proposals from developers to expand affordable housing opportunities for low-income and special needs households. Ownership housing projects with low income affordability restrictions qualify for funds under this program.

**a. North Shore Housing Project, North Shore**

In September 2009, the RDA provided approximately \$202,000 to a lot owner for the construction of a single-family home and provided a homeownership opportunity to a very low-income household located in the unincorporated community of North Shore and is located outside a redevelopment project area. The home is restricted to low-income households with an affordability restriction for a period of at least 45 years. The single family home was constructed as a three-bedroom, two-bathroom home with an attached two-car garage, a concrete roof tile and desert landscape to comply with the newly implemented landscape ordinance. The construction was completed in May 2010.

**b. Inspire, Unincorporated area of Riverside County (Eastvale)**

RDA funds were utilized to acquire, rehabilitate and rent a single-family home to very low-income persons that are between the ages of 18 and 22 years of age that are emancipated former foster youth. The RDA provided \$330,000 for acquisition and rehabilitation of the single-family home, which is located in the unincorporated community of Eastvale within the Jurupa Valley Redevelopment Project Area. The unit will remain affordable for a period for 55 years. The project was completed in June 2010.

**c. Nuestro Orgullo Homes, Mecca**

In June 2007, \$1,500,000 in RDA funds was allocated to a non-profit affordable housing developer for the development of approximately 291 single-family homes through the developer's self-help housing program. The project is located on approximately 60 acres of vacant land in the unincorporated community of Mecca located outside a redevelopment project area. The project proposes approximately 87 three-bedroom homes and 204 four-bedroom homes. Other funding sources include \$52,999,993 in USDA Section 502 loans; a FWHG of \$1,500,000; buyer sweat-equity in the amount of \$6,984,007; a loan of \$444,000 from the HCD CalHome Program; and \$1,000,000 from Affordable Housing Program (AHP). The total development cost is estimated to be \$64,428,000. At least 30% of the units, approximately 88 RDA-assisted units, in the project will be restricted to lower income households and 44 of those units will be reserved for very low-income households for a period of 45 years. The project has received entitlements and is expected to commence construction in July 2011.

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**d. Valencia Self Help Homes Project, Mecca**

The Valencia Self Help Homes Project proposes the improvement and construction of 45 lots located in the unincorporated community of Mecca located outside a redevelopment project area. All 45 improved lots will be constructed into 45 single-family homes utilizing the developer's mutual self-help program. The applicant intends to use \$750,000 of the RDA's allocation of California Housing Finance Agency (CalHFA) funds for infrastructure improvements to the lots and up to \$1,000,000 in Redevelopment Housing Set-Aside funds for construction of the single family homes. \$500,000 will be used for development and construction costs to the project and the remaining balance of \$500,000 will be used as a loan to the assisted units in the form of a silent second.

As a result of the current declining housing market, the appraised values for the remaining 12 lots in the project have decreased substantially and created a gap between the construction cost and value of each home. In order to address this issue, the balance of \$209,243 was reallocated from the homebuyer subsidy to the project subsidy to write down the development costs of the project. This action allowed the remaining 12 lots to be sold to qualified homebuyers and move forward with construction. Therefore, a total of 25 of the 45 units restricted to very-low income households will be constructed and developed and remain affordable for a period of 45 years from the certificate of occupancy.

Other funding sources sought by the developer for the development of the project include a loan of \$5,239,500 from United States Department of Agriculture (USDA) Section 502 Program; a Farm Worker Housing Grant (FWHG) of \$500,000; California Housing Finance Agency (CalHFA) funds of \$450,000; and Buyer Sweat Equity in the amount of \$832,509. The total development cost is estimated to be \$8,086,000. All of the lots have been sold and are currently under construction. The anticipated completion date is January 2011.

**e. Acquisition, Rehabilitation and Resale of Foreclosed Single-Family Homes, Unincorporated Areas of the County**

The RDA has committed \$3,000,000 with a for-profit developer for the acquisition, rehabilitation and resale of vacant, foreclosed and bank-owned single-family homes to qualified low- and moderate-income first-time homebuyers within the Jurupa Valley Redevelopment Project Area. In April 2010, the RDA provided an additional \$1,500,000 to expand the project to include all unincorporated areas of the County of Riverside. A total of 13 homes were acquired and 12 are currently undergoing rehabilitation. One (1) home was returned to owner occupancy and the rehabilitation for the remaining homes are anticipated to be completed by August 2010. More homes are being sought for acquisition and rehabilitation for the next fiscal year.

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**f. Glen Avon Housing Project, Glen Avon**

The RDA is proposing the development of 40 market-rate single-family homes on underdeveloped land located in the unincorporated community of Glen Avon, located within the Jurupa Valley Redevelopment Project Area. The RDA has acquired the land, is assembling the parcels and has submitted for entitlement of the project. The proposed housing units are expected to provide affordable housing to low-income families who are first time homebuyers. The housing units will be restricted for a period of 45 years.

**g. Sierra Avenue and 30<sup>th</sup> Street Housing Project, Rubidoux**

The RDA is proposing the construction of approximately 30 to 35 affordable single-family homes on what is currently 6.67 acres of underdeveloped land. The land is located in the unincorporated community of Rubidoux, within the Jurupa Valley Redevelopment Project Area, and was purchased in June 2006 for \$1,490,715. The proposed housing units are expected to provide an affordable housing benefit to low-income families who are first time homebuyers.

**6. New Construction- Multi-Family Housing and Special Needs Housing Projects**

The RDA solicits proposals from developers to expand affordable housing opportunities for lower-income and special needs households. Both rental and ownership housing projects with lower-income affordability restrictions qualify for funds under this program.

**a. Mission Village Senior Apartments, Glen Avon**

In March 2008, the RDA committed \$9,243,334 in RDA funds for the development and construction of Mission Village Senior Apartments, a 102-unit affordable senior apartment complex in the unincorporated community of Glen Avon within the Jurupa Valley Redevelopment Project Area. The project includes 90 one-bedroom units, 11 two-bedroom units, and 1 two-bedroom unit set-aside for an on-site manager. Other funding sources include a tax-exempt bond of \$3,045,664; a tax credit equity contribution of \$5,930,197; an AHP loan of \$406,271; and deferred developer fee of \$200,000. The estimated total development cost is \$18,825,466. A total of 49 RDA assisted units will be reserved for very low-income senior households for an affordability period of at least 55 years. Construction was completed in May 2010.

**b. Orange Blossom Lane (Marine Drive), Valle Vista**

In April 2008, the RDA provided \$3,300,000 in RDA funds to an affordable housing non-profit developer for the acquisition and rehabilitation of seven (7) multi-unit rental properties along Orange Blossom Lane, formerly known as Marine Drive, in the unincorporated community of Valle Vista located outside a redevelopment project area. The project includes four (4) threeplex and three (3) fourplex properties with a total of 41 units. A total of 23 units will be set-aside for qualified persons and families of low- or moderate-income. One (1) unit will be reserved for an on-site residential manager's unit. Additional funding included bank loan in the amount of \$1,235,000. In September 2008,



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the RDA provided an additional \$2,760,000 to acquire and rehabilitate 5 additional multiplex rental properties for a total of \$6,060,000. The estimated total acquisition and rehabilitation cost for the project is approximately \$8,240,000. Acquisition and rehabilitation were completed for 11 properties in August 2010. Rehabilitation for the remaining property is anticipated to be complete by December 2010.

**c. Tres Lagos Senior Apartments, Wildomar**

In June 2007, the RDA expended \$4,365,000 in RDA funds to acquire approximately 10.16 acres of land for the development and construction of an approximately 204-unit apartment complex for low-income senior households in the then unincorporated community of Wildomar located outside a redevelopment project area. On February 5, 2008, voters of the unincorporated community of Wildomar elected for city incorporation. As of July 1, 2008, Wildomar incorporated as a City. Since the location of the project is outside the project area, but inside city limits, it is to be determined whether the project will continue without RDA funding pending the State's decision to allow for RDA funds for the project since it is now under the jurisdiction of the City of Wildomar. All of the units in the development will remain reserved for low-income senior households for an affordability period of at least 55 years.

**d. Vineyards at Menifee, Menifee**

In March 2008, the RDA expended \$2,000,000 in RDA funds to a developer to acquire approximately 4.8 acres of land for the development and construction of an 81-unit apartment complex for low-income senior households in the unincorporated community of Menifee located outside a redevelopment project area. On July 2008 the County committed \$1,100,000 in HOME funds towards the project. Subsequent to that, on June 29, 2009 the RDA approved a resolution supporting the application for low-income housing tax credits for this project and a \$3,600,000 loan contingent upon the project receiving a tax credit allocation and Board of Directors approval. The County's \$1,100,000 HOME loan shall be cancelled and replaced with the \$3,600,000 RDA loan. Other funding sources include a 1,559,030 conventional loan; a loan of \$1,500,000 from the Mental Health Services Act (MHSA) Program; tax credit equity contribution of \$9,504,798; 1,796,537 in American Recovery and Reinvestment Act Tax Credit Assistance Program Funds; a \$2,000,000 grant from RDA; and \$571,374 in waived impact fees. Additionally, the developer would defer their developer fee up to \$9,125. The total cost of development is estimated to be \$20,540,864. A total of 39 RDA-assisted units will be reserved for low-income senior households for an affordability period of at least 55 years. The project received a tax credit allocation October 2010. Construction is anticipated to commence by March 2011.

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**e. Legacy Apartments, Thousand Palms**

In June 2010, the RDA approved funding assistance for \$8,800,000 to acquire and develop a portion of a site for a gated 81-unit affordable, multi-family community, including an additional on-site manager's unit in the unincorporated community of Thousand Palms located outside a redevelopment project area. All of the proposed units will be reserved for low-income families with affordable rents for a period of at least 55 years; fifteen of those units will be reserved for special needs individuals. The estimated total development cost for the project is \$25,168,039. Funding will include a \$2,534,954 conventional loan from Farmers & Merchant Bank; a \$1,500,000 loan from MHSA (allocated from the \$8,800,000); a deferred developer fee of \$126,722; and Riverside County Transportation Uniform Mitigation Fee waiver of \$101,516. The balance of \$13,604,847 will come from the tax credit equity financing. The project received entitlements in June 2010 and received its tax credit allocation in October 2010. Construction is anticipated to start by January 2011.

**f. Operation Safehouse**

The RDA owns approximately .41 acre parcel located in the community of Thousand Palms in the unincorporated area of Riverside County and within the Desert Communities Redevelopment Project Area. The Site includes a recently abandoned fire station, which has been demolished for site preparation the project is located outside a redevelopment project area. The RDA entered into a DDA by and between the RDA and Operation Safe House, Inc., a California nonprofit public benefit corporation that will include the purchase of the Site by the Developer from the RDA and the development of 16 affordable rental housing units that will include one (1) manager's unit. Additionally, the RDA will provide a loan of \$1,100,000 for the construction of the project which will include \$400,000 to be used for predevelopment expenses related to the development of the site.

The project is an expansion to the existing Operation Safe House of the Desert facility located at 72710 E. Lynn Street, in the community of Thousand Palms, which the Developer currently owns and operates. The Project will produce living quarters and the existing campus facility will be utilized to provide the educational and life skill services, training, drug abuse prevention counseling, individual and group counseling and job seeking assistance to the residents of the Project.

The total project budget is \$4,464,224. The sources of funds utilized will be a loan from Department Of Housing & Community Development Emergency Housing & Assistance Program Capital Development (EHAP CD) for \$1,000,000, a loan from HUD Homeless Continuum of Care funds for \$365,000, a loan from RDA for \$1,100,000, a loan from the Federal Home Loan Bank Affordable Housing Program for \$640,000, and a loan from Department of Housing & Community Development Multifamily Housing Program-Supportive Housing for \$1,359,224.

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The proposed Project will serve households that do not exceed fifty percent (50%) area median income for the County adjusted by family size at the time of occupancy.

**g. Desert Meadows (formerly Date Palm Mobile Home Park), Indio**

The RDA purchased the Date Palm Mobile Home Park which is located outside the city limits of Indio in the unincorporated area of the County (outside a redevelopment project area) for the purpose of carrying out its obligation to help eliminate blight and providing safe and decent affordable housing to its residents. The mobile home park was purchased in August 2007 for \$1,900,000. The RDA has relocated the residents that were living in the park and demolished all structures on the site. The RDA provided \$997,400 for expenses related to entitlements for a new 80-unit affordable housing complex with numerous amenities along with an additional loan in the amount of \$7,900,000 to fill financing gap related to construction. The estimated total budget for the project is \$22,000,000. The project has been entitled. The start of construction is anticipated to commence by June 2011, pending financing approval.

**h. Paseo de los Heroes Mobile Home Park II, Mecca**

RDA funds in the amount of \$1,525,000 was provided for the development of a 52-space mobile home rental park located on approximately 10 acres of vacant land in the unincorporated community of Mecca located outside a redevelopment project area. The estimated development cost for the project is \$18,136,777 and includes a loan of \$1,000,000 from the Joe Serna, Jr. Farm Worker Housing Grant program. A total of 25 RDA-assisted units will be reserved for very low-income households with an affordability period of at least 55 years. Construction was completed in May 2010.

**i. Mountain View Estates, Oasis**

In April 2008, the RDA approved a Grant Agreement with Desert Empire Homes, a for-profit developer, for the construction of a 398 space mobile home park. Mountain View Estates is situated on approximately 50 acres located south of 66th Avenue, north of 70th Avenue, west of Polk Street and on the east side of Harrison Street in the unincorporated community of Oasis (outside a redevelopment project area). The proposed project will be built in two (2) phases. The first phase will consist of 180 spaces plus one (1) manager's unit and a community center of approximately 2,200 sq ft in size and the second phase, which will be built in the future, to include the remaining mobile home spaces. The development cost for the first phase is \$9,716,528. The project will receive \$6,500,000 in RDA Set Aside Funds and the balance of the development costs will be obtained by the developer in the form of private financing. A minimum of 90 mobile home park spaces in the development will be set aside for very low-income households for a period of at least fifty-five years. The first phase of this mobile home park is anticipated to be complete by December 2010.

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**j. Camino Real, Indian Hills**

The RDA is proposing the development and construction of 152-unit rental housing complex for seniors. The 15 acre underdeveloped property is located in the unincorporated community of Indian Hills, outside of a redevelopment project area. It was acquired in July 2006 for approximately \$8.5 million. The proposed housing project, which is currently on hold, is expected to provide affordable housing for low-income seniors.

**k. North Hemet Housing Project, North Hemet**

In September 2007, the RDA purchased approximately 6.52 acres of unimproved real property at fair market value located in the North Hemet area. The property is situated within the Riverside County Mid-County Redevelopment Project Area.

The contemplated project is a mixed use development intended to provide affordable housing. The project scope and development budget have not yet been fully developed and is contingent upon full environmental compliance and development review. The RDA provided a total amount of \$3,483,185 in RDA funds for acquisition of properties.

**l. 100 Palms Resort Acquisition, Oasis**

The RDA purchased the 100 Palms Resort which is located in the unincorporated area of Riverside County and within the Desert Communities Redevelopment Project Area for the purpose of carrying out its obligation to eliminate blight and providing safe and decent affordable housing to its residents. The mobile home park was purchased in May 2008 for \$2,212,286. The RDA has relocated the residents that were living in the park and demolished all structures on the site. Relocation costs were approximately \$1,498,340. The RDA issued a Request for Qualification and Proposal on March 2009, for the development of an affordable housing project on the property and a developer was selected. On February 2010 the RDA approved a \$450,000 loan for pre-development expenses related to entitlements and environmental cleanup of the site.

**m. Middleton Crossings, Thermal**

The RDA acquired the approximate 24-acre property located in the unincorporated area of the Eastern Coachella Valley (within the Desert Communities Redevelopment Project Area) in an effort provide much needed affordable housing to the community of Thermal and outlying areas. In addition, the acquisition of this property allowed for the demolition of ten substandard and dilapidated housing structures located at the property. The RDA has acquired and relocated the residents, which was the first step toward overall improvements that will benefit the entire community. Actions planned for next fiscal year include submitting for entitlements to Planning and applying for financing of the proposed project.

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**n. Cottonwood, Rubidoux**

The project involves the acquisition of the Cottonwood Mobile Home Park located in the unincorporated community of Rubidoux within the Jurupa Valley Redevelopment Project Area. The mobile home park was purchased on May 27, 2009 for \$2,350,000 for the purpose of carrying out RDA's obligation to remove blight and provide safe and decent affordable housing to its residents. The residents have been relocated and the RDA has demolished, cleared and abated the site, which consisted of 65 mobile homes and travel trailers. The RDA is currently working with a developer on a DDA is expected to be completed by mid-2011.

**o. Highgrove Family Apartments, Highgrove**

The RDA acquired a 7.43-acre vacant property located in the unincorporated community of Highgrove within the I-215 Corridor Redevelopment Project Area. The RDA purchased the property in an effort provide much needed affordable housing to the community of Highgrove and outlying areas. The RDA intends to subdivide the property into two (2) separate lots, a 5.91 acre lot for affordable housing and a 1.93 acre lot for a future library. The RDA entered into an Exclusive Negotiation Agreement with a developer to subdivide and entitle the property. The entitlement process should be well underway in 2011.

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**B. BUSINESS INCENTIVE PROGRAMS**

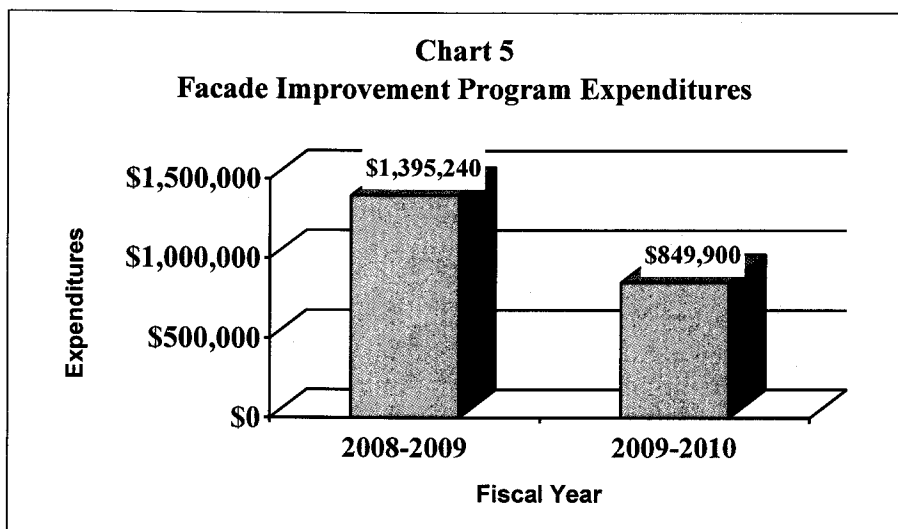
As discussed in the Goals section, business incentive programs are implemented to reconstruct, upgrade and expand commercial areas in conformance with the Comprehensive General Plan.

