



ITEM NO.

MEETING: March 3, 2011

APPROVED BY

  
(Executive Director)

## REPORT TO THE REDEVELOPMENT AGENCY

**DATE:** March 3, 2011

**FROM:** MARLENE MURPHEY, Executive Director

**BY:** JEFF FINDLEY, Senior Project Coordinator  
DAVID MARTIN, Project Manager

**SUBJECT:** Consider Adoption of a Resolution Approving the Proposed Five-Year Implementation Plans for the Central City Commercial Revitalization Redevelopment Project Area, Fresno Air Terminal Redevelopment Project Area, South Fresno Industrial Revitalization Redevelopment Project Area, Southeast Fresno Revitalization Redevelopment Project Area, and the Freeway-99 Golden State Boulevard Corridor Redevelopment Project Area

### RECOMMENDATION

It is recommended that the Agency Board take the following action:

- 1 Adopt a resolution approving the proposed updated Five-Year Implementation Plans (Attachment "A") for the Central City Commercial Revitalization Redevelopment Project Area ("Central City Commercial"), Fresno Air Terminal Redevelopment Project Area ("FATRA"), South Fresno Industrial Revitalization Redevelopment Project Area ("South Fresno Industrial"), Southeast Fresno Revitalization Redevelopment Project Area ("Southeast Fresno"), and the Freeway 99-Golden State Boulevard Corridor Redevelopment Project Area ("Freeway 99-Golden State Boulevard").

### EXECUTIVE SUMMARY

In January 2005, the Redevelopment Agency adopted Five-Year Implementation Plans for the Central City Commercial, South Fresno Industrial, and Southeast Fresno redevelopment project areas. In June 2005, the Redevelopment Agency adopted a Five-Year Implementation Plan for the FATRA project area. In June 2003, the Redevelopment Agency adopted a Five-Year Implementation Plan for the Freeway 99-Golden State Boulevard project area. New five-year implementation plans must be adopted in accordance with Redevelopment Law. The Proposed Implementation Plans have been prepared and are included in Exhibits "A-1 through A-5" to the Resolution in Attachment "A" and are scheduled to be considered for adoption at a public hearing before the Redevelopment Agency Board on March 3, 2011.

On February 23, 2011, the Housing and Community Development Commission reviewed the proposed Implementation Plans, and recommended that the Agency Board approve the Implementation Plans as recommended by staff.

improvements (such as turning lanes, street widening, and street medians), street and alley abandonment, and construction of street extensions.

- Railroad route and crossing safety improvements.
- Sewer, water, and storm drain system improvements.
- Traffic signal and safety lighting improvements associated with the implementation of Redevelopment Plans.
- Utility undergrounding, installation and relocation.
- Parking lots and parking structure improvements to support implementation of the Redevelopment Plans and alleviate parking deficiencies in the Project Areas.
- Open space, recreation and park improvements.
- Coordination, planning and assistance on public building improvements related to the construction, planning and design, and upgrading of new or existing improvements. Such activities would generally include site work, building construction, parking improvements and landscaping.

**Business Revitalization and Attraction Programs.** The Agency is successfully implementing business revitalization programs in existing project areas that would be carried forward in the implementation plans. One example is the Storefront Improvement Program that offers low interest loans for eligible facade improvements, up to a maximum amount, and low interest loans for other improvements to businesses, with an emphasis on exterior improvements.

**Housing Programs.** The Agency proposes a low and moderate income housing program that focuses on increasing, improving, and preserving the community's supply of low and moderate income housing, and targeting the use of the funds in the project areas and adjacent neighborhoods except for FATRA and South Fresno Industrial which are planned as industrial areas with no new housing permitted. Housing set-aside funds generated in the Project Areas will be deposited into the Agency's Housing Fund. Housing programs may include, but are not limited to, new construction, adaptive reuse, housing rehabilitation, and in-fill housing development.

**Expenditures.** Anticipated expenditures for the Agency's programs over the life of the implementation plans:

**Central City Commercial**

**Proposed Five-Year Program Funds and Expenditures**

Administration and Planning	\$ 410,647
Land Assembly	\$ 821,294
Project Area Improvements	\$ 2,053,235
Business Revitalization and Attraction	\$ 821,294
Sub-Total for Non-Housing Programs	\$ 4,106,469
Sub-Total for Housing Programs	\$ 1,046,737
<b>TOTAL AGENCY EXPENDITURES</b>	<b>\$ 5,153,206</b>

Funds for the programs are anticipated as follows:

Tax Increment (estimated carryover)	\$ 777,994
New Tax Increment	\$ 3,295,520
Sale, Lease, and Loan Proceeds	\$ 32,955
Sub-Total for Non-Housing Programs	\$ 4,106,469
Sub-Total for Housing Programs	\$ 1,046,737
<b>TOTAL AGENCY FUNDS AVAILABLE</b>	<b>\$ 5,153,206</b>

**FATRA**

**Proposed Five-Year Program Funds and Expenditures**

Administration and Planning	\$ 53,773
Land Assembly	\$ 0
Project Area Improvements	\$ 322,640
Business Revitalization and Attraction	\$ 161,320
Sub-Total for Non-Housing Programs	\$ 537,733
Sub-Total for Housing Programs	\$ 252,959
<b>TOTAL AGENCY EXPENDITURES</b>	<b>\$ 790,692</b>

Funds for the programs are anticipated as follows:

Tax Increment (estimated carryover)	\$ 0
New Tax Increment	\$ 532,409
Sale, Lease, and Loan Proceeds	\$ 5,324
Sub-Total for Non-Housing Programs	\$ 537,733
Sub-Total for Housing Programs	\$ 252,959
<b>TOTAL AGENCY FUNDS AVAILABLE</b>	<b>\$ 790,692</b>

