

**NORTH BAY REDEVELOPMENT PROJECT AREA**

Cash Flows

ATTACHMENT 10

**FINANCING/CASH FLOW ASSUMPTIONS:**

- Annual Tax Increment based on 2% annual growth to project area assessed valuation.
- North Bay is a post-AB 1290 project area, with statutory requirements for tax sharing.
- Proposed debt issuance based on FY 2003 A.V.; BBB rating; 30-year term with 5.30% interest rate, plus 50 basis points.
- Proposed bonds assume 125% debt coverage, par amount of \$6.545 million, and net proceeds of \$5.65 million.
- Assuming 79% and 21% split between Council Districts 2 and 6; net proceeds of \$4.46 million and \$1.19 million would be available, respectively.
- Interest Earnings based on 5% of cumulative balance

| FISCAL YEAR                                   | ACTUAL<br>2001   | Unaudited<br>2002 | 2003             | 2004             | 2005             | 2006             | 2007             | 2008             | 2009             | 2010             | 2011             |
|---|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>REVENUES</b>                               |                  |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| ANNUAL TAX INCREMENT                          | 1,656,436        | 2,162,107         | 2,624,505        | 2,813,768        | 3,006,816        | 3,203,725        | 3,404,573        | 3,609,438        | 3,818,401        | 4,031,544        | 4,248,950        |
| <b>MORENA VISTA TAX INCREMENT 2%</b>          |                  |                   |                  | <b>275,000</b>   | <b>280,000</b>   | <b>285,000</b>   | <b>293,000</b>   | <b>298,860</b>   | <b>304,837</b>   | <b>310,934</b>   | <b>317,153</b>   |
| INTEREST EARNINGS                             | 85,654           | 56,392            | 69,087           | 94,558           | 95,995           | 107,583          | 124,965          | 148,489          | 178,663          | 215,988          | 260,693          |
| OTHER REVENUES                                | 5,104            |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| LESS: ERAF PAYMENTS TO STATE (est.) 3.5%      |                  |                   | (91,858)         | (98,482)         |                  |                  |                  |                  |                  |                  |                  |
| LESS: 20% HOUSING SET-ASIDE 20%               | (331,287)        | (432,421)         | (524,901)        | (617,754)        | (657,363)        | (697,745)        | (739,515)        | (781,660)        | (824,648)        | (868,496)        | (913,220)        |
| LESS: TAX-SHARING PAYMENTS 20%                | (331,287)        | (432,421)         | (524,901)        | (617,754)        | (657,363)        | (697,745)        | (739,515)        | (781,660)        | (824,648)        | (868,496)        | (913,220)        |
| <b>TOTAL DISCRETIONARY REVENUES</b>           | <b>1,084,620</b> | <b>1,353,656</b>  | <b>1,551,933</b> | <b>1,849,337</b> | <b>2,068,084</b> | <b>2,200,818</b> | <b>2,343,509</b> | <b>2,493,467</b> | <b>2,652,606</b> | <b>2,821,474</b> | <b>3,000,354</b> |
