

TO: James L. App, City Manager
FROM: Mike Compton, Director of Administrative Services
SUBJECT: Redevelopment Agency Annual Report
DATE: January 18, 2000

NEED:

For the Agency to consider adopting a resolution approving the Redevelopment Agency Annual Report for fiscal year 1999.

FACTS:

1. California Redevelopment Law requires that the Agency Board present to the City Council an annual report.
2. The annual report must contain the following four components:
 - a. An independent financial audit for the previous fiscal year.
 - b. A fiscal statement for the previous fiscal year which contains the information required pursuant to Section 33080.5.
 - c. A description of the Agency's activities affecting housing and displacement pursuant to Section 33080.4.
 - d. Any other information which the Agency believes useful to explain its program and activities.
3. The Agency uses the State Controller's Annual Report of Redevelopment Financial Transactions to satisfy the requirements of 2.b above. This report is prepared by staff and must be submitted to the State Controller's Office within six months of year end (12/31).
4. The State Controller's Annual Report of Redevelopment Financial Transactions has been submitted to the State Controller's Office in accordance with the established deadline.
5. The Agency uses schedules HCD-A through C to describe the Agency's activities relating to housing activities.

ANALYSIS AND CONCLUSIONS:

The Agency received a 'clean' opinion letter from the auditors, Moss, Levy & Hertzheim, which noted that the general purpose financial statements presented fairly all material aspects the results of operations in conformity with generally accepted accounting principals.

With regard to Agency's 20% low and moderate income housing operations (LMI Fund), the ending fund balance was \$484,950 with a cash balance of \$459,339. However, the cash balance was temporally transferred to the Agency debt service fund to cover its' negative cash position at 6/30/99.

In the debt service fund, the fund balance in the aggregate total was a positive \$626,134 made up of \$773,260 representing the total amounts set-aside into the special debt service funds for Cuesta College, SLO County Schools and the Woodland Plaza II OPA and a negative \$(147,126) representing the Agency debt service obligations and activities.

The total negative cash balance at 6/30/99 was \$471,530 which was offset by a temporary transfer of cash resources from the LMI Fund, as noted above, and the General Fund in the amount of \$12,191. The increase in negative fund balance is mostly due to a one time adjustment to fully 'book' the applicable set-aside amount for the Woodland Plaza II OPA.

Due to an amendment to the Woodland Plaza II Owner Participation Agreement, the Agency is no longer required to set-aside the property tax increment generated from Woodland Plaza II. However, the balance in the Woodland Plaza II set-aside fund at 6/30/99, \$403,336, will be maintained separately from other RDA funds and will be used to augment the proceeds from the anticipated sale of tax allocation bonds in the Spring of 2000. These set-aside funds and bond proceeds will be used to fund the \$2 million contribution towards the expansion Niblick Bridge and \$150,000 towards South River Road improvements.

The financial condition of the Agency, other than its' LMI Fund, continues to pose a problem. While the Agency is required to be in debt in order to exist, this requirement is fully satisfied in the eyes of the law by the fiscal provisions of the fiscal agreement with all the taxing agencies and the 20% set-aside into the LMI fund. The Agency need not issue 'formal' debt to meet this legal obligation. However, the Agency has found itself in a situation wherein it is unable to make payments against its formal debt and continues to experience a negative cash position. Formal debt as June 30, 1999 is identified as follows:

1. \$959,899 RDA Promissory Note owed to the Water Operations Fund, interest at 7.5% per annum, payable in annual installments of \$247,066; balance outstanding @ 6/30/99 \$748,150.
2. \$179,000 RDA Promissory Note owed to the Water Operations Fund, interest at 7.5% per annum, payable in semi-annual installments of \$10,038; balance @ 6/30/99 \$164,924.
3. \$1,100,000 RDA Cash Promissory Note owed to the General Fund, non-interest bearing, principal payable tax increment revenues beginning in fiscal year 2000 (subject to the availability of property tax increment revenues).
4. 1996 Paso Robles Redevelopment Refunding Tax Allocation Bonds due in annual installments ranging from \$70,000 to \$255,000 through January 1, 2022, interest ranging from 4.5% to 5.6%; balance outstanding at 6/30/99 \$3,525,000.

FISCAL
IMPACT:

None.

OPTIONS:

- a. That the Agency adopt the attached resolution approving the Redevelopment Agency Annual Report; or
- b. Amend, modify or reject any of the options above.

AGENCY RESOLUTION NO. RA-00-

A RESOLUTION OF THE REDEVELOPMENT AGENCY
BOARD OF THE CITY OF EL PASO DE ROBLES ADOPTING THE
REDEVELOPMENT AGENCY ANNUAL REPORT FOR FISCAL YEAR 1999

WHEREAS, California Redevelopment Law requires that a Redevelopment Agency Board approve an annual report pursuant to the requirements of the California Health and Safety Code; and

WHEREAS, California Redevelopment Law further requires that the approved annual report be presented to the City Council.

BE IT RESOLVED that the Redevelopment Agency Annual Report for the fiscal year 1999 attached herewith as Exhibit "A" is approved.

PASSED AND ADOPTED by the Redevelopment Agency of the City of El Paso de Robles, California, on the 18th day of January 2000 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Walter Macklin, Chairman

ATTEST

Sharilyn M. Ryan, Deputy City Clerk

**EL PASO DE ROBLES
REDEVELOPMENT AGENCY**

ANNUAL REPORT

FOR THE

FISCAL YEAR ENDING JUNE 30, 1999

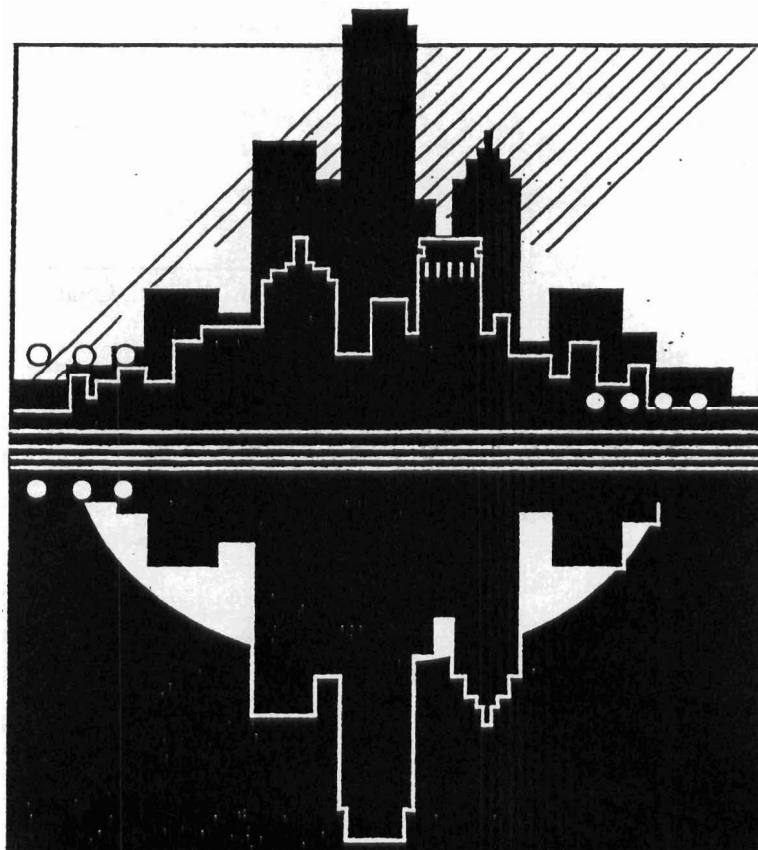


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- I. State Controller's Annual Report of Financial Transactions**
- II. Annual Report of Housing Activity of Community Redevelopment Agencies**
- III. Statement of Accomplishments and Activities**
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- V. Statement of Indebtedness**

Part I

**State Controller's Annual Report
Of
Financial Transactions**

**ANNUAL REPORT OF FINANCIAL TRANSACTIONS
OF COMMUNITY REDEVELOPMENT AGENCIES**

COVER SHEET

PAGE 0 0

TO: STATE CONTROLLER

DIVISION OF ACCOUNTING AND REPORTING

LOCAL GOVERNMENT REPORTING SECTION

REDEVELOPMENT REPORTING UNIT

P. O. BOX 942850

SACRAMENTO, CA 94250

EXPRESS MAIL ADDRESS:

3301 C STREET, SUITE 700

SACRAMENTO, CA 95816

PHONE: (916) 445-5153

FISCAL YEAR ENDED

June 30, 19 99

DUE WITHIN SIX MONTHS OF THE

AGENCY'S FISCAL YEAR END.

STATE USE ONLY

COUNTY San Luis Obispo

40271000

**EL PASO DE ROBLES
REDEVELOPMENT AGENCY
1000 SPRING STREET
PASO ROBLES, CA 93446**

(Y)

ZIP CODE

PHONE

(805 237-3999

651

LOCATION: (STREET ADDRESS)

(IF DIFFERENT FROM ABOVE)

CITY

STATE

ZIP CODE

AGENCY ORGANIZATION

REDEVELOPMENT AGENCY (H&S CODE 33100)
 COMMUNITY DEVELOPMENT COMMISSION

(H&S CODE 34110)

GOVERNING BODY MEMBERSHIP

BOARD OF SUPERVISORS
 CITY COUNCIL OTHER

MEMBERS OF THE GOVERNING BODY

REPORT PREPARED (CONTACT PERSON)

PHONE - (CONTACT PERSON)

BY: Veeda J. Cumming

(805) 237-3999, ext 651

STREET ADDRESS

1000 Spring Street

CITY

Paso Robles

STATE
CA

ZIP CODE
93446

SIGNATURE OF EXECUTIVE DIRECTOR

DATE

NAME

James L. App

TITLE

Executive Director

FIRM NAME

INDEPENDENT AUDITOR

Moss, Levy & Hartzheim

CONTACT PERSON

Ron Levy

PHONE - (CONTACT PERSON)

(805) 925-2579

STREET ADDRESS

802 East Main Street

CITY

Santa Maria

STATE
CA

ZIP CODE
93454

AGENCY OFFICIALS

EXECUTIVE OFFICER

James L. App

PHONE

(805) 237-3888

FISCAL OFFICER

Michael J. Compton

PHONE

(805) 237-3999

SECRETARY

James L. App

PHONE

(805) 237-3888

**ANNUAL REPORT OF FINANCIAL TRANSACTIONS
OF COMMUNITY REDEVELOPMENT AGENCIES
ACHIEVEMENT INFORMATION
(UNAUDITED)**

FISCAL YEAR ENDED June 30, 1999

AGENCY NAME PASO ROBLES REDEVELOPMENT AGENCY

**INDICATE ONLY THOSE ACHIEVEMENTS COMPLETED DURING THE FISCAL YEAR OF THIS REPORT
AS A DIRECT RESULT OF THE ACTIVITIES OF THE REDEVELOPMENT AGENCY.**

PLEASE PROVIDE A DESCRIPTION OF THE AGENCY'S ACTIVITIES/
ACCOMPLISHMENTS DURING THE PAST YEAR. USE ADDITIONAL FORMS
AS NEEDED.
*PLEASE BE SPECIFIC, AS THIS INFORMATION WILL BE THE BASIS
FOR POSSIBLE INCLUSION IN THE PUBLICATION.*

Please see the attached sheets entitled
"Accomplishments and Activities"

ENTER THE AMOUNT OF SQUARE FOOTAGE COMPLETED THIS YEAR BY BUILDING TYPE AND SEGREGATED BY NEW OR REHABILITATED CONSTRUCTION		SQUARE FOOTAGE COMPLETED	
		A	B
		NEW CONSTRUCTION	REHABILITATED
COMMERCIAL BUILDINGS	1	0	0
INDUSTRIAL BUILDINGS	2	0	0
PUBLIC BUILDINGS	3	0	0
OTHER BUILDINGS	4	0	0
TOTAL SQUARE FOOTAGE	5	0	0
ENTER THE NUMBER OF JOBS CREATED FROM THE ACTIVITIES OF THE AGENCY, EITHER ACTUAL OR ESTIMATED		A	
	6	0	
ENTER THE APPROPRIATE CODES TO INDICATE EACH TYPE OF PUBLIC FACILITY COMPLETED THIS YEAR.		A	
TYPES COMPLETED (A-F ONLY)	7	NONE	

A - UTILITIES C - LANDSCAPING E - STREETS AND ROADS
B - RECREATION D - SEWER & STORM F - BUS/TRANSIT

BALANCE SHEET

AGENCY NAME Paso Robles Redevelopment Agency

FISCAL YEAR ENDED June 30, 1999

		A	B	C	D	E	F	G
ASSETS & OTHER DEBITS		CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	LOW/MODERATE INCOME HOUSING FUNDS	SPECIAL REVENUE/OTHER FUNDS	GENERAL LONG-TERM DEBT	GENERAL FIXED ASSETS	TOTAL <small>(MEMORANDUM ONLY)</small>
CASH & IMPREST CASH	1.0	\$	\$ 773,260	\$	\$			\$ 773,260
CASH WITH FISCAL AGENT	2.0		313,277					313,277
TAX INCREMENTS RECEIVABLE	3.0							
ACCOUNTS RECEIVABLE	4.0		11,127					11,127
ACCRUED INTEREST RECEIVABLE	5.0							
LOANS RECEIVABLE	6.0	86,626		35,783				122,409
CONTRACTS RECEIVABLE	7.0							
LEASE PAYMENTS RECEIVABLE	8.0					\$		
UNEARNED FINANCE CHARGE	9.0							
DUE FROM CAPITAL PROJECTS FUND	10.0							
DUE FROM DEBT SERVICE FUND	11.0			459,339				459,339
DUE FROM LOW/MODERATE INCOME HOUSING FUND	12.0							
DUE FROM SPECIAL REVENUE/OTHER FUNDS	13.0							
INVESTMENTS	14.0							
OTHER ASSETS	15.0							
INVESTMENT-LAND HELD FOR RESALE	16.0							
ALLOWANCE FOR DECLINE IN VALUE OF LAND HELD FOR RESALE	16.1							
FIXED ASSETS: LAND, STRUCTURES & IMPROVEMENTS	17.0						\$ 1,996,205	1,996,205
EQUIPMENT	18.0						81,011	81,011
AMOUNT AVAILABLE IN DEBT SERVICE FUND	19.0							
AMOUNT TO BE PROVIDED FOR PAYMENT OF LONG-TERM DEBT	20.0					5,538,074		5,538,074
TOTAL ASSETS & OTHER DEBITS <small>(MUST EQUAL PAGE 04, LINE 40)</small>	21.0	\$ 86,626	\$ 1,097,664	\$ 495,122	\$	\$ 5,538,074	\$ 2,077,216	\$ 9,294,702

