

ANNUAL DISCLOSURE REPORT

YEAR ENDING JUNE 30, 2013

CITY OF RIVERSIDE REDEVELOPMENT SUCCESSOR AGENCY

2004 HOUSING SET-ASIDE TAX ALLOCATION BONDS

DATED NOVEMBER 1, 2004

**2004 SERIES A TAX ALLOCATION BONDS \$24,115,000
CUSIP NUMBERS: 769045PZ2 through 769045QX6**

Prepared by
City of Riverside

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March 7, 2014

Supplemental ERAF transfer for fiscal years 2009/10 and 2010/11 was found constitutional. Accordingly, the Agency made a transfer of \$17,061,841 in fiscal year 2009/10 and \$3,509,392 in fiscal year 2010/11. The fiscal year 2011/12 state budget eliminated redevelopment agencies as of 2/1/12, as a means to divert more local funds to the state. The dissolution legislation provides for sufficient tax increment revenue to continue to be made available to the Redevelopment Successor Agency for paying debt service on outstanding bonds through maturity.

CONTINUING DISCLOSURE CERTIFICATE - SECTION 5 - Reporting of Significant Events

There has been no occurrence of the following significant events with respect to the Redevelopment Agency of the City of Riverside Housing Set-Aside Bonds; 2004 \$24,115,000 Series A Tax Allocation Bonds, except as previously disclosed and noted below:

1. Delinquency in payment when due of any principal of or interest with respect to the Bonds.

2. Non-payment related defaults.

3. Unscheduled draws on the debt service reserves reflecting financial difficulties

4. Unscheduled draws on the credit enhancements reflecting financial difficulties

5. Substitution of credit or liquidity providers, or their failure to perform.

Effective August 19, 2013, per a court approved rehabilitation plan which included a Novation Agreement between Financial Guaranty Insurance Company (FGIC) and National Public Finance Guarantee Corporation (NPFGC), the bond insurance policy issued by FGIC guarantying the principal and interest payments for these bonds has been transferred to NPFGC per the terms of the Novation Agreement. In January, 2009 FGIC was reinsured by NPFGC.

6. Adverse tax opinions or events affecting the Tax-exempt status of the security.

7. Modifications to rights of security holders.

8. Bond calls.

9. Defeasances.

10. The release, substitution or sale of property securing repayment of the Bonds.

11. Rating changes.

As previously disclosed, Standard and Poor's, and Moody's, have raised their ratings of the insurer of the bonds, National Public Finance Guarantee Corporation, from BB, and Baa2 to A, and Baa1 respectively. Fitch's rating has remained unchanged at withdrawn.

**FORMER REDEVELOPMENT AGENCY FOR THE CITY OF RIVERSIDE
ANNUAL STATEMENT OF PROJECTED REVENUES & EXPENSES
FOR NON-HOUSING DEBT SERVICE CALCULATION
FISCAL YEAR 2013/2014**

Project Areas	Arlington	Casa Blanca	Eastside	Magnolia Center	Univ. Corr./ Syc. Cyn.	Downtown Airport Hunter Park Northside	La Sierra/ Arlanza	Totals
Non-Housing Tax Increment (TI) Projected Revenues ⁽¹⁾	4,352,467	3,222,499	98,623	3,118,039	11,898,814	18,991,845	13,790,409	55,472,696
Less: Projected 20% Housing Set-Aside	870,493	644,500	19,725	623,608	2,379,763	3,798,369	2,758,082	11,094,539
Projected Superior Pass-Throughs ⁽²⁾	348,197	-	-	-	-	4,558,043	-	4,906,240
Projected 80% of County Administration Fee	44,743	33,127	1,014	32,053	122,320	195,236	141,765	570,258
Projected TI Available for Bond Debt Service	3,089,033	2,544,872	77,884	2,462,378	9,396,731	10,440,197	10,890,562	38,901,659
Budgeted Non-Housing Bond Debt Service	1,722,079	1,852,778	23,835	1,204,528	2,705,340	4,774,607	3,015,111	15,298,278
Projected Excess TI	1,366,954	692,094	54,049	1,257,850	6,691,391	5,665,590	7,875,451	23,603,381
PROJECTED DEBT SERVICE COVERAGE RATIO	1.79	1.37	3.27	2.04	3.47	2.19	3.61	2.54

⁽¹⁾ Tax increment revenues are based on final FY 2012/13 assessed valuation reports provided by the Riverside County Auditor-Controller's Office.

⁽²⁾ Superior pass throughs are based on the following estimated percentages after housing set-aside deduction:

Arlington 10% and Downtown/Airport 30%.

**FORMER REDEVELOPMENT AGENCY FOR THE CITY OF RIVERSIDE
ANNUAL STATEMENT OF PROJECTED REVENUES & EXPENSES
FOR HOUSING DEBT SERVICE CALCULATION
FISCAL YEAR 2013/2014**

Project Areas ⁽¹⁾	Arlington	Casa Blanca	Magnolia Center	Univ. Corr./ Syc. Cyn.	Downtown Airport Hunter Park Northside	Totals
Projected Housing Tax Increment (TI) Revenues ⁽²⁾	870,493	644,500	623,608	2,379,763	3,798,369	8,316,733
Less: Projected of 20% County Administration Fee	11,186	8,282	8,013	30,580	48,809	106,870
Projected TI Available for Bond Debt Service	859,307	636,218	615,595	2,349,183	3,749,560	8,209,863
Budgeted Housing Bond Debt Service	282,868	398,061	161,299	802,037	1,120,434	2,764,699
Projected Excess TI	576,439	238,157	454,296	1,547,146	2,629,126	5,445,164
PROJECTED DEBT SERVICE COVERAGE RATIO	3.04	1.60	3.82	2.93	3.35	2.97

⁽¹⁾ Eastside, Hunter Park/Northside and La Sierra/Arlanza Project Areas are not included in these calculations because no housing bonds have been issued as of this date for these project areas.