**1. Facade Improvement Program (All Project Areas)**

This highly successful, on-going program was started in April of 1998. The objective of the Façade Improvement Program is to encourage architecturally consistent design of commercial building facades to enhance their appearance and provide communities with a "sense of place." The Façade Improvement Program provides one-time forgivable loans of up to \$25,000 for architectural services, and a maximum grant of \$100,000 for construction of improvements. The program is designed to stimulate private investment in commercial areas within redevelopment project areas, and to achieve a cohesive exterior design among businesses within communities. By improving the exteriors of businesses within commercial areas, the partnership of the Agency and property/business owners contributes to the attraction and retention of businesses and increases the value of the business districts. The Program pays for the rehabilitation of existing structures, as well as enhancements to the landscaping, signage, lighting, fencing, and parking lots. The program has grown significantly over the years; however, program expenditures decreased by approximately 61% between FY 08-09 and FY 09-10. This decrease in expenditures was due to a number of factors; the primary reason being the State of California "take" from local redevelopment agencies. After the State Legislature voted in July 2009 to take \$2.05 billion from redevelopment agencies for the State Education Revenue Augmentation Fund (ERAF), the Agency was pressed to develop a waiting list for Façade Improvement Projects due to the decrease in accumulated tax increment funds for each project area. The waiting list is composed of those participants whose application was in initial stages after the take, as well as applications submitted later. The Agency's portion of the take was paid out of tax increment funds, which is the funding source for the Façade Improvement Program. The limited tax increment funds have initiated development of prioritization criteria for the Façade Improvement Program.

The Agency expended \$849,900 in FY 09-10. Chart 5 below compares the expenditures from FY 08-09 and FY 09-10.

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**2. Economic Development Activity (All Project Areas)**

The Redevelopment Agency provides assistance to private parties and developers to promote the removal of physical, social, and economic blight within the project areas. Assistance can range from infrastructure improvements, developer agreements and incentives, and other activities that promote economic growth within a project area. Projects that are promoting economic development within project areas include:

**a. Butcho Animal Hospital (JVPA)**

Start Date: December 2009  
Estimated Completion Date: June 2011  
Estimated Project Cost: \$2,300,054  
Agency Contribution for  
Off-Site Improvements: \$ 750,000  
FY 09/10 Expenditures: \$ 126,500  
Location: South side of Mission Boulevard between Mennes and  
Twining in Rubidoux

This project consists of entering into a disposition and development agreement (“DDA”) with the property owner to facilitate the development of a new, approximately 20,000-square-foot veterinary hospital in the community of Rubidoux. Agency assistance includes property acquisition, infrastructure improvements, relocation and undergrounding of utilities, and minor site improvements. The project is currently under construction and expected to be complete by summer 2011.

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**b. Emerald Meadows Ranch (JVPA)**

Start Date: Winter 2011  
Estimated Completion Date: Fall 2013  
Estimated Land Acquisition: \$3,500,000.00 (to be reimbursed by Developer)  
Agency Contribution for  
Off-Site Improvements: \$5,000,000  
FY 09/10 Expenditures: \$ 77,780  
Project Location: Between Rubidoux Boulevard and the Santa  
Ana River, south of State Route 60 in  
Rubidoux

This \$425 million, master planned community is a proposed mixed use development in the community of Rubidoux. The 278-acre project will include approximately 1,200 dwelling units, 17.5 acres of parks, a school, a church and 20 acres of commercial development. The Agency is financially assisting the project by providing redevelopment funds for community amenities such as parks and off-site improvements. The off-site infrastructure improvements include drainage, utility, and transportation improvements, such as the widening of Rubidoux Boulevard and the reconfiguration of on- and off-ramps at State Route 60. The project is currently on hold due to limited private funds.

**c. Mission Plaza Improvement Project (JVPA)**

Estimated Start Date: March 2010  
Estimated Completion Date: November 2011  
Estimated Project Cost: \$10,000,000  
FY 09/10 Expenditures: \$293,550  
Location: Southeast corner of Mission Boulevard  
and Riverview Drive

The construction of the Mission Plaza Improvement Project will benefit the Jurupa Valley Redevelopment Project Area by greatly enhancing the aesthetics of the community. The redevelopment of an existing deteriorated shopping center will promote sound development for the general welfare of the community through improved construction of buildings, facilities and structures. The project consists of the development of a mixed use project that will combine commercial amenities such as a grocery store with multi-family housing.

**d. Trumble Road Exclusive Negotiating Agreement (1-215 Corridor)**

In conjunction with the development of a Big League Dreams Perris Valley, the Agency released an RFP for the development of a 5.28 acre parcel on the corner of Highway 74 and Trumble Road, in Romoland. After receiving responses, the Agency entered into an Exclusive Negotiating Agreement (ENA) with R.C. Hobbs for the development of the parcel with a hotel and restaurants to serve the people who attend



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baseball tournaments at Big League Dreams. Over the 2009-2010 year, the Agency extended the ENA, and is working on the terms of a ground lease with the developer.

**e. Big League Dreams Perris Valley (Interstate 215 Corridor)**

Start Date: February 2008 (Design), August 2010 (Construction)  
Estimated Completion Date: September 2011 (Construction)  
Estimated Project Cost: \$ 2,199,942 (Design and Fees)  
\$ 24,900,000 (Construction Budget)  
FY 09/10 Expenditures: \$ 454,424  
Location: 2155 Trumble Road, Perris

The Big League Dreams Perris Valley Sports Park will be located on a County owned 35-acre site, which is the southernmost section of a larger 57-acre site in the City of Perris. The Project consists of the following: six lighted softball/baseball fields, two outdoor arena type soccer fields, a full service restaurant, snack bar, two tot-lot play areas, batting cages, two open turf areas, administrative offices, a maintenance building, parking, lighting, landscaping, and all necessary related improvements. Four of the six fields will be "replica" fields and are designed to look like scaled down versions of Dodger Stadium, Angel Stadium, Yankee Stadium and Fenway Park. Primary access to the Sports Park will be from Trumble Road, which is at ultimate width, but will require driveway improvements. The Trumble Road median will also be modified to accommodate a left turn lane on the southbound side. Sherman Road and Mapes Road will be widened to ultimate width with sidewalk, curb, and gutter improvements. A twelve inch recycled water line extension will be constructed along the Project frontage on Mapes Road and will provide the site with low cost irrigation.

**3. Owner Participation Agreements (All Project Areas)**

FY 09/10 Expenditures: \$74,250

The Agency had two (2) active Owner Participation Agreements (OPAs) during FY 09-10. These OPAs provide for the partial reimbursement of infrastructure improvement costs associated with the development of businesses within redevelopment project areas.

**4. Business Assistance – Fast Track Applications**

The Agency provides technical assistance to businesses that are interested in starting, expanding or relocating to the County by assisting applicants through a special expedited permit process known as the Fast Track Program. On April 20, 2010 the Board of Supervisors implemented a new aggressive Fast Track Policy which includes revised requirements as a result of the recent economic conditions. The purpose of the Fast Track Program is to facilitate and encourage commercial and industrial enterprises that under the new policy either: provide employment opportunities (a minimum of 40 new permanent, full-

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time jobs); invest at least \$5 million in land, building and/or equipment; generate a minimum of \$12.5 million in taxable sales annually; or either develop childcare facilities or affordable housing during the time the Riverside County unemployment rate is at 6% or greater.

Over the past fiscal year, EDA assisted nine (9) companies, four (4) of which were located in Redevelopment Project Areas, by streamlining the development process through the Fast Track program. The program accelerates qualified developers through the permitting process. The projects assisted represent over \$126 million dollars in capital investment, \$38 million in taxable sales, and the creation of 556 new jobs in Riverside County.

The following is a detailed list of businesses that were granted Fast Track status within Riverside County.

- Don & John Fruciano- This project is located on the southwest corner of Van Buren Boulevard and Washington Street and includes the construction of a 50,500 SF community shopping center. This \$11,200,000 investment will create approximately 80 full-time jobs and 150 construction jobs. The project is currently inactive.
- Vista Pacifica Enterprises- This project, located at 3640 Pacific Avenue in Rubidoux and in the Jurupa Valley Redevelopment Project Area, includes the conversion of a 1,813 SF church into a community child care facility. This \$200,000 dollar investment will create approximately 9 full-time jobs and 5 construction jobs. The project is currently in development review.
- Solar Power Inc. - This project, located at the southeast corner of Worsley Road and Dillon Road in North Palm Springs, includes the construction of a photovoltaic solar farm on 40 acres of land within the wind farm. This \$34 million dollar investment will create approximately 3 full-time jobs and 171 construction jobs. The project is currently in plan check.
- Solar Power Inc. - This project, located at Diablo Road, north of Highway 10 and east of Highway 62 in North Palm Springs, includes the construction of a photovoltaic solar farm on 30 acres of land within the wind farm. This \$15 million dollar investment will create approximately 4 full-time jobs and 163 construction jobs. This project is currently in the preliminary stage.
- Dayton Superior - This project, located at 6001 20<sup>th</sup> Street in Rubidoux and in the Jurupa Valley Redevelopment Project Area, includes the tenant improvements of a 65,857 SF manufacturing building for concrete accessories. This \$46 million dollar investment will create approximately 75 full-time jobs and 20 construction jobs. This project is currently in plan check.

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- S&D Associates- This project, located at 10675 San Sevaime Way in the Mira Loma Redevelopment Project Area, includes the tenant improvements of a mixed-use industrial park. This \$11 million dollar investment will create approximately 65 full-time jobs and 10 construction jobs. This project is currently in plan check.
  
- Lewis Operating Corp. - This project, located on the southwest corner of Schleisman Road and Archibald Avenue in Eastvale, is for the construction of a 94,000 SF neighborhood shopping center. This \$24 million dollar investment will create approximately 175 full-time jobs and 100 construction jobs. The project is currently in plan check and under construction.
  
- Del Real Foods- This project is located at 11058 Philadelphia Avenue in the Mira Loma Redevelopment Project Area. The project includes the tenant improvements of a 70,500 SF facility for food manufacturing and distribution. This \$5 million dollar investment will create approximately 45 full-time jobs. This project is currently in plan check and under construction.
  
- Santa Rosa Academy Charter School- This project, located at the northeast corner of Wickerd Road and El Centro Lane in Winchester, includes the construction of a 95,000 SF charter school. This \$25 million dollar investment will create approximately 100 full-time jobs and 250 construction jobs. This project is currently in the pre-development stages.

Table 1 below summarizes the level of investment allocated to businesses granted Fast Track status and the number of full-time and construction jobs created as a result of the level of investment.

**Table 1**

<b>Company Name</b>	<b>Level of Investment</b>	<b>Number of Jobs Created</b>
Don & John Fruciano	\$ 11,200,000	80
Vista Pacifica Enterprises	\$ 200,000	9
Solar Power Inc.	\$ 34,000,000	3
Solar Power Inc.	\$ 15,000,000	4
Dayton Superior	\$ 750,000	75
S&D Associates	\$ 11,000,000	65
Lewis Operating Corp.	\$ 24,000,000	175
Del Real Foods	\$ 5,000,000	45
Santa Rosa Academy Charter School	\$ 25,000,000	100

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**5. Economic Development Cooperatives**

Agency participation and membership in regional associations set up under Federal programs assists in the encouragement of business growth in redevelopment areas through the development of incentives. In addition, participation in regional economic development cooperatives encourages a broad, long-term perspective on area development and growth. The Agency participated in the following associations over the past fiscal year.

**a. Economic Development Partnerships**

**1) Team Riverside County**

The Team Riverside County business attraction program had a banner year with cities, economic development corporations, public utilities, and private corporations. Eleven Riverside County cities and two other economic development partners/organizations participated in promoting Riverside County to over 80,000 business decision makers at eight industry trade shows and conferences.

**2) Economic Development Partners**

EDA has contributed over several hundred thousand dollars to the following regional and specialized agencies to provide additional programs and services that further EDA's economic development objectives:

- i. Coachella Valley Enterprise Zone Authority
- ii. Cal State San Bernardino-Spirit of the Entrepreneur Awards
- iii. Inland Empire Economic Partnership (SBDC/Film Commission)
- iv. Temecula Valley Wine Growers Association
- v. Temecula Valley Balloon & Wine Festival Association
- vi. 46<sup>th</sup> District Agriculture Association
- vii. Coachella Valley Economic Partnership
- viii. Race for Humanity
- ix. Pass Area Economic Development Association
- x. Tri-Tech Small Business Development
- xi. Team California
- xii. Riverside County Water Symposium

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**C. PLANNING**

As discussed in the Goals section of this report, planning activities consist of tasks that will effectuate the comprehensive planning, development, design, and redesign of project areas in such a manner as to facilitate a higher and better utilization of land uses in accordance with the Comprehensive General Plan. As shown below, the planning and development activities conducted by the Agency over the past year consisted of planning documents (feasibility studies, redevelopment plans, design guidelines, etc). The Agency expended approximately \$216,948 in planning activities during FY 2009-2010. Details of the planning activities are shown below.

**1. Lakeland Village/Wildomar Community Survey (1-1986)**

Start Date:	September 2009
Completion Date:	December 2009
Project Cost:	\$ 20,000
FY 09/10 Expenditures:	\$ 20,000

A telephone survey was administered to 400 residents in this sub-area. The goal of the survey was to quantify the needs of the sub-area residents and allow the Agency and City of Wildomar to make better informed decisions based on the results.

**2. Glen Avon Survey Mapping (JVPA)**

Start Date:	October 2009
Estimated Completion Date:	Winter 2011
Estimated Project Cost:	\$ 44,600
FY 09/10 Expenditures:	\$ 8,937
Location:	Glen Avon

The Agency hired a consultant to provide required survey mapping services and right-of-way documents for twenty-seven right-of-way acquisitions along Mission Boulevard, from Corning Street to Campbell Street in the unincorporated community of Glen Avon.

**3. Cabazon Design Guidelines (MCPA)**

Start Date:	July 2010
Estimated Completion Date:	Winter 2011
Estimated Project Cost:	\$ 38,500
FY 09/10 Expenditures:	\$ 0
Location:	Community of Cabazon

This project consists of developing design guidelines which will include a streetscape beautification plan for the area of Cabazon. Design guidelines will include concepts for hardscape, landscaping, sidewalks, color schemes, and architectural styles. This project requires community out-reach and participation in order to personalize accordingly to the unique desert region.

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**4. Cabazon Waste Water Treatment Master Plan (MCPA)**

Start Date: September 2007 (Design)  
Estimated Completion Date: October 2010  
Estimated Project Cost: \$ 75,000  
FY 09/10 Expenditures: \$ 0  
Location: Cabazon

In order to facilitate future development, the Agency will provide assistance to the local water district for a waste water treatment master plan.

**5. Mid-County Project Area Redevelopment Plan (MCPA)**

Start Date: 2007  
Completion Date: January 2009  
Estimated Project Cost: \$ 131,694  
FY 08/09 Expenditures: \$ 10,500  
Location: Garnet, West Garnet

The Agency hired a consultant to amend the existing redevelopment plan for the Mid-County Project Area to add territory from the communities of Garnet and West Garnet. The plan amendment was adopted on January 13, 2009 and added 2,674 acres to the Project Area. Final expenditures for the plan amendment were paid during fiscal year 2009-10.

**6. Redevelopment Plan Amendment – Detachment of Territory (DCPA)**

Start Date: July 2009  
Completion Date: May 18, 2010  
FY 09-10 Expenditures: \$ 38,143  
Location: Palm Desert

The Agency hired a consultant to amend the existing redevelopment plan for the Desert Communities Project Area. The amendment removed territory that is located within the City of La Quinta, from the Palm Desert sub-area. The Board of Supervisors approved the amendment on May 18, 2010. Pursuant to Redevelopment Law, the costs of the detachment were paid by the City of La Quinta.

**7. Highgrove Design Guidelines (Interstate 215 Corridor)**

Start Date: Summer 2009  
Estimated Completion Date: September 2010  
Project Cost: \$ 38,500  
FY 09-10 Expenditures: \$ 15,641  
Location: Community of Highgrove

This project consists of developing design guidelines for the Highgrove sub-area. Design guidelines will include concepts for hardscape, landscaping, sidewalks, color schemes, and

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architectural styles. Agency staff closely coordinated with the Highgrove Municipal Advisory Council (MAC) for community outreach and participation in order to customize the design guidelines and take the community's needs into account.