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		A	B	C	D	E	F	G
LIABILITIES & OTHER CREDITS		CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	LOW/MODERATE INCOME HOUSING FUNDS	SPECIAL REVENUE/OTHER FUNDS	GENERAL LONG-TERM DEBT	GENERAL FIXED ASSETS	TOTAL (MEMORANDUM ONLY)
ACCOUNTS PAYABLE	22.0	\$ 16,890	\$	\$	\$			\$ 16,890
INTEREST PAYABLE	23.0					\$		
TAX ANTICIPATION NOTES PAYABLE	24.0							
LOANS PAYABLE	25.0							
OTHER LIABILITIES	26.0		12,191	10,172				22,363
DUE TO CAPITAL PROJECTS FUND	27.0							
DUE TO DEBT SERVICE FUND	28.0							
DUE TO LOW/MODERATE INCOME HOUSING FUND	29.0		459,339					459,339
DUE TO SPECIAL REVENUE/OTHER FUNDS	30.0							
TAX ALLOCATION BONDS PAYABLE	31.0					3,525,000		3,525,000
LEASE REVENUE BONDS/CERTIFICATES OF PARTICIPATION PAYABLE	32.0							
OTHER LONG-TERM DEBT	33.0					2,013,074		2,013,074
TOTAL LIABILITIES & OTHER CREDITS	34.0	\$ 16,890	\$ 471,530	\$ 10,172	\$	\$ 5,538,074		\$ 6,036,666
EQUITIES								
INVESTMENT IN GENERAL FIXED ASSETS	35.0				\$		\$ 2,077,216	\$ 2,077,216
FUND BALANCE RESERVED	36.0	\$	\$ 773,260	\$ 484,950				1,258,210
FUND BALANCE UNRESERVED-DESIGNATED	37.0							
FUND BALANCE UNRESERVED-UNDESIGNATED	38.0	69,736	(147,126)					(77,390)
TOTAL EQUITIES	39.0	\$ 69,736	\$ 626,134	\$ 484,950	\$	\$	\$ 2,077,216	\$ 3,258,036
(MUST EQUAL PAGE 05, LINE 51)								
TOTAL LIABILITIES OTHER CREDITS & EQUITIES	40.0	\$ 86,626	\$ 1,097,664	\$ 495,122	\$	\$ 5,538,074	\$ 2,077,216	\$ 9,294,702

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INCOME STATEMENT - CONSOLIDATED

AGENCY NAME

Paso Robles Redevelopment Agency

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FISCAL YEAR ENDED June 30, 19 99

		A	B	C	D	E
REVENUES		CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	LOW/MODERATE INCOME HOUSING * FUNDS	SPECIAL REVENUE/OTHER FUNDS	TOTAL
TAX INCREMENT - GROSS (INCLUDE ALL APPORTIONMENTS)	1.0	\$	\$ 620,878	\$ 155,220	\$	\$ 776,098
SPECIAL SUPPLEMENTAL SUBVENTION	2.0					
PROPERTY ASSESSMENTS	3.0					
SALES & USE TAX	4.0					
TRANSIENT OCCUPANCY TAX	4.1					
INTEREST INCOME	5.0		83,685	20,237		103,922
RENTAL INCOME	6.0					
LEASE INCOME	7.0					
SALE OF REAL ESTATE GAIN ON LAND HELD FOR RESALE	8.0 8.1					
FEDERAL GRANTS	9.0					
GRANTS FROM OTHER AGENCIES	10.0					
BOND ADMINISTRATIVE FEES	11.0					
OTHER REVENUES	12.0		21,526			21,526
TOTAL REVENUES	13.0		726,089	175,457		901,546
EXPENDITURES						
ADMINISTRATION COSTS	14.0	\$	\$ 15,603	\$	\$	\$ 15,603
PROFESSIONAL SERVICES	15.0		95,845			95,845
PLANNING, SURVEY & DESIGN	16.0					
REAL ESTATE PURCHASES	17.0			135,000		135,000
EXPENDITURES SUB-TOTAL (CARRY TO LINE 19)	(18.0)	\$	\$ 111,448	\$ 135,000	\$	\$ 246,448

* In order to ensure consistency, the amounts reported in the Low and Moderate Income Housing Fund should form the basis for the data reported to the Department of Housing and Community Development on Schedules HCD-A and HCD-C.

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INCOME STATEMENT - CONSOLIDATED

AGENCY NAME

Paso Robles Redevelopment Agency

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FISCAL YEAR ENDED June 30, 1999

EXPENDITURES (CONT)		A	B	C	D	E
		CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	LOW/MODERATE INCOME HOUSING * FUNDS	SPECIAL REVENUE/OTHER FUNDS	TOTAL
SUB-TOTAL (FROM LINE 18)	(19.0)	\$ 111,448	\$	\$ 135,000	\$	\$ 246,448
ACQUISITION EXPENSE	20.0					
OPERATION OF ACQUIRED PROPERTY	21.0					
RELOCATION COSTS	22.0					
RELOCATION PAYMENTS	23.0					
SITE CLEARANCE COSTS	24.0					
PROJECT IMPROVEMENT/ CONSTRUCTION COSTS	25.0					
DISPOSAL COSTS	26.0					
LOSS ON DISPOSITION OF LAND HELD FOR RESALE	26.1					
DECLINE IN VALUE OF LAND HELD FOR RESALE	26.2					
REHABILITATION COSTS	27.0					
REHABILITATION GRANTS	28.0					
INTEREST EXPENSE	29.0		259,383			259,383
FIXED ASSET ACQUISITIONS	30.0					
SUBSIDIES TO LOW & MODERATE INCOME HOUSING	31.0					
DEBT ISSUANCE COSTS	31.1					
OTHER EXPENDITURES INCLUDING PASS THROUGH PAYMENT(S)	32.0		74,630			74,630
DEBT PRINCIPAL PAYMENTS:						
TAX ALLOCATION BONDS & NOTES	33.0		105,000			105,000
REVENUE BONDS & CERTIFICATES OF PARTICIPATION	34.0					
CITY/COUNTY ADVANCES & LOANS	35.0		56,101			56,101
U. S., STATE, & OTHER LONG-TERM DEBT	36.0					
TOTAL EXPENDITURES	37.0	\$ 111,448	\$ 495,114	\$ 135,000	\$	\$ 741,562

* In order to ensure consistency, the amounts reported in the Low and Moderate Income Housing Fund should form the basis for the data reported to the Department of Housing and Community Development on Schedules HCD-A and HCD-C.

INCOME STATEMENT - CONSOLIDATED

AGENCY NAME

Paso Robles Redevelopment Agency

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FISCAL YEAR ENDED June 30, 19 99

		A	B	C	D	E
EXPENDITURES (CONT)		CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	LOW/MODERATE INCOME HOUSING FUNDS	SPECIAL REVENUE/OTHER FUNDS	TOTAL
EXCESS (DEFICIENCY) REVENUES OVER (UNDER) EXPENDITURES	38.0	\$ (111,448)	\$ 230,975	\$ 40,457		\$ 159,984
OTHER FINANCING SOURCES (USES)						
PROCEEDS OF LONG-TERM DEBT	39.0					
PROCEEDS OF REFUNDING BONDS	39.1					
PAYMENT TO REFUNDED BOND ESCROW AGENT	39.2					
ADVANCES FROM CITY/COUNTY	40.0					
SALE OF FIXED ASSETS	41.0					
MISCELLANEOUS FINANCING SOURCES (USES)	41.1					
OPERATING TRANSFERS IN	42.0	117,403				117,403
TAX INCREMENT TRANSFERS IN (LOW & MOD HOUSING FUND)	42.1					
OPERATING TRANSFERS OUT	43.0		(117,403)	(63,750)		(181,153)
TAX INCREMENT TRANSFERS OUT (TO LOW & MOD HOUSING FUND)	43.1					
TOTAL - OTHER FINANCING SOURCES (USES)	44.0	\$ 117,403	\$ (117,403)	\$ (63,750)		\$ (63,750)
EXCESS (DEFICIENCY) OF REVENUES & OTHER FINANCING SOURCES OVER EXPENDITURES & OTHER FINANCING USES (LINE 38 + LINE 44)						
	45.0	\$ 5,955	\$ 113,572	\$ (23,293)		\$ 96,234
EQUITY, BEGINNING OF PERIOD	46.0	\$ 63,781	\$ 512,562	\$ 508,243		\$ 1,084,586
ADJUSTMENTS:						
PRIOR PERIOD ADJUSTMENTS	47.0					
RESIDUAL EQUITY TRANSFERS	48.0					
OTHER - (EXPLAIN)	49.0					
	50.0					
EQUITY, END OF PERIOD	51.0	\$ 69,736	\$ 626,134	\$ 484,950		\$ 1,180,820

* In order to ensure consistency, the amounts reported in the Low and Moderate Income Housing Fund should form the basis for the data reported to the Department of Housing and Community Development on Schedules HCD-A and HCD-C

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ASSESSED VALUATIONS - AND - TAX INCREMENT REVENUES

SCHEDULE D-R

FISCAL YEAR ENDED June 30, 99

AGENCY NAME Pāō Robles Redevelopment Agency

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ASSESSED VALUATION DATA

				C
FROZEN BASE ASSESSED VALUATION	1.0	\$	138,124,069	
INCREMENT ASSESSED VALUATION	2.0		95,380,712	
TOTAL ASSESSED VALUATION	3.0	\$	233,504,781	

PASS THROUGH / SCHOOL DISTRICT ASSISTANCE

AMOUNTS PAID TO TAXING AGENCIES PURSUANT TO:	RATES	TAX INCREMENT PASS THROUGH DETAIL						OTHER PAYMENTS					
		H & S CODE SECTION 33401		H & S CODE SECTION 33676		H & S CODE SECTION 33607		TOTAL		H & S CODE SECTION 33445		H & S CODE SECTION 33445.5	
		A	B	C	D	E	F						
COUNTY	4.0	\$ 62,232				\$ 62,232							
CITIES	5.0												
SCHOOL DISTRICTS	6.0	37,236	142,243			179,479							
COMMUNITY COLLEGE DISTRICTS	7.0	13,516	19,088			32,604							
SPECIAL DISTRICTS	8.0		14,724			14,724							
TOTAL PAID TO TAXING AGENCIES	10.0	\$ 112,984	\$ 176,055			\$ 289,039							
NET AMOUNT TO AGENCY	11.0					487,059							
GROSS TAX INCREMENT GENERATED	12.0					776,098							

CAPITAL IMPROVEMENT DETAIL

IN ADDITION TO THE ABOVE TAX INCREMENT PASS-THROUGHS, PLEASE ITEMIZE EACH CAPITAL IMPROVEMENT EXPENDITURE MADE ON BEHALF OF ANY TAXING AGENCY OTHER THAN A SCHOOL DISTRICT OR COMMUNITY COLLEGE DISTRICT, AND INDICATE CODE SECTION

Description	Name of Taxing Agency	Amount	Code Section:	
			33401	33676
_____	_____	\$ _____	[]	[]
_____	_____	\$ _____	[]	[]
_____	_____	\$ _____	[]	[]
_____	_____	\$ _____	[]	[]

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SUMMARY OF THE STATEMENT OF INDEBTEDNESS - Agency Totals

Agency Name Paso Robles Redevelopment Agency

Types of Debts		Total Indebtedness Outstanding As of <u>6/30/98</u>
TAX ALLOCATION BOND DEBT	1	\$ 6,124,911
REVENUE BONDS	2	
OTHER LONG-TERM DEBT	3	
CITY/COUNTY DEBT	4	2,264,592
LOW & MODERATE FUND	5	14,768,081
OTHER	6	40,799,850
TOTAL	7	\$ 63,957,434
AVAILABLE REVENUES	8	()
NET REQUIREMENT	9	\$ 63,957,434

Using the Statement of Indebtedness (SOI) filed on or before October 1, 1999, please summarize all indebtedness listed on Forms A and B as follows:

=====

DESCRIPTION OF LINE ITEMS

1. Any indebtedness listed on the SOI related to Tax Allocation Bonds or Notes.
2. Any indebtedness listed on the SOI related to Revenue Bonds or Certificates of Participation.
3. Any indebtedness listed on the SOI related to other long-term debt issuances, other than debt listed above, or indebtedness owed to the governing body.
4. All indebtedness or obligations owed to the governing body, regardless of the purpose or time limit.
5. All indebtedness or obligations to the Low and Moderate Income Housing Fund.
6. All indebtedness or obligations listed on the SOI, not included above.
8. Line 7 from the Calculation of Available Revenues statement.

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**ANNUAL REPORT OF FINANCIAL TRANSACTIONS
OF COMMUNITY REDEVELOPMENT AGENCIES
PROJECT AREA REPORT**

**PROJECT AREA
COVER SHEET**

PAGE

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STATE USE ONLY	
REVIEWED	CLEARED

PLEASE PROVIDE A BRIEF DESCRIPTION OF THE ACTIVITIES FOR THIS PROJECT AREA DURING THE REPORTING YEAR.

See "Accomplishments and Activities"

in Part III of this report.

