

**APPENDIX H**  
**FISCAL CONSULTANT'S REPORT**

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**SUCCESSOR AGENCY  
TO THE  
REDEVELOPMENT AGENCY OF THE CITY OF RIALTO**

**Merged Redevelopment Project**

**PROJECTED TAXABLE VALUES AND  
ANTICIPATED TAX INCREMENT REVENUES**

**June 23, 2015**

**I. Introduction**

The Successor Agency to the Redevelopment Agency of the City of Rialto Tax Allocation Revenue Refunding Bonds (Merged Project Area) 2015 Series A, Series B and Series C (the “Bonds”), are being issued by the Successor Agency to the Redevelopment Agency of the City of Rialto (the “Successor Agency”). The 2015 Series A Bonds are being issued to (i) refund all of the Redevelopment Agency of the City of Rialto Tax Allocation Bonds (Merged Project Area), 2005 Series A, currently outstanding in the aggregate principal amount of \$23,885,000 (ii) fund a portion of the reserve account for the Non-Housing Bonds (defined below) or acquire a reserve surety for the Non-Housing Bonds, and (iii) pay the costs of issuance of the 2015 Series A Bonds. The 2015 Series B Bonds are being issued to (i) refund all of the Redevelopment Agency of the City of Rialto Tax Allocation Bonds (Merged Project Area), 2005 Series C (Taxable), currently outstanding in the aggregate principal amount of \$16,635,000, (ii) fund a portion of the reserve account for the Non-Housing Bonds or acquire a reserve surety for the Non-Housing Bonds, and (iii) pay the costs of issuance of the 2015 Series B Bonds. The 2015 Series C Bonds are being issued to (i) refund all of the Redevelopment Agency of the City of Rialto Tax Allocation Housing Set-Aside Bonds (Merged Project Area), 2005 Series B (Taxable), currently outstanding in the aggregate principal amount of \$9,045,000, (ii) fund a reserve account for the 2015 Series C Bonds or acquire a reserve surety for the 2015 Series C Bonds, and (iii) pay the costs of issuance of the 2015 Series C Bonds.

The Bonds are special obligations of the Successor Agency and debt service on the Bonds is payable from the pledged Tax Revenues and amounts held in the Special Fund and the Redemption Fund, and the Successor Agency is not obligated to pay them except from the Tax Revenues and amounts held in the Special Fund and the Redemption Fund. All of the Bonds are equally secured by a pledge of, and charge and lien upon, all of the Tax Revenues and amounts held in the Special Fund and the Redemption Fund, and such amounts constitute a trust fund for the security and payment of the interest on and the principal of the Bonds. The Bonds are not a debt of the City of Rialto (the “City”), the State of California or any of its political subdivisions (other than the Successor Agency), and neither said City, said State nor any of its political subdivisions (other than the Successor Agency) is liable therefor, nor in any event shall the Bonds be payable out of any funds or properties other than those of the Successor Agency.

On June 29, 2011, the California Legislature and Governor enacted Assembly Bill x1 26 (AB 1x 26), which generally dissolved redevelopment agencies statewide as of February 1, 2012. The bill was challenged by a suit filed before the California Supreme Court, but was upheld by the Court on December 29, 2012. On June 27, 2012 Assembly Bill 1484 (AB 1484) was signed into law, modifying and supplementing ABx1 26. In accordance with Section 34177.5(g) of the California Health and Safety Code, the Successor Agency bonds shall be considered indebtedness incurred by the dissolved redevelopment agency, with the same legal effect as if the bonds, indebtedness, financing agreement, or amended enforceable obligation had been issued, incurred, or entered into prior to June 29, 2011, in full conformity with the applicable provisions of the

California Community Redevelopment Law (being Part 1 of Division 24 of the Health and Safety Code and is being referred to herein as the "Law") that existed prior to that date, shall be included in the successor agency's Recognized Obligation Payment Schedule (the "ROPS"), and shall be secured by a pledge of, and lien on, and shall be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund (the "RPTTF").

On July 2, 2002, the Agency merged its four existing redevelopment project areas and added additional territory to create the Project Area. Tax revenues generated by the component redevelopment project areas of the Project Area formerly known as the Industrial Redevelopment Project (Industrial), Agua Mansa Redevelopment Project (Agua Mansa), Gateway Redevelopment Project (Gateway), Central Business District Redevelopment Project (CBD) and the Merger Annex Project Area (Added Territory). The California Community Redevelopment Law (the Law) provides for the creation of redevelopment agencies by cities and counties for the purpose of the elimination of blight. The Law, together with Article 16, Section 16 of the California Constitution, authorizes redevelopment agencies to receive that portion of property tax revenue generated by project area taxable values that are in excess of the Base Year value. The Base Year value is defined as the amount of the taxable values within the project area boundaries on the last equalized tax roll prior to adoption of the project area. The amount of current year taxable value that is in excess of the Base Year value is referred to as incremental taxable value. Tax revenues generated from the incremental taxable value are generally referred to as Tax Increment Revenues. The Law provides that the Tax Increment Revenues may be pledged by the redevelopment agency to the repayment of agency indebtedness.

In this report, Tax Increment Revenues with the addition of Unitary Tax Revenue (see Section IV, Allocation of State Assessed Unitary Taxes) are referred to as Gross Tax Revenues. Adjusted Gross Tax Revenues are defined herein as Gross Tax Revenues less the payments made from the Gateway Project Area pursuant to Section 33676 Base Year Inflationary Adjustments. For purposes of this report, Tax Revenues are defined as Adjusted Gross Tax Revenues less; (i) the SB 2557 County Administrative fees and collection charges (see Section IV, County Collection Charges); (ii) amounts pledged for payment of debt service on bonds secured by the former Housing Set-Aside Requirement (see Section V); and, (iii) tax sharing payments and disposition and development agreement and owner participation agreement payments that have a lien on Tax Revenues that is superior to the lien on Tax Revenues of debt service on the Bonds (see Section VII, Tax Sharing Agreements and Other Obligations). Net Tax Revenues are defined as Tax Revenues less tax sharing payments and disposition and development agreement and owner participation agreement payments that have a lien on Tax Revenues that is subordinate to the lien on Tax Revenues of debt service on the Bonds.

The purpose of this fiscal consultant report (the Report) is to examine the assessed values of the current fiscal year and project for nine fiscal years the amount of tax increment revenues anticipated to be received by the Agency from each of the component project areas that make up the Project Area. The Law and the limits within the component redevelopment plans determine the amount of Project Area Gross Tax Revenues. The amount of the Tax Revenues available for the payment of debt service on the Bonds is also affected by prior obligations undertaken by the Agency. Based on our research, we project that the Tax Revenues that will be pledged to the payment of debt service on the Bonds will be as shown in Table A below.

<b>Table A</b> <b>Project Area Tax Revenues</b> (000's omitted)						
<b>Fiscal Year</b>	<b>Industrial</b>	<b>Agua Mansa</b>	<b>Gateway</b>	<b>CBD</b>	<b>Added Territory</b>	<b>Project Area</b>
2014-15	\$5,112	\$3,421	\$488	\$698	\$10,210	<b>\$19,930</b>
2015-16	5,077	3,408	476	734	10,482	<b>20,177</b>
2016-17	5,171	3,475	486	758	10,759	<b>20,649</b>
2017-18	5,266	3,543	497	783	11,042	<b>21,131</b>
2018-19	5,363	3,613	507	809	11,331	<b>21,622</b>
2019-00	5,462	3,684	518	835	11,625	<b>22,123</b>
2000-21	5,563	3,756	529	861	11,925	<b>22,634</b>
2021-22	5,665	3,830	540	888	12,231	<b>23,155</b>
2022-23	5,770	3,905	551	916	12,544	<b>23,686</b>
2023-24	5,878	3,982	563	944	12,862	<b>24,228</b>

Based on our research, we project that the Housing Set-Aside Revenues that will be pledged to the payment of debt service on the existing and 2015C Housing Bonds will be as shown in Table B below.

<b>Table B</b> <b>Project Area Housing Set-Aside Revenues</b> (000's omitted)						
<b>Fiscal Year</b>	<b>Industrial</b>	<b>Agua Mansa</b>	<b>Gateway</b>	<b>CBD</b>	<b>Added Territory</b>	<b>Project Area</b>
2014-15	\$1,447	\$1,334	\$171	\$233	\$2,576	<b>\$5,762</b>
2015-16	1,438	1,344	170	245	2,645	<b>5,843</b>
2016-17	1,465	1,370	174	254	2,715	<b>5,977</b>
2017-18	1,492	1,397	178	262	2,786	<b>6,114</b>
2018-19	1,519	1,424	182	271	2,859	<b>6,254</b>
2019-00	1,547	1,452	185	279	2,933	<b>6,397</b>
2000-21	1,576	1,480	189	288	3,009	<b>6,543</b>
2021-22	1,605	1,509	194	297	3,086	<b>6,691</b>
2022-23	1,635	1,539	198	306	3,165	<b>6,843</b>
2023-24	1,665	1,569	202	316	3,246	<b>6,997</b>

The taxable values of property and the resulting Tax Revenues for each portion of the Project Area summarized above are reflected on Tables 1 and 2 of the projections (attached). These projections are based on assumptions determined by our review of the taxable value history of the Project Area and the property tax assessment and property tax apportionment procedures of San Bernardino County (the County). The projection illustrates the entire amount of Tax Revenues projected as being available from each portion of the Project Area. It is assumed that the Agency will continue to have sufficient debt and debt service, as defined in the redevelopment plans, to capture all of the available Tax Revenue. Future year assessed values and Tax Revenues are projections based upon the assumptions described in this Report, and are not guaranteed as to accuracy. This Report is not to be construed as a representation of such by HdL Coren & Cone.

## II. The Project Area

On July 2, 2002 the City Council of the City of Rialto adopted Ordinance No. 1333 which formed a redevelopment plan which merged four existing redevelopment project areas into a single project area and incorporated 3,436 acres of additional territory. The four original redevelopment plans were the Industrial, Agua Mansa, Gateway and Central Business District Redevelopment Plans. The original redevelopment plans had been previously amended by the adoption of Ordinance No. 1332 which revised or eliminated certain plan limits pursuant to Health and Safety Code Section 33333.5(e)(2). The original project areas and the Added Territory are described below.

### **Industrial Redevelopment Project**

The Industrial Redevelopment Project was adopted on July 17, 1979 by Ordinance No. 782 and consists of two noncontiguous areas totaling 2,017 acres. The larger of these two areas is generally located north of Baseline Road, east of Alder Avenue, south of Casa Grande Drive and west of Spruce Avenue. The southern and smaller area is generally north of Merrill Avenue, east of Linden Avenue, south of Rialto Avenue and west of Lilac Avenue. The majority of the assessed value within this portion of the Project Area is in industrial use (53.46%) and unsecured value (24.39%). There are 164 vacant parcels within Industrial.

### **Agua Mansa Redevelopment Project**

The Agua Mansa Redevelopment Project was adopted on July 19, 1988 by Ordinance No. 1037 and consists of a single area located south of Interstate Highway 10 and totaling 1,209 acres. This portion of the Project Area is more particularly located north of Agua Mansa Road, east of Cactus Avenue, south of Interstate Highway 10 and west of the Rialto City limits. The assessed value of this portion of the Project Area is mainly in industrial use (59.53%) and unsecured value (30.2%). There are 89 vacant parcels within Agua Mansa.

### **Gateway Redevelopment Project**

The Gateway Redevelopment Project was adopted on December 17, 1985 by Ordinance No. 945 and consists of a single area located on both sides of Interstate Highway 10 and totaling 428 acres. This portion of the Project Area is more particularly located north of Slover Avenue, east of Cactus Avenue, south of San Bernardino Avenue and west of the Rialto City limits. Interstate Highway 10 runs through the middle of this portion of the Project Area. The area also contains a substantial amount of train yard facilities. The assessed value of this portion of the Project Area is mainly in commercial (50.37%) and industrial (29.19%) use. There are 28 vacant parcels within Gateway.

### **Central Business District Redevelopment Project**

The Central Business District Redevelopment Project was adopted on June 5, 1990 by Ordinance No. 1101 and consists of a single area located on both sides of Riverside Avenue and totaling 445 acres. This portion of the Project Area is more particularly located north of Merrill Avenue, east of Cactus Avenue, south of Foothill Boulevard and west of Sycamore Avenue. This portion of the Project Area contains the original downtown area of the City and consists substantially of residential (55.56%) and commercial uses (23.3%) and contains a large amount of unsecured value (10.05%). There are 95 vacant parcels within CBD.

### **Added Territory**

With the adoption of the Project Area on July 2, 2002 by Ordinance No. 1333, substantial new territory was added to the original redevelopment project areas as part of the merger process. The Added Territory

consists of three noncontiguous areas totaling 3,436 acres. These areas are distributed throughout the city. There are a total of 482 vacant parcels in the Added Territory with a combined assessed value of \$66.2 million. The extension of the Foothill Freeway runs through the area and will front on a number of commercial and industrial parcels. There is a great deal of potential for development of new commercial, industrial and residential development.

Sub-area A totals approximately 1,427 acres and is located north of Baseline Road and east of the City's easterly boundary. It is further located to the east and west of Industrial. The City's General Plan has designated land uses within Sub-area A as industrial, commercial, public uses and includes three small residential areas located along Baseline Road and to the north of the Rialto Municipal Airport. Sub-area A will be bisected by the extension of the Foothill Freeway (State Highway 210).

Sub-area B totals approximately 1,679 acres. It fills the area between the two non-contiguous portions of Industrial and is further adjacent to CBD. The City's General Plan designates land uses within Sub-area B as primarily residential and commercial uses along with open space and public uses. Sub-area B is located in the central portion of the City and contains mostly older, existing developments. Sub-area C totals approximately 330 acres and is located in an area that abuts Industrial, CBD, Gateway and Agua Mansa. It extends southerly into the more industrialized area of the City.

The Added Territory is diversified in its land use designations. Residential land uses make up 32.3% of the Added Territory's assessed value for 2014-15. Industrial land makes up 30.0% of the current year assessed values followed by commercial land uses at 17.6% and vacant land uses at 9.2%.

**A. Land Use**

Table C represents the breakdown of land use in the Project Area by the number of parcels and by assessed value for fiscal year 2014-15. Unsecured and SBE non-unitary values are connected with parcels that are already accounted for in other categories. It should be noted that the figures below include the net taxable value for all parcels. This information is based on County land use designations as provided by the County.

<b>Table C</b>			
<b>Project Area Land Use Summary</b>			
Category	No. Parcels	Net Taxable Value	% of Total Value
Residential	3,513	\$594,875,066	18.87%
Commercial	463	415,194,588	13.17%
Industrial	349	1,297,424,738	41.16%
Dry/Irrigated Farm	3	746,274	0.02%
Recreational	6	2,257,656	0.07%
Institutional	36	10,809,848	0.34%
Government	5	8,952,145	0.28%
Miscellaneous	51	6,409,416	0.20%
Vacant Land	635	270,702,330	8.59%
Exempt	490	0	0.00%
<b>Subtotals:</b>	<b>5,551</b>	<b>\$2,607,372,061</b>	<b>82.72%</b>
SBE Non-unitary		754,444	0.02%
Unsecured		543,737,129	17.25%
<b>Totals:</b>	<b>5,551</b>	<b>\$3,151,863,634</b>	<b>100.00%</b>

The vacant parcels within the Project Area total 1,516.36 acres according to Assessor's maps and other County records. The following Table D breaks down the vacant parcels for each of the component project areas.

<b>Table D</b>		
<b>Vacant Land Summary</b>		
	<u>No. Vacant Parcels</u>	<u>Acres</u>
Industrial	128	424.72
Agua Mansa	81	308.38
Gateway	25	34.26
CBD	85	21.46
Added Territory	<u>316</u>	<u>727.54</u>
Totals	635	1,516.36

**B. Redevelopment Plan Limits**

Chapter 942, Statutes of 1993 (See Section VI B below), as codified in Section 33333.6 of the Law, limits the life of redevelopment plans adopted prior to January 1, 1994 to 40 years from the date of adoption or January 1, 2009, whichever is later. It also limits the period within which a redevelopment project area may receive tax increment to the life of the redevelopment plan plus ten years beyond the termination of redevelopment activities except to accommodate certain specific low and moderate-income housing obligations or to pay debt service on bonds, indebtedness or other financial obligations authorized prior to January 1, 1994. Such redevelopment plans are further required to include a limitation on the number of tax increment dollars that may be allocated to the redevelopment agency; a time limit on the establishing of indebtedness to be repaid with tax increment; and a limit on the amount of bonded indebtedness to be repaid with tax increment that can be outstanding at one time. These limits can be extended only by an amendment of the redevelopment plan.

For redevelopment plans adopted prior to 1994, Chapter 942 stipulates that the time limit for establishing indebtedness shall not exceed 20 years from the adoption of the redevelopment plan or January 1, 2004, whichever is later. Chapter 741, Statutes of 2001, was adopted under SB 211 and amends several sections of the Law that control time limitations for redevelopment project areas. Limitations, that under prior legislation could not be amended or had different amendment procedures, in accordance with this section, may be modified through project area amendments as set forth in this section of the Law (see Section VI, Legislation). On July 2, 2002 the City Council adopted Ordinance No. 1332 which amended each of the original redevelopment plans such that the time limits for establishment of loans, advances and indebtedness were eliminated.

Pursuant to Senate Bills 1045 (see Section VI) the Agency has extended the term of redevelopment plan effectiveness of all component project areas by one year with the adoption of Ordinance No. 1348 on April 19, 2004. This extension in turn extends the terms of the redevelopment plan's effectiveness and the period within which the project areas may repay indebtedness by one year. Pursuant to Senate Bill 1096 (see Section VI) the Agency has extended the term of the redevelopment plan and the period within which the Agency may repay indebtedness within Industrial by two additional years through the adoption of Ordinance No. 1370 on April 5, 2005. This two year extension of the time limits for Industrial is predicated upon the



payment by the Agency of its ERAF obligation for 2005 and 2006. The payment of these obligations was required by law and the Agency made the required payments.

The Added Territory was adopted under the time limits applied by Chapter 942 as modified by the adoption of Ordinance 1348 (See above). The redevelopment plan for the Added Territory shall no longer be effective thirty-one years after the effective date of its adoptive ordinance and no new debt to be repaid from tax increment revenues shall be incurred after twenty years from the adoption date. The Agency may not repay indebtedness in the Added Territory beyond forty-six years from the adoption date. There is no limit on the amount of tax increment revenue that may be received from the Added Territory.

The redevelopment plan limits currently governing the various portions of the Project Area redevelopment plans are summarized in Table E below:

<b>Table E</b>				
<b>Project Area Plan Limits</b>				
<b>Project Area</b>	<b>Termination of Project Activities</b>	<b>Last Date to Repay Debt with Tax Revenue</b>	<b>Tax Increment Limit</b>	<b>Limit on Outstanding Bond Debt</b>
Industrial	August 16, 2022	August 16, 2032	\$300 million	\$100 million
Agua Mansa	July 19, 2029	July 19, 2039	\$270 million	\$90 million
Gateway	January 16, 2027	January 16, 2037	\$90 million	\$30 million
CBD	July 5, 2031	July 5, 2041	\$289 million	\$100 million
Added Territory	July 2, 2033	July 2, 2048	N/A	\$165 million

Within Industrial, the Agency has received a total of \$85,773,287 in tax increment revenue through 2013-14. Based on the assumptions used in our projection, the increment revenues will not reach Industrial's tax increment limits within the period that it will be able to repay indebtedness. If the annual growth in tax increment revenues exceeds 5.5%, Industrial may indeed reach the limitation prior to expiration of the effectiveness of the redevelopment plan. Within Agua Mansa the Agency has received a total of \$75,577,507 in tax increment revenue through 2013-14. Based on the assumptions used in our projection, the increment revenues will reach Agua Mansa's tax increment limits during fiscal year 2037-38. If the growth in tax increment revenues exceeds the projected levels Agua Mansa may reach its tax increment limit earlier. Within Gateway and CBD, the Agency has received \$13,189,386 and \$15,479,002 respectively through 2013-14. According to the projection, neither Gateway nor CBD will reach their tax increment limits based on the assumptions in our projections, however, in the event that Gateway experiences ongoing growth in assessed values that exceeds 4.25% annually it may reach its tax increment limit prior to reaching its last date to repay indebtedness. CBD would have to increase in value by 11.5% annually in order for this component project area to exceed its cumulative tax increment limit prior to reaching its last date to repay indebtedness. The Added Territory does not have a tax increment limit, however, through 2013-14 it has been allocated a total of \$87,849,991.

On April 2, 2014, Justyn Howard, Assistant Program Budget Manager for the California Department of Finance, wrote a letter to Mary Jo Walker, the Auditor-Controller of the County of Santa Cruz, outlining the Department of Finance's opinion on the applicability of redevelopment plan tax increment limits for the former redevelopment project areas that were dissolved by State legislation in 2011 (see Section VI – Legislation Affecting Tax Revenues). It is the opinion of the Department of Finance (the DOF) that the tax increment limits within the former redevelopment plans that had not been reached prior to redevelopment

dissolution are inconsistent with the purpose and intent of the redevelopment dissolution statutes. This is only the opinion of DOF and does not have any force of law. The San Bernardino County Auditor-Controller has determined that it will continue to enforce the tax increment limits contained in the redevelopment plans. The projections have assumed that the redevelopment plan limits will be applied.