**South Fresno Industrial**

**Proposed Five-Year Program Funds and Expenditures**

Administration and Planning	\$ 707,913
Land Assembly	\$ 1,415,826
Project Area Improvements	\$ 3,539,564
Business Revitalization and Attraction	\$ 1,415,826
Sub-Total for Non-Housing Programs	\$ 7,079,128
Sub-Total for Housing Programs	\$ 1,811,406
<b>TOTAL AGENCY EXPENDITURES</b>	<b>\$ 8,890,534</b>

Funds for the programs are anticipated as follows:

Tax Increment (estimated carryover)	\$ 1,824,080
New Tax Increment	\$ 5,203,018
Sale, Lease, and Loan Proceeds	\$ 52,030
Sub-Total for Non-Housing Programs	\$ 7,079,128
Sub-Total for Housing Programs	\$ 1,811,406
<b>TOTAL AGENCY FUNDS AVAILABLE</b>	<b>\$ 8,890,534</b>

**Southeast Fresno**

**Proposed Five-Year Program Funds and Expenditures**

Administration and Planning	\$ 1,017,988
Land Assembly	\$ 2,035,976
Project Area Improvements	\$ 5,089,940
Business Revitalization and Attraction	\$ 2,035,976
Sub-Total for Non-Housing Programs	\$ 10,179,880
Sub-Total for Housing Programs	\$ 2,955,259
<b>TOTAL AGENCY EXPENDITURES</b>	<b>\$ 13,135,139</b>

Funds for the programs are anticipated as follows:

Tax Increment (estimated carryover)	\$ 1,666,491
New Tax Increment	\$ 8,429,098
Sale, Lease, and Loan Proceeds	\$ 84,291
Sub-Total for Non-Housing Programs	\$ 10,179,880
Sub-Total for Housing Programs	\$ 2,955,259
<b>TOTAL AGENCY FUNDS AVAILABLE</b>	<b>\$ 13,135,139</b>

**Freeway 99-Golden State Boulevard**

**Proposed Five-Year Program Funds and Expenditures**

Administration and Planning	\$ 945,788
Land Assembly	\$ 1,891,577
Project Area Improvements	\$ 4,728,942
Business Revitalization and Attraction	\$ 1,891,577
Sub-Total for Non-Housing Programs	\$ 9,457,883
Sub-Total for Housing Programs	\$ 2,448,665
<b>TOTAL AGENCY EXPENDITURES</b>	<b>\$ 11,906,548</b>

Funds for the programs are anticipated as follows:

Tax Increment (estimated carryover)	\$ 2,638,187
New Tax Increment	\$ 6,752,174
Sale, Lease, and Loan Proceeds	\$ 67,522
Sub-Total for Non-Housing Programs	\$ 9,457,883
Sub-Total for Housing Programs	\$ 2,448,665
<b>TOTAL AGENCY FUNDS AVAILABLE</b>	<b>\$ 11,906,548</b>

**PUBLIC REVIEW PROCESS**

Included in Attachment "B" are the public notices that were published (January 29, 2011, February 5, 2011, and on February 12, 2011) in The Fresno Bee, and were also posted at locations within each of the five (5) project areas, pursuant to Redevelopment Law. The notices identified the March 3, 2011 public hearing of the Redevelopment Agency. Copies of the proposed Implementation Plans were also placed at the reference desk of the Main Branch of the Downtown Fresno Library, delivered to the City Clerk's Office, made available at the Agency office and posted on the Agency's website.

**Attachments:**

**"A" - Draft Agency Resolution Adopting Five-Year Implementation Plans**

Exhibit "A-1" - Proposed Central City Commercial Five-Year Implementation Plan

Exhibit "A-2" - Proposed FATRA Five-Year Implementation Plan

Exhibit "A-4" - Proposed South Fresno Industrial Five-Year Implementation Plan

Exhibit "A-3" - Proposed Southeast Fresno Five-Year Implementation Plan

Exhibit "A-5" - Proposed Freeway 99-Golden State Boulevard Five-Year Implementation Plan

**"B"- Notices of Public Hearing**

# **ATTACHMENT "A"**

## **AGENCY RESOLUTION ADOPTING FIVE-YEAR IMPLEMENTATION PLANS**

Exhibit "A-1" - Proposed Central City Commercial Five-Year Implementation Plan

Exhibit "A-2" - Proposed FATRA Five-Year Implementation Plan

Exhibit "A-3" - Proposed South Fresno Industrial Five-Year Implementation Plan

Exhibit "A-4" - Proposed Southeast Fresno Five-Year Implementation Plan

Exhibit "A-5" - Proposed Freeway 99-Golden State Five-Year Implementation Plan

AGENCY RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE  
CITY OF FRESNO ADOPTING THE FIVE-YEAR  
IMPLEMENTATION PLANS FOR THE CENTRAL CITY  
COMMERCIAL REVITALIZATION REDEVELOPMENT PROJECT  
AREA, FRESNO AIR TERMINAL REDEVELOPMENT PROJECT  
AREA, SOUTH FRESNO INDUSTRIAL REVITALIZATION  
REDEVELOPMENT PROJECT AREA, SOUTHEAST FRESNO  
REVITALIZATION REDEVELOPMENT PROJECT AREA, AND  
THE FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR  
REDEVELOPMENT PROJECT AREA

WHEREAS, the Redevelopment Agency of the City of Fresno (the "Agency") is a community redevelopment agency organized and existing under California Community Redevelopment Law (Health and Safety Code Section 33000, *et seq.*) (the "CRL") to transact business and exercise the powers of a redevelopment agency pursuant to action of the City Council of the City of Fresno (the "City Council"); and

WHEREAS, by Ordinance No. 99-46 adopted on July 19, 1999, the City Council adopted a redevelopment plan entitled the "Central City Commercial Revitalization Redevelopment Plan," as amended by Ordinance No. 2008-9 adopted on February 26, 2008 (the "Central City Commercial Plan"); and

WHEREAS, by Ordinance No. 88-96, adopted on July 18, 1988, the City Council adopted a redevelopment plan entitled the "Community Redevelopment Plan for the Fresno Air Terminal Redevelopment Area," as amended by Ordinance No. 94-123 on December 16, 1994, and subsequently amended on February 26, 2008 by Ordinance No. 2008-9, and on May 6, 2008 by Ordinance 2008-26, (the "FATRA