| <b>EXPENDITURES</b>                           |                  |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| AGENCY SUPPORT                                | 320,316          | 354,549           | 368,731          | 383,480          | 398,819          | 414,772          | 431,363          | 448,618          | 466,562          | 485,225          | 504,634          |
| SERIES 2000 DEBT PAYMENT                      | 251,378          | 745,195           | 673,784          | 671,549          | 671,925          | 672,813          | 676,105          | 675,784          | 673,973          | 676,561          | 677,386          |
| <b>MTDB PAYMENT (Park N Ride)</b>             |                  |                   |                  | <b>300,000</b>   |
| <b>PROPOSED DEBT PAYMENT - New Bonds</b>      |                  |                   |                  | <b>465,578</b>   |
| <b>TOTAL EXPENDITURES</b>                     | <b>571,694</b>   | <b>1,099,744</b>  | <b>1,042,515</b> | <b>1,820,607</b> | <b>1,836,322</b> | <b>1,853,163</b> | <b>1,873,046</b> | <b>1,889,980</b> | <b>1,906,114</b> | <b>1,927,364</b> | <b>1,947,598</b> |
| <b>ANNUAL SURPLUS (DEFICIT)</b>               | <b>512,926</b>   | <b>253,912</b>    | <b>509,417</b>   | <b>28,730</b>    | <b>231,762</b>   | <b>347,655</b>   | <b>470,463</b>   | <b>603,488</b>   | <b>746,492</b>   | <b>894,110</b>   | <b>1,052,756</b> |
| <b>CUMULATIVE AVAILABLE SURPLUS (DEFICIT)</b> | <b>1,127,832</b> | <b>1,381,744</b>  | <b>1,891,161</b> | <b>1,919,891</b> | <b>2,151,653</b> | <b>2,499,307</b> | <b>2,969,770</b> | <b>3,573,258</b> | <b>4,319,750</b> | <b>5,213,860</b> | <b>6,266,617</b> |
| <b>NORTH BAY LOW/MOD FUNDS</b>                |                  |                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| NORTH BAY ANNUAL HOUSING SET-ASIDE            | 331,287          | 432,421           | 524,901          | 617,754          | 657,363          | 697,745          | 739,515          | 781,660          | 824,648          | 868,496          | 913,220          |
| SERIES 2000 DEBT PAYMENT (Housing)            |                  | 242,185           | 218,714          | 217,672          | 218,493          | 218,152          | 219,621          | 218,895          | 219,006          | 218,925          | 219,608          |
| <b>CITYLINK PAYMENT (soil)</b>                |                  |                   |                  | <b>100,000</b>   |
| <b>CITYLINK PAYMENT (pre-develop)</b>         |                  |                   |                  | <b>100,000</b>   |
| <b>NORTH BAY HOUSING SET-ASIDE BALANCE</b>    | <b>520,542</b>   | <b>710,778</b>    | <b>1,016,965</b> | <b>1,217,047</b> | <b>1,455,918</b> | <b>1,735,510</b> | <b>2,055,404</b> | <b>2,418,169</b> | <b>2,923,811</b> | <b>3,473,381</b> | <b>4,066,994</b> |