STATE USE ONLY			
PROJECT AREA ID#			
PLEASE AFFIX LABEL AND CORRECT IF NECESSARY			
AGENCY AND PROJECT AREA NAME			
DATE PROJECT AREA WAS ESTABLISHED (MM-DD-YY)	(1)	12 - 10 - 87	
MOST RECENT DATE PROJECT AREA WAS AMENDED. (MM-DD-YY)	2	- -	
MOST RECENT DATE PROJECT AREA WAS MERGED. (MM-DD-YY)	3	- -	
ESTABLISHED TIME LIMIT: REPAYMENT OF INDEBTEDNESS (YEAR ONLY)	4	2015	
ESTABLISHED TIME LIMIT: EFFECTIVENESS OF PLAN (YEAR ONLY)	5.1	2027	
ESTABLISHED TIME LIMIT: NEW INDEBTEDNESS (YEAR ONLY)	6.1	2007	
SIZE OF PROJECT AREA IN ACRES.	7	1036	
PERCENTAGE OF LAND VACANT AT THE INCEPTION OF THE PROJECT AREA. HEALTH AND SAFETY CODE SECTION 33320.1 (XX.X%)	8	29.0 %	
PERCENTAGE OF LAND DEVELOPED AT THE INCEPTION OF THE PROJECT AREA. HEALTH AND SAFETY CODE SECTION 33320.1 (XX.X%)	9	71.0 %	
OBJECTIVES OF THE PROJECT AREA AS SET FORTH IN THE PROJECT AREA PLAN. (ENTER THE APPROPRIATE CODE(S) IN SEQUENCE AS SHOWN).	10	RICP	
		R = RESIDENTIAL I = INDUSTRIAL C = COMMERCIAL P = PUBLIC O = OTHER	

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INCOME STATEMENT

AGENCY NAME Paso Robles Redevelopment Agency

PAGE 0 5

PROJECT AREA NAME Paso Robles Redevelopment Agency

FISCAL YEAR ENDED June 30, 19 99

		A	B	C	D	E
REVENUES		CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	LOW/MODERATE INCOME HOUSING * FUNDS	SPECIAL REVENUE/OTHER FUNDS	TOTAL
TAX INCREMENT - GROSS (INCLUDE ALL APPORTIONMENTS)	1.0	\$	\$ 620,878	\$ 155,220	\$	\$ 776,098
SPECIAL SUPPLEMENTAL SUBVENTION	2.0					
PROPERTY ASSESSMENTS	3.0					
SALES & USE TAX	4.0					
TRANSIENT OCCUPANCY TAX	4.1					
INTEREST INCOME	5.0		83,685	20,237		103,922
RENTAL INCOME	6.0					
LEASE INCOME	7.0					
SALE OF REAL ESTATE	8.0					
GAIN ON LAND HELD FOR RESALE	8.1					
FEDERAL GRANTS	9.0					
GRANTS FROM OTHER AGENCIES	10.0					
BOND ADMINISTRATIVE FEES	11.0					
OTHER REVENUES	12.0		21,526			21,526
TOTAL REVENUES	13.0		726,089	175,457		901,456
EXPENDITURES						
ADMINISTRATION COSTS	14.0	\$	\$ 15,603	\$	\$	\$ 15,603
PROFESSIONAL SERVICES	15.0		95,845			95,845
PLANNING, SURVEY & DESIGN	16.0					
REAL ESTATE PURCHASES	17.0			135,000		135,000
EXPENDITURES SUB-TOTAL (CARRY TO LINE 19)	(18.0)	\$	\$ 111,448	\$ 135,000	\$	\$ 246,448

* In order to ensure consistency, the amounts reported in the Low and Moderate Income Housing Fund should form the basis for the data reported to the Department of Housing and Community Development on Schedules HCD-A and HCD-C

81-9

INCOME STATEMENT

AGENCY NAME Paso Robles Redevelopment Agency
PROJECT AREA NAME Paso Robles Redevelopment Agency

FISCAL YEAR ENDED June 30, 19 99

		A	B	C	D	E
EXPENDITURES (CONT)		CAPITAL PROJECTS FUNDS	DEBT SERVICE FUNDS	LOW/MODERATE INCOME HOUSING *FUNDS	SPECIAL REVENUE/OTHER FUNDS	TOTAL
SUB-TOTAL (FROM LINE 18)	(19.0)	\$ 111,448		\$ 135,000		\$ 246,448
ACQUISITION EXPENSE	20.0					
OPERATION OF ACQUIRED PROPERTY	21.0					
RELOCATION COSTS	22.0					
RELOCATION PAYMENTS	23.0					
SITE CLEARANCE COSTS	24.0					
PROJECT IMPROVEMENT/ CONSTRUCTION COSTS	25.0					
DISPOSAL COSTS	26.0					
LOSS ON DISPOSITION OF LAND HELD FOR RESALE	26.1					
DECLINE IN VALUE OF LAND HELD FOR RESALE	26.2					
REHABILITATION COSTS	27.0					
REHABILITATION GRANTS	28.0					
INTEREST EXPENSE	29.0		259,383			259,383
FIXED ASSET ACQUISITIONS	30.0					
SUBSIDIES TO LOW & MODERATE INCOME HOUSING	31.0					
DEBT ISSUANCE COSTS	31.1					
OTHER EXPENDITURES INCLUDING PASS THROUGH PAYMENT(S)	32.0		74,630			74,630
DEBT PRINCIPAL PAYMENTS:						
TAX ALLOCATION BONDS & NOTES	33.0		105,000			105,000
REVENUE BONDS & CERTIFICATES OF PARTICIPATION	34.0					
CITY/COUNTY ADVANCES & LOANS	35.0		56,101			56,101
U. S., STATE, & OTHER LONG-TERM DEBT	36.0					
TOTAL EXPENDITURES	37.0	\$ 111,448	\$ 495,114	\$ 135,000		\$ 741,562

* In order to ensure consistency, the amounts reported in the Low and Moderate Income Housing Fund should form the basis for the data reported to the Department of Housing and Community Development on Schedules HCD-A and HCD-C.

61-9

INCOME STATEMENT

AGENCY NAME Paso Robles Redevelopment Agency

PROJECT AREA NAME Paso Robles Redevelopment Agency

FISCAL YEAR ENDED June 30 19 99

		A		B		C		D		E
EXPENDITURES (CONT)		CAPITAL PROJECTS FUNDS		DEBT SERVICE FUNDS		LOW/MODERATE INCOME HOUSING *FUNDS		SPECIAL REVENUE/OTHER FUNDS		TOTAL
EXCESS (DEFICIENCY) REVENUES OVER (UNDER) EXPENDITURES	38.0	\$ (111,448)	\$	230,975	\$	40,457	\$		\$	159,984
OTHER FINANCING SOURCES (USES)										
PROCEEDS OF LONG-TERM DEBT	39.0									
PROCEEDS OF REFUNDING BONDS	39.1									
PAYMENT TO REFUNDED BOND ESCROW AGENT	39.2	()	()	()	()	()	()	()	()	()
ADVANCES FROM CITY/COUNTY	40.0									
SALE OF FIXED ASSETS	41.0									
MISCELLANEOUS FINANCING SOURCES (USES)	41.1									
OPERATING TRANSFERS IN	42.0	117,403								117,403
TAX INCREMENT TRANSFERS IN (LOW & MOD HOUSING FUND)	42.1									
OPERATING TRANSFERS OUT	43.0	()	()	117,403	()	63,750	()	()	()	181,153
TAX INCREMENT TRANSFERS OUT (TO LOW & MOD HOUSING FUND)	43.1	()	()		()		()	()	()	()
TOTAL - OTHER FINANCING SOURCES (USES)	44.0	\$ 117,403	\$	(117,403)	\$	(63,750)	\$		\$	(63,750)
EXCESS (DEFICIENCY) OF REVENUES & OTHER FINANCING SOURCES OVER EXPENDITURES & OTHER FINANCING USES (LINE 38 + LINE 44)	45.0	\$ 5,955	\$	113,752	\$	(23,293)	\$		\$	96,234
EQUITY, BEGINNING OF PERIOD	46.0	\$ 63,781	\$	512,562	\$	508,243	\$		\$	1,084,586
ADJUSTMENTS:										
PRIOR PERIOD ADJUSTMENTS	47.0									
RESIDUAL EQUITY TRANSFERS	48.0									
OTHER - (EXPLAIN)	49.0									
	50.0									
EQUITY, END OF PERIOD (MUST EQUAL PAGE 04, LINE 39)	51.0	\$ 69,736	\$	626,134	\$	484,950	\$		\$	1,180,820

* In order to ensure consistency, the amounts reported in the Low and Moderate Income Housing Fund should form the basis for the data reported to the Department of Housing and Community Development on Schedules HCD-A and HCD-C.

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**AGENCY LONG-TERM DEBT
TAX ALLOCATION BONDS, REVENUE BONDS AND CERTIFICATES OF PARTICIPATION**

SCHEDULE A-RP

FISCAL YEAR ENDED June 30, 1999

AGENCY NAME Paso Robles Redevelopment Agency
PROJECT AREA NAME Paso Robles Redevelopment Agency

PAGE OF

USE A SEPARATE COLUMN FOR LISTING EACH BOND AUTHORIZATION NOT FULLY RETIRED. USE ADDITIONAL PAGES AS NECESSARY.

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CODING BOXES FOR CONTROLLER'S USE ONLY

INDICATE TYPE OF DEBT: TAX ALLOCATION BOND, REVENUE BOND OR CERTIFICATE OF PARTICIPATION		Tax Allocation				TOTAL
YEAR OF AUTHORIZATION	1.0	1996				
PRINCIPAL AMOUNT AUTHORIZED	1.1	\$ 3,630,000	\$	\$	\$	\$ 3,630,000
PRINCIPAL AMOUNT UNISSUED	1.2					
PRINCIPAL AMOUNT UNMATURED-BEGINNING OF FISCAL YEAR	2.0	3,630,000				3,630,000
ADJUSTMENTS MADE DURING YEAR (EXPLAIN)	3.0					
PRINCIPAL AMOUNT ISSUED DURING FISCAL YEAR	4.0					
PRINCIPAL AMOUNT MATURED DURING FISCAL YEAR	5.0	(105,000)	()	()	()	(105,000)
PRINCIPAL AMOUNT DEFEASED DURING FISCAL YEAR	5.1	()	()	()	()	()
PRINCIPAL AMOUNT UNMATURED - END OF FISCAL YEAR	6.0	\$ 3,525,000	\$	\$	\$	\$ 3,525,000
PRINCIPAL AMOUNT IN DEFAULT	6.1					
INTEREST IN DEFAULT	6.2					

PURPOSE OF DEBT BY AUTHORIZATION	REVENUES PLEDGED AS ADDITIONAL SECURITY (SPECIFY NATURE OF REVENUE)	EXTENT PLEDGED
Repay General Fund advances and purchase interim City Hall.	Property Tax Increment	%
		%
		%
		%

6-21

SCHEDULE B-RP

OTHER LONG-TERM DEBT

FISCAL YEAR ENDED June 30, 19 99 AGENCY NAME Paso Robles Redevelopment Agency
 PROJECT AREA NAME Paso Robles Redevelopment Agency

USE A SEPARATE COLUMN FOR LISTING EACH BOND AUTHORIZATION NOT FULLY RETIRED. USE ADDITIONAL PAGES AS NECESSARY.

	(1.0)	CITY/COUNTY		STATE		U. S.		OTHER		TOTAL
		1 6 A	1 7 A	1 8 A	1 9 A					
OTHER LONG-TERM INDEBTEDNESS										
PRINCIPAL AMOUNT UNMATURED- BEGINNING OF FISCAL YEAR	2.0 \$	2,069,175 \$								2,069,175 \$
ADJUSTMENTS MADE DURING YEAR (EXPLAIN)	3.0									
INTEREST ADDED TO PRINCIPAL	3.1									
PRINCIPAL AMOUNT RECEIVED DURING FISCAL YEAR	4.0									
PRINCIPAL AMOUNT MATURED DURING FISCAL YEAR	5.0 (56,101) (56,101) (
PRINCIPAL AMOUNT UNMATURED- END OF FISCAL YEAR	6.0 \$	2,013,074 \$								2,013,074 \$

ASSESSED VALUATIONS - AND - TAX INCREMENT REVENUES

SCHEDULE D-RP

FISCAL YEAR ENDED June 30, 99

AGENCY NAME Paso Robles Redevelopment Agency

PAGE

3	1
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PROJECT AREA NAME Paso Robles Redevelopment Agency

ASSESSED VALUATION DATA

				C
FROZEN BASE ASSESSED VALUATION	1.0	\$	138,124,069	
INCREMENT ASSESSED VALUATION	2.0		95,380,712	
TOTAL ASSESSED VALUATION	3.0	\$	233,504,781	

PASS THROUGH / SCHOOL DISTRICT ASSISTANCE

AMOUNTS PAID TO TAXING AGENCIES PURSUANT TO:	H & S CODE	TAX INCREMENT PASS THROUGH DETAIL				OTHER PAYMENTS							
		SECTION 33401		SECTION 33676		SECTION 33607		TOTAL		SECTION 33445		SECTION 33445.5	
		A	B	C	D	E	F						
COUNTY	4.0	\$ 62,232				\$ 62,232							
CITIES	5.0												
SCHOOL DISTRICTS	6.0	37,236	142,243			179,479							
COMMUNITY COLLEGE DISTRICTS	7.0	13,516	19,088			32,604							
SPECIAL DISTRICTS	8.0		14,724			14,724							
TOTAL PAID TO TAXING AGENCIES	10.0	\$ 112,984	\$ 176,055			\$ 289,039							
NET AMOUNT TO AGENCY	11.0					487,059							
GROSS TAX INCREMENT GENERATED	12.0					776,098							

CAPITAL IMPROVEMENT DETAIL

IN ADDITION TO THE ABOVE TAX INCREMENT PASS-THROUGHS, PLEASE ITEMIZE EACH CAPITAL IMPROVEMENT EXPENDITURE MADE ON BEHALF OF ANY TAXING AGENCY OTHER THAN A SCHOOL DISTRICT OR COMMUNITY COLLEGE DISTRICT, AND INDICATE CODE SECTION

Description	Name of Taxing Agency	Amount	Code Section:	
			33401	33676
_____	_____	\$ _____	[]	[]
_____	_____	\$ _____	[]	[]
_____	_____	\$ _____	[]	[]
_____	_____	\$ _____	[]	[]

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SUMMARY OF THE STATEMENT OF INDEBTEDNESS - Agency Totals

Agency Name Paso Robles Redevelopment Agency
 Project Area Name Paso Robles Redevelopment Agency

Types of Debts		Total Indebtedness Outstanding As of 6/30/98
TAX ALLOCATION BOND DEBT	1	\$ 6,124,911
REVENUE BONDS	2	
OTHER LONG-TERM DEBT	3	
CITY/COUNTY DEBT	4	2,264,592
LOW & MODERATE FUND	5	14,768,081
OTHER	6	40,799,850
TOTAL	7	\$ 63,957,434
AVAILABLE REVENUES	8	()
NET REQUIREMENT	9	\$ 63,957,434

Using the Statement of Indebtedness (SOI) filed on or before October 1, 1999, please summarize all indebtedness listed on Forms A and B as follows:

=====

DESCRIPTION OF LINE ITEMS

1. Any indebtedness listed on the SOI related to Tax Allocation Bonds or Notes.
2. Any indebtedness listed on the SOI related to Revenue Bonds or Certificates of Participation.
3. Any indebtedness listed on the SOI related to other long-term debt issuances, other than debt listed above, or indebtedness owed to the governing body.
4. All indebtedness or obligations owed to the governing body, regardless of the purpose or time limit.
5. All indebtedness or obligations to the Low and Moderate Income Housing Fund.
6. All indebtedness or obligations listed on the SOI, not included above.
8. Line 7 from the Calculation of Available Revenues statement.

