

**REDEVELOPMENT AGENCY OF THE
CITY OF REDWOOD CITY**

\$33,997,447.85

**REDEVELOPMENT PROJECT AREA NO. 2
TAX ALLOCATION BONDS, SERIES 2003A**

San Mateo County, California

Dated: October 30, 2003

Base CUSIP⁺: 757887

**2010 ANNUAL CONTINUING DISCLOSURE
INFORMATION STATEMENT**

As of December 16, 2010

Also available at:



www.willdan.com

⁺ Copyright, American Banker's Association. CUSIP data is provided by Standard and Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is *not* intended to create a database and does not service in any way as a substitute for the CUSIP service. The issuer takes no responsibility for the accuracy of such number.

LIST OF PARTICIPANTS

**REDEVELOPMENT AGENCY OF THE
CITY OF REDWOOD CITY**
www.redwoodcity.org

Brian J. Ponty
Finance Director
1017 Middlefield Rd.
Redwood City, California 94063-1993

DISCLOSURE CONSULTANT & DISSEMINATION AGENT

Willdan Financial Services *
Temecula, California 92590
(951) 587-3500
www.willdan.com

UNDERWRITER

Stone & Youngberg LLC

BOND COUNSEL

Nossaman, Guthner, Knox & Elliott, LLP
Irvine, California

TRUSTEE

Robert Hyman
U.S. Bank, N.A.
One California Street, Suite 2100
San Francisco, California 94111
(415) 273-4546

* In its role as Disclosure Consultant and Dissemination Agent, Willdan Financial Services has not passed upon the accuracy, completeness or fairness of the statements contained herein.

I. INTRODUCTION

Pursuant to an Official Statement dated October 15, 2003, the Redevelopment Agency of the City of Redwood City (the "Agency") issued \$33,997,477.85, Redevelopment Project Area No. 2 Tax Allocation Bonds, Series 2003A (the "Bonds"). The proceeds of the Bonds were used primarily to repay certain loans made by the City of Redwood City (the "City") to the Agency and to pay the costs of redevelopment activities within Project Area No. 2. The Bonds were issued on parity with the Agency's previously issued Project Area No. 2 Tax Allocation Refunding Bonds, Series 1997 (the "1997 Bonds"). The 1997 Bonds were called in full and defeased on December 1, 2009.

The City is located in San Mateo County and is situated approximately 25 miles south of San Francisco on the west side of San Francisco Bay. The City covers approximately 34 square miles.

The Agency's primary responsibilities include elimination of the slums and blight, revitalization of older neighborhoods, facilitation of additional housing, encouragement of economic development and creation of new employment opportunities.

The Agency has only one redevelopment project area comprising approximately 932.24 acres of land in three non-contiguous sub-areas, including certain portions of the City's downtown area, certain portions of the City's marina area and certain property along Seaport Boulevard.

The Bonds are special obligations of the Agency and are secured by a pledge of Tax Revenues, as defined within the Official Statement. The Bonds are not a debt of the City, the State of California, or any of its political subdivisions and neither the City, the State of California, nor any of its political subdivisions is liable. The Bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limit or restriction.

This Annual Continuing Disclosure Information Statement is being provided pursuant to a covenant made by the Agency for the benefit of the holders of the Bonds and includes the information specified in a Continuing Disclosure Certificate. For further information and a more complete description of the Agency, the City, and the Bonds, reference is made to the Official Statement.

The information set forth herein has been furnished by the Agency and by sources, which are believed to be accurate and reliable but is not guaranteed as to accuracy or completeness. Statements contained in this Annual Continuing Disclosure Information Statement which involve estimates, forecasts, or other matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. Further, the information and expressions of opinion contained herein are subject to change without notice and the delivery of this Annual Continuing Disclosure Information Statement will not, under any circumstances, create any implication that there has been no change in the affairs of the Agency or any other parties described herein.

II. BOND INFORMATION

A. PRINCIPAL OUTSTANDING

Bonds Outstanding	As of December 3, 2010
Current Interest Bonds	\$12,535,000
Capital Appreciation Bonds	60,105,000 ⁽¹⁾

(1) Principal balance on Capital Appreciation Bonds reflects the Maturity Value.

B. FUND INFORMATION

Account	As of December 3, 2010
Reserve Fund ⁽¹⁾	N/A
Reserve Requirement	\$1,967,000

(1) The Reserve Fund requirement is satisfied by a Reserve Fund Surety Bond with Ambac Assurance Inc.

III. FINANCIAL INFORMATION

The audited financial statements for the Agency for the Fiscal Year Ended June 30, 2010 will be separately filed with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website ("EMMA") and are hereby incorporated by reference into this Annual Continuing Disclosure Information Statement.