**8. Redevelopment Plan Amendment – Highway 74 Communities (Interstate 215 Corridor)**

Start Date:	2008
Completion Date:	May 4, 2010
Estimated Project Cost:	\$ 284,250
FY 09-10 Expenditures:	\$ 123,727
Location:	Good Hope, Meadowbrook, Wagon Wheel, Warm Springs, South Mead Valley,

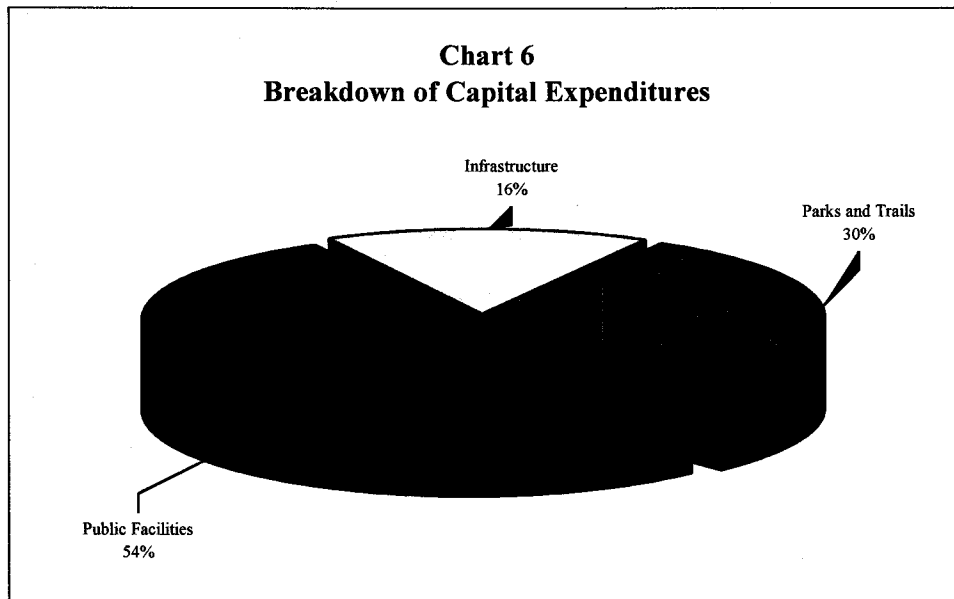
The Agency hired a consultant to amend the existing redevelopment plan for the Interstate 215 Project Area. The amendment added the communities of Good Hope, Meadowbrook, Wagon Wheel, Warm Springs, and South Mead Valley to the redevelopment plan. The plan amendment was adopted on May 4, 2010 and added 5,865 acres to the Project Area.

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**D. CAPITAL IMPROVEMENTS**

As discussed in the Goals section, the purpose of capital improvement projects within Riverside County redevelopment project areas is to encourage better utilization of real property and stimulate new private enterprise investment. The Agency expended approximately \$91,718,080 in capital improvement activities in FY 09/10. Chart 6 shows the approximate percentage breakdown: 54% of the Agency capital improvement expenditures were in the area of construction of public facilities (libraries, community centers, sheriff and fire stations, etc.), 30% of the expenditures were allocated to parks and trails and 16% to infrastructure improvement activities (construction of roads, medians, landscaping, sewer lines, etc.). The section below provides detailed project descriptions and expended amounts.



**1. Public Facilities**

**a. Eastvale Fire Station (JVPA)**

Start Date: September 2010 (Construction)  
Estimated Completion Date: August 2011  
Estimated Project Cost: \$ 5,948,434 (Funded with Development Impact Fees)  
FY 09/10 Expenditures: \$ 83,418  
Project Location: Corner of Hamner Avenue and Schleisman Road

The new and permanent Eastvale Fire Station will replace a previously constructed project on a temporary site with temporary trailers. The new facility will be 10,814 square feet and will have appropriate living spaces, a large three bay apparatus, office space, public lobby, full kitchen, dining area and ample room for equipment storage. The project is being funded through Development Impact Fees and is being constructed by the Agency.



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**b. Glen Avon Veterans of Foreign Wars (VFW) Rehabilitation (JVPA)**

Start Date: July 2009  
Estimated Completion Date: April 2011  
Estimated Project Cost: \$ 1,948,100  
FY 09/10 Expenditures: \$ 154,133  
Location: Glen Avon

The Project consists of improvements to the kitchen, parking lot, the design and construction of ADA-compliant men's and women's restrooms, and underground utility piping servicing the restrooms. The improvements also include the design and construction of a new exterior façade, as well as new landscaping.

**c. Northwest Riverside Animal Shelter (JVPA)**

Start Date: November 2007  
Completion Date: April 2010  
Estimated Project Cost: \$ 27,000,000 (Funded with County Tobacco Securitization Fund)  
FY 09/10 Expenditures: \$ 14,194,119  
Project Location: 6851 Van Buren Boulevard

This project is a state-of-the-art animal campus and brings additional animal shelter care to County and City animals. The project consists of the construction of a 33,000 square foot building including 200 kennels with the ability to house 400 dogs, and 200 bungalows with the ability to house 400 cats. This facility will also be able to house a maximum of 12 horses and other variety of animals. This project is a joint venture between the City of Riverside and the County of Riverside, was funded by the County Tobacco Securitization Fund, and was constructed by the Agency. The project is complete.

**d. Rubidoux Child Development Center (JVPA)**

Estimated Start Date: February 2011  
Estimated Completion Date: December 2011 (Construction)  
Estimated Project Cost: \$ 5,000,000  
FY 09/10 Expenditures: \$ 105,047  
Location: Riverview, just south of Mission Boulevard

The Agency, in cooperation with the Family Services Association, developed a plan to design and construct a new daycare center in the community of Rubidoux. The Rubidoux Child Development Center consists of the development of a 12,000 square foot facility. The project will include classrooms to care for approximately 200 children, ranging from three months to 12 years of age. Additionally, the project will provide before and after school programs for children ages five through twelve years old, with an emphasis on structured learning and socialization.

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**e. Rubidoux Community Library (JVPA)**

Start Date: November 2008  
Completion Date: January 2010  
Estimated Project Cost: \$14,500,000  
FY 09/10 Expenditures: \$ 6,740,583  
Location: Southwest corner of Mission Boulevard and Riverview Drive

The Agency, in cooperation with the County's Department of Library Services, developed a plan to design and construct a new library in the community of Rubidoux. The plan included the acquisition of nine parcels totaling approximately six acres, relocation of residential tenants/owners and businesses located on the parcels, environmental review, geotechnical surveys, and preparation of plans and specifications for a 39,334 square foot library and administrative center. The project is complete.

**f. Cabazon Civic Center (MCPA)**

Start Date: January 2011 (Construction)  
Estimated Completion Date: December 2009 (Design)  
January 2012 (Construction)  
Project Cost: \$ 10,000,000 (Estimated Construction)  
\$ 1,996,256 (Design and Fees)  
FY 09/10 Expenditures: \$ 174,082  
Location: Southeast corner of Broadway Street and Carmen Avenue

This project includes the master planning, design, and construction of a 12 acre civic center in the community of Cabazon. Proposed facilities for the Cabazon Civic Center are a library, child care center, water district administrative building, two basketball courts, tot lot, skate park, park maintenance building, and open turf area.

**g. Bermuda Dunes Public Safety Office (DCPA)**

Start Date: March 2008 (Design)  
Estimated Completion Date: February 2010 (Construction)  
Estimated Project Cost: \$1,100,000  
FY 09/10 Expenditures: \$ 794,585  
Location: 78-400 Avenue 42

This Public Safety facility is designed to serve residents of the unincorporated community of Bermuda Dunes. The facility provides office space for the Riverside County Sheriff Department and Riverside County Code Enforcement for service to the project area. In addition, there is a community meeting room that serves the Bermuda Dunes Community Council and other public needs. The total square footage for the building is 2,344. There is also parking for the community as well as ADA accessible parking stalls. Desert landscape surrounds the facility making it fit into the neighborhood.

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**h. Mecca Boys and Girls Club (DCPA)**

Start Date: April 2010  
Estimated Completion Date: July 2011  
Estimated Project Cost: \$ 7,735,934  
FY 09/10 Expenditures: \$ 784,450  
Location: 91-391 Avenue 66

This project includes the construction of a Boys and Girls Club immediately adjacent to the Mecca Family Service Center and Community Health Clinic. The facility will include an indoor facility consisting of a basketball/volleyball gymnasium, a teen center, two homework centers with a central computer lab, a workout room, boxing club, arts center and an outdoor garden and patio.

**i. Mecca Fire Station (DCPA)**

Start Date: October 2010 (Construction)  
Estimated Completion Date: October 2011  
Estimated Project Cost: \$ 4,831,258  
FY 09/10 Expenditures: \$ 191,693  
Location: 91-350 Avenue 66

Agency staff acquired the parcels needed for the fire station. As part of the land acquisition, the Agency has purchased and relocated the residents of a twenty-five unit mobile home park and ten apartments that were located on the property. The construction of Mecca Fire Station No. 40 will replace the obsolete station located on 4<sup>th</sup> Street. The new fire station will be immediately adjacent to the Mecca Community Library and Riverside County Sheriff Sub-Station. The intent is to demolish the obsolete structure once the staff transfer to the new facility has been completed. The vacated site will then be developed as in-fill affordable housing. The scope of the construction projects includes a 12,900 square foot building (three bays and eight bed dormitory), onsite parking, outdoor hose drying rack, trash enclosures, fuel tanks, and emergency generator.

**j. Mecca Post Office (DCPA)**

Start Date: October 2010 (Design)  
Estimated Completion Date: March 2011 (Design and Construction Documents)  
Estimated Project Cost: \$ 300,000  
FY 09/10 Expenditures: \$ 0  
Location: Date Palm and Second Street, Mecca

The Mecca Post Office Project is part of an overall redevelopment effort in the community of Mecca known as the Mecca Downtown Revitalization. Currently the post office is located in a substandard building with insufficient capacity for its services. The current location is the preferred project site for this project. The parcel on which it is located is occupied by other small businesses that will be relocated to a new commercial center one

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block away. The Mecca Post Office site has been acquired and relocation of small businesses is pending. Design of the project is expected to begin in December 2010 and expected to be completed by July 2011.

**k. Mecca Senior Center (DCPA)**

Start Date: 2006 (Acquisition)  
Estimated Completion Date: December 2010  
Estimated Project Cost: \$ 2,500,000 (Construction)  
FY 09/10 Expenditures: \$ 382,634 (Acquisition, Relocation, and Demolition)  
Location: Northwest Corner of Date Palm and Avenue 66

This project will deliver a center that will provide services to seniors in the Mecca Community. The project requires the purchase of the site and relocation and demolition of housing and businesses to clear the site. A relocation plan was developed and approved by the Board of Supervisors. The site acquisition, relocation, demolition and environmental review are underway.

**l. Mecca and Thermal Playground Improvements Project (DCPA)**

Start Date: April 2008  
Completion Date: July 2010  
Project Cost: \$ 300,000  
FY 09/10 Expenditures: \$ 185,333  
Location: Five school sites within the communities of Thermal & Mecca

The Mecca and Thermal Playgrounds Improvement project was a priority of both communities as there are limited recreational facilities within the lower Coachella Valley. The playgrounds on the five school sites were in poor condition and required much needed repairs and replacement of playground equipment. The Coachella Valley Unified School District provided complete oversight for the installation of the playground equipment and ancillary shade structures.

**m. North Shore Fire Station (DCPA)**

Estimated Start Date: July 2010 (Design)  
Estimated Completion Date: January 2011  
Estimated Project Cost: \$2,945,000  
FY 09/10 Expenditures: \$ 0  
Location: Corner of Covina Drive and Vander Veer Road

The project will consist of the construction of a new fire station in North Shore to replace the current outdated structure. The community of North Shore is growing rapidly and is in need of an efficient and state of the art fire station. The County has secured four lots needed for the project. The total acreage will be approximately two acres.

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**n. Oasis Fire Station (DCPA)**

Start Date: November 2010 (Design)  
Estimated Completion Date: June 2012 (Construction)  
Estimated Project Cost: \$ 4,500,000  
FY 09/10 Expenditures: \$ 15,257  
Location: Oasis - Vicinity of Harrison and Avenue 73

The project consists of the purchase of a site, and the design and construction of a two bay, 6,500 square foot rural fire station to replace the existing condemned station at Harrison Street and Avenue 76 within the Community of Oasis. Demolition of the existing station is also a part of this project.

**o. Roy Wilson Fire Station and Roy Wilson Training Center (DCPA)**

Start Date: July 2008  
Completion Date: October 2009  
Estimated Project Cost: \$ 12,000,000  
FY 09/10 Expenditures: \$ 3,251,523  
Location: Ramon Road and Robert Road, Thousand Palms

This project included the construction of a three bay, single story fire station, a training center and a training tower. The Agency purchased a three acre site in Thousand Palms for the project. The project also included the demolition of the dilapidated fire station that had been located on La Canada Way.

**p. Rummonds Center Renovation – Thermal (DCPA)**

Start Date: July 2009  
Completion Date: January 2010  
Estimated Project Cost: \$230,000  
FY 09/10 Project Cost: \$230,000  
Location: 87-299 Church Street

Renovation of the Jerry Rummonds Memorial Youth and Senior Center was identified as a priority community need in the Thermal sub-area of the DCPA. The facility had been in use for more than 30 years and needed upgrades and repairs to improve accessibility and increase energy efficiency. The facility provides for many community and public uses which include: cooling center location, senior center and related support services, meeting location for the Thermal Community Council, and community polling place.

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**q. Thermal Aviation Education Center (DCPA)**

Start Date: 2007  
Estimated Completion Date: May 2011 (Sheriff's Aviation Facility Only)  
Estimated Project Cost: \$ 26,000,000  
FY 09/10 Expenditures: \$ 346,796  
Location: 86-675 Airport Boulevard, Thermal

This project will consist of a single story, 20,000 square foot aviation education center with library, exhibit hall, auditorium, classrooms, and offices. The project will also include two 12,000 square foot hangars and a 1,000 square foot storage loft. A 7,000 square foot sheriff's aviation unit office with an adjacent heliport, hangar and a 12,000 gallon AV fuel station is currently under construction as the Sheriff's Aviation Facility. The Aviation Education Center project is on hold pending tenants.

**r. Thermal Fire Station (DCPA)**

Start Date: July 2010  
Estimated Completion Date: August 2011  
Estimated Project Cost: \$ 4,100,000  
FY 09/10 Expenditures: \$ 164,501  
Location: 86-911 Avenue 58, Thermal

This project consists of a new 9,200 square foot regional fire station containing three bays (expandable to five bays) and 12 beds on approximately 1.2 acres. Construction has begun on the facility.

**s. Thermal Library and Community Center (DCPA)**

Start Date: March 2010 (Master Planning of Site)  
Estimated Completion Date: June 2010  
Estimated Project Cost: \$ 537,487  
FY09/10 Expenditures: \$ 525,033  
Location: Southeast corner of Church and Olive Streets in Thermal

This project consists of the acquisition of a five acre site and master planning it to accommodate a variety of uses, including a Library and a Community Center. In addition to developing a master plan, this year's costs include professional surveying services to prepare plat map, legal description and ALTA survey for the five acre site and the relocation of the irrigation supply pipeline.

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**t. Thermal Sheriff Station, Forensics Laboratory and Evidence Storage Facility (DCPA)**

Start Date: December, 2009  
Estimated Completion Date: May 2011  
Estimated Project Cost: \$ 42,000,000  
FY 09/10 Expenditures: \$ 24,893,157  
Location: 86-625 Airport Boulevard, Thermal

The Agency is constructing a new facility in the community of Thermal to improve and enhance services to address health and safety issues in the Desert Communities Project Area. There will be a single story, 77,000 sq ft sheriff's station with forensic lab and 12,000 gallon vehicle fueling station on 10 acres. The project is under construction and it is anticipated that the project will be completed by the end of May 2011.

**u. Highgrove Library (Interstate 215 Corridor)**

Start date: July 2009 (Design-Build)  
Estimated completion date: December 2010  
Estimated Project Cost: \$ 5,000,000  
FY 09/10 expenditures: \$ 1,795,460  
Location: Center Street and Michigan Ave.

The Agency purchased land to build an approximately 7,000 square foot library to serve the residents of Highgrove. The library will have two study rooms, a multipurpose room and areas for children and teen spaces. The project design will be built to obtain a minimum Leadership in Energy and Environmental Design (LEED) certification. The project will be complete in December 2010.

**v. Mead Valley Library (Interstate 215 Corridor)**

Start Date: August 2010  
Estimated Completion Date: March 2011 (Design)  
Estimated Project Cost: \$ 9,000,000  
FY 09/10 Expenditures: \$ 330,000  
Location: Clark St. & Oakwood St.

The library will be developed on a 3.24-acre property at the northeast corner of Clark Street and Oakwood Street in the unincorporated community of Mead Valley. The proposed project involves the design and construction of a state-of-the-art full service library. The facility will consist of a 17,500 square foot library and a 5,000 square foot attached community room. The full scope of construction will include a parking lot, landscaping, lighting, community garden, courtyard, walking path, bus stop and associated off-site infrastructure improvements.

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**w. Mead Valley Community Center (Interstate 215 Corridor)**

Start Date: October 2010  
Completion Date: February 2011  
Estimated Project Cost: \$15,000,000  
FY 09/10 Expenditures: \$ 6,093  
Location: Rider Street between Brown Street and Lee Street

The proposed project involves the demolition of the existing facilities and the design and construction of a new full service community center facility consisting of approximately 30,000 square feet. Child care classrooms, a community room, a senior center, a medical/dental clinic, a soccer field, a baseball field, a basketball court, a community garden, a tot-lot, parking lot, landscaping, and off-site street and sewer infrastructure improvements will be constructed as part of the project.

**x. Romoland/Homeland Community & Child Care Center (Interstate 215 Corridor)**

Estimated Start Date: August 2009 (Construction)  
Estimated Completion Date: November 2010  
Estimated Project Cost: \$ 8,500,000  
FY 09/10 Expenditures: \$ 5,365,476 (Interstate 215 Corridor)  
FY 09/10 Expenditures: \$ 581,636 (MCPA)  
Location: Briggs Road, Menifee

This project will benefit the Romoland and Homeland project areas by providing a 15,000 square foot community center and a 10,000 square foot child care center on a 12-acre site. The project will include various recreational opportunities such as ball fields, dual age play areas, and picnic and shade structures. The facility will be built to obtain a minimum Leadership in Energy and Environmental Design (LEED) certification.

**y. Sun City Library (Interstate 215 Corridor)**

Start Date: August 2007 (Design)  
Completion Date: February 2010 (Construction)  
Estimated Project Cost: \$ 4,100,000  
FY 09/10 Expenditures: \$ 2,542,823  
Location: 26890 Cherry Hills Boulevard

Due to the large population growth in the Sun City/Menifee area, it was necessary to upgrade and enhance the highly-utilized Sun City Library. The purpose of this project was to renovate and rehabilitate the exterior and interior of the existing library to provide more space and enhance the look. This project increased the existing facility by 4,000 square feet and upgraded the current building to include more office space, increase book capacity, conference/community room availability and landscaping. The project is complete.