On January 9, 2015, the Governor announced this budget proposal for FY 2015-16. Among several other proposed revisions to the laws that dissolved the former redevelopment agencies, the Governor is proposing to include language in the dissolution legislation that specifies that the tax increment limits and the time limits contained in the redevelopment plans for the former project areas will no longer be enforceable. Under this proposed change, the Successor Agency would continue to be allocated revenue from all former project areas through the RPTTF until such time as all enforceable obligations have been repaid. The legislation that will implement these proposals has been introduced in the Legislature as AB 113, a budget trailer bill, and has been approved by the Assembly. It is currently being heard in the Senate. For purposes of this report and the projections, we have assumed the continued enforcement of the tax increment and time limits by the County Auditor-Controller pending the possible approval of AB 113.

### **III. Project Area Assessed Values**

#### **A. Assessed Values**

Taxable values are prepared and reported by the County Auditor-Controller each fiscal year and represent the aggregation of all locally assessed properties that are part of each Project Area. The assessments are assigned to Tax Rate Areas (TRA) that are coterminous with the boundaries of the Project Area. The historic reported taxable values for the original project areas were reviewed in order to ascertain the rate of taxable property valuation growth over the most recent ten fiscal years beginning with 2004-05. Between 2004-05 and 2013-14 the taxable value within the Project Areas increased by \$1,395,717,158 (97.02%) in the aggregate, although such growth was not experienced uniformly among each of the original project areas. This represents an average annual growth of 9.7% despite reductions in value that occurred in fiscal years 2009-10, 2010-11 and 2011-12. Modest growth in 2012-13 and 2013-14 has recovered approximately 47.3% of the value lost in those three years.

Assessed values increased substantially for 2014-15. Within the Merged Project Area, values rose by a combined \$308.9 million (10.86%). Secured values increased by \$252.1 million (10.7%) and unsecured values increased by \$56.7 million (11.65%). Growth by component project area is shown in Table E below. The largest increase was among industrial properties that grew by \$165.1 million (15.1%) in taxable value with the second largest source of growth being among unsecured assessments. Residential values benefitted from a more aggressive recovery of value declines that have occurred over the past several years as a result of Prop 8 reductions. Residential values increased by \$41.8 million (7.6%) over the values for 2013-14.

The component project areas have all grown substantially since 2004-05. Each of the component project areas experienced some amount of value loss during the period of 2008-09 through 2012-13. In most of the years in question, however, values increased by more than 10% over the prior year through 2008-09. The table below shows the taxable values for each of the component project areas and the percentage by which these values have increased above the prior year values.

**Table F**  
**Taxable Value History and Percentage Growth from Prior Year**  
**By Component Project Area**

	<u>Industrial</u>	<u>Agua Mansa</u>	<u>Gateway</u>	<u>CBD</u>	<u>Added Territory</u>
<b>2004-05</b>	\$297,901,795	\$324,985,194	\$72,254,681	\$145,306,458	\$598,066,446
<b>2005-06</b>	\$315,239,826 5.82%	\$355,257,109 9.31%	\$75,580,057 4.60%	\$161,297,179 11.00%	\$750,914,521 25.56%
<b>2006-07</b>	\$364,762,467 15.71%	\$418,219,997 17.72%	\$82,686,779 9.40%	\$187,346,765 16.15%	\$992,991,417 32.24%
<b>2007-08</b>	\$496,758,752 36.19%	\$536,558,211 28.30%	\$96,860,776 17.14%	\$210,637,082 12.43%	\$1,272,527,756 28.15%
<b>2008-09</b>	\$540,365,168 8.78%	\$572,470,173 6.69%	\$85,977,362 (11.24%)	\$216,778,228 2.92%	\$1,531,802,170 20.37%
<b>2009-10</b>	\$609,328,318 12.76%	\$559,512,093 (2.26%)	\$85,485,250 (0.57%)	\$195,705,276 (9.72%)	\$1,442,166,533 (5.85%)
<b>2010-11</b>	\$551,389,490 (9.51%)	\$641,256,900 14.61%	\$85,487,202 0.00%	\$172,840,439 (11.68%)	\$1,358,013,261 (5.84%)
<b>2011-12</b>	\$531,909,022 (3.53%)	\$568,907,117 (11.28%)	\$85,314,612 (0.20%)	\$171,507,815 (0.77%)	\$1,350,656,589 (0.54%)
<b>2012-13</b>	\$544,933,155 2.45%	\$609,283,099 7.10%	\$84,804,092 (0.60%)	\$169,727,656 (1.04%)	\$1,387,340,489 2.72%
<b>2013-14</b>	\$577,041,562 6.06%	\$592,226,945 (2.80%)	\$85,661,854 1.01%	\$174,894,151 3.04%	\$1,413,594,186 1.89%
<b>2014-15</b>	\$647,300,054 12.51%	\$613,543,137 3.88%	\$86,307,997 0.89%	\$182,572,677 8.33%	\$1,622,139,769 14.75%

The detailed history of assessed values for each of the component project areas from 2005-06 to 2014-15 is illustrated on Table 3 (attached) for each project area tax increment projection.

### **B. Top Ten Taxable Property Owners**

A review of the top ten taxpayers in the Project Area for fiscal year 2014-15 was conducted and broken down within each of the component project areas. Within the Project Area, the aggregate total taxable value for the ten largest taxpayers totaled \$1,014,060,596. This amount is 40.25% of the \$2,519,598,710 Project Area incremental value. The top taxpayer in the Project Area is Target Corporation that controls 17 secured parcels and 2 unsecured valuations at a combined valuation of \$301,001,277. The value of the Target Corporation parcels is 11.95% of the Project Area's total incremental value. The second largest taxpayer in the Project Area is Prologis-MacQuarie that controls a total of \$235,969,763 in secured and unsecured assessed value. This amount is 9.37% of the Project Area's incremental value. Table F below illustrates the percentage of incremental value for the top ten taxpayers in the Project Area and their relative importance to the incremental value of the Project Area.

Among the top ten taxpayers, three have filed assessment appeals that are currently pending. These include Prologis-MacQuarie, the number two taxpayer; Staples the Office Superstore, the number six taxpayer; and Locust and Linden Fund IX LLC, the number ten taxpayer. The details of these pending assessment appeals are discussed in Section IV F (Assessment Appeals) below. Potential reductions in value that may result from these appeals have been considered in the projections of tax increment revenue for the component project areas.

**Table G**  
**Top Ten Property Taxpayers for the Merged Project Area**

Property Owner	Combined Value	% of Total Assessed Value	% of Total Incremental Value	Component Project Area
Target Corporation	\$301,001,277	9.55%	11.95%	Added Territory/Industrial
Prologis-MacQuarie	235,969,763	7.49%	9.37%	Added Territory/Agua Mansa
Teachers Insurance and Annuity	109,243,725	3.47%	4.34%	Added Territory
FedEx Ground Package System	85,692,590	2.72%	3.40%	Agua Mansa
Toys 'R' Us – Delaware Inc.	60,582,610	1.92%	2.40%	Industrial
Staples the Office Superstore	50,167,219	1.59%	1.99%	Agua Mansa
SFPP LP	47,728,080	1.51%	1.89%	Agua Mansa
I-210 Logistics Center Fund X LLC	46,801,197	1.48%	1.86%	Industrial
100 Cedar Avenue LLC	45,547,016	1.44%	1.81%	Industrial
Locust and Linden Fund	31,327,119	0.99%	1.24%	Industrial
<b>Top Taxpayer Total Value</b>	<b>\$1,014,060,596</b>			
<b>Project Area Assessed Value</b>	<b>\$3,151,863,634</b>	<b>32.17%</b>		
<b>Project Area Inc. Value</b>	<b>\$2,519,186,521</b>		<b>40.25%</b>	

#### IV. Tax Allocation and Disbursement

##### A. Property Taxes

The taxable values of property are established each year on the January 1 property tax lien date. Real property values reflect the reported assessed values for secured and unsecured land and improvements. The base year value of a parcel is the value established as the full market value upon a parcel's sale, improvement or other reassessment. Article XIII A of the California Constitution (Proposition 13) provides that a parcel's base year value is established when locally assessed real property undergoes a change in ownership or when new construction occurs. Following the year a parcel's base year value is first enrolled, the parcel's value is factored annually for inflation. The term base year value does not, in this instance, refer to the base year value of the Project Areas. Pursuant to Article XIII A, Section 2(b) of the State Constitution and California Revenue and Taxation Code Section 51, the percentage increase in the parcel's value cannot exceed 2% of the prior year's value.

Secured property includes property on which any property tax levied by a county becomes a lien on that property. Unsecured property typically includes value for tenant improvements, fixtures, inventory and personal property. A tax levied on unsecured property does not become a lien against the taxed unsecured property, but may become a lien on certain other secured property owned by the taxpayer. The taxes levied on unsecured property are levied at the previous year's secured property tax rate. Utility property assessed by the State Board of Equalization (the Board) may be revalued annually and such assessments are not subject to the inflation limitations established by Proposition 13. The taxable value of Personal Property is also established on the lien dates and is not subject to the annual 2% limit of locally assessed real property.

Each year the Board announces the applicable adjustment factor. Since the adoption of Proposition 13, inflation has, in most years, exceeded 2% and the announced factor has reflected the 2% cap. Through 2010-11 there were six occasions when the inflation factor has been less than 2%. Until 2010-11 the annual adjustment never resulted in a reduction to the base year values of individual parcels, however, the factor that was applied to real property assessed values for the January 1, 2010 assessment date was a -0.237% and this resulted in a reductions to the adjusted base year value of parcels. The changes in the California Consumer Price Index (CCPI) from October of one year and October of the next year are used to determine the adjustment factor for the January assessment date. Table H below reflects the inflation adjustment factors for the current fiscal year, ten prior fiscal years and the adjustment factor for the next fiscal year.

<b>Table H</b>	
<b>Historical Inflation Adjustment Factors</b>	
<u>Fiscal Year</u>	<u>Inflation Adj. Factor</u>
2003-04	2.000%
2004-05	1.867%
2005-06	2.000%
2006-07	2.000%
2007-08	2.000%
2008-09	2.000%
2009-10	2.000%
2010-11	-0.237%
2011-12	0.753%
2012-13	2.000%
2013-14	2.000%
2014-15	0.454%
2015-16	1.998%

On December 5, 2014, the Board determined that the inflationary adjustment for 2015-16 would be 1.998%. For purposes of the projection we have assumed that the inflation adjustment factor for fiscal years beyond 2015-16 will be 2.00%. This assumption is based on the fact that the inflation adjustment factor has been at the maximum allowed amount of 2.00% in 31 of the 39 years since the adoption of Proposition 13. We believe that assuming the resumption of a 2.00% inflation adjustment factor is justified by historical experience.

**B. Supplemental Assessments**

Chapter 498 of the Statutes of 1983 provides for the reassessment of property upon a change of ownership or completion of new construction. Such reassessment is referred to as the Supplemental Assessment and is determined by applying the current year's tax rate to the amount of the increase or decrease in a property's value and prorating the resulting property taxes to reflect the portion of the tax year remaining as determined by the date of the change in ownership or completion of new construction. Supplemental Assessments become a lien against Real Property.

Since 1984-85, revenues derived from Supplemental Assessments have been allocated to redevelopment agencies and taxing entities in the same manner as regularly collected property taxes. The receipt of Supplemental Assessment Revenues by taxing entities typically follows the change of ownership by a year or more. We have **not** included revenues resulting from Supplemental Assessments in the projections.

### **C. Tax Rates**

Tax rates will vary from area to area within the State, as well as within a community and a project area. The tax rate for any particular parcel is based upon the jurisdictions levying the tax rate for the area where the parcel is located. The tax rate consists of the general levy rate of \$1.00 per \$100 of taxable value and the over-ride tax rate. The over-ride rate is that portion of the tax rate that exceeds the general levy tax rate and is levied to pay voter approved indebtedness or contractual obligations that existed prior to the enactment of Proposition 13.

A Constitutional amendment approved in June 1983 allows the levy of over-ride tax rates to repay indebtedness for the acquisition and improvement of real property, upon approval by a two-thirds vote. A subsequent amendment of the Constitution prohibits the allocation to redevelopment agencies of tax revenues derived from over-ride tax rates levied for repayment of indebtedness approved by the voters after December 31, 1988. Tax rates that were levied to support any debt approved by voters after December 31, 1988 were not allocated to redevelopment agencies. The over-ride tax rates typically decline each year as a result of (1) increasing property values (which would reduce the over-ride rate that must be levied to meet debt service) and (2) the eventual retirement of debt over time.

Section 34183(a)(1) of the Law as amended by AB1x 26 requires the Auditor Controller to allocate all revenues attributable to tax rates levied to make annual repayments of the principal and interest on any bonded indebtedness for the acquisition or improvement of real property to the taxing entity levying the tax rate. This has been interpreted by the County to include none of the revenues resulting from all over-ride tax rates that were previously being allocated to redevelopment agencies based on their determination that these tax rates are not being levied for repayment of indebtedness for acquisition or improvement of real property. As a result, the tax increment revenues being deposited into the RPTTF include all revenues derived from the general levy tax rate and all revenues derived from over-ride tax rates that had been included in tax increment revenues prior to the dissolution of redevelopment agencies.

The Project Area contains a total of 24 Tax Rate Areas (TRAs). A Tax Rate Area is a geographic area within which the taxes on all property are levied by a certain set of taxing entities. These taxing entities each receive a prorated share of the general levy and those taxing entities with voter approved over-ride tax rates receive the revenue resulting from that over-ride tax rate. The tax increment projections are based on the published tax rates for 2014-15. Within the various TRAs there are two applicable tax rates. These tax rates contain only the debt service over-ride rates that have been levied by either the San Bernardino Valley Municipal Water District or the Metropolitan Water District. Because these over-ride tax rates were approved by voters prior to January 1, 1989 the revenue derived from them within Project Area TRA's are paid to the Agency. Due to the nature of the 2014-15 tax rates they is expected that the currently levied over-ride tax rates will remain the same through fiscal year 2034-35. Beginning in fiscal year 2035-36 the override tax rate for the San Bernardino Valley Municipal Water District and the Metropolitan Water District will no longer be levied. School Districts within the Project Area levy over-ride tax rates that were approved by voters after January 1, 1989. Revenue from these tax rates are paid directly to the districts by the Auditor-Controller and have no effect on the revenues of the Agency. Table I illustrates the tax rate that is applicable to the TRAs within the Project Area.

<b>Table I</b>		
<b>Project Area Tax Rate for 2014-15</b>		
	Tax Rate 1	Tax Rate 2
Applicable Incremental Value	\$406,848,623	\$2,112,337,898
Percentage of Total Incremental Value	16.15%	83.85%
General Levy	\$1.0000	\$1.0000
San Bernardino Valley MWD		0.1625
Metropolitan Water District	0.0035	
<b>RDA Tax Rate per \$100 of Taxable Value</b>	<b>\$1.0035</b>	<b>\$1.1625</b>

**D. Allocation of Taxes**

Taxes on secured property values paid by property owners are due in two equal installments on November 1 and on February 1 and become delinquent on December 10 and April 10. Taxes on unsecured property are due March 1 and become delinquent August 31. Prior to dissolution of redevelopment agencies, the County disbursed secured tax increment revenue to all redevelopment agencies from November through July with approximately 45 percent of secured revenues apportioned by the end of December and a total of 98% of the secured revenues by the end of the following May. Unsecured revenues are disbursed from September through June of each fiscal year with approximately 85% of the unsecured revenues being apportioned in September. The San Bernardino County Auditor-Controller apportions tax increment revenue based on collections and does not utilize the alternative allocation method known as the Teeter Plan. The apportionment schedule described above and the apportionment of tax increment revenue based on collections was in use by San Bernardino County for many years prior to redevelopment dissolution and continues to be the pattern of tax increment revenue allocation.

As of February 1, 2012, the apportionment of tax increment revenue was dictated by the legislation adopted as ABx1 26 (See Legislation, Section VI). Revenue is now apportioned to Successor Agencies on January 2 and June 1 of each fiscal year. All tax increment revenue is accumulated by the County Auditor-Controller in the RPTTF for allocation on these two dates. The tax increment revenue available for allocation on January 2 consists of revenues collected after June 1 of the previous fiscal year and for collections in November and December of the current fiscal year. The tax increment revenues available for allocation on June 1 include revenues collected from January 1 to June 1 of the current fiscal year.

From the amounts accumulated in the RPTTF for each allocation date, the County Auditor-Controller is to deduct its own County administrative charges and is to calculate and deduct amounts owed, if any, to taxing entities for tax sharing agreements entered into pursuant to Section 33401 of the Law and for statutory tax sharing obligations required by Sections 33607.5 and 33607.7 of the Law. The amount remaining after these reductions, if any, is what is available for payment by the Successor Agency of debt obligations of the former redevelopment agency.

Prior to receiving revenues on January 2 and June 1, the Successor Agency must adopt a Recognized Obligation Payment Schedule (ROPS) that lists the debt obligations of the former redevelopment agency that must be paid during the upcoming six month periods of January 1 through June 30 and July 1 through December 31. There is a provision in the legislation for a Successor Agency to request additional amounts in one ROPS payment to allow it to make payments that may be beyond the revenues available in the upcoming allocation cycle. The ROPS must be submitted at least 90 days prior to each RPTTF allocation date and



approved by the Successor Agency's Oversight Board that is established in the legislation with membership consisting of representatives from various taxing entities. The ROPS must also receive approval from the State Department of Finance (the "DOF"). Filing ROPS statements is mandated by statute and penalties are incurred if they are filed late or if they are not filed at all.

The Successor Agency is entitled to receive an amount to cover the administrative costs of winding down the business of the former redevelopment agency. This amount is set by AB1x 26 at the greater of \$250,000 per year or a maximum of 3% of the amount allocated from the RPTTF. AB 1484 added language that allowed the Oversight Board to reduce the amount of the minimum administrative allowance. To the extent that revenues are insufficient to pay all of the approved ROPS obligations, the Successor Agency's administrative allowance will be reduced or eliminated. Successor Agency administrative allowance amounts that have been approved but cannot be paid due to a lack of RPTTF revenue will be carried over to the next RPTTF allocation for payment as funds become available.

If there are RPTTF amounts remaining after reductions for County administrative charges, amounts owed, if any, to taxing entities for tax sharing agreements entered into pursuant to Section 33401 of the Law, enforceable obligations and Successor Agency administrative allowance, these remainder amounts are referred to as Residual Revenue. Residual Revenue for each allocation cycle is proportionately allocated to the taxing entities and to the Educational Revenue and Augmentation Fund (ERAF). The legislation stipulates that the combination of tax sharing payments and Residual Revenue payments to tax entities may not exceed that taxing entity's full share of tax increment revenue. In circumstances where a taxing entity receives all or most of its share of tax increment revenue as a result of its tax sharing agreement, that taxing entity's share of the Residual Revenue distribution may be reduced and the portions of Residual Revenue allocated to the other taxing entities will be proportionately increased. (See Section VII – Tax Sharing Agreements and Other Obligations, below)

The forms and procedures used by a successor agency to submit its ROPS to its Oversight Board and to the DOF are dictated by the legislation as interpreted by DOF.

**E. Annual Tax Receipts to Tax Levy**

The San Bernardino County Auditor-Controller apportions tax revenues to the RPTTF based upon the amount of the tax levy that is received from the taxpayers. Secured collection rates for the Project Area have been consistently high. The following table illustrates the final tax revenue collections for the previous five fiscal years.

**Table J**  
**Current Year Collection Rates for Prior Five Years**

	<b>Industrial</b>	<b>Agua Mansa</b>	<b>Gateway</b>	<b>CBD</b>	<b>Added Territory</b>
<b>2009-10</b>	95.57%	108.73%	98.93%	86.52%	95.95%
<b>2010-11</b>	95.45%	98.17%	98.85%	89.63%	93.34%
<b>2011-12</b>	87.97%	87.57%	90.92%	92.19%	86.05%
<b>2012-13</b>	96.19%	86.76%	94.57%	91.93%	93.23%
<b>2013-14</b>	96.81%	98.65%	91.18%	94.24%	103.62%

**F. Assessment Appeals**

Assessment appeals data from San Bernardino County has been reviewed to determine the potential impact that pending appeals may have on the projected Tax Revenues. We have determined that there are 132



pending appeals within the Project Area. In order to estimate the potential reduction in assessed value that may occur as a result of these pending appeals, we have reviewed the historical averages for the number of appeals allowed and the amount of assessed value removed. We have then applied those averages to the currently pending appeals and estimated the number of pending appeals that may be allowed and the amount of assessed value that may be removed as a result of these pending appeals.

Three of the Project Area's top ten taxpayers have pending appeals of their assessed value. These taxpayers are Prologis-MacQuarie; Staples the Office Superstore and Locust and Linden Fund. The table below summarizes the projected loss of assessed value will result from the assessment appeals that are currently pending within the component project areas.

<b>Table K Assessment Appeals Summary</b>							
<b>Project Areas</b>	<b>Total No. of Appeals</b>	<b>No. of Resolved Appeals</b>	<b>No. of Successful Appeals</b>	<b>Average Reduction</b>	<b>No. &amp; Value of Appeals Pending</b>	<b>Est. No. of Appeals Allowed</b>	<b>Est. Reduction on Pending Appeals Allowed (2015-16 Value Adjustment)</b>
Industrial	107	86	69	28.72%	21 (\$113,172,960)	17	\$26,076,635
Agua Mansa	67	46	30	20.16%	21 (\$72,567,402)	14	\$9,540,315
Gateway	29	19	10	23.05%	10 (\$19,647,633)	5	\$2,383,105
CBD	65	54	26	15.18%	11 (\$9,570,658)	5	\$699,398
Added Territory	319	250	157	22.45%	69 (\$202,486,201)	43	\$28,552,699
<b>Project Area</b>	<b>587</b>	<b>455</b>	<b>292</b>		<b>132 (\$417,444,854)</b>	<b>84</b>	<b>\$67,252,153</b>

### G. County Collection Charges

Chapter 466 (SB 2557) allows counties to recover charges for property tax administration in an amount equal to their 1989-90 property tax administration costs, as adjusted annually. For fiscal year 2012-13, the County collection charges were 0.54% of Gross Revenue within the Project Area. Based on the collection charges for 2013-14, we have projected the charge for 2014-15 and future years as a percentage of Gross Revenue to remain at 0.51%. For purposes of these projections, we have assumed that the County will continue to charge the Agency for property tax administration and that such charge will increase proportionally with any increases in revenue. In addition to the reimbursement allowed under SB 2557, the County levies a .25% collection charge for managing the property tax allocation process. This charge is calculated on the amount of gross property tax revenue allocated to the Successor Agency. This collection charge has been projected and included within calculation of Tax Revenue. The reimbursement amount is uniform among the component project areas.