Plan"); and

WHEREAS, by Ordinance No. 99-43, adopted on June 29, 1999, the City Council adopted a redevelopment plan entitled the "South Fresno Industrial Revitalization Redevelopment Project," as amended by Ordinance No. 2008-9 on February 26, 2008 (the "South Fresno Industrial Plan"); and

WHEREAS, by Ordinance No. 99-45, adopted on June 29, 1999, the City Council adopted a redevelopment plan entitled the "Southeast Fresno Revitalization Redevelopment Project," as amended by Ordinance No. 2008-9 on February 26, 2008 (the "Southeast Fresno Plan"); and

WHEREAS, by Ordinance No. 2003-53, adopted on June 24, 2003, the City Council adopted a redevelopment plan entitled the "Freeway 99-Golden State Boulevard Corridor Redevelopment Project," as amended by Ordinance No. 2008-9 on February 26, 2008 (the "Freeway 99-Golden State Plan"); and

WHEREAS, pursuant to Health and Safety Code Section 33490, each redevelopment agency administering a redevelopment plan must adopt an implementation plan setting forth specific redevelopment agency goals and objections, outlining specific projects and proposed expenditures for the next five years and explaining how the stated goals, objectives, projects and expenditures will eliminate blight and meet the affordable housing needs of the community; and

WHEREAS, on January 11, 2005 by Resolution No. 1657, the Agency adopted five-year implementation plans for the Central City Commercial Plan, South Fresno Industrial Plan, and the Southeast Fresno Plan redevelopment project areas; and

WHEREAS, on June 27, 2005 by Resolution No. 1661, the Agency adopted a



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Adopting Proposed Implementation Plans

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five-year implementation plan for the FATRA Plan area; and

WHEREAS, on June 24, 2003 by Resolution No. 1628, the Agency adopted a five-year implementation plan for the Freeway 99-Golden State Plan area, and

WHEREAS, the Agency now wishes to adopt updated implementation plans; and

WHEREAS, proposed updated implementation plans have been prepared for the Central City Commercial, FATRA Plan Area, South Fresno Industrial, Southeast Fresno, and Freeway 99-Golden State Project Areas (the "Project Areas") and have been attached as Exhibits A-1 through A-5, respectively (the "Implementation Plans"); and

WHEREAS, a public notice was published as to the proposed Implementation Plans and the public notice was posted at locations within each of the Project Areas, as required under the CRL, and

WHEREAS, the proposed Implementation Plans describe the Agency's specific goals and objectives for each of the Project Areas, outlines specific projects and proposed expenditures to be made by the Agency during the next five years within each of the Project Areas, and explains how the stated goals and objectives, projects, and expenditures will eliminate blight and implement the affordable housing requirements of the CRL, and

WHEREAS, on February 23, 2011, at a noticed meeting, the Fresno Housing

and Community Development Commission (the "Commission") reviewed the proposed Implementation Plans, and recommended that the Agency approve the proposed Implementation Plans, as recommended by staff; and

WHEREAS, pursuant to Health and Safety Code Section 33490, the adoption of an implementation plans does not constitute a project within the meaning of the California Environmental Quality Act ("CEQA"), and therefore no environmental analysis of the Implementation Plans are required or has been prepared at this time; and

WHEREAS, on March 3, 2011, the Agency held a noticed public hearing on the proposed Implementation Plans to receive public comment on the proposed Implementation Plans; and

WHEREAS, the Agency has considered all testimony, reports and other public comment presented at the public hearing.

**NOW, THEREFORE, IT IS RESOLVED**, by the Agency as follows:

**Section 1.** Based upon substantial evidence provided in the record before it, the Agency finds and determines that each of the proposed Implementation Plans for the redevelopment project areas, attached hereto as Exhibits A-1 through A-5, respectively, is consistent with the existing Redevelopment Plans for each of the Project Areas.

**Section 2.** The Agency accepts the status report for each of the Project Areas,

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Adopting Proposed Implementation Plans

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as contained in Exhibits A-1 through A-5, respectively

**Section 3.** The Agency approves and adopts the Five Year Implementation Plans for the Central City Commercial Plan, South Fresno Industrial Plan and Southeast Fresno Plan Project Areas for use by the Agency for the period of fiscal year 2009-10 through fiscal year 2013-14.

**Section 4.** The Agency approves and adopts the Five Year Implementation Plan for the FATRA Plan Project Area for use by the Agency for the period of fiscal year 2010-11 through fiscal year 2014-15.

**Section 5.** The Agency approves and adopts the Five Year Implementation Plan for the Freeway 99-Golden State Plan Project Area for use by the Agency for the period of fiscal year 2008-09 through fiscal year 2012-13.

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CLERK'S CERTIFICATION

STATE OF CALIFORNIA       )  
COUNTY OF FRESNO       ) ss.  
CITY OF FRESNO           )

I, REBECCA KLISCH, Ex-Officio Clerk of the Redevelopment Agency of the City of Fresno, certify that the foregoing resolution was adopted by the Redevelopment Agency of the City of Fresno, California, at a public hearing held on the \_\_\_\_ day of \_\_\_\_\_, 2011, and that the same was passed by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

REBECCA E KLISCH  
Ex-Officio Clerk

By: \_\_\_\_\_

APPROVED AS TO FORM:  
Adam Lindgren  
MYERS NAVE  
Attorney of the Redevelopment Agency

By   
Contract Counsel

Exhibits

- A-1 Central City Commercial Five Year Implementation Plan
- A-2 FATRA Five Year Implementation Plan
- A-3 Southeast Fresno Five Year Implementation Plan
- A-4 South Fresno Industrial Five Year Implementation Plan

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Adopting Proposed Implementation Plans

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A-5 Freeway 99-Golden State Five Year Implementation Plan

2009-10 THROUGH 2014-15

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# FIVE YEAR IMPLEMENTATION PLAN