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**2. Parks and Trails**

**a. El Cerrito Sports Park (1-1986)**

Start Date: December 2008  
Completed: October 2010  
Estimated Project Cost: \$ 13,526,170  
FY 09/10 Expenditures: \$ 9,755,906  
Location: Northwest corner of El Cerrito Road and the I-15 Freeway

This 21 acre local community sports park and recreation facility consists of four full size baseball/softball fields, including a multi-use field, two full size soccer fields, two full-size basketball courts, tennis courts, restrooms, sports lighting, tot lots, concession stand, fencing, landscaping and associated parking. The project is complete.

**b. Lakeland Village/Wildomar Trails Project (1-1986)**

Start Date: July 2007  
Completion Date: To Be Determined  
Estimated Project Cost: \$ 400,000  
FY 09/10 Expenditures: \$ 111,833  
Location: Lakeland Village/Wildomar

This trail project will benefit the community by providing a safe, multi-use pathway for pedestrians, bicyclists and equestrian use. The graded trails with associated fencing will be constructed within various areas throughout the sub-area.

**c. Perret Park Phase II Improvement Project (1-1986)**

Start Date: July 2009  
Completion Date: March 2011  
Estimated Project Cost: \$ 450,000  
FY 09/10 Expenditures: \$ 41,037  
Location: 32938 Perret Park Boulevard, Lakeland Village

This project consists of the construction of additional amenities to the existing park in order to provide more leisure, recreational, and entertainment opportunities to the residents of Lakeland Village and Wildomar. Additional amenities include picnic benches, picnic shelters, barbeque grills, a canopy over the existing playground, and landscaping improvements.

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**d. Temescal Valley Sports Park (1-1986)**

Start Date: December 2007  
Completion Date: November 2011  
Estimated Project Cost: \$10,000,000  
FY 09/10 Expenditures: \$ 0  
Location: 25655 Santiago Canyon Road, Corona

The 25-acre sports park facility will include playground areas, picnic areas, two lighted baseball/softball diamond, two basketball courts, one tennis court, seven soccer fields, regional trail, and dog park. The park will also include a parking lot, restroom building, concession stand building, perimeter fencing, landscaping, and other related improvements.

**e. Jurupa Valley Aquatic Center (JVPA)**

Estimated Start date: August 2009 (Construction)  
Estimated Completion date: December 2010  
Estimated Project Cost: \$ 19,800,000  
FY 09/10 expenditures \$ 11,635,454  
Location: Camino Real and Mission Blvd.

The Agency will construct a recreational aquatic facility on nine acres that will consist of a 25 by 35 yard competition pool, lazy flow river, wave rider, children's water playground area, four water slides with a recreational pool, as well as an 11,000 square foot administrative/operations building. Also within the premises, the facility will have grass areas for seating, stadium seating, concession stand and multiple picnic areas with permanent shade structures. The project is expected to be completed by December 2010.

**f. Vernola Park Phase II of Vernola Basin Project (JVPA)**

Estimated Start date: October 2008  
Completion date: June 2010  
Estimated Project Cost: \$ 9,586,000  
FY 09/10 expenditures: \$ 2,829,490  
Location: Bellegrave and Wineville Avenue

The Agency has completed the construction of the Vernola Family Park, which is located in an existing detention basin. The park, which is approximately 21 acres, includes a concession/restroom facility, picnic shelters, baseball fields, basketball courts and a dual age play area. The project also included street improvements, including street realignment, traffic signal and beautification.

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**g. Eller Park Project (Interstate 215 Corridor)**

Start Date: December 2006 (Design)  
Estimated Completion Date: January 2011 (Construction)  
Project Cost: \$ 370,068 (Design and Fees)  
\$ 2,250,300 (Construction Contract and Contingency)  
FY 09/10 Expenditures: \$ 1,788,207  
Location: Antelope Road and Highway 74, Romoland

This project includes the design and construction of a 5.24-acre park in the community of Romoland. Eller Park will consist of a baseball/softball diamond, two half-court basketball courts, multi-age playground area, picnic areas, decomposed granite walking trail, restroom/concession stand, and a parking lot. The expenditures over the course of the past fiscal year include design and engineering services, plan check fees, environmental fees and construction costs. The project is expected to be completed on January 2011.

**h. Mauel Park Project (Interstate 215 Corridor)**

Start Date: December 2006 (Design)  
Estimated Completion Date: TBD (Construction)  
Project Cost: \$ 3,500,000 (Estimated Construction)  
FY 09/10 Expenditures: \$ 24,416  
Location: Southwest corner of Lakeview Avenue and Tenth Street,  
Lakeview

This project includes the design and construction of a seven acre park in the community of Nuevo. Mauel Park will consist of a skate park, amphitheatre, multi-age playground, a basketball court, decomposed granite walking trail, horseshoe pits, restroom, picnic areas, open turf area, and a parking lot. The expenditures over the course of the past fiscal year include design, engineering services, consulting services, and plan check fees.

**i. Pinewood Park (Interstate 215 Corridor)**

Start Date: November 2008  
Completion Date: August 2010  
Estimated Project Cost: \$ 128,590  
FY 09/10 Expenditures: \$ 105,910  
Location: Northeast corner of Clark and Pinewood, Mead Valley

This project includes design and construction of an 18,000 square feet passive park in the community of Mead Valley. Pinewood Park consists of a shade structure, a picnic table and benches. The purpose of this project is to provide a leisure area for parents while waiting to pick-up their children from Columbia Elementary School located across the street.

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**j. Rancho Ramona Park (Interstate 215 Corridor)**

Start Date: April 2008 (Design)  
Completion Date: July 2010 (Construction)  
Estimated Project Cost: \$ 866,890  
FY 09/10 Expenditures: \$ 786,458  
Location: 28050 Encanto Drive, Menifee

The project consists of a complete rehabilitation and revitalization of the current 1.87-acre park to include the demolition of the existing landscape and shade structures, along with the addition of the following amenities: basketball and volleyball courts, a walking trail, drinking fountains, new tot lots for children, a horse shoe area, barbeque pits, shade structures, external lighting, and new landscaping and signage. The project is complete.

**3. Infrastructure Improvements**

**a. El Cerrito Road Beautification (1-1986)**

Start Date: July 2002 (Design)  
Estimated Completion Date: Fall 2010  
Estimated Project Cost: \$ 3,500,000  
FY 09/10 Expenditures: \$ 28,623  
Location: El Cerrito Road between I-15 and Temescal Canyon Road

Plans are currently being developed for a new raised landscaped median and sidewalk, curb, gutter, and storm drain improvements on El Cerrito Road from Temescal Road to Interstate 15. The project is designed to beautify a major entry into the community of El Cerrito. This project is currently being upgraded to upsize the storm drain to meet the new storm drain requirements.

**b. Marna O'Brien Park Bio-Swale Improvement (1-1986)**

Start Date: December 2008 (Design)  
Completion Date: September 2010  
Project Cost: \$ 129,737  
FY 09/10 Expenditures: \$ 102,549  
Location: Palomar Street between Kirkwood Court and Bryant Street

The project is located in the City of Wildomar. The project consists of the construction of a bio-swale along the front perimeter of Marna O'Brien Park. The purpose of the project is to treat all on-site drainage and to mitigate the pollutants of concern prior to reaching Lake Elsinore.

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**c. Murrieta Street Improvement (1-1986)**

Start Date: July 2006  
Estimated Completion Date: To Be Determined  
Project Cost: \$ 2,021,356  
FY 09/10 Expenditures: \$ 0  
Location: Plum Avenue and Juniper Street

This project will help improve drainage and street conditions for the historic Downtown Streets, Plum Avenue and Juniper Street. Improving street conditions will draw shoppers to the area and subsequently reduce vacancy rates and vacant parcels. The City of Murrieta is currently constructing the project and the Redevelopment Agency is assisting the City by reimbursing for the expenses.

**d. Palomar Street and Sewer Improvement Project (1-1986)**

Start Date: June 2007  
Completion Date: January 2010  
Estimated Project Cost: \$ 1,066,659  
FY 09/10 Expenditures: \$ 262,468  
Location: Palomar Street, Wildomar

This project includes the installation of a sewer line to serve the Marna O'Brien Park. This sewer will provide 2,500 linear feet of 12 inch sewer main along Palomar Street; from Batson Lane running southerly and ending at Marna O'Brien Park. The sewer will join to an existing manhole at the intersection of Palomar Street and Buckhorn Road. The street improvements include curb, sidewalk and gutter from Bryant St. to Kirkwood Court. The project is complete.

**e. Temescal Canyon Road Widening Project (1-1986)**

Start Date: May 2010  
Estimated Completion Date: August 2011  
Estimated Project Cost: \$6,000,000  
FY 09/10 Expenditures: \$ 36,900  
Location: Temescal Canyon Road (between the southern limits of Wildrose Business Park and Dawson Canyon Road)

This project will widen Temescal Canyon Road to four lanes in the unincorporated community of Temescal Valley from the southern limits of Wildrose Business Park to Dawson Canyon Road. The road segment is approximately one half of a mile long. The proposed road improvement project will include road widening to four lanes, curb, gutter, and sidewalk improvements; wet and dry utility relocations; flood control improvements and a signal modification and relocation at the intersection of Dawson Canyon Road and Temescal Canyon Road. Additionally, realignment alternatives will be prepared and evaluated to upgrade the northern segment of the project limits to meet current standards

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on speed limit and sight visibility distances. Furthermore, there are existing Southern California Edison (SCE) overhead utilities on the east side of the roadway which may need relocation due to the road widening.

**f. Glen Avon Revitalization (JVPA)**

Estimated Completion Date: Spring 2011  
Estimated Project Cost: \$ 525,430  
FY 09/10 Expenditures: \$ 61,591  
Location: Mission Boulevard between Pedley Road and Bellegrave

This project consists of developing a streetscape beautification plan for the downtown area of Glen Avon. Improvements will include raised median, hardscape, landscaping, sidewalks, curbs and gutters along Mission Boulevard between Pedley Road and Bellegrave Avenue. This project requires a voter approved Landscaping and Lighting Maintenance District (LLMD) assessment prior to construction, therefore this project is currently on hold.

**g. La Rue Street Improvements (JVPA)**

Start Date: June 2007  
Estimated Completion Date: March 2011  
Estimated Project Cost: \$ 885,470  
FY 09/10 Expenditures: \$ 157,306  
Location: La Rue Street and Mustang Lane, Rubidoux

The Agency has identified the need to improve pedestrian access and drainage conditions along La Rue Street from Mustang Lane and continuing north to La Canada Street, in the unincorporated community of Rubidoux. The community and area surrounding the project have experienced increased pedestrian and vehicular traffic due to steady population growth. This project includes construction of new infill sidewalks, curb and gutter improvements along both east and west sides of La Rue Street, railroad crossing improvements, and new road surfaces on both La Rue and Mustang Lane.

**h. Limonite Avenue Improvements (JVPA)**

Start Date: December 2002 (Design)  
Completion Date: October 2008 (Design)  
Completion Date: January 2009 (Construction)  
Estimated Project Cost: \$ 2,911,661  
FY 09/10 Expenditures: \$ 1,449,474  
Location: Limonite Avenue from Archer to Downey

Engineering consulting services were utilized to assist in the design of proposed curb, gutter, sidewalk, storm drain upgrade, complete removal and placement of existing street,

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and restriping on Limonite Avenue from Archer to Downey. Street improvement plans and specifications have been approved by transportation and the project is now complete.

**i. Mission Boulevard Phase 3 Streetscape Improvements (JVPA)**

Start Date: Summer 2002  
Estimated Completion Date: Summer 2010  
Estimated Project Cost: \$7,500,000  
FY 09/10 Expenditures: \$ 41,132  
Project Location: Mission Boulevard between Crestmore Road and Riverview Drive

This project is located in the community of Rubidoux within the Jurupa Valley Redevelopment Project Area. The Project provided streetscape improvements to Mission Boulevard and will complement the improved landscaped center median on Mission Boulevard from Crestmore Road to Riverview Street with bus shelters, tree wells, landscaped pop-outs, on-street parking improvements, decorative sidewalks, decorative pedestrian lighting, street furniture, and trash containers. The project length is approximately 10,500 linear feet.

**j. Mission Boulevard Phase 4 Streetscape Improvements (JVPA)**

Start Date: Summer 2002  
Estimated Completion Date: March 2010  
Project Cost: \$ 2,200,000  
FY 09/10 Expenditures: \$ 125  
Project Location: Mission Boulevard between Riverview Drive and La Rue Street

This project is located in the community of Rubidoux within the Jurupa Valley Redevelopment Project Area. The Project includes streetscape improvements to Mission Boulevard including curb, gutter, sidewalk, block wall, wrought iron gates, landscaped median, decorative parkway and street lighting, street furniture, and bus shelters. This project is complete except for some minor lighting improvements.

**k. Mission Boulevard Phase 5 Streetscape Improvements (JVPA)**

Start Date: October 2010  
Estimated Completion Date: July 2011  
Estimated Project Cost: \$ 7,000,000  
FY 09/10 Expenditures: \$ 101,416  
Project Location: Mission Blvd between La Rue Street and Valley Way

This project is located in the unincorporated community of Rubidoux within the Jurupa Valley Redevelopment Project Area. The project will provide streetscape, landscaping, and lighting improvements along Mission Boulevard from approximately 100 feet west of

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La Rue Street to Valley Way. Improvements will include curb, gutter, sidewalks, landscaped medians, and street lighting.

**l. Mission Boulevard Phase 6 (JVPA)**

Start Date: Spring 2011  
Estimated Completion Date: Spring 2012  
Estimated Project Cost: \$ 9,000,000  
FY 09/10 Expenditures: \$ 89,181  
Location: Mission Boulevard from Valley Way to Pedley Road

This project will provide curb, gutter, sidewalk, and landscape median improvements along Mission Boulevard, from Valley Way to Pedley Road. This project requires a voter approved Landscaping and Lighting Maintenance District (LLMD) assessment prior to construction, therefore this project is currently on hold.

**m. Pyrite Street Improvements (JVPA)**

Start Date: June 2010 (Design)  
Estimated Completion Date: May 2011 (Construction)  
Estimated Project Cost: \$ 1,500,000  
FY 09/10 Expenditures: \$ 31,355  
Location: Portion of Pyrite Road from the intersection of Mission Boulevard to the intersection of Jurupa Road.

The Agency has identified the need to improve pedestrian access and drainage conditions along Pyrite Avenue from Mission Boulevard to Jurupa Road in the unincorporated community of Glen Avon. The existing roadway is also not fully improved and has deteriorated due to the lack of an appropriate drainage facility and heavy traffic usage. The Pyrite Avenue Street, Sidewalk, and Storm, Drain Improvement Project will assist in community revitalization efforts and provide additional benefits to Glen Avon Elementary School as well as residents of Glen Avon.

**n. Rubidoux Area 2 Street Improvements Project (JVPA)**

Start Date: March 2002 (Design)  
Estimated Start Date: March 2011 (Construction)  
Estimated Completion Date: March 2012  
Estimated Project Cost: \$ 423,495 (Design Only)  
FY 09/10 Expenditures: \$ 176,561  
Project Location: 34<sup>th</sup>, 35<sup>th</sup>, 36<sup>th</sup> and 37<sup>th</sup> Streets, Daly Avenue, Wallace Street, Odell Street and Crestmore Road bordered by 34<sup>th</sup> street on the north, Mission Boulevard on the south, Crestmore on the east and Wallace on the west



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The Agency hired an engineering consulting firm to develop the plans and specifications for the construction of curb, gutter, sidewalks, street lighting, driveways, paving and major flood control facilities along the targeted project area improvements.

**o. Rubidoux Area 3 Street Improvements Project (JVPA)**

Start Date: September 2010 (Group 1), Summer 2011 (Group 2)  
Estimated Completion Date: Winter 2010 (Group 1), Winter 2011 (Group 2)  
Estimated Project Cost: \$ 3,496,000  
FY 09/10 Expenditures: \$ 34,109  
Project Location: Tilton Avenue, Briggs Street, Leigh Street, Pontiac Avenue, Rubidoux Boulevard, Fort Drive, Twining Avenue, Molino Way, 42nd Street, Mennes Avenue, Wallace Street, Capary Road, Carol Way, and Pacific Avenue

This project includes curb, gutter, sidewalks, and driveways, paving improvements and improved street lighting. The project is being separated into two groups in order to speed the construction and completion of the first group in areas with limited obstructions.

**p. Rubidoux Boulevard Street Improvements Phase I, II, III (JVPA)**

Start Date: March 2009  
Estimated Completion Date: March 2011  
Estimated Project Cost: \$ 1,886,839  
FY 09/10 Expenditures: \$ 453,813  
Project Location: Rubidoux Boulevard from Mission Boulevard to State Highway 60

This project has been developed to construct infill sidewalks and replace unusable portions of existing sidewalk. This project has been divided into three phases in order to expedite design, development and construction. The limits of the phases are as follows: Phase I – Rubidoux Boulevard from 30<sup>th</sup> Street to 24<sup>th</sup> Street; Phase II – Rubidoux Boulevard from Mission Boulevard to State Route 60; Phase III – Rubidoux Boulevard from 24<sup>th</sup> Street to Avalon Street and along Market Street from Rubidoux Boulevard to Agua Mansa.

**q. Cabazon Sewer (MCPA)**

Start Date: August 2007 (Design)  
Estimated Completion Date: October 2011  
Estimated Project Cost: \$ 2,500,000  
FY 09/10 Expenditures: \$ 2,750  
Location: Carmen, Almond and Dolores Ave.

The Cabazon community is an older community that lacks sewer infrastructure for

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existing residents and new development. The Agency has determined that without assistance, this infrastructure cannot be developed. The purpose of the project is to provide sewer service to a portion of the community of Cabazon by constructing a new gravity sewer main to connect to a proposed future wastewater treatment plant. Specific improvements to be constructed consist of approximately 9,800 linear feet of sewer main along portions of Dolores and Carmen Avenues. The sewer improvement will allow for existing businesses and residential to convert from septic to sewer.