### H. Allocation of State Assessed Unitary Taxes

Legislation enacted in 1986 (Chapter 1457) and 1987 (Chapter 921) provided for a modification of the distribution of tax revenues derived from utility property assessed by the State Board of Equalization, other than railroads. Prior to the 1988-89 fiscal year, property assessed by the SBE was assessed statewide and was allocated according to the location of individual components of a utility in a tax rate area. Commencing in 1988-89, tax revenues derived from unitary property and assessed by the SBE are accumulated in a single Tax Rate Area for the County. It is then distributed to each taxing entity in the County in the following manner: (1) each taxing entity will receive the same amount as in the previous year plus an increase for inflation of up to two percent; (2) if utility tax revenues are insufficient to provide the same amount as in the previous year, each taxing entity's share would be reduced pro-rata county wide; and (3) any increase in revenue above two percent would be allocated in the same proportion as the taxing entity's local secured taxable values are to the local secured taxable values of the County.

To administer the allocation of unitary tax revenues to redevelopment agencies, the County no longer includes the taxable value of utilities as part of the reported taxable values of the project area, therefore, the base year of project areas have been reduced by the amount of utility value that existed originally in the base year. The Auditor Controller allocated an aggregate total of \$173,138 of unitary tax revenue to the component project areas of the Project Area for 2013-14. For purposes of the projections we estimate that this same amount of unitary tax revenue will be allocated annually for each fiscal year of the projection. The unitary tax revenue amounts allocated for 2013-14 is listed by component project area in Table L below.

**Table L**  
**Unitary Revenue Allocated**

Project Area	Unitary Revenue
Industrial	\$ 75,999
Agua Mansa	35,264
Gateway	8,013
CBD	7,026
Added Territory	<u>46,836</u>
<b>Total:</b>	<b>\$173,138</b>

**V. Low and Moderate Income Housing Set-Aside**

Sections 33334.2 and 33334.3 of the Law required redevelopment agencies to set aside not less than 20 percent of all tax increment revenues from project areas adopted after December 31, 1976 into a low and moderate income housing fund (the "Housing Set-Aside Requirement"). Sections 33334.3, 33334.6 and 33334.7 of the Law extend this requirement to redevelopment projects adopted prior to January 1, 1977. With the adoption of AB1x 26, the Housing Set-Aside Requirement was eliminated. The housing fund into which these set-aside amounts were formerly deposited has been eliminated and any unencumbered amounts remaining in that fund have been identified through a mandated Due Diligence Review. The amounts found to be unencumbered through this Due Diligence Review have been paid to the County and these funds have been allocated to the taxing entities within the former project area. Prior to dissolution of redevelopment agencies, the former Rialto Redevelopment Agency issued bonds secured by a pledge of the Housing Set-Aside Requirement and the Bonds include the refunding of some of these housing bonds. The former redevelopment agency's 2008A Housing Bonds and 2015 Series C Bonds continue to be secured by a pledge of the Housing Set-Aside Requirement. Although the Housing Set-Aside Requirement was eliminated with the dissolution of redevelopment agencies, the obligations secured by the Housing Set-Aside Requirement retain a senior pledge of the former Housing Set-Aside Requirement revenues. For this reason, the projections still reflect the amounts former Housing Set-Aside Requirement at 20% of Adjusted Gross Revenues.

**VI. Legislation**

In order to address State Budget deficits, the Legislature enacted SB 614, SB 844 and SB 1135 that required payments from redevelopment agencies for the 1992-93, 1993-94 and 1994-95 fiscal years into a countywide ERAF. The Former Agency could have used any funds legally available and not legally obligated for other

uses, including agency reserve funds, bond proceeds, earned income, and proceeds of land sales, but not moneys in the Low and Moderate Income Housing Fund (the "Housing Fund") to satisfy this obligation. From 1995-96 to 2001-02, state budgets were adopted with no additional shifting of tax increment revenues from redevelopment agencies, however, the 2002-03 State Budget required a shift of \$75 million of tax increment revenues statewide from redevelopment agencies to ERAF to meet the state budget shortfall. AB 1768 (Chapter 1127, Statutes of 2002) was enacted by the Legislature and signed by the Governor and based upon the methodology provided in the 2002-03 budget, the shift requirement for the former redevelopment agencies to make payments into the ERAF was limited to fiscal year 2002-03 only.

As part of the State's 2003-04 budget legislation, SB 1045 (Chapter 260, Statutes of 2003) required redevelopment agencies statewide to contribute \$135 million to local County ERAF which reduced the amount of State funding for schools. This transfer of funds was limited to fiscal year 2003-04 only. Under the Law as amended by SB 1045, the redevelopment agencies were authorized to use a simplified methodology to amend the individual redevelopment plans to extend by one year the effectiveness of the plan and the time during which the agencies could repay debt with tax increment revenues. In addition, the amount of this payment and the ERAF payments made in prior years were to be deducted from the cumulative tax increment amounts applied to a project area's cumulative tax increment revenue limit. The information shown in Table C above reflects the extension of the time limits and the credit to the cumulative tax increment amounts.

After the State's budget for 2004-05 was approved by the legislature and signed by the Governor, Senate Bill 1096 was adopted. Pursuant to SB 1096, redevelopment agencies within the State were required to pay a total of \$250 million to ERAF for fiscal year 2004-05 and for 2005-06. The payments were due on May 10 of each fiscal year. As in previous years, payments were permitted to be made from any available funds other than the Housing Fund. If an agency was unable to make a payment, it was allowed to borrow up to 50% of the current year Housing Tax Set-Aside Requirement, however, the borrowed amount was required to be repaid to the Housing Fund within 10 years of the last ERAF payment (May 10, 2006). Under SB 1096, redevelopment plans with less than ten years of effectiveness remaining from June 30, 2005, could be extended by one year for each year that an ERAF payment is made. For redevelopment plans with 10 to 20 years of effectiveness remaining after June 30, 2005, the plans may be extended by one year for each year that an ERAF payment is made if the city council could find that the former redevelopment agency was in compliance with specified state housing requirements. These requirements are: 1) that the agency is setting aside 20% of gross tax increment revenues; 2) that housing implementation plans are in place; 3) that replacement housing and inclusionary housing requirements are being met; and, 4) that no excess surplus exists. Table C above reflects these time limit extensions. The former redevelopment agency did not borrow from the Housing Fund as authorized in order to make the required payments for ERAF. As outlined below, the method by which ERAF loans from the Housing Fund may be repaid has been modified by the adoption of AB 1484. The requirement for repayment of these loans by certain dates has been eliminated.

In July, 2009, the Legislature adopted AB 26 4x as a means of implementing a package of 30 bills that were adopted in order to close the State's budget deficit. Under this legislation the former redevelopment agencies statewide were required to pay into their county's "Supplemental" ERAF (the "SERAF"), \$1.7 billion in fiscal year 2009-10 and were required to pay another \$350 million in fiscal year 2010-11. Based on a State Controller formula, the former redevelopment agencies were required to pay the required amounts by May, 2010 and May, 2011 respectively.

Under this legislation, the former redevelopment agencies could use any available funds to make the SERAF payments. If Housing Set-Aside Requirement or Housing Fund amounts were borrowed to make the SERAF payment, the borrowed amounts were required to be repaid to the Housing Fund by June 30, 2015 and June 30, 2016 respectively. Under the requirements of Section 34191.4 amended by AB 1484, however, redevelopment agencies that borrowed from the Housing Fund to make the required SERAF payments for 2010 and for 2011 may only repay the borrowed amounts from annual amounts that are 50% of the increase in annual Residual Revenues that are above the Residual Revenue for fiscal year 2012-13. Repayment amounts are, under current legislation, to be repaid to the Successor Housing Agency established pursuant to AB 1x 26 and AB 1484 (see below). Repayment of SERAF payment amounts borrowed from the Housing Fund may only be repaid from growth in Residual Revenue. As a result, the repayment of these amounts will have no impact on the Successor Agency's ability to repay indebtedness.

AB 1x 26 and AB 1x 27 were introduced in May 2011 as placeholder bills and were substantially amended on June 14, 2011. These bills proposed to dramatically modify the Law as part of the fiscal year 2011-12 State budget legislation. AB 1x 26 would dissolve redevelopment agencies statewide effective October 1, 2011 and suspend all redevelopment activities as of its effective date. AB 1x 27 would allow redevelopment agencies to avoid dissolution by opting into a voluntary program requiring them to make substantial annual contributions to local school and special districts. The bills were signed by the Governor in late June, 2011 and were challenged by a suit filed before the California Supreme Court by the CRA. On December 29, 2011, the Supreme Court ruled that AB 1x 27 was unconstitutional and that AB 1x 26 was not unconstitutional. On June 27, 2012 the legislature passed and the Governor signed Assembly Bill 1484. This legislation made certain revisions to the language of AB 1x 26 based on experience after its implementation.

Once the obligations of the former redevelopment agencies have been recognized as Enforceable Obligations, the Successor Agency is obliged to manage the repayment of those Enforceable Obligations through the semiannual adoption of ROPS by the Oversight Board that is made up of representatives of taxing entities within the former redevelopment agency. Membership of the Oversight Board is dictated by Section 34179 of the Law. After 2016, there will be a single Oversight Board in each county that will be responsible for adoption of ROPS for all successor agencies in the county. The ROPS establishes the amounts that may be paid by the Successor Agency on the former redevelopment agency's debts during the six month periods following payments to the Successor Agency from the RPTTF by the County Auditor-Controller on January 2 and June 1 of each year.

Pursuant to Section 34187(b) of the Law, once the debts of the former redevelopment agency have been paid, the successor agency has one year to dispose of any remaining assets and terminate its existence notwithstanding the time and tax increment limits contained in redevelopment plans. The enforceability of time and tax increment limits contained in the redevelopment plans is unclear. The covenants in many bond offerings, including those of the Successor Agency, require adjustments to the deposit of tax increment revenues with the Trustee if the receipt of tax increment approaches the tax increment or time limits within the redevelopment plan. The County Auditor-Controller has indicated that it intends to abide by tax increment and time limits contained in the redevelopment plans. DOF has informally indicated that it believes the legislation intends for all enforceable obligations to be repaid notwithstanding redevelopment plan limits. If DOF's understanding of the legislation is applied, the ongoing repayment of enforceable obligations may be allowed to continue beyond the time that a project area's cumulative tax increment limit is reached. For purposes of the projections, we have assumed that all revenue and time limits in the redevelopment plan will be applied. As a result, if either legislative changes or DOF policy changes relaxes

any or all of these limits, the debts of the Successor Agency will be more secure than under the present assumptions.

As mentioned above, issues involved in the dissolution of redevelopment agencies have yet to be resolved including the continuation of plan limits, override revenues and the treatment of ERAF. Additionally approximately 159 suits have been filed on various aspects of AB 1x 26 and AB 1484 which could impact the dissolution of redevelopment agencies. The Successor Agency has filed no lawsuits and is not involved in any current litigation in connection with the dissolution. Our projections could be impacted as a result of future court decisions in connection with lawsuits filed by other agencies.

## **VII. Tax Sharing Agreements and Other Obligations**

The legislation that dissolved redevelopment agencies also required that the calculation and payment of tax sharing amounts be taken over by the County Auditor-Controllers. Since February, 2012, the tax sharing obligations outlined below have been administered by the Auditor-Controller's office.

### **A. Tax Sharing Agreements**

#### **Industrial Project Area**

Prior to the merger in 2002, the Agency entered into an agreement with San Bernardino County to make tax-sharing payments from revenues received in the project area. This agreement provides for tax sharing payments to the San Bernardino County General Fund, the Library and the County Flood Control District. The County General Fund receives its share (15.24%) of general levy revenue on inflationary growth of base year real property value. In addition, the County receives a portion of general levy tax increment revenue, net of housing set-aside and the amount of the inflationary growth payment. The portion of the tax increment share to be received by the County General Fund is 0% through 1998-99, 15% from 1999-00 through 2003-04, 25% from 2004-05 through 2010-11 and 50% from 2011-12 through the life of the project.

The Flood Control District (2.90%) and Library (1.48%) receive their shares of general levy revenue from inflationary growth on base year real property net of housing set aside. In addition, the districts receive the balance of their general levy tax increment revenue shares net of housing set-aside.

#### **Agua Mansa Project Area**

Pursuant to an agreement with the County of San Bernardino, the County General Fund received, net of housing set-aside, 40% of its share (13.05%) of general levy tax increment revenue from 1999-00, 50% of its general levy share from 2000-01 through 2026-27 and 60% of its general levy share thereafter. The Library System (1.26%) and Flood Control District (2.48%) receive their shares of general levy tax increment revenue net of housing set-aside.

San Bernardino Community College District receives 30% of its share (4.59%) of general levy tax increment revenue net of housing set-aside and the San Bernardino County Superintendent of Schools receives 30% of its share (0.67%) of general levy tax increment revenue net of housing set-aside. Payments to the College District and the County Superintendent are, by the terms of the agreements, subordinate to the payment of debt service on any bonded indebtedness. West Resource Conservation District receives 30% of its share (0.13%) of general levy tax increment revenue net of housing set-aside. Colton Unified School District receives 30% of its share (27.2%) of general levy tax increment revenue net of housing set-aside. The San

Bernardino Valley Municipal Water District receives 80% of its debt service override revenue (0.165%). West San Bernardino County Water District receives its share (2.57%) of inflationary growth on real property base year value and, after 2008-09, 80% of its share of general levy tax increment. Beginning in 2009-10, the Agency must repay those amounts of the District's full share not received by the District in earlier years. Repayment is spread over 20 even payments.

### **Central Business District Project Area**

The San Bernardino County General Fund receives 25% of its share (15.33%) of general levy tax increment net of housing set-aside. The Library (1.48%) and Flood Control District (2.91%) receive their full shares of general levy tax increment net of housing set-aside. The San Bernardino Valley Municipal Water District receives all revenue derived from its tax override rate (0.16%). The County Superintendent of School (1.04%), the Rialto Unified School District (33.74%) and the San Bernardino Community College District (5.39%) each receive 25% of their shares of general levy tax increment net of housing set-aside. Payments to these Districts are deemed subordinate to debt service payments on any bonded indebtedness.

### **Gateway Project Area**

The San Bernardino County General Fund receives a stipulated share (15.5%) of general levy revenue from inflationary growth on base year real property value. The County Flood Control District receives a stipulated share (2.3%) of general levy tax increment revenue. Colton Unified School District exists in tax rate areas that produce 50.59% of the incremental assessed value in Gateway. The Rialto Unified School District occupies tax rate areas that contain 49.41% of the incremental value within Gateway. Colton Unified receives 30% of its share (32.3%) of general levy tax increment net of housing set-aside and adjusted for its existence in only a portion of the project area. Rialto Unified School District receives 30% of its share (33.6%) of general levy tax increment net of housing set-aside and adjusted for its existence in only a portion of the project area. The San Bernardino Valley Municipal Water District receives its share (2.79%) of general levy tax revenue net of housing set-aside. In addition, the District receives its debt service over-ride revenue (0.16%) net of housing set-aside.

The San Bernardino Community College District adopted the requisite resolution and is currently receiving base year adjustment payments from the Auditor-Controller. The County Superintendent of Schools is entitled to make the same election but has not done so at this time. These potential payments to the Superintendent of Schools are estimated in the projection despite the fact that the Superintendent has not adopted such a resolution.

### **SB 211 Payments**

As part of the Merger process, Industrial, Agua Mansa, Gateway and CBD were amended to eliminate the limitation on the issuance of new indebtedness to be repaid with tax increment revenue. As a result, these project areas will be subject to the initiation of tax sharing payments to those taxing entities with which they do not already have tax sharing agreements. These payments will be made in accordance with the three-tiered formulas for statutory tax sharing payments required of those project areas adopted after January 1, 1994. These statutory tax-sharing payments will begin in the fiscal year following the year within which the former limit was passed and using the assessed value of the project area for the fiscal year within which the original time limit was exceeded as an adjusted base year value. Table M below shows the fiscal year in which these payments began or will begin for each of the subject project areas.

**Table M**  
**Fiscal Years for Initiation of SB 211 Payments**

	<u>Industrial</u>	<u>Agua Mansa</u>	<u>Gateway</u>	<u>CBD</u>
First Year of SB 211 Payments	2004-05	2009-10	2006-07	2011-12

**Added Territory**

The Added Territory was adopted after January 1, 1994 and is, therefore, subject to the statutory tax sharing payments mandated in the Law as amended by Assembly Bill 1290. These tax-sharing payments are set by statute and are not negotiated. A prescribed portion of the Agency's tax increment revenue must be shared with all taxing entities represented within the Added Territory. The Auditor Controller allocates all tax increment revenue to the Agency for payment of tax sharing payments. This defined tax-sharing amount has three tiers.

The first tier payments begin with the first year that the Annex receives tax increment revenue and continue for the life of the Added Territory. This first tier tax-sharing amount is 25 percent of the gross tax increment revenue allocated from the project area net of the Housing Set-Aside Requirement. The City of Rialto has opted to receive its share of this first tier of tax-sharing payments as permitted by the Law. The second tier payments begin in the eleventh year after the Agency first receives tax increment revenue. This second tier is 21 percent of the tax increment revenue, net of the Housing Set-Aside Requirement, that is derived from the growth in assessed value that is in excess of the assessed value of the Annex in year ten. The City may not receive any portion of the second tier tax-sharing payments. The third tier payments begin in the 31st year after the Agency first receives tax increment revenue. This third tier is 14 percent of the tax increment revenue, net of the Housing Set-Aside Requirement that is derived from the growth in assessed value that is in excess of the assessed value of the Annex in the 30th year. The City may not receive any portion of the third tier tax-sharing payments. These three tiers of tax sharing are calculated independent of one another and continue from their inception through the life of the Added Territory.

**B. Owner Participation Agreements**

The Agency has entered into two OPA's with property owners within Gateway. The agreements with Wal-Mart and Enterprise Rent-A-Car place the required OPA payments in a subordinate position to debt service on the Bonds. The WalMart agreement was fulfilled and terminated after 2011-12 and the Enterprise agreement is expected to terminate by 2015-16. Please see the footnotes on the attached Gateway Table 1 for greater detail.

Within Industrial, the former redevelopment agency entered into an OPA with Pusan Pipe that calls for payment to be made through fiscal year 2016-17 in an amount of \$24,192.

**VIII. Development Activities**

Since January 1, 2014 within the Project Area, there have been 199 transfers of real property ownership where the sales price can be confirmed. These transfers of ownership represent a combined increase of \$50.86 million in assessed value that is expected to be added to the tax rolls for 2015-16. New

development continues to occur within the Project Area but no additional value has been included in the projections for new construction.

## **IX. Trended Taxable Value Growth**

In accordance with Proposition 13, growth in real property land and improvement values may reflect the year-to-year inflationary rate not to exceed 2% for any given year. A 2% growth rate is the maximum inflationary growth rate permitted by law and this rate of growth has been realized in all but eight years since 1981. The years in which less than two percent growth was realized included fiscal years 1983-84 (1.0%), 1995-96 (1.19%), 1996-97 (1.11%), 1999-00 (1.85%), 2004-05 (1.867%), 2010-11 (-0.237%), 2011-12 (0.753%), 2014-15 (0.454%) and 2015-16 (1.998%). We have assumed a resumption of 2% annual inflationary growth in all fiscal years after 2015-16. Future values will also be impacted by changes of ownership and new construction not reflected in our projections. In addition, the values of property previously reduced in value due to assessment appeals based on reduced market values could increase more than 2% when real estate values increase more than 2% (see Section IV A above). Seismic activity and environmental conditions such as hazardous substances that are not anticipated in this Report might also impact taxable assessed values and Gross Revenues. HdL Coren & Cone makes no representation that taxable assessed values will actually grow at the rate projected.

Anticipated revenues could be adjusted as a result of unidentified assessment appeal refunds, other Assessor corrections discussed previously, or unanticipated increases or decreases in property tax values. Estimated valuations from developments included in this analysis are based upon our understanding of the general practices of the County Assessor and County Auditor-Controller's Office. General assessment practices are subject to policy changes, legislative changes, and the judgment of individual appraisers. While we believe our estimates to be reasonable, taxable values resulting from actual appraisals may vary from the amounts assumed in the projections.