CENTRAL CITY COMMERCIAL REVITALIZATION REDEVELOPMENT  
PROJECT AREA

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REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

**February 11, 2011**

**Revised February 16, 2011**

**CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA**  
Five Year Implementation Plan FY 2009-10 through 2014-15

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# **CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA**

## **Five Year Implementation Plan FY 2009-10 through 2014-15**

## **INTRODUCTION**

### About this Implementation Plan

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Every five years, redevelopment agencies are required to adopt an implementation plan for each redevelopment project area that establishes five-year operational and financial programs for carrying out the redevelopment and affordable housing responsibilities of the agency. An implementation plan serves as multi-year planning vehicle for projects on a programmatic basis. The implementation plan describes the links between the programs undertaken, the alleviation of blight and the provision of affordable housing for a project area. Implementation plans are policy documents meant to guide the implementation of the redevelopment plan for a project area, but allow sufficient flexibility for an Agency to respond to specific opportunities as they arise.

This Five Year Implementation Plan ("Implementation Plan") for the Redevelopment Agency of the City of Fresno ("Agency") covers the previous five-year planning period from Fiscal Years 2004-05 through 2009-10 and the next five-year planning period from Fiscal Years FY 2009-10 through 2014-15 for the Central City Commercial Revitalization Redevelopment Project Area ("Project Area"). This Implementation Plan also contains an update to the Project Area's Housing Compliance Plan ("Housing Compliance Plan") for meeting the Agency's affordable housing requirements for the initial 10-year compliance period, including obligations for producing, replacing, and expending funds for affordable housing.

## **Legal Authority**

In 1993, the Legislature passed Assembly Bill 1290 (Chapter 942, Statutes of 1993), which enacted the California Community Redevelopment Law Reform Act and made changes to state redevelopment law (Health and Safety Code §33000 et seq ) ("CRL") in an effort to increase both the effectiveness and accountability of redevelopment agencies. One notable statutory change was the addition of Article 16.5 (§33490 et seq ) to the CRL, which required redevelopment agencies to adopt five year implementation plans every five years. CRL §33490(a) requires that the Implementation Plan contain:

- The Agency's goals, objectives, and programs within the Project Area for the next five years, including an estimate of tax increment revenue to be generated and an approximate amount to be allocated to programs
- An explanation of how the goals, objectives, and programs will eliminate blight and promote affordable housing within the Project Area.
- An explanation of how the Agency will implement its Low and Moderate Income Housing Fund ("Housing Fund") requirements and the requirements for producing and replacing affordable housing.

## **ABOUT THE PROJECT AREA**

### Who, What, Where, When, and Why

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On July 19, 1999, the City of Fresno City Council adopted the Redevelopment Plan for the Central City Commercial Revitalization Redevelopment Project Area ("Project Area"). The 809-acre Project Area contains a mix of land uses including residential, commercial, office, and other miscellaneous land uses in five general locations. A) properties fronting onto Blackstone Avenue from Divisadero to Saginaw; B) Tulare Street from Freeway 41 to Chestnut, C) Belmont Avenue from Freeway 41 to Chestnut, D) Olive Avenue from Fresno Street to First and at the southwest and southeast corners of Olive and Maple; E) McKinley Avenue from Blackstone to Millbrook, both sides of Shields Avenue from First Street to east of Millbrook.

The focus of the redevelopment project is the elimination of blight and economic stagnation and the promotion of the redevelopment of underutilized industrial, commercial, and residential areas within the Project Area. The



**CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**

redevelopment project area was adopted with priorities on the retention and expansion of existing and new businesses in order to increase the availability of jobs.

This Implementation Plan focuses on specific redevelopment goals and programs for the five-year time period from Fiscal Years FY 2009-10 through 2014-15.

The Redevelopment Plan for the Project Area set forth time limitations with regard to collecting tax increment revenue and plan effectiveness. The following Table 1 presents the current time limits contained in the Redevelopment Plan.

**Redevelopment Plan Time Limits**

**Table 1**

**Central City Commercial Revitalization Redevelopment Project Area**

Project Area Adopted	7/19/1999	Ordinance No. 99-46
Plan Effectiveness Date	8/24/2030	Ordinance No. 2008-9
Tax Increment Limit*	\$54 million	Ordinance No. 99-46
Bond Debt Limit	\$38 million	Ordinance No. 99-46
Limit to Incur Debt	8/24/2019	Ordinance No. 99-46
Limit on Receiving Tax Increment	8/24/2045	Ordinance No. 2008-9
Eminent Domain Time Limit**	9/24/2011	Ordinance No. 99-46