AP-9

Supplement to the Annual Report of Community Redevelopment Agencies

Redevelopment Agency ID Number	40271000
Name of Redevelopment Agency	El Paso de Robles Redevelopment Agency
Address	1000 Spring Street
City, State, Zip	Paso Robles CA 93446

The U. S. Bureau of the Census requests the following information about the fiscal activities of your government for the 1998-99 fiscal year. Governments furnishing this information will no longer receive U. S. Bureau of the Census Form F-32, Survey of Local Government Finances. If you have any questions, please contact:

U. S. Bureau of the Census
Chris Kubacki
1-800-242-4523

A. Personnel Expenditures

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

Z00	\$	(1,067)
-----	----	---------

B. Mortgage Revenue Bond Interest Payments

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

U20	\$	
-----	----	--

C. Cash and Investments Held at the End of the Fiscal Year

Report separately for each of the three types of funds listed below, the total cash on hand and on deposit and investments in Federal government, Federal agency, State and local government and non-governmental securities. Report all investments at par value. Include in the sinking fund total any mortgages and notes receivable held as offsets to housing and industrial financing loans. Exclude accounts receivable, value of real property and non-security assets.

1. Sinking funds - Reserve held for redemption of long-term debt.	W01	\$	313,277
2. Bond funds - Unexpended proceeds from the sale of bond issues held pending disbursement.	W31	\$	
3. All other funds - Exclude employee retirement funds.	W61	\$	773,260

Part II

**Annual Report of Housing Activity
Of
Community Redevelopment Agencies**

SCHEDULE HCD-A
Project Area Activity
for Fiscal Year Ended 6/30/99

Agency Name: Paso Robles Redevelopment Agency Project Area Name: Paso Robles Redevelopment Project Area

Preparer's Name, Title: Ed Gallagher, Housing Programs Mgr. Preparer's E-Mail Address: ed@prcity.com

Preparer's Telephone No: (805) 237-3970 Preparer's Facsimile No: (805) 237-6565

General Information

1. a Year plan for project area was adopted: _____ Current expiration of redevelopment plan: 11 / 30 / 27
mo day yr

b. If project area name has changed, give previous name(s) or number: N/A

c. Year(s) project areas merged: : N/A

Project areas merged: : N/A

d. Year(s) real property was: (1.) added: : N/A (2.) removed: : N/A

2. Project areas adopted, and areas added by amendment, after 12/31/75 are subject to section 33413. All other project areas are subject to Section 33413(a), effective 1/1/96, with respect to housing activity specified in Section 33413(d). An agency may elect to make all or part of Section 33413 apply to a project area for which a plan was adopted before 1/1/76. If the redevelopment plan for the subject project area was adopted before 1/1/76, and the agency has elected to apply all or part of Section 33413, provide the date and scope of the resolution.

Date: / / ; Scope: : N/A
mo day yr

Project Area Housing Fund Revenues and Other Sources

3. Report all revenues and other sources of funds from this project area which accrued to the agency's Housing Fund this reporting year. Any income related to agency-assisted housing located outside the project area(s) should be reported as "Other Revenue" on line 3j. (of this Schedule A), if this project area is named as beneficiary in the authorizing resolution. Any other revenue sources not reported on lines 3a.-3i., should also be reported on line 3j.

Enter the full 100% of gross tax increment allocated (prior to any pass through and deduction for fees) on line 3a(1). Calculate 20% of gross tax increment and enter the amount on line 3a(2). To determine the amount of Tax Increment deposited to the Housing Fund (line 3a(6)), subtract allowable exempted (line 3a(4)) or deferred (line 3a(5)) amounts from the Tax Increment Allocated to Housing Fund (line 3a(3)).

NOTE:

Expenditures for debt service should be reported on Schedule HCD-C (Page 2, Line 3c).

Dollar amounts for items HCD-A lines 3a.-3f. and 3i. (where an italicized line number is noted in parentheses) can be taken directly from that line number on the State Controller's Annual Report of Financial Transactions of Community Redevelopment Agencies, Project Area Income Statement, except for the reclassifying of Transfers-In from Internal Funds and the reporting of Other Sources as discussed below.

Transfers-In from other internal funds: The specific sources of transferred funds must be reported in items HCD-A lines 3a.-j. For example: transfers into the Housing Fund from the Debt Service Fund for the deposit of the 20% setaside should be reported on line 3a(3).

Other Sources: Non-GAAP revenues such as land sales for those Agencies using the Land Held for Resale method to record land sales should be reported on HCD-A line 3d. Money received for the repayment of loan principal to the Housing Fund should be included on HCD-A line 3h.

3. a. Tax Increment:

(1) 100% of Gross (line 1E):	\$ 776,098
(2) Minimum Deposit to Housing Fund (Line 3a(1) x 20%):	\$ 155,220
(3) Tax Increment Allocated to Housing Fund *	\$ 155,220
Less:	
(4) Amount Exempted (if there is an amount exempted, also complete question #4 (HCD-A, Page 3 of 5):	(\$ 0)
(5) Amount Deferred (if there is an amount deferred, also complete question #5 (HCD-A, Page 3 of 5):	(\$ 0)
(4) (6) Tax Increment Deposited to Housing Fund [actual amount deposited, Lines 3a: (3) - (4) - (5)]	\$ 155,220

* If less than 20% of the Gross Tax Increment (see 3a(2) above) is being set aside in this project area in accordance with Section 33334.3(i); identify the project area(s) contributing the difference:

Not Applicable

* Explain below if less than 20% is being set aside for any other reason:

Not Applicable

b. Interest Income (line 5):	\$ 20,237
c. Rental/Lease Income (lines 6 + 7):	\$ 0
d. Sale of Real Estate (line 8):	\$ 0
e. Grants (lines 9 + 10):	\$ 0
f. Bond Administrative Fees (line 11):	\$ 0
g. Deferral Repayments:	\$ 0
h. Loan Repayments:	\$ 0
i. Debt Proceeds (line 39):	\$ 0
j. Other Revenue (Specify) _____	\$ 0
k. Total Housing Fund Deposits for this Project Area (add 3a(6). through 3j.):	<u>\$ 175,457</u>

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Deferral(s) Line 5 (continued) NOT APPLICABLE

d. Section 33334.6(g) requires any agency which defers set-asides to adopt a plan to eliminate the deficit in subsequent years. If this agency has deferred set-asides, has it adopted such a plan? Yes No

If yes, by what date is the deficit to be eliminated?

____/____/____
mo day yr

If yes, when was the original plan adopted for the deferral claimed?

____/____/____
mo day yr

Identify Resolution # _____ Date Resolution sent to HCD

____/____/____
mo day yr

When was the last amended plan adopted for the deferral claimed?

____/____/____
mo day yr

Identify Resolution # _____ Date Resolution sent to HCD

____/____/____
mo day yr

Housing Units Lost and Households Displaced

6. a. Pursuant to Sections 33080.4(a)(1) and (a)(3), report the number of dwelling units and bedrooms destroyed or removed from this project area as a result of redevelopment activities; the number of above moderate units or bedrooms the agency is not required to replace; and the income category and type of households permanently displaced from the project area during the fiscal year.

Income Level	VL	L	M	AM	Total
Households Permanently Displaced -Elderly	0	0	0	0	0
Households Permanently Displaced - Non Elderly	0	0	0	0	0
Households Permanently Displaced - Total	0	0	0	0	0
Units Lost (Removed or Destroyed, and Required to be Replaced)	0	0	0		0
Bedrooms Lost (Removed or Destroyed, and Required to be Replaced)	0	0	0		0
Units Lost (Above Moderate: Not Required to be Replaced)				0	0
Bedrooms Lost (Above Moderate: Not Required to be Replaced)				0	0

b. Pursuant to Sections 33080.4(a)(1) and (a)(3), report the number of households permanently displaced as a result of redevelopment activities other than the destruction or removal of dwelling units and bedrooms from this project area; and the income category and type of households displaced from the project area during the fiscal year.

Income Level	VL	L	M	AM	Total
Households Permanently Displaced -Elderly	0	0	0	0	0
Households Permanently Displaced - Non Elderly	0	0	0	0	0
Households Permanently Displaced - Total	0	0	0	0	0

c. Identify each replacement housing plan adopted that is related to permanent displacement, destruction or removal of dwelling units or bedrooms during the fiscal year and identified in paragraphs in 6a. and 6b. as follows:

Date ____/____/____ Name of Agency Custodian _____
mo day yr

Date ____/____/____ Name of Agency Custodian _____
mo day yr

Date ____/____/____ Name of Agency Custodian _____
mo day yr

Please attach a separate sheet of paper listing any additional housing plans adopted.

SCHEDULE HCD-C

Agency-wide Activity

for Fiscal Year Ended 6/30/99

Agency Name: Paso Robles Redevelopment Agency

Preparer's Name, Title: Ed Gallagher, Housing Programs Mgr. Preparer's E-Mail Address: ed@prcity.com

Preparer's Telephone No: (805) 237-3970 Preparer's Facsimile No: (805) 237-6565

Low & Moderate Income Housing Funds

Report on the "status and use of the agency's Low and Moderate Income Housing Fund," including information developed to comply with Sections 33080.4(a)(6) and (a)(8). Information reported here should be based on that reported to the State Controller.

1. Beginning Balance

(Must equal line 4, "Net Resources Available" from last year's HCD-C form): \$ 425,347

If Beginning Balance is not the same as Line 4 from Schedule HCD-C, Page 2 of 5, for FY 97/98, indicate the:

Amount of the adjustment (indicate whether positive or negative): \$ 82,896

Reason(s) for each difference: FY 7/98 report was prepared prior to completion of annual audit.

Adjusted Beginning Balance (Beginning Balance plus or minus the adjustment): \$ 508,243

2. Resources:

a. Total Resources From Project Areas:
(Sum of amount(s) from line 3k on Schedule HCD-A(s)): \$ 175,457

b. Other resources not reported on Schedule HCD-A(s)
(Specify: _____): \$ 0

3. Subtotal of Expenditures and Other Uses (total of HCD-C, pages 2-3, lines 3a.-k. below): (\$ 198,750)

NOTE:

The line items below were expanded to include specific line items from the State Controller's Annual Report of Financial Transactions of Community Redevelopment Agencies to facilitate preparation of the report.

Dollar amounts for items where an italicized line number is noted in parentheses can be taken directly from the line number(s) on the State Controller's Annual Report of Financial Transactions of Community Redevelopment Agencies, Consolidated Income Statement, except for reclassifying of Transfers-Out to Internal Funds and the reporting of Other Uses as discussed below.

Transfers-out to other internal funds: The specific use of transferred funds must be reported on HCD-C lines 3a.-k. For example: transfers from the Housing Fund to the Debt Service Fund for the repayment of debt should be reported in line 3c. Any transfers out of the Agency (for example: the transfer of excess surplus funds to the Housing Authority) should be reported in line 3j(3).

Other Uses: Non-GAAP expenditures such as land purchases for those Agencies using the Land Held for Resale method to record land purchases should be reported on HCD-C line 3a(1). Money spent on loans from the Housing Fund should be included in lines 3b., 3f., 3g. and 3h. as appropriate.

ALWAYS REFER TO THE COMMUNITY REDEVELOPMENT LAW TO DETERMINE THE APPROPRIATENESS OF EXPENDITURES FROM THE LOW AND MODERATE INCOME HOUSING FUND. HCD IS NOT REPRESENTING THAT ALL IDENTIFIED EXPENDITURES ARE ALLOWABLE EXPENDITURES OR USES.