**Successor Agency of the City of Rialto  
Merged Project Area**



6/23/2015

**Projection of Incremental Taxable Value & Tax Increment Revenue**  
(000's Omitted)

**Table 1**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
<b>Taxable Values (1)</b>										
Real Property (2)	2,927,345	2,968,101	3,027,463	3,088,012	3,149,773	3,212,768	3,277,023	3,342,564	3,409,415	3,477,603
Personal Property (3)	<u>224,518</u>	<u>224,518</u>	<u>224,518</u>	<u>224,518</u>	<u>224,518</u>	<u>224,518</u>	<u>224,518</u>	<u>224,518</u>	<u>224,518</u>	<u>224,518</u>
<b>Total Projected Value</b>	<b>3,151,864</b>	<b>3,192,619</b>	<b>3,251,981</b>	<b>3,312,531</b>	<b>3,374,291</b>	<b>3,437,286</b>	<b>3,501,542</b>	<b>3,567,082</b>	<b>3,633,933</b>	<b>3,702,122</b>
<b>Taxable Value over Base</b>	<b>632,677</b>	<b>2,519,187</b>	<b>2,559,942</b>	<b>2,619,304</b>	<b>2,679,853</b>	<b>2,741,614</b>	<b>2,804,609</b>	<b>2,868,865</b>	<b>2,934,405</b>	<b>3,001,256</b>
Gross Tax Increment Revenue (4)	28,640	29,045	29,718	30,404	31,104	31,818	32,547	33,289	34,047	34,820
Unitary Tax Revenue (5)	173	173	173	173	173	173	173	173	173	173
<u>Section 33676 BY Inflationary Adjustments (10)</u>										
County Superintendent of Schools (10)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
San Bernardino Community College Dist. (10)	(4)	(4)	(4)	(4)	(4)	(5)	(5)	(5)	(5)	(5)
<b>Adjusted Gross Revenues</b>	<b>28,809</b>	<b>29,214</b>	<b>29,886</b>	<b>30,572</b>	<b>31,272</b>	<b>31,986</b>	<b>32,714</b>	<b>33,457</b>	<b>34,214</b>	<b>34,987</b>
<b>LESS:</b>										
SB 2557 Admin. Fee (6)	(147)	(149)	(153)	(156)	(160)	(164)	(167)	(171)	(175)	(179)
County Collection Fee (7)	(63)	(64)	(66)	(67)	(69)	(71)	(72)	(74)	(75)	(77)
Housing Set Aside Requirement (8)	(5,762)	(5,843)	(5,977)	(6,114)	(6,254)	(6,397)	(6,543)	(6,691)	(6,843)	(6,997)
<u>Pass Throughs</u>										
San Bernardino County General Fund (9)	(776)	(790)	(805)	(822)	(838)	(855)	(872)	(890)	(908)	(926)
County Flood Control District (9)	(322)	(324)	(330)	(337)	(344)	(350)	(358)	(365)	(372)	(380)
County Library System (9)	(155)	(156)	(159)	(163)	(166)	(169)	(173)	(176)	(180)	(183)
Colton Unified School District (9)	(463)	(466)	(476)	(485)	(494)	(504)	(514)	(524)	(534)	(545)
SB Municipal Water District (9)	(1,016)	(1,029)	(1,052)	(1,075)	(1,099)	(1,123)	(1,148)	(1,173)	(1,199)	(1,225)
Rialto Unified School District (10)	(30)	(30)	(31)	(31)	(32)	(33)	(33)	(34)	(35)	(36)
West Resource Conservation District (11)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(3)
West SB County Water District (11)	(142)	(182)	(185)	(188)	(192)	(195)	(198)	(201)	(205)	(208)
<b>Tax Revenues</b>	<b>19,930</b>	<b>20,177</b>	<b>20,649</b>	<b>21,131</b>	<b>21,622</b>	<b>22,123</b>	<b>22,634</b>	<b>23,155</b>	<b>23,686</b>	<b>24,228</b>
<u>Subordinate Pass Throughs/Obligations</u>										
Statutory Tax Sharing Payments (9)	(819)	(823)	(874)	(926)	(979)	(1,033)	(1,093)	(1,154)	(1,217)	(1,283)
AB 1290 Statutory Tax Sharing Payments (9)	(3,018)	(3,148)	(3,277)	(3,408)	(3,542)	(3,679)	(3,818)	(3,960)	(4,105)	(4,253)
County Superintendent of Schools (12)	(13)	(13)	(13)	(14)	(14)	(14)	(14)	(15)	(15)	(15)
Rialto Unified School District (12)	(68)	(71)	(74)	(76)	(79)	(81)	(84)	(86)	(89)	(92)
SB Community College District (12)	(84)	(85)	(87)	(89)	(91)	(93)	(95)	(97)	(99)	(101)
1997 COP Debt Service (13)	(200)	(198)	(199)	(199)	(198)	(200)	(199)	(199)	0	0
Pusan Pipe OPA #2	(24)	(24)	(24)	0	0	0	0	0	0	0
Enterprise Rent-a-Car OPA Payment (10)	(108)	(108)	0	0	0	0	0	0	0	0
<b>Net Tax Revenue</b>	<b>15,595</b>	<b>15,706</b>	<b>16,102</b>	<b>16,419</b>	<b>16,719</b>	<b>17,023</b>	<b>17,331</b>	<b>17,644</b>	<b>18,161</b>	<b>18,485</b>

- (1) Taxable values as reported by San Bernardino County.
- (2) Real property consists of land and improvements. Increased for inflation at 1.998% in 2015-16 and at 2% annually thereafter. Values for 2015-16 are decreased by \$67.3 million for projected value loss due to pending assessment appeals. Values for 2015-16 are increased by \$50.9 million for 199 transfers of ownership after 1/1/2014.
- (3) Personal property is held constant at 2014-15 level.
- (4) Projected Gross Tax Increment is based upon incremental taxable values factored against an assumed Project tax rate and adjusted for indebtedness approved by voters after 1988. Override rates for San Bernardino Valley Municipal Water District and Metropolitan Water District are projected to remain at their current tax rates per \$100 of taxable value through FY 2034-35 when both tax rates are scheduled to expire. Projections are based on \$1.00 per \$100 of taxable value beginning in FY 2035-36.
- (5) Unitary Revenue is held constant at 2013-14 level.
- (6) SB 2557 Administrative cost is estimated at 0.51% of Adjusted Gross Revenue.
- (7) County Collection Charge is calculated at 0.25% of general levy tax increment revenue.
- (8) Per ABx1 26, the low and moderate income housing requirement is no longer applicable. Debts secured by Housing Set-Aside funds will hereafter be secured by tax revenues allocable to the Successor Agency. Set-Aside amounts shown are illustrative of amounts available for payment of debt service secured by Housing Set-Aside.
- (9) See projections for individual Project Areas.
- (10) See projection for Gateway Project Area.
- (11) See projection for Agua Mansa Project Area.
- (12) See projection for Aguag Mansa and Central Business District Project Areas.
- (13) See projection for Industrial Park Project Area.

Successor Agency of the City of Rialto

Merged Project Area

PROJECTION OF INCREMENTAL VALUE AND TAX INCREMENT REVENUE

(000s Omitted)

Table 2

Fiscal Year	Total Taxable Value	Taxable Value Over Base		Adjusted Gross Revenue **	County Admin. Charges	Housing Set-Aside	Pass-Throughs Agreements	Tax Revenues	Subordinate Tax Sharing and Other Obligations			Net Tax Revenue		
		Various	Revenue **						Statutory Tax Sharing Payments				2007 COP Debt Service	
								Tier 1	Tier 2	Tier 3	Pass-Through Payments	Combined OPA Payments		
1 2014-15	3,151,864	2,519,187	28,809	(211)	(5,762)	(2,906)	19,930	(3,302)	(536)	0	(165)	(132)	(200)	15,595
2 2015-16	3,192,619	2,559,942	29,214	(214)	(5,843)	(2,980)	20,177	(3,376)	(596)	0	(169)	(132)	(198)	15,706
3 2016-17	3,251,981	2,619,304	29,886	(219)	(5,977)	(3,041)	20,649	(3,480)	(671)	0	(174)	(24)	(199)	16,102
4 2017-18	3,312,531	2,679,853	30,572	(224)	(6,114)	(3,103)	21,131	(3,586)	(748)	0	(179)	(24)	(199)	16,395
5 2018-19	3,374,291	2,741,614	31,272	(229)	(6,254)	(3,167)	21,622	(3,695)	(826)	0	(183)		(198)	16,719
6 2019-20	3,437,286	2,804,609	31,986	(234)	(6,397)	(3,232)	22,123	(3,806)	(906)	0	(188)		(200)	17,023
7 2020-21	3,501,542	2,868,865	32,714	(239)	(6,543)	(3,298)	22,634	(3,918)	(992)	0	(193)		(199)	17,331
8 2021-22	3,567,082	2,934,405	33,457	(245)	(6,691)	(3,366)	23,155	(4,034)	(1,080)	0	(198)		(199)	17,644
9 2022-23	3,633,933	3,001,256	34,214	(250)	(6,843)	(3,435)	23,686	(4,151)	(1,172)	0	(203)			18,161
10 2023-24	3,702,122	3,069,445	34,987	(256)	(6,997)	(3,505)	24,228	(4,271)	(1,265)	0	(208)			18,485
11 2024-25	3,771,674	3,138,997	35,775	(262)	(7,155)	(3,577)	24,781	(4,393)	(1,360)	0	(213)			18,815
12 2025-26	3,842,617	3,209,940	36,579	(268)	(7,316)	(3,650)	25,346	(4,518)	(1,457)	0	(219)			19,153
13 2026-27	3,914,979	3,282,302	37,399	(274)	(7,480)	(3,725)	25,921	(4,645)	(1,555)	0	(224)			19,496
14 2027-28	3,988,788	3,356,111	38,235	(280)	(7,647)	(3,801)	26,508	(4,775)	(1,656)	0	(230)			19,847
15 2028-29	4,064,073	3,431,396	39,088	(286)	(7,818)	(3,878)	27,106	(4,907)	(1,759)	0	(235)			20,205
16 2029-30	4,140,865	3,508,187	39,958	(292)	(7,992)	(3,957)	27,717	(5,042)	(1,864)	0	(241)			20,570
17 2030-31	4,219,191	3,586,514	40,846	(299)	(8,169)	(4,038)	28,340	(5,180)	(1,971)	0	(247)			20,942
18 2031-32 (1)	4,299,085	3,666,408	41,751	(305)	(8,350)	(4,121)	28,975	(5,320)	(2,080)	0	(253)			21,322
19 2032-33	3,499,453	2,882,049	32,837	(237)	(6,567)	(3,353)	22,680	(4,349)	(1,785)	0	(259)			16,286
20 2033-34	3,566,150	2,948,746	33,594	(243)	(6,719)	(3,422)	23,210	(4,464)	(1,877)	(55)	(265)			16,548
21 2034-35	3,634,181	3,016,777	34,366	(248)	(6,873)	(3,493)	23,751	(4,582)	(1,970)	(111)	(272)			16,816
22 2035-36	3,703,573	3,086,168	31,681	(237)	(6,336)	(2,510)	22,597	(4,234)	(1,839)	(150)	(278)			16,096
23 2036-37 (2)	3,774,352	3,156,948	31,656	(238)	(6,331)	(2,113)	22,973	(4,294)	(1,925)	(202)	(285)			16,266
24 2037-38	3,716,360	3,112,080	31,210	(235)	(6,242)	(1,983)	22,750	(4,362)	(1,993)	(255)	(292)			15,848
25 2038-39 (3)	3,787,496	3,183,216	31,921	(240)	(6,384)	(2,023)	23,273	(4,474)	(2,082)	(309)	(299)			16,110
26 2039-40	2,899,599	2,338,233	23,436	(178)	(4,687)	(140)	18,431	(4,340)	(2,073)	(364)	(171)			11,483
27 2040-41 (4)	2,955,501	2,394,135	23,995	(182)	(4,799)	(144)	18,870	(4,444)	(2,160)	(420)	(176)			11,671
28 2041-42	2,705,885	2,227,270	22,320	(171)	(4,464)		17,684	(4,464)	(2,215)	(478)				10,528
29 2042-43	2,758,134	2,279,518	22,842	(175)	(4,568)		18,098	(4,568)	(2,303)	(536)				10,691
30 2043-44	2,811,428	2,332,812	23,375	(179)	(4,675)		18,521	(4,675)	(2,392)	(596)				10,857
31 2044-45	2,865,787	2,387,172	23,919	(183)	(4,784)		18,951	(4,784)	(2,484)	(657)				11,027
32 2045-46	2,921,234	2,442,619	24,473	(188)	(4,895)		19,391	(4,895)	(2,577)	(719)				11,200
33 2046-47	2,977,790	2,499,175	25,039	(192)	(5,008)		19,839	(5,008)	(2,672)	(782)				11,377
34 2047-48	3,035,477	2,556,862	25,615	(196)	(5,123)		20,296	(5,123)	(2,769)	(847)				11,557
			1,069,021	(7,911)	(213,804)	(81,961)	765,345	(149,458)	(57,610)	(6,480)	(6,018)	(313)	(1,593)	543,873

(1) Last date to receive tax increment revenue for Industrial Park RP.

(2) Last date to receive tax increment revenue for Gateway RP.

(3) Last date to receive tax increment revenue for Agua Mansa RP.

(4) Last date to receive tax increment revenue for Central Business District RP.

\*\* Gross Revenue net of Section 33676 BY Inflationary Adjustments from within the Gateway Project Area.

**Successor Agency of the City of Rialto  
Merged Project Area**

**Historical Taxable Value**

**Table 3**



6/23/2015

	<b>Base Year (various)</b>	<b>2005-06</b>	<b>2006-07</b>	<b>Adjusted Base Year (2007-08)</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
<i>Secured (1)</i>												
Land	571,789,539	508,480,877	607,420,713	563,921,465	757,271,327	849,616,248	870,743,143	823,690,412	828,405,444	821,236,517	877,535,606	932,364,998
Impts	0	884,561,170	1,145,205,058	6,996	1,468,805,502	1,680,594,979	1,596,358,134	1,578,902,223	1,559,980,155	1,566,707,695	1,585,814,290	1,783,933,621
Pers Prop	0	3,509,059	5,001,882	0	3,734,955	2,216,074	2,053,813	1,870,448	1,271,363	1,209,855	1,132,616	127,113
Exemptions	0	(40,419,602)	(42,301,833)	0	(43,850,650)	(50,867,170)	(55,861,602)	(58,170,102)	(85,941,478)	(92,985,435)	(108,061,307)	(108,299,227)
<b>Total Secured</b>	<b>571,789,539</b>	<b>1,356,131,504</b>	<b>1,715,325,820</b>	<b>563,928,461</b>	<b>2,185,961,134</b>	<b>2,481,560,131</b>	<b>2,413,293,488</b>	<b>2,346,292,981</b>	<b>2,303,715,484</b>	<b>2,296,168,632</b>	<b>2,356,421,205</b>	<b>2,608,126,505</b>
<i>Unsecured</i>												
Land	0	0	0	0	0	0	0	0	0	0	0	0
Impts	15,513,527	151,031,840	174,394,960	15,513,527	219,176,032	239,919,051	245,385,206	250,470,958	204,674,638	291,719,115	287,404,575	319,345,980
Pers Prop	53,235,125	151,422,857	156,312,886	53,235,125	208,296,958	226,254,425	233,922,161	212,617,530	200,267,290	208,583,983	199,991,810	224,761,675
Exemptions	0	(297,509)	(26,241)	0	(91,547)	(340,506)	(403,385)	(394,177)	(362,257)	(383,239)	(398,892)	(370,526)
<b>Total Unsecured</b>	<b>68,748,652</b>	<b>302,157,188</b>	<b>330,681,605</b>	<b>68,748,652</b>	<b>427,381,443</b>	<b>465,832,970</b>	<b>478,903,982</b>	<b>462,694,311</b>	<b>404,579,671</b>	<b>499,919,859</b>	<b>486,997,493</b>	<b>543,737,129</b>
<b>GRAND TOTAL</b>	<b>640,538,191</b>	<b>1,658,288,692</b>	<b>2,046,007,425</b>	<b>632,677,113</b>	<b>2,613,342,577</b>	<b>2,947,393,101</b>	<b>2,892,197,470</b>	<b>2,808,987,292</b>	<b>2,708,295,155</b>	<b>2,796,088,491</b>	<b>2,843,418,698</b>	<b>3,151,863,634</b>
Incremental Value		1,017,750,501	1,405,469,234		1,980,665,464	2,314,715,988	2,259,520,357	2,176,310,179	2,075,618,042	2,163,411,378	2,210,741,585	2,519,186,521
% Growth on Project Area AV			23.38%		27.73%	12.78%	-1.87%	-2.88%	-3.58%	3.24%	1.69%	10.85%

Source: County of San Bernardino

(1) Secured values include state assessed non-unitary utility property.

**Successor Agency of the City of Rialto**  
**Merged Project Area**

**TOP TEN TAXABLE PROPERTY OWNERS**

Fiscal Year 2014-15

**Table 4**



6/23/2015

	Secured			Unsecured			Total			Property Uses	Project Area
	Assessed Value	Parcels	Percentage	Assessed Value	Parcels	Percentage	Assessed Value	% of Project Taxable Value	% of Project Inc. Value		
1. Target Corporation	\$231,285,206	17	8.87%	\$69,716,071	2	12.82%	\$301,001,277	9.55%	11.95%	Industrial Distribution Warehouse	Added Territory/Industrial Park Projects
2. Prologis-MacQuarie US LLC (Pending Appeals On Parcels)	\$235,969,763	20	9.05%	\$0	0	0.00%	\$235,969,763	7.49%	9.37%	Industrial Distribution Warehouse	Added Territory/Agua Mansa Projects
3. Teachers Insurance and Annuity Assoc.	\$109,243,725	2	4.19%	\$0	0	0.00%	\$109,243,725	3.47%	4.34%	Industrial Distribution Warehouse	Added Territory Project
4. FEDEX Ground Package System Inc.	\$42,024,044	4	1.61%	\$43,668,546	1	8.03%	\$85,692,590	2.72%	3.40%	Package Processing and Shipping	Agua Mansa Project
5. Toys "R" US - Delaware Inc.	\$41,600,603	2	1.60%	\$18,982,007	1	3.49%	\$60,582,610	1.92%	2.40%	Industrial Distribution Warehouse	Industrial Park Project
6. Staples the Office Superstore (Pending Appeals On Parcels)	\$32,928,914	1	1.26%	\$17,238,305	1	3.17%	\$50,167,219	1.59%	1.99%	Industrial Distribution Warehouse	Agua Mansa Project
7. SFPP LP	\$0	0	0.00%	\$47,728,080	1	8.78%	\$47,728,080	1.51%	1.89%	Unsecured Business Property (Rail)	Agua Mansa Project
8. I-210 Logistics Center Fund X LLC	\$46,801,197	16	1.79%	\$0	0	0.00%	\$46,801,197	1.48%	1.86%	Industrial Warehouse/Vacant Land	Industrial Park Project
9. 100 Cedar Avenue LLC	\$45,547,016	1	1.75%	\$0	0	0.00%	\$45,547,016	1.45%	1.81%	Industrial Distribution Warehouse	Industrial Park Project
10. Locust and Linden Fund IX LLC (Pending Appeals On Parcels)	\$31,327,119	2	1.20%	\$0	0	0.00%	\$31,327,119	0.99%	1.24%	Industrial Distribution Warehouse	Industrial Park Project
Totals:	\$816,727,587	65		\$197,333,009	6		\$1,014,060,596				
Total Assessed Values:	\$2,608,126,505		31.31%	\$543,737,129		36.29%	\$3,151,863,634	32.17%			
Incremental Assessed Value:	2,044,198,044		39.95%	474,988,477		41.54%	2,519,186,521	40.25%			

Successor Agency of the City of Rialto  
Merged Project Area  
New Development  
Table 5

Real Property Value	SqFt/ Units	Value	Total Value	Less Existing	000's omitted Total Value		2015-16	2016-17	2017-18	2018-19	2019-20
					Added	Start Complete					
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0
Transfers of Non-Single Family Parcels after 1/1/2014	56	Lump Sum	\$123,300,773	(\$84,688,857)	\$38,612		38,612	0	0	0	0
Transfers of Single Family Parcels after 1/1/2014	143	Lump Sum	\$33,459,455	(\$21,208,226)	\$12,251		12,251	0	0	0	0
<b>Total Real Property Value</b>			<b>\$156,760,228</b>	<b>(\$105,897,083)</b>	<b>50,863</b>		<b>50,863</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
						Adj. Annually for Inflation @	\$50,863	\$0	\$0	\$0	\$0
						2.0%					

**Successor Agency of the City of Rialto  
Industrial Park Redevelopment Project**



**Projection of Incremental Taxable Value & Tax Increment Revenue**

(000's Omitted)