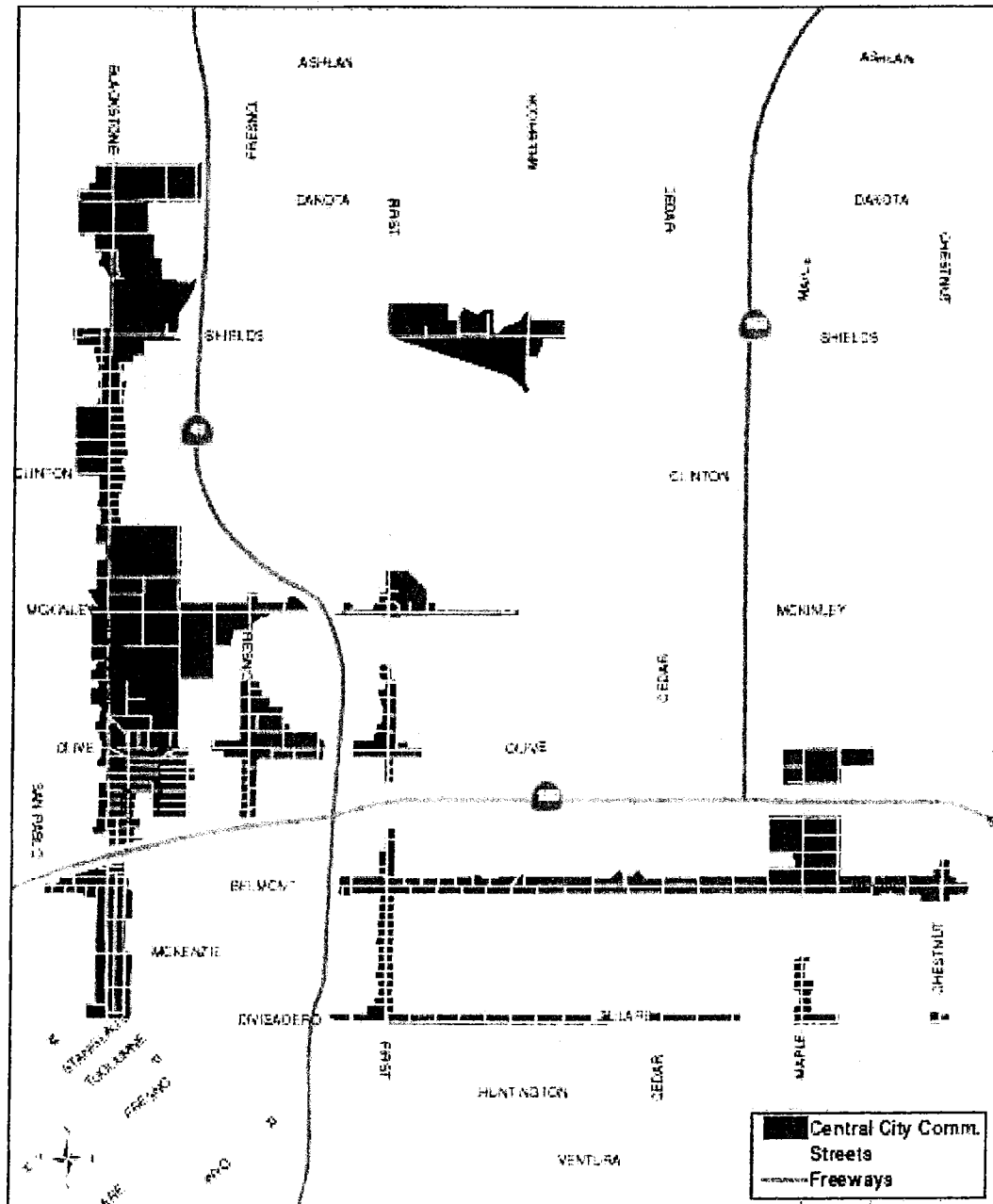
\*Countable Tax Increment per Agreement with Fresno County

\*\*Shall not acquire property on which persons legally reside

The map on the following page depicts the location of the Project Area

**CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA**  
Five Year Implementation Plan FY 2009-10 through 2014-15

## Central City Commercial Revitalization



## CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA

### Five Year Implementation Plan FY 2009-10 through 2014-15

## RECENT REDEVELOPMENT ACCOMPLISHMENTS

### The Public Value & Benefit of Redevelopment

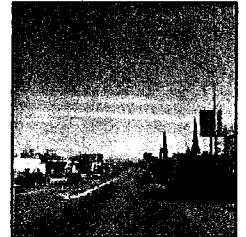
During the prior planning period (FY 2003-04 through 2008-09), the Agency accomplished many successful projects and programs in the Project Area, including the following:

#### **Community Meetings on Belmont Avenue**

Between 2005 and 2006, a series of community meetings were held with property/business owners along the Belmont Avenue corridor between First Street and Chestnut Avenue. The business owners and residents raised concerns about crime and safety, graffiti, and less patrons frequenting the local businesses.

Stemming from the those meetings, the Agency addressed the community's most pressing concern, safety, by investing over \$1 million on Belmont Avenue to upgrade the street lights, and also invested in the business community by hiring a local consultant to help the Belmont Merchants Association to officially form, as detailed below.

**Belmont Street Light Installation Project.** In Fiscal Year 2009-10, the Agency completed the second phase of this two-phased project that replaced the older street lights on wooden poles with new, metal poles. This 1.5 mile-long project also enabled the undergrounding of \$2 million worth of utilities that will allow businesses on the street to have state-of-the-art utility service. The increased lighting on the street enhances visibility for businesses, pedestrians, and automobiles, which increases the overall safety on the street. The removal of the older wooden poles and the overhead utility lines has also improved the corridor's visual appeal.



**Belmont Merchant Association (BMA).** The local merchants on Belmont Avenue wanted to form a Merchant Association to help create a better sense of a connected community in their area. With the Agency's help, a local consultant was hired to help the BMA incorporate and to conduct a commercial corridor study on Belmont Avenue. This study examined factors such as crime, building vacancies, incomplete sidewalks, demographics of the surrounding area, development opportunities, and areas/distance where the local patrons are coming from. A business survey was created that was designed to get the pulse of the local economy on Belmont Avenue. This survey revealed some valuable information about the economics of the area and potential ways for the merchants to increase their business.

**Storefront Improvement Program (SIP).** This program offers matching funds to upgrade and renovate the facades of commercial buildings in an effort to raise property values and make businesses more successful. Funding for the SIP is on a first come, first served basis, and is available to commercial property owners and tenants in each redevelopment project area. Last year, the value of storefront improvements to twenty-two businesses totaled \$286,021; \$158,059 from private investment and \$127,962 from Agency funds. Through this program, the Agency has provided financial assistance to over 130 business owners since 1997.



The Agency has actively marketed the SIP through a new, redesigned marketing brochure and folder to serve all project areas. In addition, the Agency is working with Council District staff, the Belmont Merchants Association, and other groups to identify opportunities to increase participation in the program. The SIP continues to grow and benefit individual property and business owners as well as older commercial districts and corridors.

## CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA

### Five Year Implementation Plan FY 2009-10 through 2014-15

## IMPLEMENTATION PLAN GOALS

Community Reinvestment and Revitalization

Adopted on July 19, 1999, the Redevelopment Plan establishes a variety of goals for redevelopment of the Project Area. These goals frame the near term redevelopment objectives for the Implementation Plan period. The Redevelopment Plan goals are listed below.