3. Subtotal of Expenditures and Other Uses (continued)

a. Property Acquisition:

Acquisition of Property/Building Sites (33334.2(e)(1)) & Housing Acquisition (33334.2(e)(6)):

(1) Real Estate Purchases (Line 17):	\$ 135,000
(2) Acquisition Expense (Line 20):	\$ 0
(3) Operation of Acquired Property (Line 21):	\$ 0
(4) Relocation Costs (Line 22):	\$ 0
(5) Relocation Payments (Line 23):	\$ 0
(6) Site Clearance Costs (Line 24):	\$ 0
(7) Disposal Costs (Line 26):	\$ 0
(8) Other (Specify) _____:	\$ 0
Property Acquisition Subtotal:	<u>\$ 135,000</u>

b. Subsidies from the LMIHF:

(1) 1st Time Homebuyer Down Payment Assistance:	\$ 0
(2) Rental Subsidies:	\$ 0
(3) Purchase of Affordability Cov. (33413(b)2(B)):	\$ 0
(4) Other (Specify) _____:	\$ 0
Subsidies Subtotal to LMIHF (line 31):	<u>\$ 0</u>

c. Debt Service (33334.2(e)(9)):

(1) Debt Principal Payments:

(a) Tax Allocation, Bonds & Notes:	\$ 0
(b) Revenue Bonds & Certificates of Participation:	\$ 0
(c) City/County Advances & Loans:	\$ 0
(d) U. S. State & Other Long -Term Debt:	\$ 0

(2) Interest Expense (Line 29):	\$ 0
(3) Debt Issuance Costs (Line 31.1):	\$ 0
(4) Other (Specify) _____:	\$ 0

Debt Service Subtotal: \$ 0

d. Planning and Administration Costs (33334.3(e)(1)):

(1) Administration Costs (Line 14c):	\$ 0
(2) Professional Services (not project based) (Line 15c):	\$ 0
(3) Planning, Survey/Design (not project based) (Line 16c):	\$ 0
(4) Indirect Nonprofit Costs (33334.3(e)(1)(B)):	\$ 0
(5) Other (Specify) <u>Housing Program Administrative Costs</u> :	\$ 63,750
Planning and Administration Costs Subtotal:	<u>\$ 63,750</u>

3. Subtotal of Expenditures and Other Uses (continued)

e. On/Off-Site Improvements (33334.2(e)(2)):	\$ 0
f. Housing Construction (33334.2(e)(5)):	\$ 0
g. Housing Rehabilitation (33334.2(e)(7)), (Line 27c):	\$ 0
h. Maintenance of Mobilehome Parks (33334.2(e)(10)):	\$ 0
i. Preservation of At-Risk Units (33334.2(e)(11)):	\$ 0
j. Transfers Out of Agency:	
(1) For Use Outside Community (33334.17)	\$ 0
(2) For Transit Village Development Plan (33334.19):	\$ 0
(3) Excess Surplus (33334.12(a)(1)(A)):	\$ 0
(4) Other (cite code section authorizing the transfer):	\$ 0
Code Section _____	
Total Transfer Out of Agency:	\$ 0
k. Other (Specify): _____	\$ 0

4. Net Resources Available (End of Year [1.+2a.+2b.-3a-k.]): \$ 484,950

5. Other Housing Fund Assets (not included on Line 4, above):

a. Value of Land Purchased with Housing Funds and Held for Development of Affordable Housing	\$ 0
b. Indebtedness for Set-asides Deferred (Sec. 33334.6):	\$ 0
c. Loans Receivable for Housing Activities	\$ 0
d. Residual Receipt Loans	\$ 0
e. ERAF Loans Receivable (all years) (Sec. 33681):	\$ 0
f. Other Assets (Specify): _____	\$ 0

6. Total Fund Equity (4.+5a. through 5f.): \$ 484,950

This line must equal line 39c. of the Balance Sheet on the State Controller's Annual Report of Financial Transactions of Community Redevelopment Agencies.

7. Total Equities
(Enter line 39c. from the State Controller's Balance Sheet): **THIS LINE MUST EQUAL LINE 6.** \$ 484,950

Excess Surplus

Pursuant to Section 33080.7, report any excess surplus funds (as defined in Section 33334.12(G)(1)). Excess surplus exists for the current reporting year if the Adjusted Balance (Schedule HCD-C, Page 3 of 5, line item 9b.(3)) of your agency's 1997/98 reporting forms exceeds the greater of \$1,000,000 or the aggregate amount of tax increments deposited into the Fund during the prior four fiscal years. (See the table in Schedule HCD-C, Page 4 of 8, line 8a., for this reporting year).

"Encumber" means committing funds pursuant to a legally enforceable contract or agreement for expenditure for authorized redevelopment housing activities (Section 33334.12(g)(2)). In accordance with Section 33334.12(g)(3)(A) and (B), the unencumbered balance may be adjusted to account for any remaining revenue added from debt proceeds and the difference between the sales price of land for affordable housing and its fair market value.

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8. Excess Surplus (continued):

a. Fill in the following table to calculate and track your agency's excess surplus amounts for each fiscal year since **FY 94/95**.

Fiscal Year	Total Tax Increments Deposited in Housing Fund	Sum of Deposited Tax Increment in Housing Fund From Previous Four FYs	Adjusted Balance as of 7/1/98 *	Excess Surplus Balance for Each Fiscal Year as of 7/1/98	Amount Expended and Encumbered in FY 98/99 Against Each Fiscal Year's Excess Surplus as of 6/30/99	Remaining Excess Surplus for Each Fiscal Year as of 6/30/99
94-95	\$138,494			\$ 0	\$ 0	\$ 0
95-96	\$139,940			\$ 0	\$ 0	\$ 0
96-97	\$143,960			\$ 0	\$ 0	\$ 0
97-98	\$131,585			\$ 0	\$ 0	\$ 0
98-99		\$ 553,979	\$ 471,302	\$ 0	\$ 0	\$ 0

* *Adjusted Balance at the beginning of FY 98-99 is equal to the amount reported last year on HCD-C, Page 3 of 5, line 9b(3).*

b. Are you eligible to adjust the Unencumbered Balance (End of Year)? If yes, identify the type and amount of the adjustment below in lines (4)(a). and (4)(b).:

(1) Net Resources Over (Under) Expenditures and Uses (from line 4 on previous page):	\$ 484,950
(2) Total Encumbrances (End of Year)-see Section 33334.12(g)(2) for a definition. (Amount of line 8b(1) (above)) encumbered per agreement or contract):	\$ 0
(3) Unencumbered Balance (End of Year [8b(1) – 8b(2)])	<u>\$ 484,950</u>

Breakdown of Unencumbered Balance (End of Year):

(a) Unencumbered Designated (portion of line 8b(3))	<u>\$ 484,950</u>
(b) Unencumbered Undesignated (portion of line 8b(3))	<u>\$ 0</u>

(4) Less Adjustments:

(a) Debt Proceeds (33334.12(g)(3)(B)):	<u>\$ 0</u>
--	-------------

NOTE: ONLY INCLUDE THE UNSPENT PORTION OF DEBT PROCEEDS AND INCOME RELATED THERETO REMAINING IN THE HOUSING FUND AT THE END OF THE REPORTING YEAR.

(b) Land Sales (33334.12(g)(3)(A)):	<u>\$ 0</u>
-------------------------------------	-------------

(5) Adjusted Balance: This will be the 7/1/99 adjusted balance used to calculate next year's excess surplus.	<u>\$ 484,950</u>
--	-------------------

c. If you reported an excess surplus for the current reporting year, briefly summarize the agency's plan (authorized in Section 33334.10) for encumbering or expending that amount:

d. If plan described in 8c. was adopted, enter the date the plan was adopted: N/A / /
 mo day yr

Miscellaneous Uses of Funds

9. If an amount is reported in 3e., pursuant to Section 33080.4(a)(6), report the total number of very low-, low-, and moderate-income households directly benefited from expenditures for onsite/offsite improvements, which resulted in new construction, rehabilitation or the elimination of health and safety hazards. (If line 3e. of this schedule does not show expenditures for improvements, no units should be reported here.)

Income Level	Construction	Rehabilitation	Health and Safety	Duration of Deed Restriction
Very Low	0	0	0	N/A
Low	0	0	0	N/A
Moderate	0	0	0	N/A

10. If the agency is holding land for future housing development (see 5a., above), summarize here the sites held, including acreage, date of purchase, zoning, and anticipated start date for the housing development.

Site Name/Location*	No. of Acres	Zoning	Purchase Date	Estimated Date Available	Comments
Nortwest Corner of 32 nd & Spring Streets	0.66	R-3 and R-4	04/06/99	N/A	To be reconveyed to a non-profit organization for construction and operation of a youth activities center. All LMIH funds will be recovered.

Please attach a separate sheet of paper listing any additional sites not reported above.

11. Section 33334.13 requires agencies which have used the Housing Fund to assist mortgagors in a homeownership mortgage revenue bond program, or home financing program described in that Section, to provide the following information: Not Applicable

a. Has your agency used the authority related to definitions of income or family size adjustment factors provided in Section 33334.13(a)?
 Yes No Not Applicable

b. Has the agency complied with requirements in Section 33334.13(b) related to assistance for very low-income households equal to twice that provided for above moderate-income households?
 Yes No Not Applicable

Agency Name: Paso Robles Redevelopment Agency

12. Did the Agency use non-LMIHF funds as matching funds for the Federal HOME or HOPE program during the reporting period?

YES NO

If yes, please indicate the amount of non-LMIHF funds that were used for either HOME or HOPE program support. -

HOME \$ _____ HOPE \$ _____

13. Pursuant to Section 33080.4(a)(11), the description of the agency's activities shall include the date and amount of all deposits and withdrawals of moneys deposited to and withdrawn from the LMIHF during the reporting period. The deposit and withdrawal information must be kept and promptly submitted to HCD upon request and made available to any member of the public upon request.

Has your agency made any deposits to or withdrawals from the LMIHF? Yes No

If yes, identify the document(s) describing the agency's deposits and withdrawals by listing for each document, the following (attach additional pages as necessary):

Name of document: _____

Date of document: _____ / _____ / _____
mo day yr

Name of Agency Custodian: _____

Custodian telephone number: _____

Where to obtain a copy: _____

Name of document: _____

Date of document: _____ / _____ / _____
mo day yr

Name of Agency Custodian: _____

Custodian telephone number: _____

Where to obtain a copy: _____

Achievements

14. Please briefly describe one outstanding or innovative project, practice, or program the agency participated in during this reporting period to increase, improve or preserve the community's affordable housing supply. Provide the following information along with the program or project description: **None this reporting period.**

a. Name of Project or Program: _____

b. Contact Person: _____

c. Telephone Number (contact person) _____

d. Description: _____

Owner/Developer: _____

Management Entity: _____

Architect: _____

Contractor: _____

Funds Utilized: (Sources) Type:

Construction Permanent Loan/Grant Land Lease Other _____

Development Type:

- Rental New Construction,
- Rental Rehabilitation Only
- Rental Acquisition & Rehabilitation
- New Construction of For Sale Units
- Owner Occupied Rehabilitation
- Mortgage Assistance of For Sale Units:
 - 1st Time Homebuyers
 - Other Assistance
- Other _____

Resident Profile (State Income Levels) and Special Needs Designations:

Income Range

Very-low Income	\$ _____	\$ _____
Low Income	\$ _____	\$ _____
Moderate Income	\$ _____	\$ _____
Above Moderate Income	\$ _____	\$ _____

# DISABLED (MENTAL)	# FARMWORKER (PERMANENT)	# TRANSITIONAL HOUSING
# DISABLED (PHYSICAL)	# FEMALE HEAD OF HOUSEHOLD	# ELDERLY
# FARMWORKER (MIGRANT)	# LARGE HOUSEHOLDS (4 or more Bedrooms)	# EMERGENCY SHELTERS

Density (units per Acre): _____

Development /Residential (Income Levels) Profile

Number of Units:

Type	Size (sf)	Rental Rate	VLOW	LOW	MOD	AMOD	Total No/Units
1 BR							
2 BR							
3 BR							
4 BR							
TOTAL							

Funding:

Source = CDBG, HOME, LIHTC, MRB (Specify)

Type = Construction, Permanent Loan/Grant Land Lease or Other (Specify)

Source	Amount	Type
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____

Construction Type: (e.g., conventional. Family. Two story, manufactured housing etc.)

Development Costs:

Property Acquisition	\$ _____
Infrastructure	\$ _____
Construction	\$ _____
Public Fees	\$ _____
Project Reserves	\$ _____
Other Costs	\$ _____
Total Development Costs	\$ _____

Agency Name: Paso Robles Redevelopment Agency

e. Services provided:

f. Nature and extent of the Agency's role:

g. Brief History:

Housing need or problem addressed:

Successful aspects:

Unusual features:

Problems encountered:

Lessons learned:

Several agencies will be selected to receive a "Director's Award for Housing Development Excellence". This award will highlight the important role of redevelopment agencies in addressing California's housing problems. Agencies will be selected based upon the description of an exemplary project or program and in consideration of the leadership role of the agency, the creativity or innovative nature of the project or program, and the overall merit of the project or program in addressing an identified housing problem or need.

Use of Other Redevelopment Funds for Housing

15. Please briefly describe the use of any non-LMIHF redevelopment funds (i.e., contributions from the other 80% of tax increment revenue) to construct, improve, assist, or preserve housing in the community.

None this reporting period.

Resource Needs

16. What additional training, information, authority, or other resources would help your agency more quickly and effectively use its Housing Funds to increase, improve, and preserve affordable housing?

Information: A manual for evaluating/determining the appropriate amount of LMIH assistance needed to make residential projects feasible so that the amount of assistance awarded is not a gift of public funds.

Part III

**Statement of Accomplishments
And
Activities**

1998/99 REDEVELOPMENT ANNUAL REPORT

ACCOMPLISHMENTS AND ACTIVITIES

During the Fiscal Year 1998/99, the Redevelopment Agency of the City of El Paso de Robles and the City continued to promote and fund several activities targeted at improving the Project Area. A brief description of these activities is as follows:

A. *Community Development Block Grant Program*

During Fiscal Year 98/99, the Federal Department of Housing and Urban Development (HUD) approved a \$318,772 Community Development Block Grant (CDBG) program for the City. Authorized activities included: \$100,600 for Disabled Access Improvements to the Carnegie Library; \$76,500 for a Skate Park; \$75,956 for Rehabilitation of the Odd Fellows Building (1226-1234 Park Street); \$1,966 for a Day Care Center at Cuesta College's North County Campus; and \$63,750 for grant administration and "capacity building" activities. All of the activities, except Cuesta College, are located within the Redevelopment Project Area. "Capacity building" activities included staff time for a variety of activities that support development and preservation of affordable housing throughout the City.