6/23/2015

**Table 1**

<b>Taxable Values (1)</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
Real Property (2)	587,378	586,471	598,201	610,165	622,368	634,816	647,512	660,462	673,671	687,145
Personal Property (3)	59,922	59,922	59,922	59,922	59,922	59,922	59,922	59,922	59,922	59,922
<b>Total Projected Value</b>	<b>647,300</b>	<b>646,393</b>	<b>658,123</b>	<b>670,087</b>	<b>682,290</b>	<b>694,738</b>	<b>707,434</b>	<b>720,384</b>	<b>733,593</b>	<b>747,067</b>
<b>Taxable Value over Base</b>	<b>15,273</b>	<b>632,027</b>	<b>631,120</b>	<b>642,850</b>	<b>654,814</b>	<b>667,017</b>	<b>679,465</b>	<b>692,161</b>	<b>705,111</b>	<b>718,320</b>
Gross Tax Increment Revenue (4)	7,160	7,115	7,247	7,382	7,520	7,660	7,803	7,949	8,098	8,250
Unitary Tax Revenue (5)	76	76	76	76	76	76	76	76	76	76
<b>Gross Revenues</b>	<b>7,236</b>	<b>7,191</b>	<b>7,323</b>	<b>7,458</b>	<b>7,596</b>	<b>7,736</b>	<b>7,879</b>	<b>8,025</b>	<b>8,174</b>	<b>8,326</b>
<b>LESS:</b>										
SB 2557 Admin. Fee (6)	(39)	(39)	(39)	(40)	(41)	(42)	(42)	(43)	(44)	(45)
County Collection Charge (7)	(16)	(16)	(16)	(17)	(17)	(17)	(17)	(18)	(18)	(18)
Housing Set Aside Requirement (8)	(1,447)	(1,438)	(1,465)	(1,492)	(1,519)	(1,547)	(1,576)	(1,605)	(1,635)	(1,665)
<b>Pass Throughs</b>										
County General Fund (9)	(396)	(396)	(403)	(411)	(418)	(426)	(434)	(443)	(451)	(459)
County Flood Control District (10)	(149)	(149)	(152)	(155)	(157)	(160)	(163)	(166)	(169)	(173)
County Free Library (11)	(76)	(76)	(77)	(79)	(80)	(82)	(83)	(85)	(86)	(88)
<b>Tax Revenue</b>	<b>5,112</b>	<b>5,077</b>	<b>5,171</b>	<b>5,266</b>	<b>5,363</b>	<b>5,462</b>	<b>5,563</b>	<b>5,665</b>	<b>5,770</b>	<b>5,878</b>
<b>Subordinate Obligations</b>										
SB 211 Statutory Tax Sharing Tier 1 (12)	(678)	(676)	(698)	(721)	(743)	(767)	(790)	(814)	(839)	(864)
SB 211 Statutory Tax Sharing Tier 2 (12)	(94)	(93)	(108)	(124)	(140)	(157)	(174)	(191)	(209)	(227)
2007 COP Debt Service	(200)	(198)	(199)	(199)	(198)	(200)	(199)	(199)	0	0
Pusan Pipe OPA #2	(24)	(24)	(24)	0	0	0	0	0	0	0
<b>Net Tax Revenue</b>	<b>4,116</b>	<b>4,086</b>	<b>4,141</b>	<b>4,222</b>	<b>4,280</b>	<b>4,338</b>	<b>4,400</b>	<b>4,460</b>	<b>4,722</b>	<b>4,786</b>

- (1) Taxable values as reported by San Bernardino County.
- (2) Real property consists of land and improvements. Increased for inflation at 1.998% in 2015-16 and at 2.00% annually thereafter. Values for 2015-16 are increased by \$13.95 million due to 10 transfers of ownership after 1/1/2014 and decreased by \$26.1 million for projected value loss due to pending assessment appeals.
- (3) Personal property is held constant at 2014-15 level.
- (4) Projected Gross Tax Increment is based upon incremental taxable values factored against an assumed Project tax rate and adjusted for indebtedness approved by voters after 1988. Override rates for San Bernardino Valley Municipal Water District and Metropolitan Water District are projected to remain at their current tax rates per \$100 of taxable value through FY 2034-35 when both tax rates are scheduled to expire. Projections are based on \$1.00 per \$100 of taxable value beginning in FY 2035-36.
- (5) Unitary Revenue is held constant at 2013-14 level.
- (6) SB 2557 Administrative cost is estimated at 0.54% of Gross Revenue.
- (7) County Collection Charge is calculated at 0.25% of general levy tax increment revenue.
- (8) Per ABx1 26, the low and moderate income housing requirement is no longer applicable. Debts secured by Housing Set-Aside funds will hereafter be secured by tax revenues allocable to the Successor Agency. Set-Aside amounts shown are illustrative of amounts available for payment of debt service secured by Housing Set-Aside.
- (9) San Bernardino County receives its share (15.35%) of general levy revenue on inflationary growth on base year real value. In addition, County receives a portion of general levy tax increment revenue net of Housing Set-Aside and inflationary pass through. This portion is 0% through 1998-99; 15% from 1999-00 through 2003-04; 25% from 2004-05 through 2010-11; and, 50% from 2011-12 forward.
- (10) County Flood Control receives its share (2.92%) of general levy revenue on inflationary growth on base year real value and its share of general levy tax increment revenue less the share of inflationary growth. All pass through amounts are net of housing set-aside.
- (11) County Library System receives its share (1.49%) of general levy revenue on inflationary growth on base year real value and its share of general levy tax increment revenue less the share of inflationary growth. All pass through amounts are net of housing set-aside.
- (12) The Agency has eliminated the Plan's time limit for incurrence of new debt. The Agency is obligated to make tax sharing payments pursuant to Section 33607.7 of the Law beginning in fiscal year 2004-05 and using Project Area values for 2003-04 as an adjusted base year value. Taxing Entities that do not have existing tax sharing agreements receive their prorated shares of 25% of revenue derived from the incremental increase in value above the adjusted base year value net of Housing Set-Aside. In addition, beginning in 2014-15 and using the project area values of 2013-14 as a second adjusted base year value, tax entities without tax sharing agreements receive their prorated shares of 21% of the revenue derived from the incremental difference increase in value above the second adjusted base year value net of Housing Set-Aside. The City may elect to receive its share of Tier 1 payments only.

**Successor Agency of the City of Rialto  
Industrial Park Redevelopment Project**

**PROJECTION OF INCREMENTAL VALUE AND TAX INCREMENT REVENUE**

(000s Omitted)

**Table 2**



		Taxable Value		Gross Tax Revenue	County Admin. Charges	Housing Set-Aside	Pass-Throughs Agreements	Tax Revenue	Statutory Tax Sharing Payments		2007 COP Debt Service **	Pusan Pipe OPA #2	Net Tax Revenue
		Total Taxable Value	Over Base 15,273						Tier 1	Tier 2			
1	2014-15	647,300	632,027	7,236	(55)	(1,447)	(621)	5,112	(678)	(94)	(200)	(24)	4,116
2	2015-16	646,393	631,120	7,191	(55)	(1,438)	(621)	5,077	(676)	(93)	(198)	(24)	4,086
3	2016-17	658,123	642,850	7,323	(56)	(1,465)	(632)	5,171	(698)	(108)	(199)	(24)	4,141
4	2017-18	670,087	654,814	7,458	(57)	(1,492)	(644)	5,266	(721)	(124)	(199)	(24)	4,198
5	2018-19	682,290	667,017	7,596	(58)	(1,519)	(656)	5,363	(743)	(140)	(198)		4,280
6	2019-20	694,738	679,465	7,736	(59)	(1,547)	(668)	5,462	(767)	(157)	(200)		4,338
7	2020-21	707,434	692,161	7,879	(60)	(1,576)	(681)	5,563	(790)	(174)	(199)		4,400
8	2021-22	720,384	705,111	8,025	(61)	(1,605)	(694)	5,665	(814)	(191)	(199)		4,460
9	2022-23	733,593	718,320	8,174	(62)	(1,635)	(707)	5,770	(839)	(209)			4,722
10	2023-24	747,067	731,794	8,326	(63)	(1,665)	(720)	5,878	(864)	(227)			4,786
11	2024-25	760,810	745,537	8,481	(64)	(1,696)	(734)	5,987	(890)	(245)			4,852
12	2025-26	774,827	759,554	8,639	(66)	(1,728)	(747)	6,098	(916)	(264)			4,918
13	2026-27	789,126	773,853	8,800	(67)	(1,760)	(761)	6,212	(943)	(283)			4,986
14	2027-28	803,710	788,437	8,965	(68)	(1,793)	(776)	6,328	(970)	(303)			5,055
15	2028-29	818,585	803,312	9,132	(69)	(1,826)	(790)	6,446	(998)	(322)			5,126
16	2029-30	833,759	818,486	9,303	(71)	(1,861)	(805)	6,567	(1,026)	(343)			5,198
17	2030-31	849,235	833,962	9,478	(72)	(1,896)	(821)	6,690	(1,055)	(363)			5,271
18	2031-32	865,022	849,749	9,656	(73)	(1,931)	(836)	6,815	(1,084)	(384)			5,346
19	2032-33	0	0	0	0	0	0	0	0	0			0
20	2033-34	0	0	0	0	0	0	0	0	0			0
21	2034-35	0	0	0	0	0	0	0	0	0			0
22	2035-36	0	0	0	0	0	0	0	0	0			0
				<b>149,399</b>	<b>(1,135)</b>	<b>(29,880)</b>	<b>(12,915)</b>	<b>105,468</b>	<b>(15,473)</b>	<b>(4,025)</b>	<b>(1,593)</b>	<b>(97)</b>	<b>84,281</b>

\*\* The City has agreed to the subordination of COP reimbursement payments.

**Successor Agency of the City of Rialto  
Industrial Park Redevelopment Project**



**Historical Assessed Values**

**Table 3**

06/23/15

	<b>Base Year 1978-79</b>	<b>2005-06</b>	<b>2006-07</b>	<b>Revised Base Year (2007-08)</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
<i>Secured (1)</i>												
Land	7,940,954	86,622,212	111,773,600	7,800,440	143,120,573	163,350,424	189,097,932	177,034,097	179,449,603	177,896,349	203,244,984	211,268,194
Improvements	0	121,850,983	140,990,861	6,996	232,267,628	252,299,372	286,658,865	246,944,453	237,227,849	238,106,673	244,209,199	319,046,615
Personal Property	0	485,147	302,179	0	196,135	5,980	5,642	4,903	4,027	3,879	3,285	0
Exemptions	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Secured</b>	<b><u>7,940,954</u></b>	<b><u>208,958,342</u></b>	<b><u>253,066,640</u></b>	<b><u>7,807,436</u></b>	<b><u>375,584,336</u></b>	<b><u>415,655,776</u></b>	<b><u>475,762,439</u></b>	<b><u>423,983,453</u></b>	<b><u>416,681,479</u></b>	<b><u>416,006,901</u></b>	<b><u>447,457,468</u></b>	<b><u>530,314,809</u></b>
<i>Unsecured</i>												
Land	0	0	0	0	0	0	0	0	0	0	0	0
Improvements	0	48,186,697	51,156,042	0	57,637,862	56,796,657	61,803,350	58,584,054	51,945,227	58,158,363	60,682,091	57,063,199
Personal Property	7,465,580	58,094,787	60,539,785	7,465,580	63,536,554	67,912,735	71,762,529	68,821,983	63,282,316	70,767,891	68,902,003	59,922,046
Exemptions	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Unsecured</b>	<b><u>7,465,580</u></b>	<b><u>106,281,484</u></b>	<b><u>111,695,827</u></b>	<b><u>7,465,580</u></b>	<b><u>121,174,416</u></b>	<b><u>124,709,392</u></b>	<b><u>133,565,879</u></b>	<b><u>127,406,037</u></b>	<b><u>115,227,543</u></b>	<b><u>128,926,254</u></b>	<b><u>129,584,094</u></b>	<b><u>116,985,245</u></b>
<b>GRAND TOTAL</b>	<b><u>15,406,534</u></b>	<b><u>315,239,826</u></b>	<b><u>364,762,467</u></b>	<b><u>15,273,016</u></b>	<b><u>496,758,752</u></b>	<b><u>540,365,168</u></b>	<b><u>609,328,318</u></b>	<b><u>551,389,490</u></b>	<b><u>531,909,022</u></b>	<b><u>544,933,155</u></b>	<b><u>577,041,562</u></b>	<b><u>647,300,054</u></b>
Incremental Value		299,833,292	349,355,933		481,485,736	525,092,152	594,055,302	536,116,474	516,636,006	529,660,139	561,768,546	632,027,038
Percentage Growth			16.52%		37.82%	9.06%	13.13%	-9.75%	-3.63%	2.52%	6.06%	12.51%

Source: County of San Bernardino

(1) Secured values include state assessed non-unitary utility property.



**Successor Agency of the City of Rialto  
Industrial Park Redevelopment Project**

**TOP TEN TAXABLE PROPERTY OWNERS**

Fiscal Year 2014-15

**Table 4**

	Secured			Unsecured			Total			Property Uses
	Assessed Value	Parcels	Percentage	Assessed Value	Parcels	Percentage	Assessed Value	% of Project Taxable Value	% of Project Inc. Value	
1. Toys "R" US - Delaware Inc.	\$41,600,603	2	7.84%	\$18,982,007	1	16.23%	\$60,582,610	9.36%	9.59%	Industrial Distribution Warehouse
2. Staples the Office Superstore (Pending Appeals On Parcels)	\$32,928,914	1	6.21%	\$17,238,305	1	14.74%	\$50,167,219	7.75%	7.94%	Industrial Distribution Warehouse
3. 100 Cedar Avenue LLC	\$45,547,016	1	8.59%	\$0	0	0.00%	\$45,547,016	7.04%	7.21%	Industrial Distribution Warehouse
4. Target Corporation	\$44,644,648	1	8.42%	\$0	0	0.00%	\$44,644,648	6.90%	7.06%	Industrial Distribution Warehouse
5. Locust and Linden Fund IX LLC (Pending Appeals On Parcels)	\$31,327,119	2	5.91%	\$0	0	0.00%	\$31,327,119	4.84%	4.96%	Industrial Distribution Warehouse
6. AMB Property LP (Pending Appeals On Parcels)	\$25,798,333	1	4.86%	\$0	0	0.00%	\$25,798,333	3.99%	4.08%	Industrial Distribution Warehouse
7. 1364 Rialto Avenue LLC	\$24,452,984	1	4.61%	\$0	0	0.00%	\$24,452,984	3.78%	3.87%	Industrial Distribution Warehouse
8. Burlingame Industries Inc.	\$9,229,236	5	1.74%	\$10,116,866	1	8.65%	\$19,346,102	2.99%	3.06%	Roof Tile Manufacturing
9. DCT Renaissance Rialto LLC	\$18,846,679	10	3.55%	\$0	0	0.00%	\$18,846,679	2.91%	2.98%	Vacant Land
10. Robertsons Ready Mix Limited	\$9,664,283	3	1.82%	\$7,954,698	6	6.80%	\$17,618,981	2.72%	2.79%	Concrete, Rock and Sand Production
Totals:	\$284,039,815	27		\$54,291,876	9		\$338,331,691			
Total Assessed Values:	\$530,314,809		53.56%	\$116,985,245		46.41%	\$647,300,054		52.27%	
Incremental Assessed Value:	522,507,373		54.36%	109,519,665		49.57%	632,027,038		53.53%	

**Successor Agency of the City of Rialto  
Industrial Park Redevelopment Project**

New Development  
Table 5



06/23/15

<u>Real Property Value</u>	<u>SqFt/ Units</u>	<u>Value</u>	<u>Total Value</u>	<u>Less Existing</u>	<u>Total Value</u>		<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	
					<u>Added</u>	<u>Start</u>						<u>Complete</u>
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
Transfers of Non-Single Family Parcels after 1/1/2014	10	Lump Sum	\$73,519,136	(\$59,563,899)	\$13,955		13,955	0	0	0	0	
Transfers of Single Family Parcels after 1/1/2014	0	Lump Sum	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>		0	0	0	0	0	
<b>Total Real Property Value</b>			<b>\$73,519,136</b>	<b>(\$59,563,899)</b>	<b>13,955</b>		<b>13,955</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
						Adj. Annually for Inflation @	2.0%	\$13,955	\$0	\$0	\$0	\$0

**Successor Agency of the City of Rialto  
 Agua Mansa Redevelopment Project**

**Projection of Incremental Taxable Value & Tax Increment Revenue**

(000's Omitted)



6/23/2015

**Table 1**

<b>Taxable Values (1)</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>
Real Property (2)	558,502	562,915	574,174	585,657	597,370	609,318	621,504	633,934	646,613	659,545
Personal Property (3)	<u>55,042</u>	<u>55,042</u>	<u>55,042</u>	<u>55,042</u>	<u>55,042</u>	<u>55,042</u>	<u>55,042</u>	<u>55,042</u>	<u>55,042</u>	<u>55,042</u>
<b>Total Projected Value</b>	<b>613,543</b>	<b>617,957</b>	<b>629,215</b>	<b>640,699</b>	<b>652,412</b>	<b>664,359</b>	<b>676,546</b>	<b>688,976</b>	<b>701,654</b>	<b>714,587</b>
<b>Taxable Value over Base</b>	<b>42,914</b>	<b>570,629</b>	<b>575,043</b>	<b>586,301</b>	<b>597,784</b>	<b>609,498</b>	<b>621,445</b>	<b>633,631</b>	<b>646,061</b>	<b>671,672</b>
Gross Tax Increment Revenue (4)	6,634	6,685	6,816	6,949	7,085	7,224	7,366	7,510	7,658	7,808
Unitary Tax Revenue (5)	<u>35</u>	<u>35</u>	<u>35</u>	<u>35</u>	<u>35</u>	<u>35</u>	<u>35</u>	<u>35</u>	<u>35</u>	<u>35</u>
<b>Gross Revenues</b>	<b>6,669</b>	<b>6,720</b>	<b>6,851</b>	<b>6,985</b>	<b>7,121</b>	<b>7,260</b>	<b>7,401</b>	<b>7,546</b>	<b>7,693</b>	<b>7,843</b>
<b>LESS:</b>										
SB 2557 Admin. Fee (6)	(33)	(33)	(33)	(34)	(35)	(35)	(36)	(37)	(38)	(38)
County Collection Fee (7)	(14)	(14)	(15)	(15)	(15)	(16)	(16)	(16)	(17)	(17)
Housing Set Aside Requirement (8)	(1,334)	(1,344)	(1,370)	(1,397)	(1,424)	(1,452)	(1,480)	(1,509)	(1,539)	(1,569)
<b>Pass Throughs</b>										
County General Fund (9)	(347)	(350)	(357)	(364)	(371)	(378)	(385)	(393)	(401)	(408)
County Flood Control District (10)	(132)	(133)	(136)	(138)	(141)	(144)	(146)	(149)	(152)	(155)
County Free Library (11)	(67)	(68)	(69)	(70)	(72)	(73)	(75)	(76)	(78)	(79)
Colton Unified School District (14)	(435)	(438)	(447)	(455)	(464)	(473)	(482)	(492)	(501)	(511)
Inland Empire Joint Resource Cons. Dist. (15)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(3)
San Bernardino Vly Municipal Water Dist. (16)	(742)	(748)	(762)	(777)	(792)	(808)	(824)	(840)	(856)	(873)
West San Bernardino County Water Dist. (17)	<u>(142)</u>	<u>(182)</u>	<u>(185)</u>	<u>(188)</u>	<u>(192)</u>	<u>(195)</u>	<u>(198)</u>	<u>(201)</u>	<u>(205)</u>	<u>(208)</u>
<b>Tax Revenue</b>	<b>3,421</b>	<b>3,408</b>	<b>3,475</b>	<b>3,543</b>	<b>3,613</b>	<b>3,684</b>	<b>3,756</b>	<b>3,830</b>	<b>3,905</b>	<b>3,982</b>
<b>Subordinate Obligations</b>										
San Bernardino Community College Dist. (12)	(73)	(74)	(75)	(77)	(78)	(80)	(81)	(83)	(84)	(86)
County Superintendent of Schools (13)	(11)	(11)	(11)	(11)	(11)	(12)	(12)	(12)	(12)	(13)
SB 211 Statutory Tax Sharing Tier 1 (18)	(30)	(34)	(42)	(51)	(59)	(68)	(77)	(86)	(96)	(105)
SB 211 Statutory Tax Sharing Tier 2 (18)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(5)</u>	<u>(10)</u>	<u>(15)</u>	<u>(20)</u>
<b>Net Tax Revenue</b>	<b>3,306</b>	<b>3,290</b>	<b>3,347</b>	<b>3,405</b>	<b>3,464</b>	<b>3,524</b>	<b>3,581</b>	<b>3,639</b>	<b>3,698</b>	<b>3,758</b>

# Successor Agency of the City of Rialto Agua Mansa Redevelopment Project



## Footnotes for Projection of Tax Increment Revenue

6/23/2015

- (1) Taxable values as reported by San Bernardino County.
- (2) Real property consists of land and improvements. Increased for inflation at 1.998% in 2015-16 and at 2% annually thereafter. Values for 2015-16 are increased by \$2.98 million due to 8 transfers of ownership from after 1/1/2014 and decreased by \$9.5 million for projected value loss due to pending assessment appeals.
- (3) Personal property is held constant at 2014-15 level.
- (4) Projected Gross Tax Increment is based upon incremental taxable values factored against an assumed Project tax rate and adjusted for indebtedness approved by voters after 1988. Override rate for San Bernardino Valley Municipal Water District is projected to remain at \$1.1625 per \$100 of taxable value through FY 2034-35 when this tax rate is scheduled to expire. Projections are based on \$1.00 per \$100 of taxable value beginning in FY 2035-36.
- (5) Unitary Revenue is held constant at 2013-14 level.
- (6) SB 2557 Administrative cost is estimated at 0.49% of Gross Revenue.
- (7) County Collection Charge is calculated at 0.25% of general levy tax increment revenue.
- (8) Per ABx1 26, the low and moderate income housing requirement is no longer applicable. Debts secured by Housing Set-Aside funds will hereafter be secured by tax revenues allocable to the Successor Agency. Set-Aside amounts shown are illustrative of amounts available for payment of debt service secured by Housing Set-Aside.
- (9) County General Fund received 40% of its share of general levy tax increment revenue net of Housing Set-Aside through 1999-00; the County receives 50% of its share (15.12%) from 2000-01 through 2026-27 and 60% thereafter.
- (10) County Flood Control District receives its share (2.87%) of general levy tax increment revenue net of Housing Set-Aside.
- (11) County Library receives its share (1.46%) of general levy tax increment revenue net of Housing Set-Aside.
- (12) San Bernardino Community College District receives 30% of its share (5.31%) of general levy tax increment revenue net of Housing Set-Aside. This payment subordinate to payment of debt service on all bonded indebtedness.
- (13) County Superintendent of Schools receives 30% of its share (0.78%) of general levy tax increment revenue net of Housing Set-Aside. This payment subordinate to payment of debt service on all bonded indebtedness.
- (14) Colton Unified School District receives 30% of its share (31.54%) of general levy tax increment revenue net of Housing Set-Aside.
- (15) Inland Empire Joint Resource Conservation District (formerly West Resource Conservation District) receives 30% of its share (0.15%) of the general levy tax increment net of Housing Set-Aside.
- (16) San Bernardino Valley Municipal Water District receives 80% of its share (0.1625%) of debt service override. Debt service override is projected to remain constant. This rate is for purchase of water and is authorized through 2034-35.
- (17) West San Bernardino County Water District receives its share (2.97%) of the annual inflationary increase of base year real property plus 80% of its share of general levy tax increment revenue.
- (18) The Agency has eliminated the Plan's time limit for incurrence of new debt. The Agency is obligated to make tax sharing payments pursuant to Section 33607.7 of the Law beginning in fiscal year 2009-10 and using Project Area values for 2008-09 as an adjusted base year value. Taxing Entities that do not have existing tax sharing agreements receive their prorated shares of 25% of revenue derived from the incremental increase in value above the adjusted base year value net of Housing Set-Aside. In addition, beginning in 2019-20 and using the project area values of 2018-19 as a second adjusted base year value, taxing entities without tax sharing agreements receive their prorated shares of 21% of the revenue derived from the incremental difference increase in value above the second adjusted base year value net of Housing Set-Aside. The City may elect to receive its share of the first tier of statutory tax sharing payments.