CLEAN

**Eliminate Blight.** Eliminate blighting influences and the correction of environmental deficiencies in the Project Area, including, among others, small and irregular-shaped lots in multiple ownership, obsolete and aged building types, vacant buildings and lots, depreciated or stagnant property values and impaired investments, abnormally low lease rates, high crime rates, incompatible and uneconomic land uses, and inadequate or deteriorated public improvements, facilities, and utilities.



ACCESS

**Assemble Land.** Assemble land into parcels, suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area.



GROW

**Use Land Wisely.** Re-plan, redesign, and develop undeveloped and underdeveloped areas that are stagnant or improperly utilized.



HELP

**Champion Participation.** Provide opportunities for participation by owners and tenants in the revitalization of their properties.



GO

**Cohesive Use of Land.** Strengthen land uses and their inter-related functions in the Project Area.

**CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**



**INVEST**

**Generate and Enhance Commercial Activity.** Strengthen the economic base of the Project Area and the community through the installation of needed site improvements to stimulate new development, business expansion, employment, and social and economic growth.



**PLAY**

**Land Uses for All.** Provide adequate land for parking and open space.



**PRESERVE**

**Protect and Enhance.** Community Character Establish a positive visual image through implementation of site design standards, environmental quality and compatibility with buildings of historical importance, and other design elements which provide unity and integrity to the entire Project Area.



**LIVE**

**Housing for All.** Expand, improve, and preserve the community's supply of housing available at affordable housing cost to low- and moderate-income persons and families within the Project Area or outside the Project Area (with appropriate findings).



**COLLABORATE**

**Together as a Team.** The encouragement of participation of Project Area residents in the formulation and implementation of this Plan to ensure that Plan proposals are beneficial to people who live and work within the Project Area, as well as the community in general

# CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA

## Five Year Implementation Plan FY 2009-10 through 2014-15

### PROPOSED REDEVELOPMENT PROGRAM

Five Year Work Program for Reinvestment & Revitalization

Over the 5-year Implementation Plan period, the Agency plans to implement the following redevelopment projects and programs. The list below describes the projects proposed, what blighted conditions would be eliminated, approximate costs, and the Redevelopment Plan goals that would be achieved.

#### Project/Description

#### Goals Achieved

##### Business Revitalization and Attraction Program

The Agency will continue its efforts to retain and attract commercial businesses in the Project Area. Agency efforts may include infrastructure improvements (right-of-way improvements, water and sewer enhancements), development fee reductions, and financial assistance for start-up businesses, to stimulate business and industrial growth. The Agency will also continue to promote the Storefront Improvement Program which provides loan assistance for façade improvements.

Completion of commercial developments would improve public infrastructure, create new jobs, and will boost the local economy by attracting new businesses and residents to the area

Implementation of various business revitalization and attraction programs will generate and enhance commercial activity, eliminate physical and economic blight by attracting new businesses and residents to the area, improve public infrastructure, and create new jobs. Development will increase property values and lease rates, and encourage the development of necessary commercial facilities to serve businesses and residents



CLEAN



GROW



INVEST

Timeframe ..... 2010-11 through On-going

**CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**

**Land Assembly, Restoration, Clearance and Relocation Program**

This program enables the Agency to assemble parcels into sites suitable for modern, integrated development, as well as the restoration and adaptive reuse of buildings. To facilitate the consolidation of two or more separately-owned parcels, the Agency may acquire vacant land through negotiated purchase, eminent domain, or other forms of acquisition as it deems appropriate for land assembly. This program will allow for the expansion of existing businesses to meet parking requirements and other needs, and directly remove and or correct the impact of blighting influences through the proposed improvements. This program may also include site preparation and demolition. Agency acquisition will target properties that will facilitate expansion of existing businesses and provide for new development opportunities.

Agency assistance with this Program will help to eliminate blighting influences including parcels of irregular shape and sizes, obsolete and aged buildings, and boost the local economy by attracting new businesses to the area. Rehabilitation of existing buildings and development of new buildings will help reduce the number of unsafe and unhealthy buildings and the number of vacant lots.

*Timeframe* ..... 2010-11 through On-going



ACCESS



INVEST



CLEAN

**Public Improvements**

The Agency will continue to participate in the ongoing initiative to improve aging public infrastructure systems and to implement streetscape and beautification projects. The Agency will partner with the Public Works Department and Caltrans in the design and construction of traffic signals, curbs, gutters, paving, streetlights, street trees and landscaping, and bike lanes

The construction of public infrastructure improvements will support investments in the private sector in the reuse of vacant, deteriorated, obsolete and unsafe buildings, the effective utilization of vacant lots, and the rehabilitation of existing and construction of new housing. Such investments will support and increase property values and create jobs, which will in turn, reduce crime and encourage the development of commercial businesses

*Timeframe* ..... 2010-11 through On-going



ACCESS



INVEST



CLEAN

**CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**

## **FINANCING METHODS AVAILABLE TO THE AGENCY**

### **Projected Revenues and Expenditures**

The Agency's primary source of funding for non-housing programs is the annual deposit of the 80 percent of its tax increment revenue. Based on the tax increment revenue projections in Table 2, the Agency's non-housing-related tax increment will generate enough income to support planning, Agency administration, and program implementation activities during the five year period.

During the five year Implementation Plan period, the Agency projects approximately \$4,106,469 (with estimated carryover, sales, lease and loan proceeds) in net tax increment<sup>1</sup>. The Agency will use the net tax revenue for administration, program implementation and land assembly in connection with negotiating agreements with property owners and developers, for one or more of the previously-discussed programs.