⁽²⁾ Tax increment revenues are based on final FY 2012/13 assessed valuation reports provided by the Riverside County Auditor-Controller's Office.

Attachment B - Top Ten Taxpayers

Project Area: Arlington

Taxpayer	Description	AV for FYE 2013
1. 3100 Van Buren Apts Investment	Residential	\$37,790,546
2. Riverside Properties	Commercial	\$35,497,501
3. Kienle& Kienle Investment	Commercial	\$22,407,916
4. Lowes	Home Improvement Store./Center	\$16,318,421
5. CTF5-Citrus Park LLC	Industrial	\$14,674,531
6. WalMart	Discount Store/Center	\$14,249,927
7. Aanesson Stonewood Apartments	Multi-Family Residential	\$13,953,344
8. 5700 Van Buren	Commercial	\$13,250,000
9. Davidson Enterprises	Commercial	\$11,590,832
10. REA Riverside General	Industrial	\$10,334,218

Project Area: Casa Blanca

Taxpayer	Description	AV for FYE 2013
1. E R Carpenter Co Inc	Industrial Processing	\$29,374,592
2. Group Eight	Commercial	\$12,768,100
3. Home Depot USA	Retail – Home Improvement	\$12,544,663
4. Toyota of Riverside	Commercial	\$11,240,544
5. Nineway	Industrial	\$9,510,884
6. Malcom A Smith	Commercial	\$7,647,937
7. Arlington Heights Citrus	Agricultural Processing	\$7,454,443
8. Corona College Heights Orange	Unsecured	\$5,999,080
9. Stater Bros Markets	Commercial	\$5,165,591
10. Dabney Properties	Commercial	\$4,881,048

Project Area: Magnolia Center

Taxpayer	Description	AV for FYE 2013
1. Vestar Riverside Plaza LLC	Shopping Center	\$69,554,331
2. Riverside Clinic Inv IV	Medical Clinic	\$37,647,989
3. Autozone West Inc	Commercial	\$21,425,639
4. Sears Roebuck & Company	Department Store	\$15,726,874
5. WPI Arcal	Commercial	\$13,760,215
6. Community Convalescent Center	Commercial	\$11,269,980
7. B H Central	Shopping Center	\$9,958,143
8. Westminster Arlington	Commercial	\$9,440,112
9. Von's Company Inc	Commercial	\$9,245,608
10. Arlington Square	Commercial	\$8,386,994

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1. State Street Bank & Trust Co	Food Distr. Facility	\$89,839,217
2. Pepsi/Bottling Group	Manufacturing	\$59,903,968
3. Edgemont Community Svc Dist	Industrial	\$59,032,844
4. Riverside Sycamore	Industrial	\$50,987,939
5. HSRE-PEP Riverside LLC	Commercial	\$44,972,195
6. Fresh & Easy Market Inc	Industrial	\$44,716,316
7. Riverside Partners	Residential	\$41,496,553
8. Riverside Village	Commercial	\$40,323,594
9. University Village Towers	Residential	\$38,578,290
10. Town Square Shopping Center	Commercial	\$37,079,040

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1. Riverside Healthcare Systems	Commercial	\$113,254,235
2. ROHR	Industrial	\$112,324,701
3. Press Enterprise Company	Commercial	\$50,937,373
4. Koll Per Riverside	Industrial	\$44,311,564
5. Columbia Business Center	Industrial	\$41,988,781
6. Carbonlite Industries LLC	Industrial	\$39,943,351
7. NNN Mission Square	Commercial	\$37,918,767
8. Historic Mission Inn	Commercial	\$28,111,051
9. MSP Market Street LLC	Industrial	\$25,900,000
10. Troy Coolidge	Commercial	\$25,851,808

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1. Red Robin International Inc	Commercial	\$141,205,341
2. La Sierra University	Residential	\$100,079,578
3. JSP Corona Pointe LLC	Residential	\$76,159,297
4. Tyler Mall Ltd Partnership	Commercial	\$49,279,019
5. Riverside Waterstone Owner	Residential	\$32,587,390
6. GRAE La Sierra	Commercial	\$30,033,287
7. Davenport Riverwalk Partners	Commercial	\$27,144,000
8. J C Penney Properties Inc	Commercial	\$26,263,786
9. Cambria of Heritage 55 LLC	Residential	\$25,910,056
10. Stremicks Heritage Foods LLC	Commercial	\$25,151,959

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Attachment D – Assessed Value of Project Areas For FY 2012/13

Arlington	\$ 854,529,974
Casa Blanca	\$ 327,430,731
Downtown / Airport / Hunter Park / Northside*	\$2,757,988,844
La Sierra / Arlanza	\$3,494,395,309
Magnolia Center	\$ 607,467,515
University Corridor / Sycamore Canyon	\$1,327,421,147

*The Downtown/Airport and Hunter Park/Northside Project areas have merged, the assessed valuation is the total for the new merged Project area.