**r. 42<sup>nd</sup> Avenue Improvement Project (DCPA)**

Start Date:	February 2009
Estimated Completion Date:	February 2010
Estimated Project Costs:	\$ 906,375
FY 09/10 Expenditures:	\$ 122,189
Location:	Bermuda Dunes

The project includes the design and construction of two new raised landscaped medians on 42<sup>nd</sup> Avenue, enhancing the landscaping within existing medians along 42<sup>nd</sup> Avenue from Lima Hall Road to Glass Drive, landscaping along street frontage of the 42<sup>nd</sup> Avenue retention basin, the Jamaica Sands Drive retention basin, and block wall along 42<sup>nd</sup> Avenue. The project also includes the installation of monument signs and custom street signs per the Bermuda Dunes Design Guidelines.

**s. Airports Project Area (DCPA)**

FY 09/10 Expenditures:	\$942,607
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The Airports Project Area includes six airports located throughout the unincorporated areas of the County. The six airports and locations are:

Blythe – West of the city of Blythe  
Chiriaco Summit – Eastern part of the County, 35 miles east of Indio  
Desert Center – Eastern part of the county, near State Highway 177  
Flabob – Community of Rubidoux  
French Valley – Southwest Riverside County near the cities of Temecula and Murrieta  
Hemet-Ryan – West of the city of Hemet

Projects at French Valley include a new 44,000 square foot parking lot comprised of up to 90 parking spaces, drought tolerant landscaping, signage and lighting; additionally, the installation of security gates and fencing to meet current Federal Aviation Administration security standards. Project at Hemet-Ryan is to complete the architectural and engineering services for the new Hemet-Ryan Air Attack Base project. Project completed at Chiriaco Summit was the rehabilitation of the Apron Taxiway area; improvements included apron re-construction, segmented circle placement and airfield markings.

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**t. Monterey, Cook, Washington Streets Interchange Improvements (DCPA)**

Start Date: January 1997  
Completion Date: 2016  
Estimated Project Cost: \$ 1,500,000  
FY 09/10 Expenditures: \$ 94,000  
Location: Interchange ramps along I-10 Freeway

The Agency has agreed to provide financial assistance to the County of Riverside for the construction of interchange/street improvements on Monterey, Cook and Washington Streets along Interstate 10 which serve the DCPA. The Agency will provide annual payments of \$94,000 until the year 2016 to fund a portion of the debt service payments for the project.

**u. La Cañada Way Street Improvement Project-Thousand Palms (DCPA)**

Start Date: February 2010  
Completion Date: May 25, 2010  
Estimated Project Cost: \$300,000  
FY 09/10 Project Cost: \$205,703  
Location: La Cañada Way, between Monte Vista Way and Thelma Avenue

This project includes the construction of 3,230 square feet of concrete sidewalk, curb and gutter to be installed on the south side of la Cañada Way. Once completed, this will provide safe access for pedestrians walking east or west along La Cañada Way.

**v. Mecca Downtown Street Revitalization (DCPA)**

Estimated Start Date: October 2010 (Construction of Phase II)  
Estimated Completion Date: December 2011 (Construction of Phase IV)  
Estimated Project Cost: \$ 22,000,000  
FY 09/10 Expenditures: \$ 2,704,591  
Location: Bounded by 7<sup>th</sup> Street on the north, Avenue 66 on the south, Hammond Street on the west, and Home Street on the east.

This project will be delivered in four phases and consists of street repair and reconstruction of 15 streets located in the downtown section of Mecca. Scope includes new paving, widening, curbs, gutters, sidewalks, parkway landscaping (design), intersection improvements, and street lights. Right of way acquisition, refurbishment of the Triangle Park and the establishment of a Landscape Maintenance District (LMD) is also required as part of the project.

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**w. Mecca Relocation of Irrigation Line (DCPA)**

Start Date:	June 2009
Estimated Completion Date:	March 2010
Estimated Project Cost:	\$1,500,000
FY 09/10 Expenditures:	\$ 545,238
Location:	Avenue 66, Mecca

This project was the relocation of a 33 inch irrigation line that runs through 30 acres of Agency owned property in the community of Mecca. The project cost includes design, permits, and demolition of the existing line and installation of the new line. The location of the line inhibited the development of the property.

**x. Mecca Roundabout (DCPA)**

Estimated Start Date:	December 2010 (Construction)
Estimated Completion Date:	2011
Estimated Project Cost:	\$ 2,599,000
FY 09/10 Expenditures:	\$ 0
Location	Fourth Street and Hammond

The Mecca Roundabout project consists of the reconstruction of the main entry to the community of Mecca. Currently the main entrance is a disjointed intersection that causes traffic snarls during busy agricultural harvest seasons. The new entry will consist of a roundabout traffic circle that will allow for smooth transition from all connecting roads thereby promoting safety as well as reducing traffic snarls and emissions from standing vehicles. The site has been acquired. Environmental review and design are underway. Construction is expected to be complete in 2011.

**y. Thermal Sewer and Water Improvements (DCPA)**

Start Date:	October 2010
Estimated Completion Date:	February 2011
Estimated Project Cost:	\$ 15,000,000
FY 09/10 Expenditures:	\$ 698,880
Location:	Airport Boulevard and Polk Street

Sewer improvements will be installed on Airport Boulevard and Polk Street. Water improvements will connect to the Middleton Road Pressure Station and will provide required fire flow capacity for the Thermal community. The project has been bid and the construction contract will be awarded in October 2010.

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**z. Thermal Street Improvements (DCPA)**

Start Date: November 2005 (Design)  
Estimated Completion Date: December 2011 (Construction)  
Estimated Project Cost: \$ 12,000,000  
FY 09/10 Expenditures: \$ 873,019  
Location: Airport Boulevard and Polk Street

This project consists of curb, gutter, sidewalk, parkways in selected areas, multi-use trail on Airport Blvd. and Polk St., street widening, and median construction. Undergrounding of utilities will be done on Airport Blvd. and drainage will be incorporated throughout the project area. The engineer has completed the design and submitted for plan check.

**aa. Thousand Palms Street Improvements (DCPA)**

Estimated Start Date: June 2008  
Estimated Completion Date: September 2009  
Estimated Project Cost: \$ 10,500,000  
FY 09/10 Expenditures: \$ 2,556,508  
Location: Varner Road and Monterey Avenue

This project consists of the designing and construction of street improvements in the community of Thousand Palms. The street improvements included reconstruction of Monterey from Varner Road, and the widening of Varner Road. The project also included installation of curb, gutter, sidewalk, removal of signal at Broadmoor and Monterey and extending the median. The project was completed in September 2009.

**bb. Cajalco Widening Project (Interstate 215 Corridor)**

Start Date: Fall 2010  
Completion Date: Fall 2013  
Estimated Project Cost: \$ 1,500,000  
FY 09/10 Expenditures: \$ 0  
Location: From I-215 to Barton Street in Mead Valley

This project consists of widening a portion of Cajalco Road from two lanes to four lanes. Funding will assist the Riverside County Transportation Department with the design of the project. The project will benefit the residents of Mead Valley by providing additional traffic lanes, hence improving traffic flow and adding new signals at various intersections along Cajalco Road, which will improve pedestrian safety.

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**cc. Garfield Avenue Sidewalk Project (Interstate 215 Corridor)**

Start Date: January 2008 (Design)  
Estimated Completion Date: October 20, 2009 (Notice of Completion)  
Project Cost: \$ 288,000 (Design and Construction Agreement w/ RCTD)  
FY 09/10 Expenditures: \$ 86,988 (Construction Contract)  
Location: \$ 29,631  
Garfield Avenue between Center Street and Spring Street, Highgrove

This project includes the design, construction, and management services for approximately six-hundred (600) linear feet of sidewalk, curb, gutter and pavement improvements on the east side of Garfield Avenue along the frontage of Highgrove Elementary School, and approximately five-hundred (500) linear feet of interim asphalt concrete sidewalk on the east side of Garfield Avenue from Highgrove Elementary School to Spring Street.

**dd. Highgrove Backbone Sewer Project Phase I (Interstate 215 Corridor)**

Start Date: 2007  
Estimated Completion Date: September 2009 (Construction)  
Estimated Project Cost: \$ 4,000,000  
FY 09/10 Expenditures: \$ 259,129  
Location: East La Cadena and Center Streets

This project will provide for the design of a new gravity sewer main to be connected to the City of Riverside's wastewater system. Specific improvements to be designed consist of approximately 15,700 linear feet of sewer main along a portion of East La Cadena to Center Street, then easterly on Center to about 300 feet east of Mt. Vernon Street.

**ee. Markham Street and Carroll Street Improvement Project (Interstate 215 Corridor)**

Start Date: July, 2010  
Estimated Completion Date: Fall 2011  
Estimated Project Cost: \$ 500,000  
FY 09/10 Expenditures: \$ 0  
Location: Markham Street and Carroll Street, Mead Valley

This project consists of off-site and drainage improvements on Markham Street and Carroll Street, more specifically the northerly half of Markham Street from Carroll Street to approximately 670 linear feet west of Carroll Street and the westerly side of Carroll Street from Markham Street to Bonham Street. Improvements include construction of

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curb and gutter, and pavement. This project will assist in eliminating blighted conditions by constructing needed improvements that will improve safety standards for the residents of Mead Valley.

**ff. Mead Valley Road Improvement Project Phase I and II (Interstate 215 Corridor)**

Start Date:	July 2007
Completion Date:	November 2009
Estimated Project Cost:	\$ 3,500,000
FY 09/10 Expenditures:	\$ 677,823
Location:	Mead Valley

This project consists of road improvements and includes paving on a total of 15 dirt roads: 1) Verta Street from Barton Street to Una Street; 2) Mural Street from Barton Street to Una Street; 3) Hunter Street from Barton Street to Una Street; 4) Pinewood Street from Brown St to Haines St; 5) High Street from Clark Street to Old Elsinore Road; 6) Alviso Road from Decker Road to Seaton Road; 7) Decker Road from northerly of Cajalco to Alviso Road; 8) Cedar Street from Clark Street to Old Elsinore Road; 9) Smoketree Street from Clark Street to Old Elsinore Road; 10) Johnson Ave from Haines Street to Clark Street; 11) Palm Lane Street from Old Elsinore Road to Day Street; 12) Kuder Ave from Clark Street easterly to Carrol Street; 13) Carrol Street from Kuder Ave southerly to end of road; 14) Burch Street from Alexander Street to Elizabeth Street; and 15) Nance Street from Alexander Street to Elizabeth Street. This project is complete.

**gg. Mead Valley Road Improvement Project Phase III (Interstate 215 Corridor)**

Start Date:	January 2010
Estimated Completion Date:	February 2011
Estimated Project Cost:	\$ 2,441,350
FY 09/10 Expenditures:	\$ 317,310
Location:	Mead Valley

This project consists of road improvements and includes paving on a total of 9 dirt roads: 1) Oleander Street- from Alexander Street to Melvin Way; 2) Woodward Street- from Alexander Street to Elizabeth Street; 3) Shortridge Avenue- from Clark Street to Haines Street; 4) Bailey Street- from Alexander Street to Elizabeth Street; 5) Corson Avenue from Carroll Street to Day Street; 6) Kuder Avenue- from Carroll Street to Day Street; 7) Hawthorne Avenue- from Clark Street Easterly 2, 000 feet; and 9) Oakwood Street- from Clark Street to Carroll Street.

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**hh. Romoland Beautification Project (Interstate 215 Corridor)**

Start Date:	Fall 2009 (Construction)
Estimated Completion Date:	Summer 2010 (Construction)
Project Cost:	\$ 4,800,000
FY 09/10 Expenditures:	\$ 1,665,039
Location:	Trumble Road, Antelope Road and Highway 74

This project includes the engineering and construction of landscape and roadway improvements in the community of Romoland. It is being constructed in four phases. Phase I is completed and Phase IB is under construction. Phase II of the project will include curb, gutter, sidewalks and landscaping along Highway 74 from Trumble Road to Antelope Road as well as traffic signals at Sherman Road. On the south side of Highway 74 a green screen will be put in along the road right of way. Phase III will include curb, gutter, sidewalks and landscaping along Highway 74 from Antelope Road to Palomar Road and traffic signals at Antelope Road and Highway 74.



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**E. ELIMINATION OF BLIGHT**

Blight consists of the physical and economic conditions within an area that cause a reduction of, or lack of, proper utilization of that area. Blight conditions can be characterized as physical and/or economic. Some physical and economic conditions of blight include: unsafe building conditions; incompatible adjacent or nearby uses of land parcels that hinder economic activity; small and irregularly shaped lots under multiple ownership that are vacant or underutilized; vacant and underutilized land or buildings; and depreciated or stagnant property values.

The Agency has initiated and expanded upon a variety of programs geared toward the amelioration and elimination of blight. These are in addition to the public improvement projects described in the last section which also assist in the elimination of blight.

**1. Trumble Road Site Remediation (Interstate 215 Corridor)**

Start Date:	February 2007
Expected Completion Date	January 2011
Project Cost:	\$ 195,000
FY 09/10 Expenditures:	\$ 845
Location:	West side of Trumble Road at the NW corner with Hwy 74

This project included the completion of a Phase II Environmental Site Assessment and groundwater monitoring for a contaminated site in the community of Romoland. The site is proposed to be developed in the near future and the Agency will present the developer with a clean site. The expenditures over the past fiscal year include geotechnical engineering and groundwater monitoring. The entire project cost is approximately \$195,000 and a total of \$140,000 has been expended to date. The project is currently in remediation phase, and the expected completion date for the entire project is January 2011.

**2. Graffiti Abatement Program (All Project Areas)**

The Graffiti Busters program consists of a fleet of four graffiti abatement vehicles staffed with one painter and painter assistant on each vehicle. Three graffiti abatement vehicles remove graffiti from Western Riverside County and one graffiti abatement vehicle is dedicated to removing graffiti from Eastern Riverside County communities. The program also utilizes two graffiti abatement contractors to accommodate overflow work orders and maintain efficient turnaround times. The Graffiti Busters program provides color matching capabilities and an average turnaround time of one business day. In FY 09-10, the Agency expended approximately \$383,000 in redevelopment funds for the graffiti abatement program.

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**3. Demolition Grant Program (All Project Areas)**

The Agency started this program in response to property owners who require assistance with the demolition of dilapidated structures on private property. Approximately \$555,700 was expended last fiscal year to remove twenty seven (27) dilapidated structures throughout all project areas.

**4. Agency Property Management**

The Agency purchases property for redevelopment purposes that, for health and safety reasons, are fenced for long periods of time as a result of delays in land assembly, or the development and approval of construction plans. The Agency maintains the properties through weed abatement, fence installation/repairs, and tree removal or trimming. The Agency expended approximately \$47,500 in the past fiscal year for this purpose.

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**VIII. STATUS OF LOANS MADE BY THE AGENCY**

In accordance with Section 33080.1(e), the Agency is required to provide a list and status report on all loans made by the Agency in the previous fiscal year that are \$50,000 or more and are in default or not in compliance with the terms of the loan approved by the Agency. There are no loans of \$50,000 or more that were found to be late in payments in the prior fiscal year.

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**IX. AGENCY OWNED PROPERTIES**

Section 33080.1(f) also indicates that the Agency is required to provide a description of the total number and nature of properties owned by the Agency and those that were acquired in the previous fiscal year. Table 2 below is a summary of properties owned and acquired by the Agency, as required by the CRL.

**Table 2**

<b>USE</b>	<b>APN</b>	<b>Acres</b>	<b>Date Deed Recorded</b>	<b>STATUS</b>
Magnolia Median	115-210-021	0.79	9/19/03	Construction Complete
Home Gardens Public Facility	135-022-003	0.22	4/25/08	Purchased for Code Enforcement
Home Gardens Public Facility	135-022-028	0.05	4/25/08	Purchased for Code Enforcement
Home Gardens Public Facility	135-022-030	0.21	4/25/08	Purchased for Code Enforcement
Vernola Park	160-040-032	20.98	4/25/06	Construction Complete
Glen Avon Housing	169-070-031	0.83	06/25/09	In entitlement phase
VFW Glen Avon	169-080-004	1.07	9/05/08	Project is currently in design
Avon Gardens	169-100-055	3.24	4/12/01	In entitlement phase
Avon Gardens	169-100-057	2.27	4/12/01	In entitlement phase
Sierra Ave / Armstrong Road	174-101-011	1.32	9/26/05	Property will be transferred to Flood upon acceptance of improvements
Jesus Name Pentecostal Assembly	174-150-022	4.22	Not Disclosed	Will be transferred to Transportation
Valley Way/ Armstrong Improvement	174-320-021	0.17	9/27/04	Construction Complete
Valley Way/ Armstrong Improvement	174-320-022	0.18	9/27/04	Construction Complete
Lockhart land acquisition	177-020-012, 018, 177-110-005	6.76	6/14/06	Land assembly for future housing development
Rubidoux Fire Station	177-051-001; 181-041-001; 181-111-015	1.77	05/15/07	Construction Complete
Valley Way/Armstrong Road	177-091-002	0.15	11/22/05	Construction Complete
Sierra Armstrong St. Improvement	177-250-022	2.77	02/09/05	Construction Complete
Rubidoux Resource / Addtl Parking	179-202-030	0.22	3/16/06	Construction Complete
Zavala Property Acquisition	179-203-027	0.19	7/30/04	Land held for future redevelopment

