

## Victor Valley Economic Development Authority Project Area

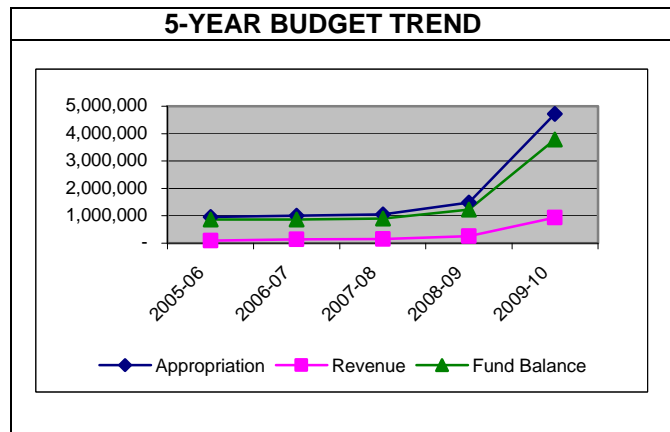
### DESCRIPTION OF MAJOR SERVICES

In 1993, the *Victor Valley Economic Development Authority* (VVEDA), a joint powers authority, was established for the purpose of providing economic development in and around the former George Air Force Base. Five jurisdictions oversee the economic development of the area, which include: the Cities of Victorville, Hesperia and Adelanto, the town of Apple Valley, and the County of San Bernardino. The eighth amendment to the project area approved on December 20, 2006 increased the total acreage to 90,236 acres. The same amendment also increased the unincorporated portion of VVEDA to approximately 22,472 acres. VVEDA is administered by the City of Victorville.

Operating funds received for the project area are used to finance capital improvements and land acquisition. Included in this project area are housing funds, which are used to conserve and/or expand the supply of affordable housing to low and moderate-income households. Based on regulations, 20% of the gross tax increment revenues are set aside and used for affordable housing.

There are no budgeted positions assigned to this project area, however administrative and staffing costs are allocated to this project area based upon time studies.

### BUDGET HISTORY



The trend of the VVEDA budget represents small increases for years leading up to 2008-09. In 2008-09, departmental revenue increased by 73% based on estimates provided by the lead agency. The 2009-10 final budget is increasing by 364% based on the current revenue trend and on estimates provided by the lead agency. This increase is related to the additional acreage mentioned above, and is expected by VVEDA to remain at the higher level in the future.

### PERFORMANCE HISTORY

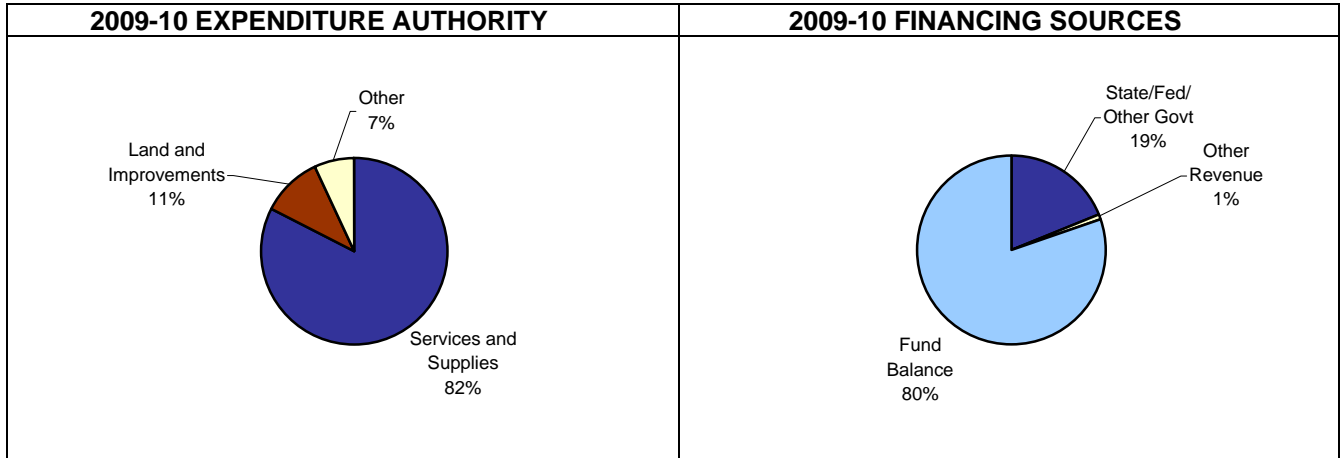
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Actual
Appropriation	145,867	178,158	84,136	1,482,279	76,652
Departmental Revenue	56,508	210,566	301,719	256,105	2,631,999
Fund Balance				1,226,174	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual appropriation in this budget unit is typically less than modified budget. The amount not expended is carried over to the subsequent year's budget.

Actual departmental revenue for 2008-09 is significantly higher than modified budget due to the addition of 12,270 unincorporated acres to the project area which generated additional tax increment of \$1,680,228 and the collection of prior year tax revenue of \$609,500.



**ANALYSIS OF FINAL BUDGET**



**GROUP:** Economic Development Agency  
**DEPARTMENT:** Redevelopment Agency  
**FUND:** Victor Valley Economic Development Authority Project Area

**BUDGET UNIT:** MPV, MPW  
**FUNCTION:** General  
**ACTIVITY:** Other General

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Actual	2008-09 Final Budget	2009-10 Final Budget	Change From 2008-09 Final Budget
<b>Appropriation</b>							
Services and Supplies	61,334	96,477	(74,988)	720	825,477	3,886,762	3,061,285
Other Charges	-	15,082	79,311	(79,311)	66,650	172,100	105,450
Land and Improvements	-	-	-	-	300,000	500,000	200,000
Transfers	84,533	66,599	79,813	155,243	290,152	155,760	(134,392)
<b>Total Appropriation</b>	<b>145,867</b>	<b>178,158</b>	<b>84,136</b>	<b>76,652</b>	<b>1,482,279</b>	<b>4,714,622</b>	<b>3,232,343</b>
<b>Departmental Revenue</b>							
Use of Money and Prop	28,666	40,233	46,621	87,173	17,450	40,000	22,550
State, Fed or Gov't Aid	27,842	170,333	255,098	2,544,826	238,655	893,100	654,445
<b>Total Revenue</b>	<b>56,508</b>	<b>210,566</b>	<b>301,719</b>	<b>2,631,999</b>	<b>256,105</b>	<b>933,100</b>	<b>676,995</b>
				Fund Balance	1,226,174	3,781,522	2,555,348

Services and supplies of \$3,886,762 represent project expenditures and professional services. Services and supplies increased by \$3,061,285 due to a significant increase in revenues from the lead agency.

Other charges of \$172,100 represent administrative charges paid to the Victor Valley Economic Development Authority. Other charges have increased by \$105,450 due to possible Educational Revenue Augmentation Fund costs for the county's portion of the project area.

Land and improvements of \$500,000 include costs associated with commercial/industrial/residential land acquisitions. Land and improvement costs increased by \$200,000 due to an anticipated increase in land acquisition.

Transfers of \$155,760 include administrative charges paid to the Speedway administrative fund. The decrease of \$134,392 is due to an anticipated reduction in VVEDA's share of the County of San Bernardino Redevelopment Agency's administrative costs.

Departmental revenue of \$933,100 consists of tax increment revenue and revenue from interest. The increase in revenue of \$676,995 represents increases in tax increment revenue distributed through the lead agency. Tax increment revenue for the project area increased significantly in 2007-08 and is anticipated to continue at the same rate.