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| FISCAL YEAR                                   |     | 2012             | 2013             | 2014              | 2015              | 2016              | 2017              | 2018              | 2019              | 2020              | 2021              | 2022              |
|---|-----|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>REVENUES</b>                               |     |                  |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| ANNUAL TAX INCREMENT                          |     | 4,470,704        | 4,696,894        | 4,927,608         | 5,162,937         | 5,402,973         | 5,647,809         | 5,897,544         | 6,152,273         | 6,412,097         | 6,677,118         | 6,947,440         |
| <b>MORENA VISTA PROJECT TAX INCREMENT</b>     |     | <b>323,496</b>   | <b>329,966</b>   | <b>336,565</b>    | <b>343,296</b>    | <b>350,162</b>    | <b>357,165</b>    | <b>364,309</b>    | <b>371,595</b>    | <b>379,027</b>    | <b>386,607</b>    | <b>394,339</b>    |
| INTEREST EARNINGS                             |     | 313,331          | 372,605          | 453,896           | 543,261           | 641,210           | 748,281           | 864,999           | 992,063           | 1,129,817         | 1,279,022         | 1,440,127         |
| OTHER REVENUES                                |     |                  |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| <u>LESS: ERAF PAYMENTS TO STATE (est.)</u>    |     |                  |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| <u>LESS: 20% HOUSING SET-ASIDE</u>            | 20% | (958,840)        | (1,005,372)      | (1,052,835)       | (1,101,247)       | (1,150,627)       | (1,200,995)       | (1,252,370)       | (1,304,774)       | (1,358,225)       | (1,412,745)       | (1,468,356)       |
| <u>LESS: TAX-SHARING PAYMENTS</u>             | 20% | (995,369)        | (1,079,160)      | (1,164,627)       | (1,251,804)       | (1,340,724)       | (1,431,422)       | (1,523,935)       | (1,618,298)       | (1,714,549)       | (1,812,724)       | (1,912,863)       |
| <b>TOTAL DISCRETIONARY REVENUES</b>           |     | <b>3,153,322</b> | <b>3,314,932</b> | <b>3,500,608</b>  | <b>3,696,444</b>  | <b>3,902,994</b>  | <b>4,120,838</b>  | <b>4,350,546</b>  | <b>4,592,859</b>  | <b>4,848,167</b>  | <b>5,117,278</b>  | <b>5,400,687</b>  |
| <b>EXPENDITURES</b>                           |     |                  |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| AGENCY SUPPORT                                |     | 524,819          | 545,812          | 567,644           | 590,350           | 613,964           | 638,523           | 664,064           | 690,626           | 718,251           | 746,981           | 776,861           |
| SERIES 2000 DEBT PAYMENT                      |     | 677,450          | 677,705          | 680,085           | 681,553           | 682,024           | 682,378           | 679,614           | 681,585           | 680,233           | 682,619           | 682,613           |
| <b>MTDB PAYMENT (Park N Ride)</b>             |     | <b>300,000</b>   |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| <b>PROPOSED DEBT PAYMENT - New Bonds</b>      |     | <b>465,578</b>   | <b>465,578</b>   | <b>465,578</b>    | <b>465,578</b>    | <b>465,578</b>    | <b>465,578</b>    | <b>465,578</b>    | <b>465,578</b>    | <b>465,578</b>    | <b>465,578</b>    | <b>465,578</b>    |
| <b>TOTAL EXPENDITURES</b>                     |     | <b>1,967,847</b> | <b>1,689,095</b> | <b>1,713,307</b>  | <b>1,737,481</b>  | <b>1,761,566</b>  | <b>1,786,479</b>  | <b>1,809,255</b>  | <b>1,837,789</b>  | <b>1,864,062</b>  | <b>1,895,178</b>  | <b>1,925,052</b>  |
| <b>ANNUAL SURPLUS (DEFICIT)</b>               |     | <b>1,185,475</b> | <b>1,625,837</b> | <b>1,787,300</b>  | <b>1,958,963</b>  | <b>2,141,428</b>  | <b>2,334,359</b>  | <b>2,541,290</b>  | <b>2,755,070</b>  | <b>2,984,105</b>  | <b>3,222,100</b>  | <b>3,475,636</b>  |
| <b>CUMULATIVE AVAILABLE SURPLUS (DEFICIT)</b> |     | <b>7,452,091</b> | <b>9,077,928</b> | <b>10,865,229</b> | <b>12,824,192</b> | <b>14,965,620</b> | <b>17,299,979</b> | <b>19,841,269</b> | <b>22,596,339</b> | <b>25,580,444</b> | <b>28,802,545</b> | <b>32,278,180</b> |
| <b>NORTH BAY LOW/MOD FUNDS</b>                |     |                  |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| NORTH BAY ANNUAL HOUSING SET-ASIDE            |     | 958,840          | 1,005,372        | 1,052,835         | 1,101,247         | 1,150,627         | 1,200,995         | 1,252,370         | 1,304,774         | 1,358,225         | 1,412,745         | 1,468,356         |
| SERIES 2000 DEBT PAYMENT                      |     | 220,021          | 219,184          | 220,081           | 220,676           | 220,940           | 219,871           | 220,430           | 219,581           | 220,311           | 220,613           | 221,451           |
| <b>CITYLINK PAYMENT (soil)</b>                |     | <b>100,000</b>   | <b>100,000</b>   | <b>100,000</b>    | <b>100,000</b>    | <b>100,000</b>    | <b>100,000</b>    | <b>100,000</b>    | <b>100,000</b>    | <b>100,000</b>    | <b>100,000</b>    |                   |
| <b>CITYLINK PAYMENT (pre-develop)</b>         |     |                  |                  |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| <b>NORTH BAY HOUSING SET-ASIDE BALANCE</b>    |     | <b>4,705,813</b> | <b>5,392,002</b> | <b>6,124,755</b>  | <b>6,905,325</b>  | <b>7,735,012</b>  | <b>8,616,137</b>  | <b>9,548,077</b>  | <b>10,533,270</b> | <b>11,571,183</b> | <b>12,663,316</b> | <b>13,910,221</b> |