B. *Commercial Development*

Facade Improvement Loan Program: In Fiscal Year 1998/99, the Redevelopment Agency made a facade improvement loan of \$25,000 to the owners of the Odd Fellows Building (1226 - 1234 Park Street) to improve its facade in conjunction with the occupancy of the first floor by McLintock's Restaurant.

C. *Public Infrastructure*

Niblick Bridge Expansion: Construction of the expansion of the Niblick Bridge to add two vehicle lanes, bike lanes and a pedestrian path, the most critical transportation system improvement presently needed in the Project Area and in the City, was commenced in Fiscal Year 1998/99. This bridge forms the primary link between the downtown core and the Woodland Plaza I and II centers. The cost of this program is about \$11 million, of which \$8 million comes from federal and state grant funds, and \$3 million to come from local funds.

D. *Housing-Related Activities*

1. **Habitat for Humanity:** In Fiscal Year 1998/99, the Redevelopment Agency granted Habitat for Humanity up to \$35,000 in Low and Moderate Income Housing (LMIH)

Funds to offset the costs of the City's building permit and development impact fees for three single family residential homes to be built at 2939, 2947 and 2949 Vine Street. (These homes are outside of, but in close proximity to, the Redevelopment Project Area.) The three homes will be limited to purchase by low income households and built with "sweat equity" labor by the purchasers and volunteers.

2. Acquisition of Vacant Residential Property at 32nd & Spring Streets: In Fiscal Year 1998/99, the Redevelopment Agency used \$135,000 in LMH Funds to purchase two vacant lots, totaling 0.66 acres located on the northwest corner of 32nd & Spring Streets, from the City. The original intention was to enable senior citizen apartments to be built on the site. The City Council subsequently approved an grant of \$135,000 in CDBG funds to the Paso Robles Youth Arts Foundation to purchase the property from the Agency in order to construct a youth activities center. The youth activities center will house performing arts and after-school recreation programs targeted for the youth from the predominantly low income neighborhood surrounding the property.

Part IV

Audit Report and Financial Statements

**EL PASO DE ROBLES
COMMUNITY REDEVELOPMENT AGENCY**

**FINANCIAL STATEMENTS
June 30, 1999**

MOSS, LEVY & HARTZHEIM

CERTIFIED PUBLIC ACCOUNTANTS
A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

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**EL PASO DE ROBLES
COMMUNITY REDEVELOPMENT AGENCY
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June 30, 1999**

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MOSS, LEVY & HARTZHEIM

CERTIFIED PUBLIC ACCOUNTANTS
*A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

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INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

Board of Directors
El Paso De Robles
Community Redevelopment Agency
Paso Robles, California

We have audited the general purpose financial statements of the El Paso De Robles Community Redevelopment Agency, a component unit of the City of El Paso De Robles, as of and for the fiscal year ended June 30, 1999, as listed in the table of contents. These general purpose financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. 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 opinion.

Governmental Accounting Standards Board Technical Bulletin 99-1, disclosures about Year 2000 Issues, requires disclosure of certain matters regarding the Year 2000 issue. The El Paso De Robles Community Redevelopment Agency has included such disclosures in Note 13. Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter. Accordingly, insufficient audit evidence exists to support the El Paso De Robles Community Redevelopment Agency's disclosures with respect to the Year 2000 issue made in Note 13. Further, we do not provide assurance that the El Paso De Robles Community Redevelopment Agency is or will be Year 2000 ready, that the El Paso De Robles Community Redevelopment Agency Year 2000 remediation efforts will be successful in whole or in part, or that parties with which the El Paso De Robles Community Redevelopment Agency does business will be Year 2000 ready.

In our opinion, except for evidence regarding Year 2000 disclosures, the financial statements referred to above present fairly, in all material respects, the financial position of the El Paso De Robles Community Redevelopment Agency at June 30, 1999 and the results of its operations for the fiscal year then ended, in conformity with generally accepted accounting principles.

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In accordance with *Governmental Auditing Standards*, we have also issued a report dated September 20, 1999, on our consideration of the Agency's internal control over financial reporting and out tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying combining and individual fund statements listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the El Paso De Robles Community Redevelopment Agency. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the financial statements taken as a whole.

MOSS, LEVY & HARTZHEIM

Moss, Levy & Hartzheim

September 20, 1999

<u>Account Groups</u>		<u>Combined Totals (Memorandum Only)</u>
<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	
\$ -	\$ -	\$ 313,277
		773,260
		11,127
		122,409
		459,339
135,000		135,000
81,011		81,011
1,861,205		1,861,205
	<u>5,538,074</u>	<u>5,538,074</u>
<u>\$ 2,077,216</u>	<u>\$ 5,538,074</u>	<u>\$ 9,294,702</u>
\$ -	\$ -	\$ 16,890
		459,339
		10,172
		12,191
	2,013,074	2,013,074
	3,525,000	3,525,000
	<u>5,538,074</u>	<u>6,036,666</u>
		484,950
		773,260
		(77,390)
<u>2,077,216</u>		<u>2,077,216</u>
<u>2,077,216</u>		<u>3,258,036</u>
<u>\$ 2,077,216</u>	<u>\$ 5,538,074</u>	<u>\$ 9,294,702</u>

**EL PASO DE ROBLES
COMMUNITY REDEVELOPMENT AGENCY
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
For the Fiscal Year Ended June 30, 1999**

	Governmental Fund Types		Combined Totals (Memorandum Only)
	Special Revenue Funds	Debt Service Fund	
Revenues:			
Property taxes	\$ 155,220	\$ 939,559	\$ 1,094,779
Interest	20,237	83,685	103,922
Miscellaneous		21,526	21,526
Total revenues	<u>175,457</u>	<u>1,044,770</u>	<u>1,220,227</u>
Expenditures:			
Salaries and wages	(1,067)		(1,067)
Other supplies and services	14,032		14,032
Professional and technical services	95,845		95,845
Utilities	2,638		2,638
Capital outlay	135,000		135,000
Debt service		813,795	813,795
Total expenditures	<u>246,448</u>	<u>813,795</u>	<u>1,060,243</u>
Excess of revenues over (under) expenditures	<u>(70,991)</u>	<u>230,975</u>	<u>159,984</u>
Other Financing Sources (Uses):			
Operating transfers in	117,403		117,403
Operating transfers out		(117,403)	(117,403)
Transfer out to City of El Paso de Robles	(63,750)		(63,750)
Total other financing sources (uses)	<u>53,653</u>	<u>(117,403)</u>	<u>(63,750)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>(17,338)</u>	<u>113,572</u>	<u>96,234</u>
Fund balances, July 1, 1998	<u>572,024</u>	<u>512,562</u>	<u>1,084,586</u>
Fund balances, June 30, 1999	<u>\$ 554,686</u>	<u>\$ 626,134</u>	<u>\$ 1,180,820</u>

The accompanying notes are an integral part of this financial statement.

FUND TYPES

Debt Service Fund			Combined Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 516,000	\$ 939,559	\$ 423,559	\$ 663,400	\$ 1,094,779	\$ 431,379
72,600	83,685	11,085	82,600	103,922	21,322
	21,526	21,526		21,526	21,526
<u>588,600</u>	<u>1,044,770</u>	<u>456,170</u>	<u>746,000</u>	<u>1,220,227</u>	<u>474,227</u>
				(1,067)	1,067
			5,000	14,032	(9,032)
			102,500	95,845	6,655
			2,800	2,638	162
			135,000	135,000	
<u>424,500</u>	<u>813,795</u>	<u>(389,295)</u>	<u>424,500</u>	<u>813,795</u>	<u>(389,295)</u>
<u>424,500</u>	<u>813,795</u>	<u>(389,295)</u>	<u>669,800</u>	<u>1,060,243</u>	<u>(390,443)</u>
<u>164,100</u>	<u>230,975</u>	<u>66,875</u>	<u>76,200</u>	<u>159,984</u>	<u>83,784</u>
			110,300	117,403	7,103
(137,300)	(117,403)	19,897	(137,300)	(117,403)	19,897
			<u>(62,400)</u>	<u>(63,750)</u>	<u>(1,350)</u>
<u>(137,300)</u>	<u>(117,403)</u>	<u>19,897</u>	<u>(89,400)</u>	<u>(63,750)</u>	<u>25,650</u>
<u>\$ 26,800</u>	113,572	<u>\$ 86,772</u>	<u>\$ (13,200)</u>	96,234	<u>\$ 109,434</u>
	<u>512,562</u>			<u>1,084,586</u>	
	<u>\$ 626,134</u>			<u>\$ 1,180,820</u>	

**EL PASO DE ROBLES
COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
June 30, 1999**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The El Paso De Robles Community Redevelopment Agency (Agency) was organized in October 1988 according to the provisions of the California Community Redevelopment Law, for the purpose of redevelopment, rehabilitation, and revitalization of the redevelopment project area.

Accounting Policies

The accounting policies of the Agency conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants.

Financial Reporting Entity

The Agency and the City of El Paso De Robles are closely related, and the financial statements of the Agency have been consolidated into the City's for the City's financial reporting purposes. The City Council serves as the governing board for the Agency. The Agency does not have any employees separate from those of the City, nor does it have separate facilities.

Fund Accounting

The accounts of the Agency are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Agency resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The Agency's accounts are organized into two broad categories which in aggregate include two fund types and two account groups as follows:

GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes. The Agency maintains two special revenue funds:

1. Low/Moderate Income Housing Fund - The Low/Moderate Income Housing Fund was established to account for the portion of the Agency's property tax allocations (20%) required to be set aside for the purpose of increasing or improving the community's supply of low or moderate income housing, pursuant to Health and Safety Code Section 33334.2.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUNDS (Continued)

2. Redevelopment Fund - The Redevelopment Fund was established to account for the balance of property tax allocations and related expenditures made on behalf of the Agency.

Debt Service Fund

The Debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

ACCOUNT GROUPS

The accounting and reporting treatment applied to the long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending, or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheet. Their reported fund balance is considered a measure of "available spendable resources." Thus, fixed assets and long-term liabilities associated with governmental funds are accounted for in the account groups of the Agency.

The **General Fixed Assets Account Group** accounts for fixed assets used in governmental fund type operations.

Fixed Assets

Fixed assets used in governmental fund types of the government are recorded in the general fixed assets account group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the general fixed assets account group are not depreciated. Interest incurred during construction is not capitalized on general fixed assets.

Public domain (infrastructure) general fixed assets (e.g., road, bridges, sidewalks, and other assets that are immovable and of value only to the government) are not capitalized.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not included in the general fixed assets account group.

The **General Long-Term Debt Account Group** accounts for long-term liabilities expected to be financed from governmental funds.

EL PASO DE ROBLES
COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
June 30, 1999

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

The Agency maintains its records on the modified accrual basis of accounting for its governmental funds which provides that transactions are recorded in the following manner:

Revenues are recognized at the time they become susceptible to accrual - that is, when both measurable and available, although they are not yet received in cash.

Expenditures are recognized when the liability is incurred, except for unmatured interest on general long-term debt, which is recognized when due.

Budgets and Budgetary Accounting

From the effective date of the budget, the amounts stated as proposed expenditures become appropriations to the various Agency departments. The city council may amend the budget by motion during each fiscal year. The city manager may transfer funds from one major expenditure category to another within the same department and fund. Any revisions that alter the total expenditures of any fund must be approved by the city council.

All appropriations lapse at the end of the fiscal year to the extent that they have not been expended. Lease contracts entered into by the Agency are subject to annual review by the city council; hence, they legally are one year contracts with an option for renewal for another fiscal year.

Budgetary comparison is provided in the accompanying financial statements for the Special Revenue Funds and the Debt Service Fund. Budgeted revenue and expenditure amounts shown represent the Agency's originally-adopted budget adjusted for supplemental revenues and appropriations during the course of the fiscal year. Budget amounts, as adjusted, reported for the governmental funds of the Agency are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Combined Statements

The "Memorandum Only" captions on Combined Statements' "Totals" column mean that totals are presented for overview informational purposes only, and that they are not intended to present the financial position or results of operations for the governmental unit as a whole. This presentation is acceptable under generally accepted accounting principles.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not utilized by the Agency.

NOTE 2 - CASH AND INVESTMENTS

Cash balances from all funds of the Redevelopment Agency are combined and invested by the Treasurer of the City of El Paso De Robles in legally allowable securities. Earnings from such investments are allocated to the respective funds on the basis of applicable cash balances of each fund.

Bank balances are insured by a combination of federal depository insurance and the multiple financial institution collateral pool. Amounts deposited through the Local Agency Investment Fund are invested by the fund in accordance with Government Code Sections 16430 and 16480. Such deposits are not insured.

Cash and Investments with Fiscal Agent

The Agency has monies held by a trustee/fiscal agent pledged to the payment or security of certain bonds. The California Government Code provides these monies, in the absence of specific statutory provisions governing the issuance of bonds, may be invested in accordance with the ordinance, resolutions or indentures specifying the types of investments its trustees or fiscal agents may make. These ordinances, resolutions and indentures are generally more restrictive than the Agency's general investment policy. In no instance have additional types of investments, not permitted by the Agency's general investment policy, been authorized.

NOTE 3 - PROPERTY TAXES

Property taxes in the State of California are administered for all local agencies at the county level, and consist of secured, unsecured, and utility tax rolls. The following is a summary of major policies and practices relating to property taxes.

Property Valuations and Tax Levies

The California Community Redevelopment Law provides that assessed valuations of a redevelopment project are, in effect, frozen at the level existing when the redevelopment plan is adopted, and all property taxes produced from this valuation continue to flow to all public agencies levying taxes on property in the project. Taxes produced from any increases in the assessed valuation of a project over the "frozen base" may be allocated to a redevelopment agency to pay or repay costs incurred on behalf of the project. The assessed valuation of a project may be temporarily or permanently reduced below the frozen base as a result of ownership of property by a redevelopment agency pending resale to a developer (temporary), or because a permanent reduction of the assessed valuation will cause a concurrent reduction of the frozen base so that the production of tax increment income from new development will not be impaired.

Tax Levy Dates

All lien dates attach annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property as it exists at that time. Liens against real estate, as well as the tax on personal property, is not relieved by subsequent renewal or change in ownership.

