

***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**

**CUSIP: 757887**

**2009 ANNUAL CONTINUING DISCLOSURE  
INFORMATION STATEMENT**

**As of January 19, 2010**

Also available at:



[www.willdan.com](http://www.willdan.com)

## LIST OF PARTICIPANTS

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\* 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***

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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**

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### **A. PRINCIPAL OUTSTANDING**

<b>Bonds Outstanding</b>	<b>As of December 31, 2009</b>
Current Interest Bonds	\$13,760,000
Capital Appreciation Bonds	60,105,000 <sup>(1)</sup>

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

### **B. FUND INFORMATION**

<b>Account</b>	<b>As of December 31, 2009</b>
Reserve Fund <sup>(1)</sup>	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**

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The audited financial statements for the Agency for the Fiscal Year Ended June 30, 2009 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 2005/06 through 2009/10.

Fiscal Year	Secured Value	Unsecured Value	SBE Total Value	Total Value <sup>(1)</sup>	Less Base Year Value	Incremental Value
2005/06	\$1,136,690,776	\$192,556,769	\$2,461,646	\$1,331,709,191	\$373,183,498	\$958,525,693
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

(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 2008/09.

Gross Tax Increment	\$12,671,925
Less: County Administrative Fee	89,249
Tax Sharing Payments <sup>(1)</sup>	16,389
Low and Moderate Income Housing Set Aside <sup>(2)</sup>	4,345,128
Development Agreement <sup>(3)</sup>	300,000
<b>Pledged Tax Revenue</b>	<b>\$7,921,159</b>

(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. Amount does not include amounts transferred out for the payment of debt service on the Bonds.

(3) This amount, which includes a portion paid by the Agency on behalf of the City, is paid to the developer of Sequoia Station pursuant to an agreement with the Agency.

### C. ANNUAL DEBT SERVICE COVERAGE

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

2008/09 Fiscal Year Tax Revenue	2009 Fiscal Year Debt Service on the Bonds	Debt Service Coverage
\$7,921,159	\$2,168,615	3.65

## D. MAJOR PROPERTY TAXPAYERS

Property Owner	Primary Land Use	Total 2009/10 Secured Taxable Value	Percent of Total Value <sup>(1)</sup>
Slough Redwood City LLC	Industrial	\$186,812,991	12.44%
Irvine Co. LLC	Apartments	81,210,761	5.41%
Metropolitan Life Insurance Company	Industrial	78,442,422	5.22%
Reef America REIT II Corp. QQQ	Industrial	70,358,087	4.69%
Century Theatres Inc.	Movie Theater	56,597,757	3.77%
Marshall Squares Investment Group	Office Building	34,000,000	2.26%
Regency Centers LP	Shopping Center	33,934,209	2.26%
RWC Technology Station LLC	Office Building	27,097,823	1.80%
Griffin Capital Investors LLC	Office Building	20,600,000	1.37%
Vet Plaza LLC	Office Building	15,806,657	1.05%
Broadway LLC <sup>(2)</sup>	Office Building	15,141,953	1.01%
Vista Marin LLC	Office Building	14,730,592	0.98%
Marymount Manor LLC	Apartments	14,441,480	0.96%
Bradford Investments LLC	Office Building	13,260,000	0.88%
Marymount Tower LLC	Apartments	12,806,595	0.85%
John J. Sorci Trust	Commercial	12,444,000	0.83%
William L. Butler Trust	Industrial	11,874,254	0.79%
Richard Tod & Catherine R. Spieker	Apartments	11,111,971	0.74%
Price Company	Commercial	10,538,736	0.70%
Redwood City Associates LLC	Shopping Center	9,894,631	0.66%
<b>Total</b>		<b>\$731,104,919</b>	<b>48.69%</b>

(1) 2009/10 Local Secured Assessed Valuation: \$1,501,425,701.

(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, 2009.

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.