### **Central City Commercial**

#### **Proposed Five-Year Program Funds and Expenditures**

Administration and Planning	\$ 410,647
Land Assembly	\$ 821,294
Project Area Improvements	\$ 2,053,235
Business Revitalization and Attraction	\$ 821,294
Sub-Total for Non-Housing Programs	\$ 4,106,469
Sub-Total for Housing Programs	\$ 1,046,737
<b>TOTAL AGENCY EXPENDITURES</b>	<b>\$ 5,153,206</b>

Funds for the programs are anticipated as follows:

Tax Increment (estimated carryover)	\$ 777,994
New Tax Increment	\$ 3,295,520
Sale, Lease, and Loan Proceeds	\$ 32,955
Sub-Total for Non-Housing Programs	\$ 4,106,469
Sub-Total for Housing Programs	\$ 1,046,737
<b>TOTAL AGENCY FUNDS AVAILABLE</b>	<b>\$ 5,153,206</b>

The Redevelopment Plan authorizes the Agency to finance redevelopment activities from any or all of the following sources. (1) tax increment funds, (2) Agency bonds, (3) interest income, (4) the City, (5) the State of California, (6) the Federal government, (7) loans from private financial institutions, (8) lease or sale of Agency-owned property, and (9) any other legally available public or private source.

The CRL authorizes the Agency to create indebtedness, issue bonds, borrow funds or obtain advances in implementing and carrying out the specific intent of a Redevelopment Plan. The Agency is authorized to pay the principal and interest on the indebtedness, bond issues, borrowed funds or advances from tax increment revenue and any other funds available to the Agency. To the extent that it is able to do so, the City may also supply additional assistance through City loans or grants for various public facilities or other redevelopment project costs.

<sup>1</sup> Net of pass through payments, County administration fee, ERAF/SERAF payments, and 20% Housing Set-Aside.



**CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**

Some programs are dependent on the responses from the private sector to Agency initiatives. Other programs may be dependent on funding sources not under Agency control, subsequent environmental assessment, and other factors. Expenditures on projects would be subject to budgetary review and consideration by the Agency board if and when such projects and programs are considered for implementation.

# CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA

## Five Year Implementation Plan FY 2009-10 through 2014-15

### PROPOSED AFFORDABLE HOUSING PROGRAM

Five Year Work Program for Balanced Communities

Over the five year Implementation Plan period (FY 2009-10 through 2014-15), the Agency plans to implement various affordable housing programs within the Project Area and adjacent neighborhoods. The list below describes the programs, what blighted conditions would be eliminated, and the Redevelopment Plan goals that would be achieved. Additionally, the Agency has estimated the number of affordable units that may be assisted by Housing Funds generated from the Project Area.

#### Project/Description

#### Goals Achieved

##### Agency Housing Assistance Programs

The Agency will work with the development community to encourage the construction of low-income ownership and rental units. The Agency will also provide financial housing assistance via programs such as grants for housing improvements to assist low and moderate income homeowners in the improvement of their property. Completion of this project would help eliminate blighted residential properties in the project area and create decent, safe, and sanitary affordable housing.

Timeframe..... 2009-10 through On-going



LIVE



CLEAN

##### Rehabilitation – Minor, Substantial, Infill, Boarded-Up

The Agency intends to continue to revitalize neighborhoods throughout the redevelopment project area including the Lowell neighborhood, Highway City, and other neighborhoods within and adjacent to the Project Area. Projects include the minor and substantial rehabilitation of existing housing, as well as boarded-up single family and multifamily residences. Assistance for the rehabilitation may also include costs for purchasing of infill property, abatement and demolition costs. The Housing Funds may also be leveraged with the use of the Neighborhood Stabilization Program ("NSP") monies where possible.

Completion of this project will remove blight, create affordable housing, and provide for meeting the Agency's replacement housing and housing production responsibilities.

Timeframe..... 2009-10 through On-going



LIVE



CLEAN

##### Land Acquisition Program

In order to achieve its housing production mandate, the Agency will continue to seek land acquisition opportunities in the Project Area. Declining vacant land values and abandoned housing developments are generating new properties within the residential and commercial areas that may accommodate multi-family and mixed-use affordable housing.

Implementation of this program will create future opportunities for affordable housing and provide for meeting the Agency's replacement housing and housing production responsibilities.

Timeframe..... 2010-11 through On-going



LIVE

**CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**

Table 3: Five-Year Affordable Housing Program Funds and Estimated Housing Development

CENTRAL CITY COMMERCIAL							Table 3
FIVE-YEAR AFFORDABLE HOUSING PROGRAM FUNDS AND ESTIMATED HOUSING DEVELOPMENT							
HOUSING PROGRAM	FY 2009-10*	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15*	TOTAL
<b>Housing Expenditures</b>							
*New Construction, Adaptive Reuse, Substantial Rehab. Minor Rehabilitation	\$108,557	\$206,409	\$206,409	\$208,473	\$210,558	\$106,332	<b>\$1,046,737</b>
<b>Estimated Housing Units</b>	5-6	9-11	9-11	9-12	9-12	5-6	<b>45-58</b>
<b>HOUSING FUND DEPOSITS</b>	\$108,557	\$206,409	\$206,409	\$208,473	\$210,558	\$106,332	<b>\$1,046,737</b>
*Half of Fiscal Year							
**45 Year Covenants for Owner-Occupied Housing and 55 Year Covenants for Rental Housing							

## **AFFORDABLE HOUSING PROGRAM COMPLIANCE OBJECTIVES**

### Ten Year Outlook of Affordable Housing

---

The CRL requires all redevelopment agencies to prepare and adopt affordable housing compliance plans on a ten year cycle, with updates corresponding with adoption of their five year implementation plans. The housing compliance plan must identify how a redevelopment agency will achieve the affordable housing production requirements for its redevelopment project area. The housing compliance plan must be consistent with the jurisdiction's housing element and must also be reviewed and, if necessary amended at least every five years in conjunction with the cyclical preparation of the housing element or the agency's five-year implementation plan

This section of the Implementation Plan, referred to as the "Housing Compliance Plan", addresses specific requirements in the CRL with respect to affordable housing activities over the first ten year compliance period from FYs 2004-05 through 2009-10. For the Project Area, this Housing Compliance Plan also evaluates the Agency's affordable housing requirements for the second ten year planning period FYs 2010-11 through 2020-21 and the life of the Redevelopment Plan.