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Mission Blvd., Houston	179-211-004	0.09	2/14/02	Site is available for development
Rubidoux Street Improvement	179-212-006	0.19	3/16/06	Construction Complete
Rubidoux Tax Sale/ Resource Center	179-221-014	0.04	1/12/01	Construction complete
Rubidoux Street Improvement	179-221-015	0.05	3/16/06	Construction Complete
Rubidoux Street Improvement	179-222-010	0.12	7/30/04	Construction Complete
DPSS / Mental Health	179-260-004, 023, 024	0.59	7/31/01	Project is Complete
Rubidoux DPSS Self Suff	179-260-008, 017, 018 & 019	0.64	7/31/02	Construction Complete
Rubidoux DPSS Self Suff	179-260-014, 020	1.39	5/3/02	Construction Complete
Cottonwood Mobile Home Park	179-330-003, 005	3.43	5/27/09	Relocation completed. In DDA negotiations.
Mission Plaza	181-020-022, 023, 027, 028, 029	15.25	8/08/08	Land Purchased for Future Improvements
Rubidoux Youth Opportunity Center	181-051-003, 004, 005, 006	0.86	1/29/03	Construction Complete
Mission Blvd. Flower Shop	181-052-004	0.14	7/11/01	Construction Complete
Boxing Club	181-052-011	0.20	4/25/05	Construction Complete
Mission / Pontiac	181-052-012	0.21	8/14/07	Land held for future redevelopment
Boxing Club	181-052-016	0.06	1/21/05	Construction Complete
Mission / Pontiac	181-052-017	0.18	8/14/07	Land held for future redevelopment
Mission / Pontiac	181-052-018	0.06	8/14/07	Land held for future redevelopment
Mission Blvd.	181-061-002	0.06	8/29/01	Land held for future redevelopment
Molino Way Infill Housing	181-082-050	0.19	11/20/08	In DDA negotiations
Rubidoux Health Clinic	181-120-014	0.62	03/25/05	Construction complete
Mission Blvd	181-120-015	0.38	04/06/09	Construction complete
Rubidoux Health Clinic	181-120-016	0.39	04/06/09	Construction complete
Rubidoux Health Clinic	181-120-017	0.01	04/06/09	Construction complete
Rubidoux Library	182-290-004; 005	1.59	07/25/02	Construction complete
Rubidoux Library	182-290-006; 007	0.58	4/24/02	Construction complete
Rubidoux Library	182-290-008	0.36	6/21/02	Construction complete
Rubidoux Library	182-290-009	0.38	6/21/02	Construction complete

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Rubidoux Library	182-290-010	0.98	10/22/02	Construction complete
Rubidoux Library	182-290-011 & 020	2.21	12/04/01	Construction complete
Rubidoux Library	182-311-001	0.29	07/03/08	Construction complete
Aquatic Center	183-030-026, 043	8.96	07/27/06	Under Construction
Aquatic Center	185-460-001; 185-470-001, 002	15.53	07/24/06	Under Construction
Highgrove Library	255-070-013	7.43	09/03/08	Under Construction
University Tech Park	257-030-012	3.15	01/23/04	Available for sale
University Tech Park	257-030-014	4.32	01/23/04	Available for sale
CFD87-1 Surplus	317-270-014	0.61	10/21/05	Will be transferred to private owner
Interstate 215 widening	329-020-009	0.91	8/21/06	Under construction
Interstate 215 widening	329-020-022	3.91	8/21/06	Under construction
Romoland Infill Housing	329-221-008	1.94	08/22/08	Land held for future redevelopment
Briggs Road Senior Center	333-170-013	2.10	12/1/05	To be sold to private developer to build a senior center
Perret Park	381-174-023	0.77	09/14/07	Construction complete
Perret Park	381-174-024	0.76	09/14/07	Construction complete
Perret Park	381-174-025	0.76	09/14/07	Construction complete
Perret Park	381-174-026	1.22	09/14/07	Construction complete
Perret Park	381-174-027	0.31	09/14/07	Construction complete
Perret Park	381-174-055	0.21	09/14/07	Construction complete
Perret Park	381-174-071	0.31	09/14/07	Construction complete
Perret Park	381-174-072	0.34	09/14/07	Construction complete
Lakeview / Nuevo Community Center	426-180-020	4.52	7/6/07	Conceptual Stage
Smart & Final North Hemet	439-060-025	1.44	04/16/09	Project is in design for one stop center
North Hemet Crossing	443-050-002	1.09	01/18/08	Land held for future redevelopment
North Hemet Crossing	443-050-003	1.09	01/18/08	Land held for future redevelopment
North Hemet Crossing	443-050-004	0.15	01/18/08	Land held for future redevelopment
North Hemet Crossing	443-050-006	0.77	08/07/01	Land held for future redevelopment
North Hemet Crossing	443-050-021	0.39	01/18/08	Land held for future redevelopment
North Hemet Crossing	443-050-022, 023	1.06	01/18/08	Land held for future redevelopment
North Hemet Crossing	443-050-024	0.94	01/18/08	Land held for future redevelopment

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North Hemet Crossing	443-050-027	0.32	01/18/08	Land held for future redevelopment
North Hemet Crossing	443-050-028	.60	01/18/08	Land held for future redevelopment
North Hemet Crossing	443-050-029	0.57	01/18/08	Land held for future redevelopment
North Hemet Crossing	443-050-030	0.14	12/31/08	Land held for future redevelopment
North Hemet Crossing	443-050-031	0.87	01/18/08	Land held for future redevelopment
Hemet Ryan Airport	456-020-010	4.17	12/26/07	Land held for future redevelopment
Boys and Girls Club French Valley	480-160-022	11.99	Not Disclosed	Will be transferred to Riverside County Conservation Authority.
Cabazon Redevelopment	526-021-006, 007	0.88	11/30/00	Site is available for development
Cabazon Fire Station	526-170-001, 021, 022, 023	4.07	03/12/03	Construction complete
Cabazon Fire Station	526-170-024	0.13	3/12/03	Construction complete
CSOD (Bermuda Dunes)	607-040-069	10.71	08/26/08	Land held for future redevelopment
Date Palm/Desert Meadows MH Park	608-340-031	4.63	02/03/93	Site is available for redevelopment
Whitewater River Basin	626-150-040	18.79	08/26/08	Land held for future redevelopment
Thousand Palms Fire Station	650-331-029	3.39	1/27/05	Construction complete
North Shore Fire Station	723-222-002	0.32	03/26/08	Project is currently in design
North Shore Fire Station	723-222-003	0.32	10/19/07	Project is currently in design
North Shore Community Center	723-222-004	0.33	07/19/05	Construction complete
North Shore Community Center	723-222-006	0.33	09/20/05	Construction complete
Mecca Social Services Center	727-030-030	2.30	01/07/03	Construction complete
Mecca Roundabout	727-161-025, 026, 027, 028, 030	0.39	Not Disclosed	Project is currently in design
Mecca Triangle Park	727-183-004	0.09	Not Disclosed	Project is currently in design
Mecca Senior Center/ Community Center	727-184-010, 011	0.13	04/20/07 09/05/07	Acquisition and relocation in progress
Mecca Senior Center/ Community Center	727-184-015	0.40	01/05/10	Acquisition and relocation in progress
Mecca Senior Center/ Community Center	727-184-016	0.12	3/4/09	Acquisition and relocation in progress
Mecca Senior Center/ Community Center	727-184-024	0.05	07/25/07	Acquisition and relocation in progress

**REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE  
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Mecca Senior Center/ Community Center	727-184-029, 030	0.16	04/26/07	Acquisition and relocation in progress
Mecca Senior Center/ Community Center	727-184-031	0.12	01/06/09	Acquisition and relocation in progress
Mecca Senior Center/ Community Center	727-184-032	0.05	Not Disclosed	Acquisition and relocation in progress
Mecca Senior Center/ Community Center	727-184-033	0.09	04/30/07	Acquisition and relocation in progress
Mecca Senior Center/ Community Center	727-184-034	0.06	07/09/10	Acquisition and relocation in progress
Mecca Fire Station	727-193-010, 012, 036, 037	1.05	02/28/07	Under construction
Mecca Fire Station	727-193-013	0.15	12/27/07	Under construction
Mecca Fire Station	727-193-014	0.16	12/27/07	Under construction
Mecca Fire Station	727-193-027, 028, 041	0.88	03/15/07	Under construction
Mecca Fire Station	727-193-032, 033, 034, 035	0.41	09/04/08	Under construction
Mecca Fire Station	727-193-038	0.12	06/19/07	Under construction
Mecca Fire Station	727-193-039	1.12	06/19/07	Under construction
Mecca Fire Station	727-193-040	0.23	11/27/01	Under construction
Mecca Sports Park and Boys and Girls Club	727-272-021	8.53	09/09/03	Under construction
100 Palms	751-130-020	1.85	05/22/08	Land held for future housing development
Middleton	751-160-007, 009, 012, 014	23.87	12/15/06	Land held for future redevelopment
Thermal Revitalization	757-041-030	0.08	05/22/08	Land held for future redevelopment
Thermal Revitalization	757-042-008	0.14	06/20/08	Land held for future redevelopment
Thermal Revitalization	757-052-010	0.01	05/23/08	Land held for future redevelopment
Thermal Revitalization	757-052-014	0.15	05/23/08	Land held for future redevelopment
Thermal Revitalization	757-052-016	0.22	05/23/08	Land held for future redevelopment
Thermal Revitalization	757-052-013, 017	0.13	05/23/08	Land held for future redevelopment
Thermal Revitalization	757-054-018	0.2	07/2/08	Land held for future redevelopment
Desert Resorts Industrial Park	759-050-003; 759-100-006 thru 011	607.16	7/10/98	Land held for future redevelopment



**REDEVELOPMENT AGENCY FOR THE  
COUNTY OF RIVERSIDE, CALIFORNIA**

**ANNUAL AUDIT REPORT**

Year Ended June 30, 2010

**Redevelopment Agency for the County of Riverside, California**  
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Year Ended June 30, 2010

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Redevelopment Agency for the County of Riverside  
Riverside, California

We have audited the accompanying financial statements of the governmental activities and each major fund of the Redevelopment Agency for the County of Riverside, California, (the "Agency") as of and for the year ended June 30, 2010, which collectively comprise the Agency's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Agency'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 applicable to financial audits contained in *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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As described in Note 1 to the financial statements, the financial statements present only the Redevelopment Agency for the County of Riverside, California and are not intended to present fairly the financial position and results of operations of the County of Riverside in conformity with accounting principles generally accepted in the United States of America.

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 Redevelopment Agency for the County of Riverside, California, as of June 30, 2010, 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.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 22, 2010 on our consideration of the Redevelopment Agency for the County of Riverside, California's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The information identified in the accompanying table of contents as *management's discussion and analysis* is not a required part of the basic financial statements but is supplementary information required by 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 *management's discussion and analysis*. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The *supplementary information* section, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Seaman Ramirez & Smith*

November 22, 2010

## MANAGEMENT'S DISCUSSION & ANALYSIS (MD&A)

The Redevelopment Agency for the County of Riverside (the "Redevelopment Agency") presents this MD&A to provide a narrative overview, financial highlights, and analyses of the audited annual financial statements. This MD&A section is being presented as required by the provisions of the Governmental Accounting Standards Board (GASB) Statement 34.

The financial statements are reported on the basis of a twelve month fiscal year which starts on July 1 of one calendar year and ends on June 30 of the next calendar year; the fiscal year is named by the calendar year in which the fiscal year ends. Therefore, the basic annual financial statements presented in this report are for Fiscal Year 2010, which started July 1, 2009 and ended June 30, 2010.

Please read this overview in conjunction with your reading of the basic financial statements and the accompanying notes to those financial statements.

### **THE PURPOSE OF THE REDEVELOPMENT AGENCY**

The Redevelopment Agency was established in 1985, through its special legal and financial mechanisms, to alleviate conditions of economic and physical blight in the redevelopment project areas through the implementation of new public improvement projects, the stimulation of economic development, and by increasing and improving the stock of affordable housing.

The activities of the Redevelopment Agency are funded through tax increment financing. Tax increment is generated when property taxes increase as a result of increased property values over the base year assessed value of a project area. The base year assessed value of a project area is the total assessed value of all property within a project area at the time of adoption of a project area. One-fifth of the tax increment received must be set-aside in a separate fund and can only be used to increase or improve the supply of low and moderate-income housing. In order to receive tax increment, the Agency is required to establish debt to finance redevelopment. For this reason, the Redevelopment Agency's financial statements reflect negative net assets resulting from the establishment of long-term debt. Typically, this debt is established through the issuance of tax-exempt bonds, which are used to fund capital improvement projects and are secured by tax increment revenues.

The Redevelopment Agency manages five redevelopment areas encompassing 76,386 acres located in 35 communities and 5 airports. Agency staff performs general administration, manages construction projects, administers loan and grant programs, coordinates budget and reporting requirements, maintains the Agency's official records, and manages real property activity.

### **FINANCIAL HIGHLIGHTS**

Financial highlights of the year include the following:

- The Redevelopment Agency ended the fiscal year of operations with assets of \$502,318,642 and liabilities of \$711,679,215 resulting in net assets of \$(209,360,573).
- As of the close of the current fiscal year, the Redevelopment Agency's funds reported combined ending fund balances of \$477,814,815.
- The Redevelopment Agency's total long-term debt increased by \$69,367,214, which represents a 11% increase in total debt.

These financial highlights are detailed further in the presentation of condensed financial information with analysis of the overall financial position.

## OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

As a component unit of a larger governmental body, the Redevelopment Agency provides its financial statements to the County of Riverside, which in turn, includes the Redevelopment Agency's financial information in the County's Comprehensive Annual Financial Report (CAFR). The Redevelopment Agency is required to present its financial statements in the format of governmental fund financial statements, in conformity with generally accepted accounting principles.

This MD&A should be used in conjunction with the basic financial statements, which comprise the government-wide financial statements and the fund financial statements. These two sets of financial statements, along with the notes to the financial statements, provide different views of the Redevelopment Agency's financial activities and financial position. This report also contains other supplementary information in addition to the basic financial statements.

The *government-wide financial statements* provide a broad overview of the Redevelopment Agency's activities as a whole and comprise the Statement of Net Assets (formerly the Balance Sheet) and the Statement of Activities (formerly the Statement of Revenues, Expenditures and Changes in Fund Balances).

The *Statement of Net Assets* presents information on all of the Redevelopment Agency's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator in assessing whether the financial position of the Redevelopment Agency is improving or deteriorating. The terminology of "net assets" replaces the Balance Sheet terminology of "equity" or "fund balance."

The *Statement of Activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the event occurs, regardless of the timing of related cash flows. As a result, revenues and expenses reported in this statement may be for items that could affect the cash flow in future fiscal periods.

The government-wide financial statements can be found on pages 1-2 of this report.

The *fund financial statements* provide detailed information about each of the Redevelopment Agency's funds. A fund is considered to be a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Redevelopment Agency, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Redevelopment Agency's funds are governmental-type funds. Financial statements for these funds are prepared on the modified accrual basis of accounting, which means that only revenue, which is measurable and available, is recorded in the current period. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the governmental fund financial statements.

The Redevelopment Agency maintains three individual governmental-type funds. Information is presented separately in the governmental fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances for the following fund types: Capital Project, Special Revenue (Low and Moderate Income Housing), and Debt Service. In establishing major fund criteria, the GASB intended that a major fund arises when a particular element of a fund meets certain percentage thresholds; all other funds that are not considered major funds must be combined in a separate column (other governmental funds). For FY 2010, all funds were considered major funds and are reflected as such in the Governmental Fund Financial Statements. While detailed sub-area information is not presented, separate accounts are maintained for each program to control and manage money for particular purposes or to demonstrate that the Redevelopment Agency is properly using specific appropriations and grants.

The governmental fund financial statements can be found on pages 3-12 of this report.

The *notes to the financial statements* provide additional information that is essential to a full understanding of the data provided in the government wide and fund financial statements.

The notes to the financial statements can be found on pages 13-47 of this report.

**PRESENTATION OF CONDENSED FINANCIAL INFORMATION WITH FINANCIAL ANALYSIS OF OVERALL POSITION**

*Statement of Net Assets*

Financial statements, presented as follows, are shown in a condensed format to compare amounts from the current fiscal year (2010) to amounts from the prior fiscal year (2009). Charts to illustrate selected aspects of financial information, along with brief narrative analyses, accompany these condensed financial statements.

**Redevelopment Agency for the County of Riverside  
Statement of Net Assets**

	<u>2010</u>	<u>2009</u>
<b>ASSETS</b>		
Cash and Investments	\$ 104,504,148	\$ 120,552,030
Cash and Investments with Fiscal Agent	231,163,354	249,305,443
Accounts Receivable	6,383,746	480,743
Interest Receivable	1,011,641	643,704
Loans Receivable	67,192,484	37,933,807
Land Held for Resale	79,665,801	80,034,902
Deferred Charges	12,173,514	12,109,908
Capital Assets, Net of Depreciation	<u>223,954</u>	<u>294,971</u>
Total Assets	<u>502,318,642</u>	<u>501,355,508</u>
<b>LIABILITIES</b>		
Accounts Payable	9,458,724	13,826,197
Due to Other Governments	2,647,635	488,950
Interest Payable	7,641,374	7,122,429
Deferred Revenues	7,610,418	7,736,908
Long-Term Liabilities:		
Due in One Year	12,377,096	11,913,088
Due in More Than One Year	<u>671,943,968</u>	<u>603,040,762</u>
Total Liabilities	<u>711,679,215</u>	<u>644,128,334</u>
<b>NET ASSETS</b>		
Invested in Capital Assets	223,954	294,971
Restricted for:		
L & M Housing	163,559,786	100,601,681
Unrestricted	<u>(373,144,313)</u>	<u>(243,669,478)</u>
Total Net Assets (Deficit)	<u>\$ (209,360,573)</u>	<u>\$ (142,772,826)</u>

As previously illustrated by the Statement of Net Assets, the Redevelopment Agency ended the fiscal year of operations with assets of \$502,318,642 and liabilities of \$711,679,215 resulting in net assets of \$(209,360,573). These net assets consisted of \$223,954 in invested capital assets, \$163,559,786 in restricted assets, and \$(373,144,313) in unrestricted assets.

The ending net assets of \$(209,360,573) represent a decrease in net assets of (\$66,587,747) from the prior fiscal year. The decrease can be attributed to the following:

- A decrease in Cash and Investments was a result of higher utilization of bond proceeds for public improvements, community development activities, commercial projects, housing and rehabilitation of properties.
- An increase in Cash and Investments with Fiscal Agent, and Long-term Debt occurred due to the issuance of \$66,745,000 in loans payable and bonds related to long-term debt. However, the overall net effect still resulted in a decrease due to higher utilization of bond proceeds for public improvements, community development activities, commercial projects, housing and rehabilitation of properties.
- An increase in Accounts Receivable occurred as a result of anticipated revenue accrued in FY 2010 that was not accrued in FY 2009.
- An increase in Loans Receivable was due to increases in the Mobile Home Program as well as the recording of the Vernola Basin Project.