Successor Agency of the City of Rialto

Agua Mansa Redevelopment Project

PROJECTION OF INCREMENTAL VALUE AND TAX INCREMENT REVENUE

(000s Omitted)

Table 2



06/23/15

		Total Taxable Value	Taxable Value Over Base 42,914	Gross Tax Revenue	County Admin. Charges	Housing Set-Aside	Pass-Throughs Agreements	Tax Revenue	Subordinate Pass-Throughs Agreements	Statutory Tax Sharing Payments		Net Tax Revenue
										Tier 1	Tier 2	
1	2014-15	613,543	570,629	6,669	(47)	(1,334)	(1,867)	3,421	(84)	(30)	0	3,306
2	2015-16	617,957	575,043	6,720	(47)	(1,344)	(1,921)	3,408	(85)	(34)	0	3,290
3	2016-17	629,215	586,301	6,851	(48)	(1,370)	(1,958)	3,475	(86)	(42)	0	3,347
4	2017-18	640,699	597,784	6,985	(49)	(1,397)	(1,995)	3,543	(88)	(51)	0	3,405
5	2018-19	652,412	609,498	7,121	(50)	(1,424)	(2,034)	3,613	(90)	(59)	0	3,464
6	2019-20	664,359	621,445	7,260	(51)	(1,452)	(2,073)	3,684	(91)	(68)	0	3,524
7	2020-21	676,546	633,631	7,401	(52)	(1,480)	(2,113)	3,756	(93)	(77)	(5)	3,581
8	2021-22	688,976	646,061	7,546	(53)	(1,509)	(2,154)	3,830	(95)	(86)	(10)	3,639
9	2022-23	701,654	658,740	7,693	(54)	(1,539)	(2,195)	3,905	(97)	(96)	(15)	3,698
10	2023-24	714,587	671,672	7,843	(55)	(1,569)	(2,238)	3,982	(99)	(105)	(20)	3,758
11	2024-25	727,778	684,863	7,997	(56)	(1,599)	(2,281)	4,060	(101)	(115)	(25)	3,820
12	2025-26	741,232	698,318	8,153	(57)	(1,631)	(2,325)	4,140	(103)	(125)	(30)	3,883
13	2026-27	754,956	712,042	8,313	(59)	(1,663)	(2,370)	4,222	(105)	(135)	(35)	3,947
14	2027-28	768,954	726,040	8,475	(60)	(1,695)	(2,416)	4,305	(107)	(146)	(41)	4,012
15	2028-29	783,233	740,318	8,641	(61)	(1,728)	(2,463)	4,390	(109)	(156)	(46)	4,078
16	2029-30	797,797	754,882	8,811	(62)	(1,762)	(2,510)	4,476	(111)	(167)	(52)	4,146
17	2030-31	812,652	769,737	8,983	(63)	(1,797)	(2,559)	4,564	(113)	(178)	(58)	4,216
18	2031-32	827,804	784,889	9,160	(64)	(1,832)	(2,609)	4,654	(115)	(189)	(64)	4,286
19	2032-33	843,259	800,345	9,339	(66)	(1,868)	(2,660)	4,746	(117)	(201)	(70)	4,358
20	2033-34	859,023	816,109	9,523	(67)	(1,905)	(2,711)	4,840	(120)	(212)	(76)	4,432
21	2034-35	875,103	832,189	9,709	(68)	(1,942)	(2,764)	4,935	(122)	(224)	(82)	4,507
22	2035-36	891,504	848,590	9,978	(65)	(1,796)	(2,183)	4,934	(125)	(203)	(76)	4,530
23	2036-37	908,234	865,319	8,688	(64)	(1,738)	(1,814)	5,072	(127)	(214)	(82)	4,650
24	2037-38	925,297	882,383	8,859	(65)	(1,772)	(1,850)	5,172	(129)	(225)	(87)	4,730
25	2038-39	942,702	899,788	9,033	(67)	(1,807)	(1,887)	5,273	(132)	(236)	(93)	4,812
				<b>204,752</b>	<b>(1,453)</b>	<b>(40,950)</b>	<b>(55,948)</b>	<b>106,401</b>	<b>(2,642)</b>	<b>(3,375)</b>	<b>(965)</b>	<b>99,419</b>

**Successor Agency of the City of Rialto  
 Agua Mansa Redevelopment Project**

**Historical Assessed Values**

**Table 3**



06/23/15

	<b>Base Year</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
<i>Secured (1)</i>	<b>1987-88</b>										
Land	33,703,921	95,360,409	106,223,263	121,827,452	134,038,504	146,400,488	152,295,173	151,013,282	150,799,120	156,920,577	158,111,696
Impts	0	144,011,719	181,748,582	250,280,331	267,644,372	245,126,958	311,610,311	281,582,317	276,126,752	248,779,561	245,608,404
Pers Prop	0	1,129,625	3,000,662	2,396,936	1,131,982	1,273,849	1,211,533	1,130,164	1,075,542	989,825	0
Exemptions	0	0	0	0	0	0	(608,000)	(612,578)	(624,830)	(637,326)	(640,220)
<b>Total Secured</b>	<b>33,703,921</b>	<b>240,501,753</b>	<b>290,972,507</b>	<b>374,504,719</b>	<b>402,814,858</b>	<b>392,801,295</b>	<b>464,509,017</b>	<b>433,113,185</b>	<b>427,376,584</b>	<b>406,052,637</b>	<b>403,079,880</b>
<i>Unsecured</i>											
Land	0	0	0	0	0	0	0	0	0	0	0
Impts	0	71,299,690	79,990,417	104,671,944	112,192,815	109,496,442	126,369,044	87,861,926	131,961,949	138,766,913	155,421,680
Pers Prop	9,210,460	43,455,666	47,257,073	57,381,548	57,462,500	57,214,356	50,378,839	47,932,006	49,944,566	47,407,395	55,041,577
Exemptions	0	0	0	0	0	0	0	0	0	0	0
<b>Total Unsecured</b>	<b>9,210,460</b>	<b>114,755,356</b>	<b>127,247,490</b>	<b>162,053,492</b>	<b>169,655,315</b>	<b>166,710,798</b>	<b>176,747,883</b>	<b>135,793,932</b>	<b>181,906,515</b>	<b>186,174,308</b>	<b>210,463,257</b>
<b>GRAND TOTAL</b>	<b>42,914,381</b>	<b>355,257,109</b>	<b>418,219,997</b>	<b>536,558,211</b>	<b>572,470,173</b>	<b>559,512,093</b>	<b>641,256,900</b>	<b>568,907,117</b>	<b>609,283,099</b>	<b>592,226,945</b>	<b>613,543,137</b>
Incremental Value		312,342,728	375,305,616	493,643,830	529,555,792	516,597,712	598,342,519	525,992,736	566,368,718	549,312,564	570,628,756
Percentage Growth			20.16%	31.53%	7.27%	-2.45%	15.82%	-12.09%	7.68%	-3.01%	3.88%

Source: County of San Bernardino

(1) Secured values include state assessed non-unitary utility property.

**Successor Agency of the City of Rialto**  
**Agua Mansa Redevelopment Project**

**TOP TEN TAXABLE PROPERTY OWNERS**

Fiscal Year 2014-15

**Table 4**



06/23/15

	Secured			Unsecured			Total			Property Uses
	Assessed Value	Parcels	Percentage	Assessed Value	Parcels	Percentage	Assessed Value	% of Project Taxable Value	% of Project Inc. Value	
1. FEDEX Ground Package System Inc.	\$42,024,044	4	10.43%	\$43,668,546	1	20.75%	\$85,692,590	13.97%	15.02%	Package Processing and Shipping
2. Prologis-MacQuarie US LLC (Pending Appeals On Parcels)	\$53,578,251	2	13.29%	\$0	0	0.00%	\$53,578,251	8.73%	9.39%	Industrial Distribution Warehouse
3. SFPP LP	\$0	0	0.00%	\$47,728,080	1	22.68%	\$47,728,080	7.78%	8.36%	Unsecured Business Property (Rail)
4. Old Dominion Freight Line Inc.	\$25,805,299	4	6.40%	\$2,461,299	1	1.17%	\$28,266,598	4.61%	4.95%	Industrial Transit Warehouse/Vacant
5. Lilac Avenue LLC	\$25,935,259	1	6.43%	\$0	0	0.00%	\$25,935,259	4.23%	4.55%	Industrial Distribution Warehouse
6. Tesoro Logistics Operations (Pending Appeals On Parcels)	\$1,908,626	1	0.47%	\$22,339,992	1	10.61%	\$24,248,618	3.95%	4.25%	Petroleum Products Storage/Sale
7. Caleast HD LLC (Pending Appeals On Parcels)	\$18,811,150	1	4.67%	\$0	0	0.00%	\$18,811,150	3.07%	3.30%	Industrial Distribution Warehouse
8. Menlo Business Park LLC	\$18,771,720	2	4.66%	\$0	0	0.00%	\$18,771,720	3.06%	3.29%	Industrial Distribution Warehouse
9. Lineage CC California RE LLC	\$19,931,039	1	4.94%	\$0	0	0.00%	\$19,931,039	3.25%	3.49%	Industrial Storage Warehouse
10. Cooper Lighting	\$13,478,313	1	3.34%	\$719,424	3	0.34%	\$14,197,737	2.31%	2.49%	Lighting Product Manufacturing
Totals:	\$220,243,701	17		\$116,917,341	7		\$337,161,042			
Total Assessed Values:	\$403,079,880		54.64%	\$210,463,257		55.55%	\$613,543,137	54.95%		
Incremental Assessed Value:	369,375,959		59.63%	201,252,797		58.09%	570,628,756	59.09%		

Successor Agency of the City of Rialto  
 Agua Mansa Redevelopment Project  
 New Development  
 Table 5



06/23/15

<u>Real Property Value</u>	<u>SqFt/ Units</u>	<u>Value</u>	<u>Total Value</u>	<u>Less Existing</u>	<u>Total Value</u>		<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	
					<u>Added</u>	<u>Start</u>						<u>Complete</u>
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	Lump Sum	\$0	\$0	\$0		0	0	0	0	0	
	0	Lump Sum	\$0	\$0	\$0		0	0	0	0	0	
	0	Lump Sum	\$0	\$0	\$0		0	0	0	0	0	
Transfers of Non-Single Family Parcels after 1/1/2014	7	Lump Sum	\$8,783,000	(\$6,386,731)	\$2,396		2,396	0	0	0	0	
Transfers of Single Family Parcels after 1/1/2014	1	Lump Sum	<u>\$700,000</u>	<u>(\$110,342)</u>	<u>\$590</u>		590	0	0	0	0	
<b>Total Real Property Value</b>			<b>\$9,483,000</b>	<b>(\$6,497,073)</b>	<b>2,986</b>		<b>2,986</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
						Adj. Annually for Inflation @	2.0%	\$2,986	\$0	\$0	\$0	\$0



# Successor Agency of the City of Rialto

## Gateway Redevelopment Project

### Projection of Incremental Taxable Value & Tax Increment Revenue

(000's Omitted)



6/23/2015

**Table 1**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
<b>Taxable Values (1)</b>										
Real Property (2)	81,270	80,951	82,570	84,222	85,906	87,624	89,377	91,164	92,988	94,847
Personal Property (3)	<u>5,038</u>	<u>5,038</u>	<u>5,038</u>	<u>5,038</u>	<u>5,038</u>	<u>5,038</u>	<u>5,038</u>	<u>5,038</u>	<u>5,038</u>	<u>5,038</u>
<b>Total Projected Value</b>	<b>86,308</b>	<b>85,989</b>	<b>87,608</b>	<b>89,260</b>	<b>90,944</b>	<b>92,662</b>	<b>94,415</b>	<b>96,202</b>	<b>98,025</b>	<b>99,885</b>
<b>Taxable Value over Base</b>	<b>13,124</b>	<b>73,184</b>	<b>72,866</b>	<b>74,485</b>	<b>76,136</b>	<b>77,820</b>	<b>79,539</b>	<b>81,291</b>	<b>83,079</b>	<b>84,902</b>
Gross Tax Increment Revenue (4)	851	847	866	885	905	925	945	966	987	1,009
Unitary Tax Revenue (5)	8	8	8	8	8	8	8	8	8	8
<b>Gross Revenues</b>	<b>859</b>	<b>855</b>	<b>874</b>	<b>893</b>	<b>913</b>	<b>933</b>	<b>953</b>	<b>974</b>	<b>995</b>	<b>1,017</b>
<u>Section 33676 BY Inflationary Adjustments (6)</u>										
County Superintendent of Schools	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
San Bernardino Community College Dist.	(4)	(4)	(4)	(4)	(4)	(5)	(5)	(5)	(5)	(5)
<b>Adjusted Gross Revenues</b>	<b>854</b>	<b>851</b>	<b>869</b>	<b>888</b>	<b>908</b>	<b>927</b>	<b>947</b>	<b>968</b>	<b>989</b>	<b>1,010</b>
<b>LESS:</b>										
SB 2557 Admin. Fee (7)	(4)	(4)	(4)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
County Collection Charge (8)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Housing Set Aside Requirement (9)	(171)	(170)	(174)	(178)	(182)	(185)	(189)	(194)	(198)	(202)
<b>Pass Throughs</b>										
County General Fund (10)	(2)	(12)	(12)	(13)	(13)	(14)	(14)	(15)	(16)	(16)
County Flood Control District (11)	(17)	(17)	(17)	(18)	(18)	(18)	(19)	(19)	(20)	(20)
Colton Unified School District (12)	(29)	(28)	(29)	(30)	(30)	(31)	(32)	(32)	(33)	(34)
Rialto Unified School District (13)	(30)	(30)	(31)	(31)	(32)	(33)	(33)	(34)	(35)	(36)
San Bernardino Vly Municipal Water Dist. (14)	<u>(112)</u>	<u>(111)</u>	<u>(114)</u>	<u>(116)</u>	<u>(119)</u>	<u>(121)</u>	<u>(124)</u>	<u>(127)</u>	<u>(129)</u>	<u>(132)</u>
<b>Tax Revenue</b>	<b>488</b>	<b>476</b>	<b>486</b>	<b>497</b>	<b>507</b>	<b>518</b>	<b>529</b>	<b>540</b>	<b>551</b>	<b>563</b>
<b>Subordinate Obligations</b>										
SB 211 Statutory Tax Sharing Tier 1 (15)	(10)	(9)	(11)	(12)	(14)	(16)	(17)	(19)	(20)	(22)
SB 211 Statutory Tax Sharing Tier 2 (15)	0	0	(1)	(2)	(3)	(4)	(5)	(5)	(6)	(7)
SB 211 Statutory Tax Sharing Tier 3 (15)	0	0	0	0	0	0	0	0	0	0
Enterprise Rent-a-Car OPA Payment (16)	<u>(108)</u>	<u>(108)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Tax Revenue</b>	<b>370</b>	<b>359</b>	<b>475</b>	<b>483</b>	<b>491</b>	<b>499</b>	<b>507</b>	<b>516</b>	<b>524</b>	<b>533</b>

# Successor Agency of the City of Rialto Gateway Redevelopment Project



## Footnotes for Projection of Tax Increment Revenue

6/23/2015

- (1) Taxable values as reported by San Bernardino County.
- (2) Real property consists of land and improvements. Increased for inflation at 1.998% in 2015-16 and at 2% annually thereafter. Values for 2015-16 are decreased by \$2.4 million for projected value loss due to pending assessment appeals. Values for 2015-16 are increased by \$488,102 for 2 transfers of ownership after 1/1/2014.
- (3) Personal property is held constant at 2014-15 level.
- (4) Projected Gross Tax Increment is based upon incremental taxable values factored against an assumed Project tax rate and adjusted for indebtedness approved by voters after 1988. Override rate for San Bernardino Valley Municipal Water District is projected to remain at \$1.1625 per \$100 of taxable value through FY 2034-35 when this tax rate is scheduled to expire. Projections are based on \$1.00 per \$100 of taxable value beginning in FY 2035-36.
- (5) Unitary Revenue is held constant at 2013-14 level.
- (6) Pursuant to HSC Section 33676 these base year adjustment amounts are withheld by the County. Amounts are based on the taxing entities share of general levy revenue derived from inflationary growth on base year real property assessed value.
- (7) SB 2557 Administrative cost is estimated at 0.51% of Gross Revenue.
- (8) County Collection Charge is calculated at 0.25% of general levy tax increment revenue.
- (9) Per ABx1 26, the low and moderate income housing requirement is no longer applicable. Debts secured by Housing Set-Aside funds will hereafter be secured by tax revenues allocable to the Successor Agency. Set-Aside amounts shown are illustrative of amounts available for payment of debt service secured by Housing Set-Aside.
- (10) County of San Bernardino receives its stipulated share (15.5%) of inflationary growth on base year real property value.
- (11) Flood Control District receives its stipulated share (2.3%) of general levy tax increment revenue.
- (12) Colton USD receives 30% of its share (32.27%) of general levy tax revenue net of Housing Set-Aside from the portion of the Project Area (49.88%) contained within the District.
- (13) Rialto USD receives 30% of its share (33.70%) of general levy tax revenue net of housing set-aside from the portion of the Project Area (50.12%) contained within the District.
- (14) San Bernardino Valley Municipal Water District receives its share (2.78%) of general levy tax revenue net of housing set-aside. Additionally, the District receives its share (0.1625%) of debt service override revenue net of housing set-aside.
- (15) The Agency has eliminated the Plan's time limit for incurrence of new debt. The Agency is obligated to make tax sharing payments pursuant to Section 33607.7 of the Law beginning in fiscal year 2006-07 and using Project Area values for 2005-06 as an adjusted base year value. Taxing Entities that do not have existing tax sharing agreements receive their prorated shares of 25% of revenue derived from the incremental increase in value above the adjusted base year value net of Housing Set-Aside. In addition, beginning in 2016-17 and using the project area values of 2015-16 as a second adjusted base year value, tax entities without tax sharing agreements receive their prorated shares of 21% of the revenue derived from the incremental difference increase in value above the second adjusted base year value net of Housing Set-Aside. City may only elect to receive its share of Tier 1 payments.
- (16) The Agency has entered into an Owner's Participation Agreement with Enterprise Rent-a-Car calling for the Agency to reimburse Enterprise for \$861,807 in development costs from tax increment revenues derived from the site including 11% simple interest. Payments will be the lesser of 50% of the amount of sales tax generated by the project or annual payments of \$108,222. The level annual payments have to date been the lesser amount and are projected to remain so. Payments began in 1996-97 and will continue through 2015-16. Payments are subordinated to debt service on any bonded debt.