**EL PASO DE ROBLES
COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
June 30, 1999**

NOTE 3 - PROPERTY TAXES (Continued)

Tax Collections

The county tax collector is responsible for all property tax collections. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments: the first installment is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the county for late payments.

Tax Levy Apportionments

Due to the nature of the Agency-wide maximum levy, it is not possible to identify general purpose tax rates for specific entities. Under state legislation adopted subsequent to the passage of Proposition 13, apportionments to local agencies are made by the county auditor-controller based primarily on the ratio that each agency represented of the total Agency levy for the three years prior to fiscal year 1979.

NOTE 4 - TAX ALLOCATION REFUNDING BONDS, SERIES 1996

On September 1, 1996, the El Paso De Robles Community Redevelopment Agency adopted a resolution authorizing the sale of \$3,630,000 in aggregate principal amount of Paso Robles Redevelopment Project 1996 Tax Allocation Refunding Bonds. The bonds mature in amounts from \$85,000 to \$255,000 annually payable on July 1 of each year to 2021. Interest rates vary from 4.5% to 5.625%. The balance of outstanding bonds at June 30, 1999 is \$3,525,000.

NOTE 5 - LOANS PAYABLE

On June 30, 1992, the El Paso De Robles Community Redevelopment Agency and the City of El Paso De Robles adopted resolutions authorizing the loan of \$4,405,000 from the City's Water Fund to the Redevelopment Agency. The Agency will draw on these funds as needed. Beginning in December 1994, principal payments in amounts from \$81,878 to \$238,136 will be due semi-annually payable on December 30 and June 30 of each year to 2012. The interest rate on the loan is 7.5%. At June 30, 1999, the unpaid balance of the loan was \$1,100,000. On November 4, 1997, the El Paso De Robles Community Development Agency and the City of El Paso De Robles adopted resolutions authorizing the loan of \$1,100,000 from the City's General Fund to the Redevelopment Agency. The principal amount of this loan shall not be adjusted retroactively, or annually or proportionally therefore for any accrued interest nor shall interest payments be included in the monthly payment amount when monthly principal are made every month for a period of ten (10) years beginning July 15, 2000. Principal payments shall be proportionally increased annually to match available resources and to assure full repayment within the specified ten (10) year term. The Redevelopment Agency may repay the outstanding principal balance of this loan at any time prior to maturity.

**EL PASO DE ROBLES
COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
June 30, 1999**

NOTE 6 - DEFEASED DEBT

On December 1, 1991, the El Paso De Robles Community Redevelopment Agency adopted a resolution authorizing the sale of \$3,500,000 in aggregate principal amount of Paso Robles Redevelopment Project 1991 Tax Allocation Bonds. The bonds mature in amounts from \$70,000 to \$90,000 annually payable on July 1 of each year to 2006. An additional number of term bonds mature on July 1, 2021, in the principal amount of \$2,445,000. Interest rates vary from 6.60% to 7.25%. During the 1996-1997 fiscal year, the bonds were defeased by placing proceeds of the 1996 Tax Allocation Refunding Bonds, Series 1996 in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Agency's financial statements. At June 30, 1999, \$3,025,000 of bonds outstanding are considered defeased.

NOTE 7 - CHANGES IN LONG-TERM DEBT ACCOUNT GROUP

	<u>Balance</u> <u>July 1, 1998</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 1999</u>
Tax allocation bonds	\$ 3,630,000	\$ -	\$ 105,000	\$ 3,525,000
Loan from City of Paso Robles Water Fund	969,175		56,101	913,074
Loan from City of Paso Robles General Fund	<u>1,100,000</u>			<u>1,100,000</u>
Totals	<u>\$ 5,699,175</u>	<u>\$ -</u>	<u>\$ 161,101</u>	<u>\$ 5,538,074</u>

NOTE 8 - TOTAL DEBT SERVICE

Debt service requirements of general long-term debt are summarized as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal Maturities</u>			<u>Total</u> <u>Debt Service</u>
	<u>Tax Allocation</u> <u>Bonds</u>	<u>Loans</u>	<u>Interest</u>	
2000	\$ 115,000	\$ 60,404	\$ 250,130	\$ 425,534
2001	120,000	174,986	240,260	535,246
2002	120,000	179,968	229,877	529,845
2003	85,000	185,313	221,832	492,145
2004	90,000	191,081	210,218	491,299
Thereafter	<u>2,995,000</u>	<u>1,221,322</u>	<u>1,872,277</u>	<u>6,088,599</u>
	<u>\$ 3,525,000</u>	<u>\$2,013,074</u>	<u>\$3,024,594</u>	<u>\$ 8,562,668</u>

**EL PASO DE ROBLES
COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
June 30, 1999**

NOTE 9 - GENERAL FIXED ASSETS

A schedule of changes in general fixed assets for the fiscal year ended June 30, 1999, is shown below:

	<u>Balance</u> <u>July 1, 1998</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 1999</u>
Land	\$ -	\$ 135,000	\$ -	\$ 135,000
Equipment	81,011			81,011
Buildings and improvements	<u>1,861,205</u>			<u>1,861,205</u>
Totals	<u>\$ 1,942,216</u>	<u>\$ 135,000</u>	<u>\$ -</u>	<u>\$ 2,077,216</u>

NOTE 10 - OPERATING TRANSFERS

The Agency made the following operating transfers during the fiscal year:

<u>Fund</u>	<u>Operating</u> <u>Transfers In</u>	<u>Operating</u> <u>Transfers Out</u>
Redevelopment Fund	\$ 117,403	\$ -
Low/Moderate Income Housing Fund*		63,750
Capital Projects Fund		
Debt Service		<u>117,403</u>
	<u>\$ 117,403</u>	<u>\$ 181,153</u>

*This transfer was made to the City's CDBG fund.

NOTE 11 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS

Excess of expenditures over appropriations in individual funds are as follows:

Special Revenue Funds

<u>Redevelopment Fund</u>	<u>Excess</u> <u>Expenditures</u>
Other Supplies and Services	\$ 9,032

Debt Service Fund

Debt Service	\$ 389,925
--------------	------------

NOTE 12 - COMMITMENTS

Fiscal Agreements

Other Agencies

The Agency has entered into fiscal agreements with all agencies which levy property taxes within the Project area in order to alleviate the financial burden or detriment as a result of growth inducing aspects of the Redevelopment Project. The fiscal agreements with the San Luis Obispo County Air Pollution Control District, the San Luis Obispo County Flood Control and Water Conservation District and the Paso Robles Cemetery District provide that these taxing agencies shall receive all property tax increment as if the Agency did not exist. With regard to the County of San Luis Obispo, 100% of their tax increment shall be paid to the Agency through fiscal year 1997 or until \$10 million is received by the Agency, whichever occurs first. Beginning in fiscal year 1998, the County shall receive 25% of their tax increment through fiscal year 2001 unless the \$10 million maximum obligation is achieved. Beginning in fiscal year 2002, the County shall receive 75% of their tax increment until such time as the \$10 million maximum obligation is met, the County shall receive 100% of their tax increment. The fiscal agreements with the San Luis Obispo County Superintendent of Schools and the San Luis Obispo County Community College District require that 50% of their tax increment after deductions for the 2% annual growth in tax increment and the set aside for the low and moderate income housing fund, be placed in a trust fund to be used for projects of mutual benefit. The Agency has recorded this amount as a reservation of fund balance in the Debt Service Fund.

Paso Robles Union School District

The fiscal agreement with the Paso Robles School District (District) contains the following provisions: (1) District shall receive its 2% annual growth in tax increment, (2) District shall receive all voter approved tax levies for existing or future bonded indebtedness above the 1% maximum tax levy, (3) the balance of all property tax increment shall be paid to the Agency until such time as there is sufficient tax increment to support the annual debt service for a bond issue totaling \$10 million, (4) following the year in which the \$10 million bond obligation is met, the District shall have the option of receiving 25% of the net proceeds of any subsequent bond issues or receiving that portion of tax increment necessary to support a bond issue if the principal amount were to be increase by 33 1/3%, (5) the District shall receive 38.5% of tax increment beyond that amount needed to service the \$10 million bond requirement and any subsequent bond issues, (6) the District and Agency agree to use an amount not be exceed 50% of the tax increment generated for the low and moderate income housing fund or \$2.5 million, whichever is less, to reconstruct, construct or rehabilitate new or existing child care facilities for the benefit of low and moderate income residents.

Reimbursement Agreement

On November 1, 1993, the Agency and the City of El Paso De Robles entered into a reimbursement agreement, whereby the Agency agrees to reimburse the City for the cost of the new library building since it was determined that the library is essential to redevelopment of the areas included within the Redevelopment project, and has a general benefit to the City and its residents. The annual reimbursements are based on the debt service payments to be made by the City under the 1993 Capital Facilities Financing

**EL PASO DE ROBLES
COMMUNITY REDEVELOPMENT AGENCY
NOTES TO FINANCIAL STATEMENTS
June 30, 1999**

NOTE 12 - COMMITMENTS (Continued)

Reimbursement Agreement (Continued)

Project Certificates of Participation (\$4,700,000 portion related to the library) issued by the City on December 7, 1993. The Agency will use the Tax Increment Revenues if and when available, to reimburse the City. Annual debt service payments scheduled to be made to the City range from \$139,777 in June 1994 to \$321,740 in December 2023. The Agency will record a reimbursement expenditure in each year as paid.

NOTE 13 – YEAR 2000

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the El Paso De Robles Community Redevelopment Agency's operations as early as fiscal year 1999.

The El Paso De Robles Community Redevelopment Agency has completed an inventory of computer systems and other electronic equipment that may be affected by the Year 2000 issue and that are necessary to conduct the El Paso De Robles Community Redevelopment Agency's operations. Also, the El Paso De Robles Community Redevelopment Agency feels the effect from outside vendors will be minor.

**EL PASO DE ROBLES
COMMUNITY REDEVELOPMENT AGENCY
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 1999**

	<u>Redevelopment Fund</u>	<u>Low/Moderate Income Housing Fund</u>	<u>Totals</u>
Assets			
Due from other funds	\$ -	\$ 459,339	\$ 459,339
Loans receivable	<u>86,626</u>	<u>35,783</u>	<u>122,409</u>
Total assets	<u>\$ 86,626</u>	<u>\$ 495,122</u>	<u>\$ 581,748</u>
Liabilities and Fund Balances			
Accounts payable	\$ 16,890	\$ -	\$ 16,890
Deferred revenue	<u> </u>	<u>10,172</u>	<u>10,172</u>
Total liabilities	<u>16,890</u>	<u>10,172</u>	<u>27,062</u>
Fund Balances:			
Reserved	<u> </u>	484,950	484,950
Unreserved:			
Undesignated	<u>69,736</u>	<u> </u>	<u>69,736</u>
Total fund balances	<u>69,736</u>	<u>484,950</u>	<u>554,686</u>
Total liabilities and fund balances	<u>\$ 86,626</u>	<u>\$ 495,122</u>	<u>\$ 581,748</u>

**EL PASO DE ROBLES
COMMUNITY REDEVELOPMENT AGENCY
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 1999**

	Redevelopment Fund	Low/Moderate Income Housing Fund	Totals
Revenues:			
Property taxes	\$ -	\$ 155,220	\$ 155,220
Interest		20,237	20,237
Total revenues		175,457	175,457
Expenditures:			
Salaries and wages	(1,067)		(1,067)
Other supplies and services	14,032		14,032
Professional and technical services	95,845		95,845
Utilities	2,638		2,638
Capital outlay		135,000	135,000
Total expenditures	111,448	135,000	246,448
Excess of revenues over (under) expenditures	(111,448)	40,457	(70,991)
Other Financing Sources (Uses):			
Operating transfers in	117,403		117,403
Transfer out to City of El Paso de Robles		(63,750)	(63,750)
Total other financing sources (uses)	117,403	(63,750)	53,653
Excess of revenues and other sources over (under) expenditures and other uses	5,955	(23,293)	(17,338)
Fund balances, July 1, 1998	63,781	508,243	572,024
Fund balances, June 30, 1999	\$ 69,736	\$ 484,950	\$ 554,686

**EL PASO DE ROBLES
COMMUNITY REDEVELOPMENT AGENCY
REDEVELOPMENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures:			
Salaries and wages	\$ -	\$ (1,067)	\$ 1,067
Other supplies and services	5,000	14,032	(9,032)
Professional and technical services	102,500	95,845	6,655
Utilities	2,800	2,638	162
	<u>110,300</u>	<u>111,448</u>	<u>(1,148)</u>
Total expenditures	<u>110,300</u>	<u>111,448</u>	<u>(1,148)</u>
Excess of revenues over (under) expenditures	<u>(110,300)</u>	<u>(111,448)</u>	<u>(1,148)</u>
Other Financing Sources (Uses):			
Operating transfers in	<u>110,300</u>	<u>117,403</u>	<u>7,103</u>
Total other financing sources (uses)	<u>110,300</u>	<u>117,403</u>	<u>7,103</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ -</u>	<u>5,955</u>	<u>\$ 5,955</u>
Fund balance, July 1, 1998		<u>63,781</u>	
Fund balance, June 30, 1999		<u>\$ 69,736</u>	

**EL PASO DE ROBLES
COMMUNITY REDEVELOPMENT AGENCY
LOW/MODERATE INCOME HOUSING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 1999**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Property taxes	\$ 147,400	\$ 155,220	\$ 7,820
Interest	10,000	20,237	10,237
Total revenues	<u>157,400</u>	<u>175,457</u>	<u>18,057</u>
Expenditures:			
Capital outlay	<u>135,000</u>	<u>135,000</u>	
Total expenditures	<u>135,000</u>	<u>135,000</u>	
Excess of revenues over (under) expenditures	<u>22,400</u>	<u>40,457</u>	<u>18,057</u>
Other financing sources (uses):			
Transfer out to City of El Paso de Robles	<u>(62,400)</u>	<u>(63,750)</u>	<u>(1,350)</u>
Total other financing sources (uses)	<u>(62,400)</u>	<u>(63,750)</u>	<u>(1,350)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u><u>\$ (40,000)</u></u>	<u>(23,293)</u>	<u><u>\$ 16,707</u></u>
Fund balance, July 1, 1998		<u>508,243</u>	
Fund balance, June 30, 1999		<u><u>\$ 484,950</u></u>	



MOSS, LEVY & HARTZHEIM

CERTIFIED PUBLIC ACCOUNTANTS
*A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

PARTNERS:

ROBERT M. MOSS, C.P.A.*
RONALD A. LEVY, C.P.A.*
CRAIG A. HARTZHEIM, C.P.A.*

802 EAST MAIN STREET
SANTA MARIA, CA 93454
PHONE: (805) 925-2579
FAX: (805) 925-2147

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENTAL AUDITING STANDARDS*

Board of Directors
El Paso De Robles Community Redevelopment Agency
Paso Robles, California

We have audited the financial statements of the El Paso De Robles Community Redevelopment Agency (the Agency) as of and for the fiscal year ended June 30, 1999, and have issued our report thereon dated September 20, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Such provisions include those provisions of laws and regulations identified in the *Guidelines for Compliance Audits of California Redevelopment Agencies*, issued by the State Controller. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Agency's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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This report is intended for the information of the Audit committee, management and the State Controller. However, this report is a matter of public record and its distribution is not limited.