Invested in capital assets, net of related debt, accounts for \$223,954 of net assets. Currently, there is no related debt to capital assets. The Redevelopment Agency's capital assets represent office equipment and four vehicles used for the purpose of removing graffiti.

Restricted net assets of \$163,559,786 represent the largest portion of the Redevelopment Agency's total net assets. This amount represents resources that are subject to external restrictions on how they may be used, such as the payment of debt service and housing (special revenue) reserves. These restrictions limit the Redevelopment Agency's ability to use those net assets for day-to-day operations.

Unrestricted net assets of \$(373,144,313) represent resources available for the Redevelopment Agency to use for day-to-day operations. It should be noted that this amount is negative due to the reporting of long-term liabilities. Based on the economic resources measurement focus and the full accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. The assets used to pay for the long-term liabilities are not recorded in the Statement of Net Assets since the resources to repay this debt will come from future operating revenues, such as tax increment revenue and interest income.

#### *Statement of Activities*

The Statement of Activities, presented as follows, is shown in a condensed format to compare amounts from the current fiscal year (2010) to amounts from the prior fiscal year (2009). These condensed financial statements are accompanied by charts to illustrate selected aspects of financial information, along with a brief narrative analysis.

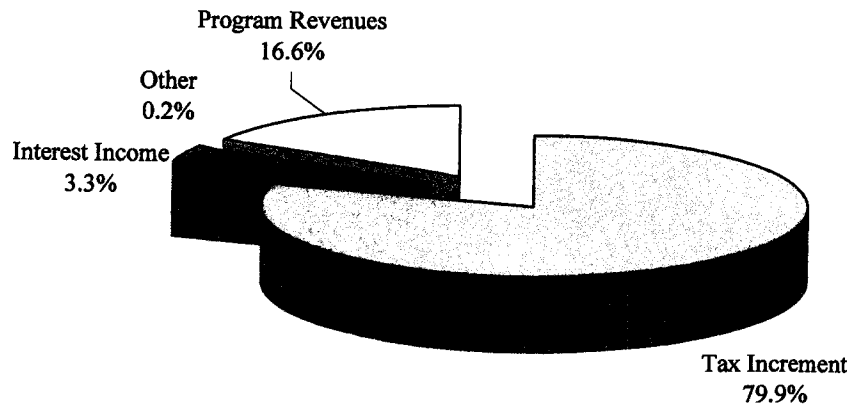
The General Government category of Expenses in the Statement of Activities includes all redevelopment costs not classified as Housing, Project Improvements, and Interest on Long-Term Debt. Examples of General Government type expenses include costs for managing effective and efficient project development activities, legal counsel, required annual audits, and legally mandated pass-through payments of tax increment money to government agencies and schools.



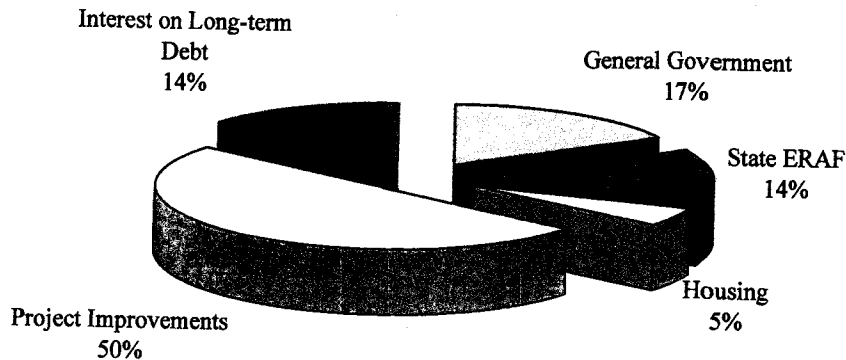
**Redevelopment Agency for the County of Riverside  
Statement of Activities**

	Governmental Activities	
	2010	2009
Revenues:		
Program Revenues:		
Charges for Service	\$ 20,580,670	\$ 25,870,116
General Revenues:		
Tax Increment	99,329,906	100,440,964
Interest Income	4,099,392	10,618,742
Other	276,921	276,921
Total Revenues	<u>124,286,889</u>	<u>137,206,743</u>
Expenses:		
General Government	35,028,976	21,753,558
State ERAF	27,793,518	-
Housing	10,536,930	15,355,003
Project Improvements	101,964,203	86,563,515
Interest on Long-term Debt	28,634,040	28,727,989
Total Expenses	<u>203,957,667</u>	<u>152,400,065</u>
Change in Net Assets	<u>(79,670,778)</u>	<u>(15,193,322)</u>
Net Assets - Beginning of Year (Deficit)	(142,772,826)	(126,165,346)
Prior Period Adjustments	<u>13,083,031</u>	<u>(1,414,158)</u>
Net Assets - Beginning of Year-Restated (Deficit)	<u>(129,689,795)</u>	<u>(127,579,504)</u>
Net Assets - End of Year (Deficit)	<u>\$ (209,360,573)</u>	<u>\$ (142,772,826)</u>

**Revenues by Source  
Fiscal Year Ended June 30, 2010**



**Expenses by Category**  
**Fiscal Year Ended June 30, 2010**



As shown by the Statement of Activities, the Redevelopment Agency's total expenses exceeded total revenues by \$(79,670,778) for the fiscal year ended 2010. The decrease in net assets can be explained by these major variances:

- Interest income from the prior year decreased by 61% due to reduction of bond investments; the drop in interest rates resulting from the United States economic crisis; and the use of bond proceeds for project improvements and housing projects.
- Expenses increase due to the mandated State SERAF shift for FY 09-10, which was not a FY 08-09 expenditure.
- A decrease of 34% in Housing expenditures was due to the fact that there was no Housing Bond funds available to spend until the new bond issuance occurred in May, 2010.
- Project Improvements increased by 15% due to new non-housing developments.

The Expenses by Category chart indicates that General Government expenses represent 17% of the total expenses for the current fiscal year, which represent administrative costs, professional services, and other expenditures such as pass through payments, contributions to other non-county agencies, and the State mandated Educational Revenue Augmentation Fund (ERAF) payments when applicable. Further, 5% of total tax increment revenues are dedicated to housing developments; and 50% represents Project Improvement expenses funded with bond proceeds, with a significant amount being spent on non-housing projects.

**ANALYSIS OF SIGNIFICANT BUDGET VARIANCES**

The Redevelopment Agency's fiscal department works closely with the other departments to monitor the annual operating budget throughout the fiscal year in order to avoid expenditures in excess of available funds. Significant budget variances are analyzed to determine their causes and effects. A comparison between the original budget and final (revised) budget is shown below.

### Comparison of Original Budget and Final Budget

The original and final budgets for FY2010 and the percentages of change are presented as follows:

#### Redevelopment Agency for the County of Riverside Budget Comparison Year Ended June 30, 2010

	Original Budget	Final Budget	% Change
<b>Revenues:</b>			
Tax Increment	\$ 97,378,200	\$ 135,401,500	39%
Interest Income	2,355,300	2,355,300	0%
Other Income	36,864,400	7,458,393	-80%
Gain (Loss) on Sale of Property Held for Resale	2,000	2,000	0%
Long-term Debt Proceeds	146,511,900	161,511,900	10%
<b>Total Revenue</b>	<b>283,111,800</b>	<b>306,729,093</b>	<b>8%</b>
<b>Expenditures:</b>			
Administrative Costs	14,048,137	15,520,545	10%
Professional Services	349,400	349,400	0%
Project Improvement Costs	213,179,263	231,648,348	9%
Other Expenditures (pass thrus, ACO fees, ERAF)	21,644,900	27,144,900	25%
State ERAF	1,000	27,989,589	2798859%
Interest and Fiscal Charges	23,719,900	27,999,305	18%
Capital Outlay	1,000	1,000	0%
Long-Term Obligation Principal Payments	9,454,600	10,894,600	15%
Payments for Government Advances	713,600	713,600	0%
<b>Total Expenditures</b>	<b>283,111,800</b>	<b>342,261,287</b>	<b>21%</b>
Excess of Revenues Over (Under) Expenditures	\$ -	\$ (35,532,194)	

The most significant changes to the FY2010 original budget were an 80% decrease in Other Income and a significant increase in State ERAF.

### Comparison of Actual Operations and Final Budget

Overall, the actual revenues amounts were less than the final budgeted amounts and the actual expenditures were less than the final budgeted amounts by (35%) and (39%), respectively. On the following page is an illustration of the comparison between the actuals and the final-revised budget.

#### Redevelopment Agency for the County of Riverside Budget Comparison Year Ended June 30, 2010

	Actuals	Final Budget	% Difference
<b>Revenues:</b>			
Tax Increment	\$ 99,329,906	\$ 135,401,500	-27%
Interest Income	4,099,392	2,355,300	74%
Other Income	20,580,670	7,458,393	176%
Gain (Loss) on Sale of Property Held for Resale	(7,157,306)	2,000	-3580%
Long-Term Debt Proceeds	81,269,012	161,511,900	-50%
<b>Total Revenue</b>	<b>198,121,674</b>	<b>306,729,093</b>	<b>-35%</b>
<b>Expenditures:</b>			
Administrative Costs	12,269,917	15,520,545	21%
Professional Services	357,976	349,400	2%
Project Improvement Costs	100,663,766	231,648,348	-57%
Other Expenditures (pass thrus, ACO fees, ERAF)	27,409,697	27,144,900	1%
State ERAF	27,793,518	27,989,589	-1%
Interest and Fiscal Charges	28,190,178	27,999,305	1%
Capital Outlay	-	1,000	-100%
Long-Term Obligation Principal Payments	10,664,001	10,894,600	-2%
Payments for Government Advances	-	713,600	-17%
Debt Issuance Costs	509,729	-	100%
<b>Total Expenditures</b>	<b>207,858,782</b>	<b>342,261,287</b>	<b>-39%</b>
Excess of Revenues Over (Under) Expenditures	\$ (9,737,108)	\$ (35,532,194)	

The table illustrated above shows the differences between the actual operating results and final budgeted amounts. The most significant differences can be attributed to the following:

- Tax increment revenue was 27% lower than the final budget amount as a result of the current United States economic crises.
- The Agency received more Interest Income than expected as a result of the timing and usage of bond proceeds for project improvements and housing projects.
- The Agency received 176% more Other Income than expected due to refunds and reimbursements on project expense.
- A Loss in the Sale of Property held for resale was not anticipated when the final budget was compiled.
- The Long-Term Debt Proceeds reflect the issuance of the Housing Bonds during FY 09-10; the anticipated Non-Housing Bond issuance was not issued until early FY 10-11.
- The Actuals reflected significantly lower Project Improvement Costs versus Final Budget amounts because some projected housing development costs were not fulfilled due to new housing bonds not being issued until late in the fiscal year.
- The Payment for Government Advances was over-budgeted for the Coral Lease Payment which was paid through another general ledger account.
- Debt Issuance Costs were over budget as a result of the new Housing Bond issuances.

#### CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital Assets.** The Redevelopment Agency's investment in capital assets for its governmental activities amounts to \$223,954 (net of accumulated depreciation of \$207,143) as of June 30, 2010. This investment in capital assets includes vehicles. There were no deletions or additions in the current year to capital assets.

	<b>Capital Assets</b>	
	<b>(Net of Depreciation)</b>	
	<u>Governmental Activities</u>	
	<u>2010</u>	<u>2009</u>
Vehicles	\$ 220,623	\$ 291,512
Equipment	<u>3,331</u>	<u>3,459</u>
Total	<u>\$ 223,954</u>	<u>\$ 294,971</u>

Additional information on the Redevelopment Agency's capital assets can be found in Note 4-E to the basic financial statements on page 34 of this report.

**Long-Term Debt.** At the end of FY2010, the current fiscal year, the Redevelopment Agency for the County of Riverside had total bonded debt and loans payable outstanding of \$664,767,644.

**Redevelopment Agency for the County of Riverside  
Outstanding Debt**

	Governmental Activities	
	2010	2009
Loans Payable	\$ 425,737,644	\$ 433,154,258
Tax Allocation Bonds	239,030,000	175,520,000
<b>Total</b>	<b>\$ 664,767,644</b>	<b>\$ 608,674,258</b>

The Redevelopment Agency currently has six outstanding issues of bonded indebtedness and three loan payables with the Riverside County Public Financing Authority.

In Fiscal Year 2010, the Redevelopment Agency's total long-term debt increased by \$(69,367,214) or approximately 11%.

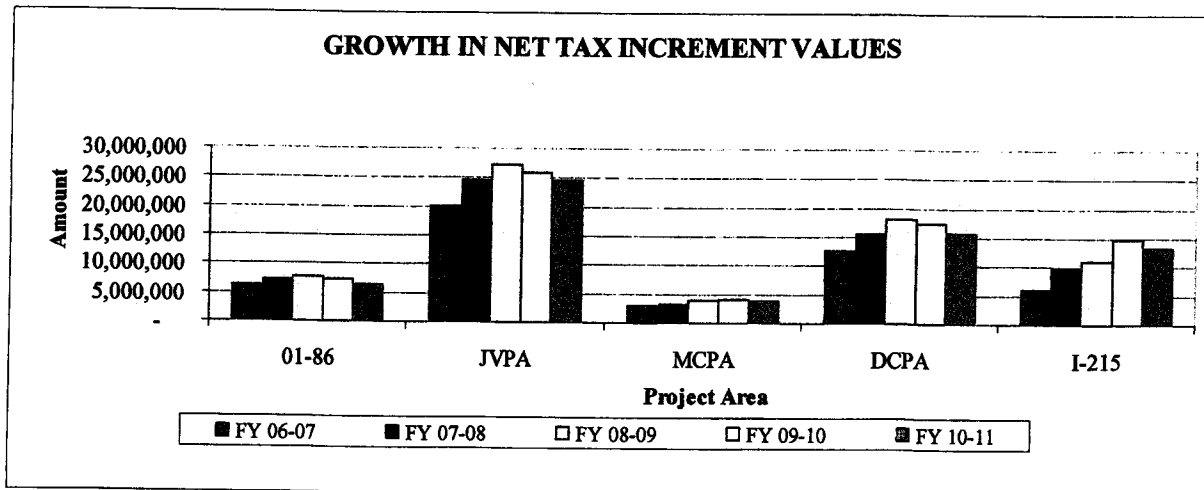
The key factors in this increase are as follows:

- The Agency issued new Tax Allocation Bonds in the amount of \$66,745,000 and made principal payments to loans payable of \$7,416,614 and bonded indebtedness of \$3,235,000.

Additional information on the Agency's long-term debt can be found in Note 4-F on pages 35-46.

**ECONOMIC FACTORS**

The Redevelopment Agency is supported financially by tax increment revenues generated within the agency's five project areas. In the fiscal year ending June 2010, gross tax increment received by the Agency decreased by 1% from the previous fiscal year. Based on current year's assessed valuations, it is anticipated that this new trend will reflect a steady decline in property values within the project areas through the fiscal year ending June 2011, as shown in the chart below.



## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Redevelopment Agency for the County of Riverside's finances for all those with an interest in the Agency's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Fiscal Manager at the Redevelopment Agency for the County of Riverside, 3133 Mission Inn Avenue, Riverside, CA 92507.

**Redevelopment Agency for the County of Riverside, California**  
**Statement of Net Assets**  
June 30, 2010

**ASSETS**

Cash and Investments	\$ 104,504,148
Cash and Investments with Fiscal Agent	231,163,354
Accounts Receivable	6,383,746
Interest Receivable	1,011,641
Loans Receivable	67,192,484
Land Held for Resale	79,665,801
Deferred Charges	12,173,514
Capital Assets, Net of Depreciation	<u>223,954</u>
Total Assets	<u>502,318,642</u>

**LIABILITIES**

Accounts Payable	9,458,724
Due to Other Governments	2,647,635
Interest Payable	7,641,374
Deferred Revenues	7,610,418
Long-Term Liabilities:	
Due in One Year	12,377,096
Due in More Than One Year	<u>671,943,968</u>
Total Liabilities	<u>711,679,215</u>

**NET ASSETS**

Invested in Capital Assets	223,954
Restricted for:	
L & M Housing	163,559,786
Unrestricted	<u>(373,144,313)</u>
Total Net Assets (Deficit)	<u>\$ (209,360,573)</u>

The accompanying notes are an integral part of this statement.

**Redevelopment Agency for the County of Riverside, California**  
**Statement of Activities**  
Year Ended June 30, 2010

Functions/Programs	Expenses	Program Revenues Charges for Services	Total
<b>Governmental Activities:</b>			
General Government	\$ 35,028,976	\$	\$ (35,028,976)
State ERAF	27,793,518		(27,793,518)
Housing	10,536,930	306,851	(10,230,079)
Project Improvements	101,964,203	20,273,819	(81,690,384)
Interest on Long-Term Debt	28,634,040		(28,634,040)
<b>Total</b>	<b>\$ 203,957,667</b>	<b>\$ 20,580,670</b>	<b>(183,376,997)</b>
<b>General Revenues:</b>			
Tax Increment			99,329,906
Investment Income			4,099,392
Other			276,921
<b>Total General Revenues</b>			<b>103,706,219</b>
Change in Net Assets			<b>(79,670,778)</b>
Net Assets - Beginning of Year (Deficit) - As Previously Reported			<b>(142,772,826)</b>
Prior Period Adjustments			<b>13,083,031</b>
Net Assets - Beginning of Year (Deficit) - Restated			<b>(129,689,795)</b>
Net Assets - End of Year (Deficit)			<b>\$ (209,360,573)</b>

The accompanying notes are an integral part of this statement.