**Successor Agency of the City of Rialto**

**Gateway Redevelopment Project**

**PROJECTION OF INCREMENTAL VALUE AND TAX INCREMENT REVENUE**

(000s Omitted)



06/23/15

**Table 2**

		Taxable Value		Adjusted Gross Revenue **	County Admin. Charges	Housing Set-Aside	Pass-Throughs Agreements	Tax Revenues	Statutory Tax Sharing Payments		Enterprise OPA Payments	Net Tax Revenue
		Total Taxable Value	Over Base						Tier 1	Tier 2		
1	2014-15	86,308	73,184	854	(6)	(171)	(189)	488	(10)	0	(108)	370
2	2015-16	85,989	72,866	851	(6)	(170)	(198)	476	(9)	0	(108)	359
3	2016-17	87,608	74,485	869	(6)	(174)	(203)	486	(11)	(1)		475
4	2017-18	89,260	76,136	888	(6)	(178)	(207)	497	(12)	(2)		483
5	2018-19	90,944	77,820	908	(7)	(182)	(212)	507	(14)	(3)		491
6	2019-20	92,662	79,539	927	(7)	(185)	(217)	518	(16)	(4)		499
7	2020-21	94,415	81,291	947	(7)	(189)	(222)	529	(17)	(5)		507
8	2021-22	96,202	83,079	968	(7)	(194)	(227)	540	(19)	(5)		516
9	2022-23	98,025	84,902	989	(7)	(198)	(233)	551	(20)	(6)		524
10	2023-24	99,885	86,762	1,010	(7)	(202)	(238)	563	(22)	(7)		533
11	2024-25	101,782	88,659	1,032	(8)	(206)	(244)	574	(24)	(8)		542
12	2025-26	103,717	90,593	1,054	(8)	(211)	(249)	587	(26)	(9)		551
13	2026-27	105,691	92,567	1,077	(8)	(215)	(255)	599	(28)	(11)		561
14	2027-28	107,704	94,580	1,100	(8)	(220)	(261)	611	(29)	(12)		570
15	2028-29	109,757	96,633	1,124	(8)	(225)	(267)	624	(31)	(13)		580
16	2029-30	111,851	98,728	1,148	(8)	(230)	(273)	637	(33)	(14)		590
17	2030-31	113,988	100,864	1,172	(9)	(234)	(279)	650	(35)	(15)		600
18	2031-32	116,167	103,043	1,197	(9)	(239)	(285)	664	(37)	(16)		611
19	2032-33	118,389	105,266	1,223	(9)	(245)	(292)	678	(39)	(17)		621
20	2033-34	120,656	107,533	1,249	(9)	(250)	(298)	692	(41)	(19)		632
21	2034-35	122,969	109,845	1,275	(9)	(255)	(305)	706	(43)	(20)		643
22	2035-36	125,327	112,204	1,139	(9)	(228)	(181)	722	(40)	(18)		663
23	2036-37	127,733	114,609	1,144	(9)	(229)	(170)	737	(41)	(19)		676
				<u>24,145</u>	<u>(176)</u>	<u>(4,829)</u>	<u>(5,504)</u>	<u>13,635</u>	<u>(599)</u>	<u>(223)</u>	<u>(216)</u>	<u>12,597</u>

\*\* Gross Revenue net of Section 33676 BY Inflationary Adjustments

**Successor Agency of the City of Rialto  
Gateway Redevelopment Project**

**Historical Assessed Values**

**Table 3**

	<b>Base Year 1985-86</b>	<b>2005-06</b>	<b>2006-07</b>	<b>Revised Base Year (2007-08)</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
<i>Secured (1)</i>												
Land	18,499,119	26,574,935	28,526,388	10,764,684	28,152,619	28,081,444	28,211,742	27,547,368	28,758,949	29,851,638	30,817,203	30,514,632
Improvements	0	37,322,084	42,790,367	0	57,736,551	46,516,565	46,878,421	47,885,014	46,265,980	45,228,581	45,465,862	46,062,148
Personal Property	0	1,203,112	1,055,278	0	464,417	507,696	188,287	105,533	103,932	92,146	110,060	91,989
Exemptions	0	(216,204)	(220,528)	0	0	(229,438)	(234,027)	(233,472)	(235,230)	(1,902,741)	(1,940,795)	(1,306,404)
<b>Total Secured</b>	<b>18,499,119</b>	<b>64,883,927</b>	<b>72,151,505</b>	<b>10,764,684</b>	<b>86,353,587</b>	<b>74,876,267</b>	<b>75,044,423</b>	<b>75,304,443</b>	<b>74,893,631</b>	<b>73,269,624</b>	<b>74,452,330</b>	<b>75,362,365</b>
<i>Unsecured</i>												
Land	0	0	0	0	0	0	0	0	0	0	0	0
Improvements	2,358,900	6,525,390	6,526,417	2,358,900	6,485,776	7,033,233	6,963,930	6,666,302	6,517,606	7,416,836	7,511,803	5,999,806
Personal Property	0	4,170,740	4,024,113	0	4,035,763	4,082,076	3,489,989	3,529,544	3,917,155	4,130,793	3,709,732	4,956,416
Exemptions	0	0	(15,256)	0	(14,350)	(14,214)	(13,092)	(13,087)	(13,780)	(13,161)	(12,011)	(10,590)
<b>Total Unsecured</b>	<b>2,358,900</b>	<b>10,696,130</b>	<b>10,535,274</b>	<b>2,358,900</b>	<b>10,507,189</b>	<b>11,101,095</b>	<b>10,440,827</b>	<b>10,182,759</b>	<b>10,420,981</b>	<b>11,534,468</b>	<b>11,209,524</b>	<b>10,945,632</b>
<b>GRAND TOTAL</b>	<b>20,858,019</b>	<b>75,580,057</b>	<b>82,686,779</b>	<b>13,123,584</b>	<b>96,860,776</b>	<b>85,977,362</b>	<b>85,485,250</b>	<b>85,487,202</b>	<b>85,314,612</b>	<b>84,804,092</b>	<b>85,661,854</b>	<b>86,307,997</b>
Incremental Value		54,722,038	61,828,760		83,737,192	72,853,778	72,361,666	72,363,618	72,191,028	71,680,508	72,538,270	73,184,413
Percentage Growth		#DIV/0!	12.99%		35.43%	-13.00%	-0.68%	0.00%	-0.24%	-0.71%	1.20%	0.89%

Source: County of San Bernardino

(1) Secured values include state assessed non-unitary utility property.

**Successor Agency of the City of Rialto  
Gateway Redevelopment Project**

**TOP TEN TAXABLE PROPERTY OWNERS**

Fiscal Year 2014-15

**Table 4**



6/23/15

	Secured			Unsecured			Total			Property Uses
	Assessed Value	Parcels	Percentage	Assessed Value	Parcels	Percentage	Assessed Value	% of Project Taxable Value	% of Project Inc. Value	
1. WalMart Realty Company (Pending Appeals On Parcels)	\$15,784,636	5	20.94%	\$1,149,098	1	10.50%	\$16,933,734	19.62%	23.14%	WalMart Retail Store/Vacant Land
2. Rialto Investment Company LLC	\$5,361,400	1	7.11%	\$0	0	0.00%	\$5,361,400	6.21%	7.33%	Days Inn Hotel
3. Warren Family Bypass Trust	\$3,749,149	3	4.97%	\$375,745	1	3.43%	\$4,124,894	4.78%	5.64%	Industrial Storage Warehouse
4. Opine Rialto LLC	\$3,827,297	2	5.08%	\$0	0	0.00%	\$3,827,297	4.43%	5.23%	Retail Commercial Center
5. K and L Dirt Company LC (Pending Appeals On Parcels)	\$3,235,840	3	4.29%	\$0	0	0.00%	\$3,235,840	3.75%	4.42%	Industrial Distribution Warehouse
6. Sherin Amin	\$2,911,157	4	3.86%	\$0	0	0.00%	\$2,911,157	3.37%	3.98%	Commercial Trucking
7. West Colton Rail Terminal LLC	\$0	0	0.00%	\$2,698,338	1	24.65%	\$2,698,338	3.13%	3.69%	Unsecured Business Property (Rail)
8. Rialto Covenant Group LP (Pending Appeals On Parcels)	\$2,495,054	2	3.31%	\$0	0	0.00%	\$2,495,054	2.89%	3.41%	Retail Commercial Center
9. Golden Tower Properties LLC	\$2,470,848	2	3.28%	\$0	0	0.00%	\$2,470,848	2.86%	3.38%	Retail Commercial Center
10. Ensman Enterprises LLC	\$2,376,845	2	3.15%	\$0	0	0.00%	\$2,376,845	2.75%	3.25%	Light Industrial Manufacturing
Totals:	\$42,212,226	24		\$4,223,181	3		\$46,435,407			
Total Assessed Values:	\$75,362,365		56.01%	\$10,945,632		38.58%	\$86,307,997		53.80%	
Incremental Assessed Value:	64,597,681		65.35%	8,586,732		49.18%	73,184,413		63.45%	

**Successor Agency of the City of Rialto  
Gateway Redevelopment Project**

New Development  
Table 5



6/23/15

<u>Real Property Value</u>	<u>SqFt/ Units</u>	<u>Value</u>	<u>Total Value</u>	<u>Less Existing</u>	<u>Total Value</u>		<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	
					<u>Added</u>	<u>Start</u> <u>Complete</u>						
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
Transfers of Non-Single Family Parcels after 1/1/2014	1	Lump Sum	\$825,000	(\$577,611)	\$247		247	0	0	0	0	
Transfers of Single Family Parcels after 1/1/2014	1	Lump Sum	<u>\$375,000</u>	<u>(\$134,287)</u>	<u>\$241</u>		241	0	0	0	0	
<b>Total Real Property Value</b>			<b>\$1,200,000</b>	<b>(\$711,898)</b>	<b>488</b>		<b>488</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
						Adj. Annually for Inflation @	2.0%	\$488	\$0	\$0	\$0	\$0

000's omitted

**Successor Agency of the City of Rialto  
Central Business District Redevelopment Project**



**Projection of Incremental Taxable Value & Tax Increment Revenue**

(000's Omitted)

6/23/2015

**Table 1**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
<b>Taxable Values (1)</b>										
Real Property (2)	171,498	176,621	180,153	183,756	187,432	191,180	195,004	198,904	202,882	206,940
Personal Property (3)	<u>11,075</u>	<u>11,075</u>	<u>11,075</u>	<u>11,075</u>	<u>11,075</u>	<u>11,075</u>	<u>11,075</u>	<u>11,075</u>	<u>11,075</u>	<u>11,075</u>
<b>Total Projected Value</b>	<b>182,573</b>	<b>187,696</b>	<b>191,228</b>	<b>194,831</b>	<b>198,506</b>	<b>202,255</b>	<b>206,079</b>	<b>209,979</b>	<b>213,957</b>	<b>218,015</b>
<b>Taxable Value over Base</b>	<b>82,751</b>	<b>99,822</b>	<b>104,945</b>	<b>108,478</b>	<b>112,081</b>	<b>115,756</b>	<b>119,504</b>	<b>123,328</b>	<b>127,228</b>	<b>131,206</b>
Gross Tax Increment Revenue (4)	1,160	1,220	1,261	1,303	1,346	1,389	1,434	1,479	1,525	1,572
Unitary Tax Revenue (5)	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
<b>Gross Revenues</b>	<b>1,167</b>	<b>1,227</b>	<b>1,268</b>	<b>1,310</b>	<b>1,353</b>	<b>1,396</b>	<b>1,441</b>	<b>1,486</b>	<b>1,532</b>	<b>1,579</b>
<b>LESS:</b>										
SB 2557 Admin. Fee (6)	(5)	(5)	(5)	(6)	(6)	(6)	(6)	(6)	(6)	(7)
County Collection Charge (7)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
Housing Set Aside Requirement (8)	(233)	(245)	(254)	(262)	(271)	(279)	(288)	(297)	(306)	(316)
<b>Pass Throughs</b>										
County General Fund (9)	(31)	(32)	(33)	(35)	(36)	(37)	(38)	(39)	(40)	(42)
County Flood Control District (9)	(23)	(25)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
County Free Library (9)	(12)	(13)	(13)	(13)	(14)	(14)	(15)	(15)	(16)	(16)
San Bernardino Vly Municipal Water Dist. (10)	<u>(162)</u>	<u>(171)</u>	<u>(176)</u>	<u>(182)</u>	<u>(188)</u>	<u>(194)</u>	<u>(200)</u>	<u>(207)</u>	<u>(213)</u>	<u>(220)</u>
<b>Tax Revenue</b>	<b>698</b>	<b>734</b>	<b>758</b>	<b>783</b>	<b>809</b>	<b>835</b>	<b>861</b>	<b>888</b>	<b>916</b>	<b>944</b>
<b>Subordinate Obligations</b>										
SB 211 Statutory Tax Sharing Tier 1 (11)	(7)	(11)	(14)	(16)	(19)	(22)	(25)	(28)	(31)	(34)
SB 211 Statutory Tax Sharing Tier 2 (11)	0	0	0	0	0	0	0	0	(2)	(3)
County Superintendent of Schools (12)	(2)	(2)	(2)	(2)	(2)	(3)	(3)	(3)	(3)	(3)
San Bernardino Community College Dist. (13)	(11)	(11)	(12)	(12)	(13)	(13)	(13)	(14)	(14)	(15)
Rialto Unified School District (14)	<u>(68)</u>	<u>(71)</u>	<u>(74)</u>	<u>(76)</u>	<u>(79)</u>	<u>(81)</u>	<u>(84)</u>	<u>(86)</u>	<u>(89)</u>	<u>(92)</u>
<b>Net Tax Revenue</b>	<b>610</b>	<b>638</b>	<b>657</b>	<b>676</b>	<b>696</b>	<b>716</b>	<b>737</b>	<b>758</b>	<b>778</b>	<b>798</b>

- (1) Taxable values as reported by San Bernardino County.
- (2) Real property consists of land and improvements. Increased for inflation at 1.998% in 2015-16 and at 2% annually thereafter. Values for 2015-16 are increased by \$2.4 million due to 34 transfers of ownership after 1/1/2014 and decreased by \$699,398 for projected value loss due to pending assessment appeals.
- (3) Personal property is held constant at 2014-15 level.
- (4) Projected Gross Tax Increment is based upon incremental taxable values factored against an assumed Project tax rate and adjusted for indebtedness approved by voters after 1988. Override rate for San Bernardino Valley Municipal Water District is projected to remain at \$1.1625 per \$100 of taxable value through FY 2034-35 when this tax rate is scheduled to expire. Projections are based on \$1.00 per \$100 of taxable value beginning in FY 2035-36.
- (5) Unitary Revenue is held constant at 2013-14 level.
- (6) SB 2557 Administrative cost is estimated at 0.42% of Gross Revenue.
- (7) County Collection Charge is calculated at 0.25% of general levy tax increment revenue.
- (8) Per ABx1 26, the low and moderate income housing requirement is no longer applicable. Debts secured by Housing Set-Aside funds will hereafter be secured by tax revenues allocable to the Successor Agency. Set-Aside amounts shown are illustrative of amounts available for payment of debt service secured by Housing Set-Aside.
- (9) San Bernardino Co. (15.33%) receives 25% of its share of general levy tax increment revenue net of Housing Set-Aside. Flood Control (2.91%) and Free Library (1.48%) receive their entire shares of general levy tax increment revenue net of Housing Set-Aside.
- (10) San Bernardino Valley Municipal Water District receives all revenues generated by its voter approved indebtedness rate (0.1625%).
- (11) The Agency has eliminated the Plan's time limit for incurrence of new debt. The Agency is obligated to make tax sharing payments pursuant to Section 33607.7 of the Law beginning in fiscal year 2011-12 and using Project Area values for 2010-11 as an adjusted base year value. Due to negative tax increment in 2011-12, statutory tax sharing is projected to begin in 2012-13. Taxing Entities that do not have existing tax sharing agreements receive their prorated shares of 25% of revenue derived from the incremental increase in value above the adjusted base year value net of Housing Set-Aside. In addition, beginning in 2021-22 and using the Project Area values of 2020-21 as a second adjusted base year value, tax entities without tax sharing agreements receive their prorated shares of 21% of the revenue derived from the incremental difference increase in value above the second adjusted base year value net of Set-Aside. The City may elect to receive its share of the first tier of statutory tax sharing payments.
- (12) County Superintendent of Schools receives 25% of its share (1.04%) of general levy tax increment revenue net of Housing Set-Aside. Payments are subordinate to Agency bonded indebtedness.
- (13) San Bernardino Community College District receives 25% of its share (5.39%) of general levy tax increment revenue net of Housing Set-Aside. Payments are subordinate to Agency bonded indebtedness.
- (14) Rialto Unified School District receives 25% of its share (33.74%) of general levy tax increment revenue net of Housing Set-Aside. Payments are subordinate to Agency bonded indebtedness.

**Successor Agency of the City of Rialto**  
**Central Business District Redevelopment Project**  
**PROJECTION OF INCREMENTAL VALUE AND TAX INCREMENT REVENUE**  
(000s Omitted)  
**Table 2**

		<b>Taxable Value</b>	<b>Gross Tax</b>	<b>County Admin.</b>	<b>Housing</b>	<b>Pass-Throughs</b>	<b>Tax</b>	<b>Statutory Tax Sharing Payments</b>		<b>Subordinate</b>
	<b>Total</b>	<b>Over Base</b>	<b>Revenue</b>	<b>Charges</b>	<b>Set-Aside</b>	<b>Agreements</b>	<b>Revenues</b>	<b>Tier 1</b>	<b>Tier 2</b>	<b>Pass-Through</b>
	<b>Taxable Value</b>	<b>82,751</b>								<b>Agreements</b>
1	2014-15	182,573	1,167	(7)	(233)	(228)	698	(7)	0	(81)
2	2015-16	187,696	1,227	(8)	(245)	(240)	734	(11)	0	(85)
3	2016-17	191,228	1,268	(8)	(254)	(248)	758	(14)	0	(88)
4	2017-18	194,831	1,310	(8)	(262)	(256)	783	(16)	0	(91)
5	2018-19	198,506	1,353	(9)	(271)	(265)	809	(19)	0	(94)
6	2019-20	202,255	1,396	(9)	(279)	(273)	835	(22)	0	(97)
7	2020-21	206,079	1,441	(9)	(288)	(282)	861	(25)	0	(100)
8	2021-22	209,979	1,486	(9)	(297)	(291)	888	(28)	0	(103)
9	2022-23	213,957	1,532	(10)	(306)	(300)	916	(31)	(2)	(106)
10	2023-24	218,015	1,579	(10)	(316)	(309)	944	(34)	(3)	(109)
11	2024-25	222,153	1,628	(10)	(326)	(319)	973	(37)	(5)	(113)
12	2025-26	226,375	1,677	(11)	(335)	(328)	1,002	(40)	(6)	(116)
13	2026-27	230,681	1,727	(11)	(345)	(338)	1,032	(43)	(8)	(119)
14	2027-28	235,073	1,778	(11)	(356)	(348)	1,063	(46)	(10)	(123)
15	2028-29	239,553	1,830	(12)	(366)	(359)	1,094	(50)	(12)	(127)
16	2029-30	244,123	1,883	(12)	(377)	(369)	1,125	(53)	(13)	(130)
17	2030-31	248,783	1,937	(12)	(387)	(380)	1,158	(57)	(15)	(134)
18	2031-32	253,538	1,992	(13)	(398)	(390)	1,191	(60)	(17)	(138)
19	2032-33	258,387	2,049	(13)	(410)	(402)	1,224	(64)	(19)	(142)
20	2033-34	263,333	2,106	(13)	(421)	(413)	1,259	(68)	(21)	(146)
21	2034-35	268,378	2,165	(14)	(433)	(424)	1,294	(71)	(23)	(150)
22	2035-36	273,524	1,935	(13)	(387)	(146)	1,389	(65)	(21)	(154)
23	2036-37	278,773	1,967	(13)	(393)	(130)	1,431	(68)	(23)	(158)
24	2037-38	284,127	2,021	(14)	(404)	(133)	1,470	(71)	(25)	(162)
25	2038-39	289,588	2,075	(14)	(415)	(137)	1,510	(75)	(27)	(167)
26	2039-40	295,159	2,131	(14)	(426)	(140)	1,550	(79)	(29)	(171)
27	2040-41	300,840	2,188	(15)	(438)	(144)	1,592	(82)	(31)	(176)
			<b>46,848</b>	<b>(303)</b>	<b>(9,370)</b>	<b>(7,593)</b>	<b>29,582</b>	<b>(1,235)</b>	<b>(309)</b>	<b>(3,377)</b>



**Successor Agency of the City of Rialto  
Central Business District Redevelopment Project**



Historical Taxable Value  
Table 3

06/23/15

	<b>Base Year 1989-90</b>	<b>2005-06</b>	<b>2006-07</b>	<b>Revised Base Year (2007-08)</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
<i>Secured (1)</i>												
Land	69,589,157	44,284,512	49,790,990	69,596,032	57,955,635	62,495,172	55,126,917	50,471,532	50,158,813	50,901,185	52,174,603	54,552,296
Impts	0	103,615,952	122,591,664	0	139,834,963	144,955,325	133,087,776	120,833,872	119,288,799	119,645,007	122,339,572	128,513,336
Pers Prop	0	65,900	73,913	0	61,989	61,532	66,033	69,952	33,240	38,288	29,446	35,124
Exemptions	0	(7,876,511)	(7,351,631)	0	(8,382,988)	(14,977,949)	(19,810,436)	(19,805,045)	(19,852,109)	(20,247,793)	(20,695,884)	(20,995,948)
<b>Total Secured</b>	<b>69,589,157</b>	<b>140,089,853</b>	<b>165,104,936</b>	<b>69,596,032</b>	<b>189,469,599</b>	<b>192,534,080</b>	<b>168,470,290</b>	<b>151,570,311</b>	<b>149,628,743</b>	<b>150,336,687</b>	<b>153,847,737</b>	<b>162,104,808</b>
<i>Unsecured</i>												
Land	0	0	0	0	0	0	0	0	0	0	0	0
Impts	13,154,627	5,470,081	5,643,005	13,154,627	7,705,267	9,222,111	10,529,062	7,921,972	7,701,040	6,436,347	9,885,411	9,428,125
Pers Prop	0	15,737,245	16,598,824	0	13,462,216	15,022,037	16,705,924	13,348,156	14,178,032	12,954,622	11,161,003	11,039,744
Exemptions	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Unsecured</b>	<b>13,154,627</b>	<b>21,207,326</b>	<b>22,241,829</b>	<b>13,154,627</b>	<b>21,167,483</b>	<b>24,244,148</b>	<b>27,234,986</b>	<b>21,270,128</b>	<b>21,879,072</b>	<b>19,390,969</b>	<b>21,046,414</b>	<b>20,467,869</b>
<b>GRAND TOTAL</b>	<b>82,743,784</b>	<b>161,297,179</b>	<b>187,346,765</b>	<b>82,750,659</b>	<b>210,637,082</b>	<b>216,778,228</b>	<b>195,705,276</b>	<b>172,840,439</b>	<b>171,507,815</b>	<b>169,727,656</b>	<b>174,894,151</b>	<b>182,572,677</b>
Incremental Value		78,553,395	104,602,981		127,886,423	134,027,569	112,954,617	90,089,780	88,757,156	86,976,997	92,143,492	99,822,018
Percentage Growth			33.16%		22.26%	4.80%	-15.72%	-20.24%	-1.48%	-2.01%	5.94%	8.33%

Source: County of San Bernardino

(1) Secured values include state assessed non-unitary utility property.