IV. OPERATING INFORMATION

A. INCREMENTAL TAXABLE VALUE

The following table sets forth the assessed valuations of the Redevelopment Project for fiscal years 2006/07 through 2010/11.

Fiscal Year	Secured Value	Unsecured Value	SBE Total Value	Total Value ⁽¹⁾	Less Base Year Value	Incremental Value
2006/07	\$1,207,776,548	\$226,891,654	\$2,374,518	\$1,437,042,720	\$373,183,498	\$1,063,859,222
2007/08	1,294,826,002	222,926,512	2,522,124	1,520,274,638	373,183,498	1,147,091,140
2008/09	1,475,470,534	224,969,704	2,522,124	1,702,962,362	370,145,150	1,332,817,212
2009/10	1,501,425,701	266,685,354	2,522,124	1,770,633,179	370,145,150	1,400,488,029
2010/11	1,476,868,416	258,575,571	2,522,124	1,737,966,111	370,145,150	1,367,820,961

(1) Accounts for Exemptions. Does not take into account pending assessment appeals.

Source: San Mateo County Assessor and California Municipal Statistics, Inc.

B. TAX REVENUE

The following sets forth the calculation of Tax Revenues pledged to debt service on the Bonds for fiscal year 2009/10.

Gross Tax Increment	\$12,730,675
Less: County Administrative Fee	97,327
Tax Sharing Payments ⁽¹⁾	5,980
Low and Moderate Income Housing Set Aside ⁽²⁾	4,674,050
Pledged Tax Revenue	\$7,953,318

(1) Based on tax sharing agreement with San Mateo County Mosquito Abatement District.

(2) Includes amounts paid from Housing Set Aside for property tax refunds, waivers on tax increment and County admin fees.

C. ANNUAL DEBT SERVICE COVERAGE

The following table sets forth the debt service coverage on the Bonds.

2009/10 Fiscal Year Tax Revenue	2010 Fiscal Year Debt Service on the Bonds	Debt Service Coverage
\$7,953,318	\$654,150	12.16

D. MAJOR PROPERTY TAXPAYERS

Property Owner	Primary Land Use	Total 2010/11 Secured Taxable Value	Percent of Total Value ⁽¹⁾
Slough Redwood City LLC	Industrial	\$186,370,230	12.62%
Irvine Co. LLC	Apartments	81,013,502	5.49%
Metropolitan Life Insurance Co.	Industrial	78,256,496	5.30%
Reef Amer REIT II Corp. QQQ	Industrial	70,191,335	4.75%
Century Theatres Inc. Lessee	Movie Theater	56,463,618	3.82%
REG8 Sequoia Station LLC	Shopping Center	33,853,780	2.29%
Marshall Square Investment Group	Office Building	29,700,000	2.01%
Marymount Manor LLC	Apartments	27,183,494	1.84%
RWC Technology Station LLC	Office Building	27,033,600	1.83%
Longs Drug Store Inc.	Shopping Center	16,653,913	1.13%
Vet Plaza LLC	Office Building	15,769,194	1.07%
Safeway Inc.	Apartments	14,684,818	0.99%
Broadway LLC ⁽²⁾	Office Building	13,634,440	0.92%
John J. Sorci Trust	Commercial	12,414,506	0.84%
Griffin Capital Investors LLC	Office Building	12,000,000	0.81%
Price Company	Commercial	11,491,450	0.78%
Vista Marin LLC	Office Building	11,100,000	0.75%
Richard Tod and Catherine R. Spieker	Apartments	11,085,635	0.75%
Wickes Companies Inc., Lessee	Commercial	10,559,063	0.71%
Redwood City Associates LLC	Shopping Center	9,871,177	0.67%
Total		\$729,330,251	49.38%

(1) 2010/11 Local Secured Assessed Valuation: \$1,476,868,416.

(2) Net Taxable value is shown.

Source: California Municipal Statistics, Inc.

E. REPORTING OF SIGNIFICANT EVENTS

The Continuing Disclosure Covenants outline the Significant Events that must be reported if they are deemed material. The Agency has no knowledge that any of the events listed below have occurred or have not been previously reported during the fiscal year ended June 30, 2010.

1. Principal and interest payment delinquencies on the Bonds.
2. Non-payment related defaults.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions or events affecting the tax-exempt status of the security.
7. Modifications to rights of security holders.
8. Contingent or unscheduled bond calls.
9. Defeasances.
10. Release, substitution, or sale of property securing repayments of the securities.
11. Rating changes.