MOSS, LEVY & HARTZHEIM

Moss, Levy & Hartzheim

September 20, 1999

Part V

Statement of Indebtedness



CITY OF EL PASO DE ROBLES

"The Pass of the Oaks"

September 22, 1999

Marsha Stillman
Auditor-Controller's Office
County Government Center, Room 300
San Luis Obispo, CA 93408

Re: Statement of Indebtedness

Dear Marsha:

Enclosed is the Paso Robles Redevelopment Agency's Statement of Indebtedness for the fiscal year ending June 30, 1999.

The Statement of Indebtedness was prepared in accordance with instructions as provided by the California Redevelopment Association.

Sincerely,

Michael J. Compton
Director of Administrative Services

cc: James L. App, City Manager
City Council

Enclosure
/vc

STATEMENT OF INDEBTEDNESS - CONSOLIDATED
FILED FOR THE 1999-00 TAX YEAR

Cover Page

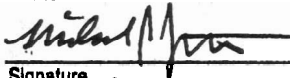
Name of Redevelopment Agency
 Name of Project Area

Paso Robles Redevelopment Agency
Paso Robles Redevelopment Agency

Balances Carried Forward From:	Line	Current		
		Total	Outstanding Debt	Principal/Interest Due During Tax Year
Fiscal Period - Totals (From Form A, Page 1 Totals)	(1)		63,957,434	1,036,205
Post Fiscal Period - Totals (From Form B Totals)	(2)			
Grand Totals	(3)		63,957,434	1,036,205
Available Revenues From Calculation of Available Revenues, Line 7	(4)		0	
Net Requirement	(5)		63,957,434	

Consolidate on this form all of the data contained on Form A and B (including supplemental pages). Form A is to include all indebtedness entered into as of June 30 of the Fiscal Year. Form B may be filed at the option of the agency, and is to include indebtedness entered into post June 30 of the Fiscal Year, pursuant to Health and Safety Code Section 33675(c)(2). This is optional for each agency and is not a requirement for filing the Statement of Indebtedness. The Reconciliation Statement is to include indebtedness from Form A only.

Certification of Chief Financial Officer:
 Pursuant to Section 33675 (b) of the Health and Safety Code,
 I hereby certify that the above is a true and accurate Statement
 of Indebtedness for the above named agency.

<u>Michael J. Compton</u>	<u>Dir. of Admin Services</u>
Name	Title
	
Signature	Date
	9/22/99

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STATEMENT OF INDEBTEDNESS - FISCAL YEAR INDEBTEDNESS
FILED FOR THE 1999-00 TAX YEAR

Form A
Page 1 of 2

Name of Redevelopment Agency
 Name of Project Area

Paso Robles Redevelopment Agency
Paso Robles Redevelopment Agency

For Indebtedness Entered into as of June 30, 1999

Debt Identification	Original Data					Current	
	Date	Principal	Term	Interest Rate	Total Interest	Total Outstanding Debt	Principal/Interest Due During Tax Year
(A) 1991 Tax Allocation Bonds	Nov-91	3,500,000	25 yrs	7.17%	4,808,212	0	0
(B) General Fund Loan	Jul-98	1,100,000	10 yrs	0.00%	0	1,100,000	0
(C) 1997 Cinema Loan	Jul-97	179,000	15 yrs	7.50%	122,141	260,989	20,076
(D) 1996 TA Refunding Bonds	Sep-96	3,630,000	25 yrs	5.51%	3,041,097	6,124,911	297,780
(E) Tax Sharing Agrmt-Cuesta College	Jul-88	N/A	Open	N/A	0	2,846,501	34,480
(F) Tax Sharing Agrmt-SLO Co. Schools	Jul-88	N/A	Open	N/A	0	1,686,940	20,434
(G) Tax Sharing Agrmt-SLO County	Jul-88	N/A	Open	N/A	0	16,931,678	68,229
(H) Tax Sharing Agrmt-Paso Schools	Jul-88	N/A	Open	N/A	0	12,526,536	157,982
(I) Housing Set Aside	Jul-88	N/A	Open	N/A	0	14,768,081	173,743
(J) City Advances for Negative Cash	Jul-98	N/A	N/A	N/A	0	87,822	0
Sub Total, This Page						56,333,458	772,724
Totals Forward From All Other Pages						7,623,976	263,481
Totals, Fiscal Year Indebtedness						63,957,434	1,036,205

Purpose of Indebtedness:

- (A) Repay City General Fund & purchase interim city hall site/facility
- (B) Formalize advances made to cover negative cash
- (C) Public infrastructure improvements for cinema project
- (D) Refund 1991 Tax Allocation Bonds
- (E) Per tax sharing agreement

- (F) Per tax sharing agreement
- (G) Per tax sharing agreement
- (H) Per tax sharing agreement
- (I) Pursuant to H & S Code Section 33334.2
- (J) General Fund advance to eliminate negative cash

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STATEMENT OF INDEBTEDNESS - FISCAL YEAR INDEBTEDNESS

FILED FOR THE 1999-00 TAX YEAR

Form A

Page 2 of 2

Name of Redevelopment Agency

Paso Robles Redevelopment Agency

Name of Project Area

Paso Robles Redevelopment Agency

For indebtedness Entered into as of June 30, 1999

Debt Identification	Date	Principal	Term	Interest Rate	Total Interest	Outstanding Debt	Principal/Interest Due During Tax Year	Original Data		Total
								Current		
(A) CIP Loan	May-92	959,899	15 yrs	7.50%	655,255	1,076,770	107,676			
(B) Tax Sharing Agrmts-100% Pass Thru	Jun-98	N/A	Open	N/A		1,357,948	16,143			
(C) Woodland Plaza II OPA	Oct-93	N/A	Open	N/A		5,189,258	139,662			
(D)										
(E)										
(F)										
(G)										
(H)										
(I)										
(J)										
(K)										
(L)										
Total						7,623,976	263,481			263,481

Purpose of Indebtedness:

(A) Public infrastructure improvements to benefit project area and City

(B) Per tax sharing agreement

(C) Per Owner Participation Agreement for development of regional commercial center

(G)
(H)
(I)
(J)
(K)
(L)

(F)
(E)
(D)
(C)
(B)
(A)

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(L)

(K)

(J)

(I)

(H)

(G)

(F)

(E)

(D)

(C)

(B)

(A)

(Total)

(Current)

(Due During Tax Year)

(Principal/Interest)

(Total)

(263,481)

(7,623,976)

(263,481)

STATEMENT OF INDEBTEDNESS - POST FISCAL YEAR INDEBTEDNESS ONLY

FILED FOR THE 19__ - __ TAX YEAR

To be used only if the agency wishes to include indebtedness entered into after June 30

Form B
(Optional)

Name of Redevelopment Agency Paso Robles Redevelopment Agency

Name of Project Area Paso Robles Redevelopment Agency

For Indebtedness Entered into post June 30, 19 99, as of _____, 19 _____.

Debt Identification	Original Data				Current		
	Date	Principal	Term	Interest Rate	Total Interest	Total Outstanding Debt	Principal/Interest Due During Tax Year
(A)							
(B)							
(C)							
(D)							
(E)		NOT APPLICABLE					
(F)							
(G)							
(H)							
(I)							
(J)							
(K)							
(L)							
TOTALS POST FISCAL YEAR INDEBTEDNESS							

Purpose of Indebtedness:

- (A) _____
- (B) _____
- (C) _____
- (D) _____
- (E) _____
- (F) _____

- (G) _____
- (H) _____
- (I) _____
- (J) _____
- (K) _____
- (L) _____

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RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS

Name of Agency

Paso Robles Redevelopment Agency

Name of Project Area

Paso Robles Redevelopment Agency

Tax Year 1999-2000

Reconciliation Dates: From July 1, 1998 To June 30, 1999

Debt Identification:		Outstanding Debt All Beginning Indebtedness	Adjustments		Amounts Paid Against Indebtedness from:		Remaining Balance (A+B-C-D-E)
SOI, Page and line: Prior Yr	Brief Description		Increases (Attach Explanation)	Decreases (Attach Explanation)	Tax Increment	Other Funds	
Pg 1 Line A	Pg 1 Line A	1991 Tax Allocation Bonds	0				0
Pg 1 Line B	Pg 1 Line B	General Fund Loan	1,100,000				1,100,000
Pg 1 Line C	Pg 1 Line C	1997 Cinema Loan	281,065			20,076	260,989
Pg 1 Line D	Pg 1 Line D	1998 TA Refunding Bonds	6,417,641			292,730	6,124,911
Pg 1 Line E	Pg 1 Line E	Tax Sharing Agreement-Cuesta College	2,750,987	128,118		32,604	2,846,501
Pg 1 Line F	Pg 1 Line F	Tax Sharing Agreement-SLO Co. Schools	1,630,335	75,927		19,322	1,686,940
Pg 1 Line G	Pg 1 Line G	Tax Sharing Agreement-SLO County	15,905,801	1,088,109		62,232	16,931,678
Pg 1 Line H	Pg 1 Line H	Tax Sharing Agreement-Paso Schools	12,589,996	96,697		160,157	12,526,536
TOTAL-THIS PAGE		40,675,825	1,388,851	0	587,121	0	41,477,555
TOTALS FORWARD		21,505,988	1,394,438	0	420,547	0	22,479,879
GRAND TOTALS		62,181,813	2,783,289	0	1,007,668	0	63,957,434

NOTE:

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

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RECONCILIATION STATEMENT - CHANGES IN INDEBTEDNESS

Name of Agency Paso Robles Redevelopment Agency
 Name of Project Area Paso Robles Redevelopment Agency

Tax Year 1999-2000

Reconciliation Dates: From July 1, 1998 To June 30, 1999

Debt Identification:		Outstanding Debt All Beginning Indebtedness	Adjustments		Amounts Paid Against Indebtedness from:		Remaining Balance (A+B-C-D-E)	
Prior Yr	Current Yr		Brief Description	Increases (Attach Explanation)	Decreases (Attach Explanation)	Tax Increment		Other Funds
Pg 1 Line I	Pg 1 Line I	13,848,014	Housing Set Aside	1,075,287		155,220	14,768,081	
Pg 1 Line J	Pg 1 Line J	104,818	City Advances for negative cash			16,996	87,822	
Pg 1 Line K	Pg 2 Line A	1,184,446	CIP Loan			107,676	1,076,770	
Pg 1 Line L	Pg 2 Line B	1,287,084	Tax Sharing Agreements-100% Pass thru	85,588		14,724	1,357,948	
Pg 1 Line M	Pg 2 Line C	5,081,626	Woodland Plaza OPA	233,563		125,931	5,189,258	
Pg Line	Pg Line							
Pg Line	Pg Line							
Pg Line	Pg Line							
Pg Line	Pg Line							
Pg Line	Pg Line							
Pg Line	Pg Line							
Pg Line	Pg Line							
TOTAL-THIS PAGE		21,505,988		1,394,438	0	420,547	0	22,479,879

ADJUSTMENT EXPLANATIONS:

- Pg 1 Line E Annual adjustment for TI update based upon current data from auditor-controller
- Pg 1 Line F Annual adjustment for TI update based upon current data from auditor-controller
- Pg 1 Line G Annual adjustment for TI update based upon current data from auditor-controller
- Pg 1 Line H Annual adjustment for TI update based upon current data from auditor-controller
- Pg 1 Line I Annual adjustment for TI update based upon current data from auditor-controller
- Pg 2 Line B Annual adjustment for TI update based upon current data from auditor-controller
- Pg 2 Line C Annual adjustment for TI update based upon current data from auditor-controller

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CALCULATION OF AVAILABLE REVENUES

AGENCY NAME Paso Robles Redevelopment Agency

PROJECT AREA Paso Robles Redevelopment Agency

TAX YEAR 1999 - 2000

RECONCILIATION DATES: JULY 1, 1998 TO JUNE 30, 1999

1. Beginning Balance, Available Revenues (See Instructions)	<u>52,110</u>
2. Tax Increment Received - Gross All Tax Increment Revenues, to include any Tax Increment passed through to other local taxing agencies.	<u>937,429</u>
3. All other Available Revenues Received (See Instructions)	<u>18,129</u>
4. Revenues from any other source, included in Column E of the Reconciliation Statement, but not included in (1-3) above	<u> </u>
5. Sum of Lines 1 through 4	<u>1,007,668</u>
6. Total amounts paid against indebtedness in previous year. (D + E on Reconciliation Statement)	<u>1,007,668</u>
7. Available Revenues, End of Year (5 - 6) FORWARD THIS AMOUNT TO STATEMENT OF INDEBTEDNESS, COVER PAGE, LINE 4	<u> 0</u>

NOTES

Tax Increment Revenues:

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

Item 4. above:

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

Rev. (6/3/94)