**Successor Agency of the City of Rialto  
Central Business District Redevelopment Project**

**TOP TEN TAXABLE PROPERTY OWNERS**

Fiscal Year 2014-15

**Table 4**



06/23/15

	Secured			Unsecured			Total			Property Uses
	Assessed Value	Parcels	Percentage	Assessed Value	Parcels	Percentage	Assessed Value	% of Project Taxable Value	% of Project Inc. Value	
1. Time Warner NY Cabel LLC	\$1,128,000	1	0.70%	\$5,250,095	1	25.65%	\$6,378,095	3.49%	6.39%	Cable Television Facilities
2. MHC-Parque La Quinta LP	\$5,956,908	1	3.67%	\$0	0	0.00%	\$5,956,908	3.26%	5.97%	Residential Mobile Home Park
3. Cubesmart LP	\$3,605,294	2	2.22%	\$34,491	1	0.17%	\$3,639,785	1.99%	3.65%	Commercial Mini-Storage
4. Securities Real Estate Fund 2012 LLC <small>(Pending Appeals On Parcels)</small>	\$3,575,961	4	2.21%	\$0	0	0.00%	\$3,575,961	1.96%	3.58%	Commercial Mini-Storage
5. JP Morgan Chase Bank National Assoc.	\$2,373,916	5	1.46%	\$337,328	2	1.65%	\$2,711,244	1.49%	2.72%	Commercial Bank/Parking
6. Rialto Garden Apartments	\$2,637,000	5	1.63%	\$0	0	0.00%	\$2,637,000	1.44%	2.64%	Residential Apartments
7. Bloom Energy 2009 PPA Project Co	\$0	0	0.00%	\$2,454,127	1	11.99%	\$2,454,127	1.34%	2.46%	Unsecured - Solar Energy
8. Edward M. Palmer	\$2,287,792	17	1.41%	\$38,059	3	0.19%	\$2,325,851	1.27%	2.33%	Commercial/Residential/Misc. Land Uses
9. Directv LLC	\$0	0	0.00%	\$1,994,741	1	9.75%	\$1,994,741	1.09%	2.00%	Unsecured - Satellite TV
10. Rialto Pockets Properties Inc.	\$1,497,345	2	0.92%	\$296,582	1	1.45%	\$1,793,927	0.98%	1.80%	Retail Commercial Center
Totals:	\$23,062,216	37		\$10,405,423	10		\$33,467,639			
Total Assessed Values:	\$162,104,808		14.23%	\$20,467,869		50.84%	\$182,572,677	18.33%		
Incremental Assessed Value:	92,508,776		24.93%	7,313,242		142.28%	99,822,018	33.53%		

Successor Agency of the City of Rialto  
 Central Business District Redevelopment Project  
 New Development  
 Table 5



06/23/15

<u>Real Property Value</u>	<u>SqFt/ Units</u>	<u>Value</u>	<u>Total Value</u>	<u>Less Existing</u>	<u>000's omitted Total Value</u>		<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	
					<u>Added</u>	<u>Start</u>						<u>Complete</u>
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0.00	\$0	\$0	\$0		0	0	0	0	0	
Transfers of Non-Single Family Parcels after 1/1/2014	8	Lump Sum	\$1,943,000	(\$1,349,703)	\$593		593	0	0	0	0	
Transfers of Single Family Parcels after 1/1/2014	26	Lump Sum	<u>\$4,791,500</u>	<u>(\$2,974,774)</u>	<u>\$1,817</u>		1,817	0	0	0	0	
<b>Total Real Property Value</b>			<b>\$6,734,500</b>	<b>(\$4,324,477)</b>	<b>2,410</b>		<b>2,410</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
						Adj. Annually for Inflation @	2.0%	\$2,410	\$0	\$0	\$0	\$0

**Successor Agency of the City of Rialto  
Added Territory Project Area**



**Projection of Incremental Taxable Value & Tax Increment Revenue**

(000's Omitted)

6/23/2015

**Table 1**

	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
<b>Taxable Values (1)</b>										
Real Property (2)	1,528,698	1,561,142	1,592,365	1,624,212	1,656,696	1,689,830	1,723,627	1,758,099	1,793,261	1,829,127
Personal Property (3)	<u>93,442</u>	<u>93,442</u>	<u>93,442</u>	<u>93,442</u>	<u>93,442</u>	<u>93,442</u>	<u>93,442</u>	<u>93,442</u>	<u>93,442</u>	<u>93,442</u>
<b>Total Projected Value</b>	<b>1,622,140</b>	<b>1,654,584</b>	<b>1,685,807</b>	<b>1,717,654</b>	<b>1,750,138</b>	<b>1,783,272</b>	<b>1,817,069</b>	<b>1,851,541</b>	<b>1,886,703</b>	<b>1,922,568</b>
<b>Taxable Value over Base</b>	<b>478,615</b>	<b>1,143,524</b>	<b>1,175,968</b>	<b>1,207,191</b>	<b>1,239,038</b>	<b>1,271,523</b>	<b>1,304,657</b>	<b>1,338,453</b>	<b>1,372,926</b>	<b>1,443,953</b>
Gross Tax Increment Revenue (4)	12,835	13,178	13,528	13,885	14,249	14,620	14,999	15,385	15,779	16,181
Unitary Tax Revenue (5)	<u>47</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>47</u>
<b>Gross Revenues</b>	<b>12,882</b>	<b>13,225</b>	<b>13,575</b>	<b>13,931</b>	<b>14,295</b>	<b>14,667</b>	<b>15,045</b>	<b>15,432</b>	<b>15,826</b>	<b>16,228</b>
<b>LESS:</b>										
SB 2557 Admin. Fee (6)	(67)	(68)	(70)	(72)	(74)	(76)	(78)	(80)	(82)	(84)
County Collection Charge (7)	(29)	(30)	(30)	(31)	(32)	(33)	(34)	(34)	(35)	(36)
Housing Set Aside Requirement (8)	<u>(2,576)</u>	<u>(2,645)</u>	<u>(2,715)</u>	<u>(2,786)</u>	<u>(2,859)</u>	<u>(2,933)</u>	<u>(3,009)</u>	<u>(3,086)</u>	<u>(3,165)</u>	<u>(3,246)</u>
<b>Tax Revenues</b>	<b>10,210</b>	<b>10,482</b>	<b>10,759</b>	<b>11,042</b>	<b>11,331</b>	<b>11,625</b>	<b>11,925</b>	<b>12,231</b>	<b>12,544</b>	<b>12,862</b>
<b>Subordinate Pass Throughs</b>										
AB 1290 Statutory Tax Sharing Tier 1 (9)	(2,576)	(2,645)	(2,715)	(2,786)	(2,859)	(2,933)	(3,009)	(3,086)	(3,165)	(3,246)
AB 1290 Statutory Tax Sharing Tier 2 (9)	(442)	(503)	(562)	(622)	(683)	(745)	(809)	(874)	(940)	(1,008)
AB 1290 Statutory Tax Sharing Tier 3 (9)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net Tax Revenues</b>	<b><u>7,192</u></b>	<b><u>7,334</u></b>	<b><u>7,482</u></b>	<b><u>7,634</u></b>	<b><u>7,788</u></b>	<b><u>7,946</u></b>	<b><u>8,107</u></b>	<b><u>8,271</u></b>	<b><u>8,438</u></b>	<b><u>8,609</u></b>

- (1) Taxable values as reported by San Bernardino County.
- (2) Real property consists of land and improvements. Increased for inflation at 1.998% in 2015-16 and at 2% annually thereafter. Values for 2015-16 are increased by \$31 million due to 145 transfers of ownership after 1/1/2014 and decreased by \$28.6 million for projected value loss due to pending assessment appeals.
- (3) Personal property is held constant at 2014-15 level.
- (4) Projected Gross Tax Increment is based upon incremental taxable values factored against an assumed Project tax rate and adjusted for indebtedness approved by voters after 1988. Override rates for San Bernardino Valley Municipal Water District and Metropolitan Water District are projected to remain at their current tax rates per \$100 of taxable value through FY 2034-35 when both tax rates are scheduled to expire. Projections are based on \$1.00 per \$100 of taxable value beginning in FY 2035-36.
- (5) Unitary Revenue is held constant at 2013-14 level.
- (6) SB 2557 Administrative cost is estimated at 0.52% of Gross Revenue.
- (7) County Collection Charge is calculated at 0.25% of general levy tax increment revenue.
- (8) Per ABx1 26, the low and moderate income housing requirement is no longer applicable. Debts secured by Housing Set-Aside funds will hereafter be secured by tax revenues allocable to the Successor Agency. Set-Aside amounts shown are illustrative of amounts available for payment of debt service secured by Housing Set-Aside.
- (9) All Taxing Entities receive their shares of 25% of total tax increment revenue net of Housing Set-Aside. In addition, after year 10, Taxing Entities receive 21% of tax revenue on incremental value above the year 10 value net of Housing Set-Aside. After year 30, Taxing Entities also receive 14% of tax revenue on incremental value above the year 30 value net of Housing Set-Aside. The City of Rialto may elect to receive its share of the first Tier of tax sharing but is not permitted to participate in the pass through from Tiers 2 and 3.

# Successor Agency of the City of Rialto

## Added Territory Project Area

### PROJECTION OF INCREMENTAL VALUE AND TAX INCREMENT REVENUE

(000s Omitted)

Table 2



06/23/15

		Taxable Value		Gross Tax Revenue	County Admin. Charges	Housing Set-Aside	Tax Revenues	Statutory Tax Sharing Payments			Net Tax Revenues
		Total Taxable Value	Over Base					Tier 1	Tier 2	Tier 3	
1	2014-15	1,622,140	1,143,524	12,882	(95)	(2,576)	10,210	(2,576)	(442)	0	7,192
2	2015-16	1,654,584	1,175,968	13,225	(98)	(2,645)	10,482	(2,645)	(503)	0	7,334
3	2016-17	1,685,807	1,207,191	13,575	(100)	(2,715)	10,759	(2,715)	(562)	0	7,482
4	2017-18	1,717,654	1,239,038	13,931	(103)	(2,786)	11,042	(2,786)	(622)	0	7,634
5	2018-19	1,750,138	1,271,523	14,295	(106)	(2,859)	11,331	(2,859)	(683)	0	7,788
6	2019-20	1,783,272	1,304,657	14,667	(109)	(2,933)	11,625	(2,933)	(745)	0	7,946
7	2020-21	1,817,069	1,338,453	15,045	(111)	(3,009)	11,925	(3,009)	(809)	0	8,107
8	2021-22	1,851,541	1,372,926	15,432	(114)	(3,086)	12,231	(3,086)	(874)	0	8,271
9	2022-23	1,886,703	1,408,088	15,826	(117)	(3,165)	12,544	(3,165)	(940)	0	8,438
10	2023-24	1,922,568	1,443,953	16,228	(120)	(3,246)	12,862	(3,246)	(1,008)	0	8,609
11	2024-25	1,959,151	1,480,536	16,638	(123)	(3,328)	13,187	(3,328)	(1,076)	0	8,783
12	2025-26	1,996,465	1,517,850	17,056	(126)	(3,411)	13,518	(3,411)	(1,147)	0	8,960
13	2026-27	2,034,526	1,555,910	17,482	(129)	(3,496)	13,856	(3,496)	(1,218)	0	9,142
14	2027-28	2,073,347	1,594,732	17,917	(133)	(3,583)	14,201	(3,583)	(1,291)	0	9,326
15	2028-29	2,112,945	1,634,330	18,361	(136)	(3,672)	14,553	(3,672)	(1,366)	0	9,515
16	2029-30	2,153,335	1,674,720	18,814	(139)	(3,763)	14,912	(3,763)	(1,442)	0	9,707
17	2030-31	2,194,533	1,715,918	19,275	(143)	(3,855)	15,278	(3,855)	(1,520)	0	9,903
18	2031-32	2,236,555	1,757,940	19,746	(146)	(3,949)	15,651	(3,949)	(1,599)	0	10,103
19	2032-33	2,279,417	1,800,802	20,227	(150)	(4,045)	16,032	(4,045)	(1,679)	0	10,307
20	2033-34	2,323,137	1,844,521	20,716	(153)	(4,143)	16,420	(4,143)	(1,762)	(55)	10,460
21	2034-35	2,367,731	1,889,115	21,216	(157)	(4,243)	16,816	(4,243)	(1,846)	(111)	10,616
22	2035-36	2,413,217	1,934,601	19,629	(150)	(3,926)	15,553	(3,926)	(1,723)	(150)	9,754
23	2036-37	2,459,612	1,980,997	19,857	(152)	(3,971)	15,733	(3,971)	(1,801)	(202)	9,759
24	2037-38	2,506,936	2,028,320	20,330	(156)	(4,066)	16,108	(4,066)	(1,881)	(255)	9,906
25	2038-39	2,555,205	2,076,590	20,813	(160)	(4,163)	16,491	(4,163)	(1,962)	(309)	10,057
26	2039-40	2,604,441	2,125,825	21,305	(163)	(4,261)	16,881	(4,261)	(2,045)	(364)	10,211
27	2040-41	2,654,661	2,176,045	21,807	(167)	(4,361)	17,279	(4,361)	(2,129)	(420)	10,368
28	2041-42	2,705,885	2,227,270	22,320	(171)	(4,464)	17,684	(4,464)	(2,215)	(478)	10,528
29	2042-43	2,758,134	2,279,518	22,842	(175)	(4,568)	18,098	(4,568)	(2,303)	(536)	10,691
30	2043-44	2,811,428	2,332,812	23,375	(179)	(4,675)	18,521	(4,675)	(2,392)	(596)	10,857
31	2044-45	2,865,787	2,387,172	23,919	(183)	(4,784)	18,951	(4,784)	(2,484)	(657)	11,027
32	2045-46	2,921,234	2,442,619	24,473	(188)	(4,895)	19,391	(4,895)	(2,577)	(719)	11,200
33	2046-47	2,977,790	2,499,175	25,039	(192)	(5,008)	19,839	(5,008)	(2,672)	(782)	11,377
34	2047-48	3,035,477	2,556,862	25,615	(196)	(5,123)	20,296	(5,123)	(2,769)	(847)	11,557
				<b>643,877</b>	<b>(4,844)</b>	<b>(128,775)</b>	<b>510,258</b>	<b>(128,775)</b>	<b>(52,088)</b>	<b>(6,480)</b>	<b>322,915</b>

# Successor Agency of the City of Rialto

## Added Territory Project Area

### Historical Taxable Value

Table 3



06/23/15

	<b>Base Year 2001-02</b>	<b>2005-06</b>	<b>2003-04 (2)</b>	<b>2004-05 (3)</b>	<b>2008-09</b>	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
<i>Secured (1)</i>											
Land	442,056,388	255,638,809	311,106,472	406,215,048	461,650,704	451,906,064	416,342,242	419,024,797	411,788,225	434,378,239	477,918,180
Impts	0	477,760,432	657,083,584	788,686,029	969,179,345	884,606,114	851,628,573	875,615,210	887,600,682	925,020,096	1,044,703,118
Pers Prop	0	625,275	569,850	615,478	508,884	520,002	478,527	0	0	0	0
Exemptions	0	(32,326,887)	(34,729,674)	(35,467,662)	(35,659,783)	(35,817,139)	(37,523,585)	(65,241,561)	(70,210,071)	(84,787,302)	(85,356,655)
<b>Total Secured</b>	<b>442,056,388</b>	<b>701,697,629</b>	<b>934,030,232</b>	<b>1,160,048,893</b>	<b>1,395,679,150</b>	<b>1,301,215,041</b>	<b>1,230,925,757</b>	<b>1,229,398,446</b>	<b>1,229,178,836</b>	<b>1,274,611,033</b>	<b>1,437,264,643</b>
<i>Unsecured</i>											
Land	0	0	0	0	0	0	0	0	0	0	0
Impts	0	19,549,982	31,079,079	42,675,183	54,674,235	56,592,422	50,929,586	50,648,839	87,745,620	70,558,357	91,433,170
Pers Prop	36,559,085	29,964,419	27,893,091	69,880,877	81,775,077	84,749,363	76,539,008	70,957,781	70,786,111	68,811,677	93,801,892
Exemptions	0	(297,509)	(10,985)	(77,197)	(326,292)	(390,293)	(381,090)	(348,477)	(370,078)	(386,881)	(359,936)
<b>Total Unsecured</b>	<b>36,559,085</b>	<b>49,216,892</b>	<b>58,961,185</b>	<b>112,478,863</b>	<b>136,123,020</b>	<b>140,951,492</b>	<b>127,087,504</b>	<b>121,258,143</b>	<b>158,161,653</b>	<b>138,983,153</b>	<b>184,875,126</b>
<b>GRAND TOTAL</b>	<b>478,615,473</b>	<b>750,914,521</b>	<b>992,991,417</b>	<b>1,272,527,756</b>	<b>1,531,802,170</b>	<b>1,442,166,533</b>	<b>1,358,013,261</b>	<b>1,350,656,589</b>	<b>1,387,340,489</b>	<b>1,413,594,186</b>	<b>1,622,139,769</b>
Incremental Value		272,299,048	514,375,944	793,912,283	1,053,186,697	963,551,060	879,397,788	872,041,116	908,725,016	934,978,713	1,143,524,296
Percentage Growth			32.24%	28.15%	20.37%	-5.85%	-5.84%	-0.54%	2.72%	1.89%	14.75%

Source: County of San Bernardino

(1) Secured values include state assessed non-unitary utility property.

**Successor Agency of the City of Rialto**

**Added Territory Project Area**

**TOP TEN TAXABLE PROPERTY OWNERS**

Fiscal Year 2014-15

**Table 4**



06/23/15

	Secured			Unsecured			Total			Property Uses
	Assessed Value	Parcels	Percentage	Assessed Value	Parcels	Percentage	Assessed Value	% of Project Taxable Value	% of Project Inc. Value	
1. Target Corporation	\$186,640,558	16	12.99%	\$69,716,071	2	37.71%	\$256,356,629	15.80%	22.42%	Industrial Distribution Warehouse
2. Prologis-MacQuarie US LLC (Pending Appeals On Parcels)	\$182,391,512	18	12.69%	\$0	0	0.00%	\$182,391,512	11.24%	15.95%	Industrial Distribution Warehouse
3. Teachers Insurance and Annuity Assoc.	\$109,243,725	2	7.60%	\$0	0	0.00%	\$109,243,725	6.73%	9.55%	Industrial Distribution Warehouse
4. I-210 Logistics Center Fund X LLC	\$42,688,657	9	2.97%	\$0	0	0.00%	\$42,688,657	2.63%	3.73%	Industrial Warehouse/Vacant Land
5. Under Armour Inc.	\$0	0	0.00%	\$20,683,710	2	11.19%	\$20,683,710	1.28%	1.81%	Athletic Clothing Distribution Center
6. Rialto Industrial Center Inc.	\$17,008,871	3	1.18%	\$0	0	0.00%	\$17,008,871	1.05%	1.49%	Industrial Distribution Warehouse
7. LBA Realty Fund III Company IV-E LLC (Pending Appeals On Parcels)	\$14,100,000	1	0.98%	\$0	0	0.00%	\$14,100,000	0.87%	1.23%	Industrial Distribution Warehouse
8. Living Spaces Furniture LLC]	\$0	0	0.00%	\$13,369,694	2	7.23%	\$13,369,694	0.82%	1.17%	Furniture Warehouse/Distribution
9. EMS Family LP	\$13,235,146	1	0.92%	\$0	0	0.00%	\$13,235,146	0.82%	1.16%	Retail Commercial Center
10. Rialto Properties I (Pending Appeals On Parcels)	\$11,890,210	9	0.83%	\$0	0	0.00%	\$11,890,210	0.73%	1.04%	Retail Commercial Center
Totals:	\$577,198,679	59		\$103,769,475	6		\$680,968,154			
Total Assessed Values:	\$1,437,264,643		40.16%	\$184,875,126		56.13%	\$1,622,139,769	41.98%		
Incremental Assessed Value:	995,208,255		58.00%	148,316,041		69.97%	1,143,524,296	59.55%		

Successor Agency of the City of Rialto  
 Added Territory Project Area  
 New Development  
 Table 5



06/23/15

<u>Real Property Value</u>	<u>SqFt/ Units</u>	<u>Value</u>	<u>Total Value</u>	<u>Less Existing</u>	<u>Total Value</u>		<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	
					<u>Added</u>	<u>Start</u>						<u>Complete</u>
	0	\$0	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0	\$0	\$0	\$0		0	0	0	0	0	
	0	\$0	\$0	\$0	\$0		0	0	0	0	0	
Transfers of Non-Single Family Parcels after 1/1/2014	30	Lump Sum	\$38,230,637	(\$16,810,913)	\$21,420		21,420	0	0	0	0	
Transfers of Single Family Parcels after 1/1/2014	115	Lump Sum	\$27,592,955	(\$17,988,823)	\$9,604		9,604	0	0	0	0	
<b>Total Real Property Value</b>			<b>\$65,823,592</b>	<b>(\$34,799,736)</b>	<b>31,024</b>		<b>31,024</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
						Adj. Annually for Inflation @	2.0%	\$31,024	\$0	\$0	\$0	\$0