**Redevelopment Agency for the County of Riverside, California**  
**Balance Sheet - Governmental Funds**  
June 30, 2010

	Capital Projects			
	Project Area 1-1986	Jurupa Valley	MID County	Desert Communities
<b>ASSETS</b>				
Cash and Investments	\$ 8,580,562	\$ 573,465	\$ 1,890,354	\$ 8,409,260
Cash and Investments with Fiscal Agent	25,883,878	45,682,418	16,599,151	25,293,661
Accounts Receivable		2,502,243	10,000	3,412,632
Interest Receivable	117,231	329,315	69,414	157,652
Due from Other Funds	2,821	2,953,778	1,615	6,813
Loans Receivable		27,229,796	876,287	568,107
Land Held for Resale	2,764,269	24,129,244	536,723	18,464,293
<b>TOTAL ASSETS</b>	<u>\$ 37,348,761</u>	<u>\$103,400,259</u>	<u>\$ 19,983,544</u>	<u>\$ 56,312,418</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 244,028	\$ 3,119,579	\$ 477,585	\$ 2,595,561
Due to Other Governments				
Due to Other Funds		2,000,000		803
<b>TOTAL LIABILITIES</b>	<u>244,028</u>	<u>5,119,579</u>	<u>477,585</u>	<u>2,596,364</u>
<b>FUND BALANCES</b>				
Reserved for Debt Service				
Reserved for Encumbrances	3,273,911	27,459,449	4,760,000	25,314,266
Reserved for Receivables		27,229,796	876,287	568,107
Reserved for Land Held for Resale	2,764,269	24,129,244	536,723	18,464,293
<b>Unreserved:</b>				
Designated for Specific Capital Projects and Programs	31,066,553	19,462,191	13,332,949	9,369,388
Undesignated				
<b>TOTAL FUND BALANCES</b>	<u>37,104,733</u>	<u>98,280,680</u>	<u>19,505,959</u>	<u>53,716,054</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 37,348,761</u>	<u>\$103,400,259</u>	<u>\$ 19,983,544</u>	<u>\$ 56,312,418</u>

The accompanying notes are an integral part of this statement.

<u>Capital Projects</u>	<u>Debt Service</u>				
I-215 Corridor	Project Area 1-1986	Jurupa Valley	MID County	Desert Communities	I-215 Corridor
\$ 10,337,810	\$ 4,776,291	\$ 2,653,232	\$ 3,458,188	\$ 10,252,148	\$ 11,822,500
44,209,726	4,248,065	2,710,771	1,655,341	2,426,638	5,020,601
67,590	20,296	149,729	54,263	102,745	64,248
176,996	25,493	6,209	12,769	21,855	52,862
2,005,775					
<u>4,688,870</u>					
<u>\$ 61,486,767</u>	<u>\$ 9,070,145</u>	<u>\$ 5,519,941</u>	<u>\$ 5,180,561</u>	<u>\$ 12,803,386</u>	<u>\$ 16,960,211</u>
\$ 1,746,481	\$ 47,071	\$ 115,643	\$ 1,366	\$ 2,023	\$ 451,141
	2,009	2,970,706	3,398	17,864	10,810
<u>1,746,481</u>	<u>49,080</u>	<u>3,086,349</u>	<u>4,764</u>	<u>19,887</u>	<u>461,951</u>
38,440,746	9,021,065	2,433,592	5,175,797	12,783,499	16,498,260
4,688,870					
16,610,670					
<u>59,740,286</u>	<u>9,021,065</u>	<u>2,433,592</u>	<u>5,175,797</u>	<u>12,783,499</u>	<u>16,498,260</u>
<u>\$ 61,486,767</u>	<u>\$ 9,070,145</u>	<u>\$ 5,519,941</u>	<u>\$ 5,180,561</u>	<u>\$ 12,803,386</u>	<u>\$ 16,960,211</u>

The accompanying notes are an integral part of this statement.

**Redevelopment Agency for the County of Riverside, California**  
**Balance Sheet - Governmental Funds**  
June 30, 2010

	Special Revenue			
	Project Area 1-1986	Jurupa Valley	MID County	Desert Communities
<b>ASSETS</b>				
Cash and Investments	\$ 8,126,278	\$ 11,442,439	\$ 563,611	\$ 9,352,112
Cash and Investments with Fiscal Agent	6,911,527	29,737,708	96,134	79,199
Accounts Receivable				
Interest Receivable	7,855	13,044	1	9,075
Due from Other Funds	2,009	9,027,004	3,398	18,667
Loans Receivable	2,543,817	11,796,094	2,644,228	20,085,001
Land Held for Resale		16,816,965	3,386,565	8,623,247
<b>TOTAL ASSETS</b>	<u>\$ 17,591,486</u>	<u>\$ 78,833,254</u>	<u>\$ 6,693,937</u>	<u>\$ 38,167,301</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 62,620	\$ 344,369	\$ 110,944	\$ 108,553
Due to Other Governments	275,683	984,420	157,748	665,618
Due to Other Funds	2,821	10,076	2,501,615	6,506,813
<b>TOTAL LIABILITIES</b>	<u>341,124</u>	<u>1,338,865</u>	<u>2,770,307</u>	<u>7,280,984</u>
<b>FUND BALANCES</b>				
Reserved for Debt Service				
Reserved for Encumbrances	180,095	6,883,564	1,281,825	13,990,163
Reserved for Receivables	2,543,817	11,796,094	2,644,228	20,085,001
Reserved for Land Held for Resale		16,816,965	3,386,565	8,623,247
<b>Unreserved:</b>				
Designated for Specific Capital Projects and Programs	14,526,450	41,997,766		
Undesignated			(3,388,988)	(11,812,094)
<b>TOTAL FUND BALANCES</b>	<u>17,250,362</u>	<u>77,494,389</u>	<u>3,923,630</u>	<u>30,886,317</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 17,591,486</u>	<u>\$ 78,833,254</u>	<u>\$ 6,693,937</u>	<u>\$ 38,167,301</u>

The accompanying notes are an integral part of this statement.

<u>Special Revenue</u> I-215 Corridor	<u>Total</u> Governmental Funds
\$ 12,265,898	\$ 104,504,148
20,608,536	231,163,354
11,870	6,383,746
10,810	1,011,641
1,449,154	14,032,690
255,625	67,192,484
<u>34,601,893</u>	<u>79,665,801</u>
<u>\$ 34,601,893</u>	<u>\$ 503,953,864</u>
\$ 31,760	\$ 9,458,724
564,166	2,647,635
5,775	14,032,690
<u>601,701</u>	<u>26,139,049</u>
	45,912,213
577,686	122,161,705
1,449,154	67,192,484
255,625	79,665,801
31,717,727	178,083,694
	(15,201,082)
<u>34,000,192</u>	<u>477,814,815</u>
<u>\$ 34,601,893</u>	<u>\$ 503,953,864</u>

The accompanying notes are an integral part of this statement.

**Redevelopment Agency for the County of Riverside, California**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Assets**  
Year Ended June 30, 2010

Fund Balances of Governmental Funds \$ 477,814,815

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

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the funds:

Deferred Charges	12,173,514
Capital Assets, Net of Depreciation	223,954
Interest Payable	(7,641,374)
Deferred Revenue	(7,610,418)
Long-term Debt	<u>(684,321,064)</u>

Net Assets of Governmental Activities \$ (209,360,573)

**Redevelopment Agency for the County of Riverside, California**  
**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds**  
Year Ended June 30, 2010

	Capital Projects			
	Project Area 1-1986	Jurupa Valley	MID County	Desert Communities
<b>REVENUES</b>				
Tax Increment	\$	\$	\$	\$
Investment Income	492,450	928,013	204,463	535,086
Other Income	240,048	16,342,210	5,074	3,503,159
<b>TOTAL REVENUES</b>	<u>732,498</u>	<u>17,270,223</u>	<u>209,537</u>	<u>4,038,245</u>
<b>EXPENDITURES</b>				
Current:				
Administrative Costs	819,641	3,568,812	460,881	1,952,572
Professional Services	46,279	67,200	10,929	53,967
Project Improvement Costs	9,438,416	28,217,758	1,129,081	39,339,577
Other Expenditures				
State ERAF				
Debt Service:				
Long-term Obligation Principal Payments				
Interest and Fiscal Charges			19,894	
Debt Issuance Costs				
<b>TOTAL EXPENDITURES</b>	<u>10,304,336</u>	<u>31,853,770</u>	<u>1,620,785</u>	<u>41,346,116</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(9,571,838)	(14,583,547)	(1,411,248)	(37,307,871)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	2,000,000	8,000,000	1,000,000	6,000,000
Transfers Out	(487,347)	(1,523,892)	(260,309)	(1,588,234)
Issuance of Long-term Debt			2,000,000	
Premiums on Long-term Debt				
Discount on Long-term Debt				
Gain (Loss) on Sale of Property		(5,208,483)	(1,656,476)	
<b>NET CHANGE IN FUND BALANCES</b>	<u>(8,059,185)</u>	<u>(13,315,922)</u>	<u>(328,033)</u>	<u>(32,896,105)</u>
<b>FUND BALANCES - BEGINNING OF YEAR, AS PREVIOUSLY REPORTED</b>	45,163,918	98,680,161	19,833,992	86,612,159
<b>PRIOR PERIOD ADJUSTMENT</b>		12,916,441		
<b>FUND BALANCES - BEGINNING OF YEAR, AS RESTATED</b>	<u>45,163,918</u>	<u>111,596,602</u>	<u>19,833,992</u>	<u>86,612,159</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 37,104,733</u>	<u>\$ 98,280,680</u>	<u>\$ 19,505,959</u>	<u>\$ 53,716,054</u>

The accompanying notes are an integral part of this statement.

Capital Projects		Debt Service			
I-215 Corridor	Project Area 1-1986	Jurupa Valley	MID County	Desert Communities	I-215 Corridor
\$ 643,416	\$ 7,665,454	\$ 28,867,893	\$ 5,850,881	\$ 21,239,756	\$ 15,840,226
183,328	132,443	108,154	70,605	214,694	300,824
<u>826,744</u>	<u>7,797,897</u>	<u>28,976,047</u>	<u>5,921,486</u>	<u>21,454,450</u>	<u>16,141,050</u>
1,658,446		350,954			230,535
92,426	1,645,275	11,388,285	2,459,625	7,666,843	4,021,007
16,682,065	3,578,297	11,246,390	1,604,899	7,653,844	3,710,088
55,189	1,371,209	4,795,008	696,352	2,381,310	1,420,122
	3,801,914	12,342,719	1,792,431	6,265,473	3,912,558
<u>18,488,126</u>	<u>10,396,695</u>	<u>40,123,356</u>	<u>6,553,307</u>	<u>23,967,470</u>	<u>13,294,310</u>
(17,661,382)	(2,598,798)	(11,147,309)	(631,821)	(2,513,020)	2,846,740
10,000,000	1,047,492	4,374,735	896,658	2,594,773	1,314,926
(649,396)	(2,000,000)	(8,000,000)	(1,000,000)	(6,000,000)	(10,000,000)
13,000,000	819,229	2,660,042	419,452	2,371,009	1,907,514
	15,071	48,935	7,716	43,618	35,091
<u>(292,347)</u>					
<u>4,396,875</u>	<u>(2,717,006)</u>	<u>(12,063,597)</u>	<u>(307,995)</u>	<u>(3,503,620)</u>	<u>(3,895,729)</u>
55,343,411	11,738,071	14,497,189	5,483,792	16,287,119	20,393,989
<u>55,343,411</u>	<u>11,738,071</u>	<u>14,497,189</u>	<u>5,483,792</u>	<u>16,287,119</u>	<u>20,393,989</u>
<u>\$ 59,740,286</u>	<u>\$ 9,021,065</u>	<u>\$ 2,433,592</u>	<u>\$ 5,175,797</u>	<u>\$ 12,783,499</u>	<u>\$ 16,498,260</u>

Continued

The accompanying notes are an integral part of this statement.

**Redevelopment Agency for the County of Riverside, California**  
**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds**  
Year Ended June 30, 2010

	Special Revenue			
	Project Area 1-1986	Jurupa Valley	MID County	Desert Communities
<b>REVENUES</b>				
Tax Increment	\$ 1,916,339	\$ 7,216,901	\$ 1,462,708	\$ 5,309,883
Investment Income	89,163	141,874	1,020	110,769
Other Income		182,951	30,967	67,181
<b>TOTAL REVENUES</b>	<u>2,005,502</u>	<u>7,541,726</u>	<u>1,494,695</u>	<u>5,487,833</u>
<b>EXPENDITURES</b>				
Current:				
Administrative Costs	336,752	1,199,978	192,288	811,367
Professional Services	7,427	27,581	4,343	33,012
Project Improvement Costs	283,999	176,087	1,603,219	3,405,334
Other Expenditures	22,986	83,810	14,047	60,015
State ERAF				
Debt Service:				
Long-term Obligation Principal Payments				
Interest and Fiscal Charges				
Debt Issuance Costs	50,744	164,685	27,584	148,644
<b>TOTAL EXPENDITURES</b>	<u>701,908</u>	<u>1,652,141</u>	<u>1,841,481</u>	<u>4,458,372</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,303,594	5,889,585	(346,786)	1,029,461
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In				
Transfers Out	(560,145)	(2,850,843)	(636,349)	(1,006,539)
Issuance of Long-term Debt	5,867,552	19,051,973	3,004,233	16,981,838
Premiums on Long-term Debt				
Discount on Long-term Debt	(63,080)	(204,902)	(30,695)	(180,784)
Gain (Loss) on Sale of Property				
<b>NET CHANGE IN FUND BALANCES</b>	<u>6,547,921</u>	<u>21,885,813</u>	<u>1,990,403</u>	<u>16,823,976</u>
<b>FUND BALANCES - BEGINNING OF YEAR AS PREVIOUSLY REPORTED</b>	10,702,441	55,608,576	1,933,227	14,062,341
<b>PRIOR PERIOD ADJUSTMENT</b>				
<b>FUND BALANCES - BEGINNING OF YEAR, AS RESTATED</b>	<u>10,702,441</u>	<u>55,608,576</u>	<u>1,933,227</u>	<u>14,062,341</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 17,250,362</u>	<u>\$ 77,494,389</u>	<u>\$ 3,923,630</u>	<u>\$ 30,886,317</u>

The accompanying notes are an integral part of this statement.



<u>Special Revenue</u> I-215 Corridor	<u>Total</u> Governmental Funds
\$ 3,959,865	\$ 99,329,906
126,418	4,099,392
<u>25,752</u>	<u>20,580,670</u>
4,112,035	124,009,968
687,691	12,269,917
14,812	357,976
388,230	100,663,766
47,804	27,409,697
	27,793,518
	10,664,001
	28,190,178
<u>118,072</u>	<u>509,729</u>
<u>1,256,609</u>	<u>207,858,782</u>
2,855,426	(83,848,814)
	37,228,584
(665,530)	(37,228,584)
13,662,158	81,745,000
	150,431
(146,958)	(626,419)
	<u>(7,157,306)</u>
<u>15,705,096</u>	<u>(9,737,108)</u>
18,295,096	474,635,482
	<u>12,916,441</u>
<u>18,295,096</u>	<u>487,551,923</u>
<u>\$ 34,000,192</u>	<u>\$ 477,814,815</u>

The accompanying notes are an integral part of this statement.

**Redevelopment Agency for the County of Riverside, California**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances**  
**of Governmental Funds to the Statement of Activities**  
Year Ended June 30, 2010

Net Change in Fund Balances-Total Governmental Funds \$ (9,737,108)

Amounts reported in the statement of activities are different because:

**LONG - TERM DEBT**

The issuance of long-term debt provides current financial resources to governmental funds, while any principal repayments reduce long-term debt. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Debt Issuance Costs	509,729
Principal Repayments	11,881,903
Net Change in Compensated Absences	48,129
Issuance of Long-term Debt	(81,745,000)
Premiums on Long-term Debt	(150,431)
Discount on Long-term Debt	626,419
	626,419

**CAPITAL ASSETS**

Governmental funds report capital outlay as an expenditure in the full amount as current financial resources are used. However, in the Statement of Activities the cost of these assets is allocated over the estimated useful life as depreciation expense.

Depreciation	(71,017)
	(71,017)

**OTHER ITEMS**

The amounts below included in the Statement of Activities do not provide for (require) the use of current financial resources and therefore are not reported as revenues or expenditures in governmental funds (net change).

Interest and Fiscal Charges	(518,945)
Amortization of Bond Discount	(111,024)
Amortization of Bond Refunding	(234,231)
Amortization of Bond Issuance Costs	(446,123)
Amortization of Premiums on Long-term Debt	276,921
	276,921

Changes in Net Assets of Governmental Activities \$ (79,670,778)

**Redevelopment Agency for the County of Riverside, California**  
**Notes to Financial Statements**  
Year Ended June 30, 2010

<u>NOTE</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
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**Redevelopment Agency for the County of Riverside, California**  
**Notes to Financial Statements**  
Year Ended June 30, 2010

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Redevelopment Agency for the County of Riverside, California was formed under Section 33,000 et. seq. of the Health and Safety Code. For the period under audit, the Agency consisted of five separate project areas.

The Agency's office and records are located at 3133 Mission Inn Avenue, Riverside, California 92507, telephone number (951) 955-8916. Agency officers are as follows:

<u>Name</u>	<u>Title</u>
Marion Ashley	Chairman
Bob A. Buster	Vice Chairman
John Benoit	Director
Jeff Stone	Director
John F. Tavaglione	Director

The Board of Directors is also the County Board of Supervisors. The Board of Directors typically meets every Tuesday.

The Agency is a component unit of the County of Riverside and, accordingly, the financial statements of the Agency are included in the comprehensive annual financial report of the County of Riverside.

The accounting policies of the Agency conform to accounting principles generally accepted in the United States of America as they are applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies reflected in the financial statements are summarized as follows:

**A) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements**

Governmental Accounting Standards Board Statement No. 51

In June 2007, GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This Statement is effective for financial statements for periods beginning after June 15, 2009. Governments possess many different types of assets that may be considered intangible assets, including easements, water rights, timber rights, patents, trademarks, and computer software. The objective of this Statement is to establish accounting and financial reporting requirements of intangible assets to enhance the comparability of the accounting and financial reporting of such assets among state and local governments. This Statement requires that an intangible asset be recognized in the statements of net assets only if it is considered identifiable. Additionally, this Statement establishes a specified-conditions approach to recognizing intangible assets that are internally generated. This Statement also establishes guidance specific to intangible assets related to amortization. Currently, the Agency has no intangible assets.

Governmental Accounting Standards Board Statement No. 53

In June 2008, GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Derivative instruments are often complex financial instruments used by governments include interest rate and commodity swaps, interest rate locks, options (caps, floors, and collars),