Redevelopment agencies use implementation plans to establish ten year objectives to achieve compliance with State law in its affordable housing programs. These housing goals generally fall into three categories.

- Housing Production – based on the number of housing units constructed or substantially rehabilitated over a ten year period, a redevelopment agency is to ensure that a percentage of these units are affordable to low and moderate income households.
- Replacement Housing – another legal obligation for redevelopment agencies to ensure that any low or moderate income housing units destroyed or removed as a result of an agency redevelopment project are replaced within four years
- Expenditures by Household Types – specific requirements on the amount of housing set-aside funds an agency must spend over a ten year period on housing affordable to very low income households, low income households, and housing for residents under the age of 65

## **CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA**

### **Five Year Implementation Plan FY 2009-10 through 2014-15**

## **Housing Production**

This Housing Compliance Plan identifies all new residential construction or substantial rehabilitation that has occurred within the Project Area since adoption of the Redevelopment Plan in order to determine affordable housing production needs. It accounts for past residential construction and substantial rehabilitation, and includes projects of new dwelling units that were constructed or substantially rehabilitated during the initial ten-year planning period which extended through FY 2009-10.

### **Planning and Period Production Needs**

Table 4 below summarizes the Agency's production activities during the first five years of the current housing compliance period and identifies the projected production requirements for the Compliance Period and over the life of the Redevelopment Plan. Construction and substantial rehabilitation statistics during the first five years were provided by the Agency. The number of affordable units required is based on applicable CRL requirements, and the Agency is responsible for ensuring that the appropriate number of affordable units is created during a ten year period.

It should be noted that neither the housing units nor projections for future dwelling units include any units to be developed by the Agency. However, the Agency will continue to cooperate with and provide assistance and incentives to private developers, in order to fulfill the Agency's affordable housing production requirements.

Pursuant to Section 33413(b) of the CRL not less than 15 percent of the units produced by persons or entities other than the Agency must be affordable to low and moderate income households (includes private sector units constructed or substantially rehabilitated with assistance by the Agency). Not less than 40 percent of the required affordable units must be restricted for very low income households. The Agency's affordable housing production requirements are indicated in Table 4 below. In addition, to satisfy the Agency's production requirements, new or substantially rehabilitated units must have recorded 55-year income restrictions or covenants for rental units and 45-year income restrictions or covenants for owner-occupied units. The affordable housing units may be constructed inside or outside of the Project Area, but units outside the Project Area may only be counted on a 2-for-1 basis. On a limited basis, the Agency may also receive production credit for purchases of affordability covenants on very-low or low-income multifamily units.

# CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA

## Five Year Implementation Plan FY 2009-10 through 2014-15

Housing Production Needs and Units Provided for 10 Year Time Periods				Table 4
Central City Commercial Revitalization Redevelopment Project Area				
Time Period		Units Built Within Project Area	Required Affordable Units	
			Total <sup>1</sup>	Very Low <sup>2</sup>
<b>Initial 10 Year Planning Period</b>				
1999-00 through 2009-10 Needs (Actual <sup>3</sup> )		11	2	1
		Units Provided From Outside Project Area <sup>4</sup>		
Project	MLK Square		4	2
Location	SWF Project Area			
1999-00 through 2009-10 Total Housing Units Provided <sup>4</sup>		4	4	2
<b>Second 10 Year Planning Period</b>		Units To Be Built Within Project Area		
2010-11 through 2020-21 Needs (Forecast) <sup>5</sup>		10	2	1
<b>Third 10 Year Planning Period to Plan Duration</b>		Units To Be Built Within Project Area		
2021-22 through 2030-31 Needs (Forecast) <sup>5</sup>		10	2	1

<sup>1</sup>Total Housing Production Needs Requirement is 15% of units constructed by private development or with RDA assistance; or substantial rehabilitation with RDA or other public assistance.

<sup>2</sup>Of the Total Housing Production Needs Requirement, 6% of the units must be Very Low Income.

<sup>3</sup>Source of units built are City of Fresno Building Permits for all new housing construction; and substantial rehabilitation with RDA assistance.

<sup>4</sup>When housing production units are provided from outside a project area, the requirement is doubled.

<sup>5</sup>Forecast of housing production units from project area historical trends.

As shown in Table 4, the Project Area is not anticipated to experience a substantial amount of residential construction given the small number of vacant parcels that permit such uses. Over the first ten year planning period, the Agency had a total of four low and moderate income units based on actual construction to date. Of these four affordable units, not less than two would need to be restricted to very low income households to meet the projected ten year planning period needs.

## Replacement Housing Needs

The CRL requires that whenever housing occupied by extremely low, very low, low, or moderate income households are destroyed as part of an agency project, the agency is responsible for ensuring that an equivalent number of replacement units are constructed or substantially rehabilitated within four years. An agency may replace these units by new construction, substantial rehabilitation, or purchase of affordability covenants. Replacement units must provide at least the same number of bedrooms destroyed, and 100 percent of the replacement units must be affordable to the same income categories (i.e. extremely low, very low, low, moderate)

## **CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA**

### **Five Year Implementation Plan FY 2009-10 through 2014-15**

as those removed. The Agency receives full credit for replacement units created inside or outside of the Project Area. Table 5 below summarizes the units that have been removed and subsequently replaced.

### **Low and Moderate Income Housing Fund**

The Agency's primary source of funding for housing projects and programs is the annual deposit of the 20 percent of its tax increment revenue into the Low and Moderate Income Housing Fund ("Housing Fund"). The CRL requires that these funds be used to increase, improve, and preserve the community's supply of affordable housing available to persons and families of very low, low, and moderate incomes. Projected annual housing set aside deposits from the Project Area is anticipated to total approximately \$1,044,512 over the five year period, exclusive of existing obligations.

### **Housing Fund Expenditures**

The City Council and Agency adopted a Joint Resolution making findings in compliance with Section 33334.2(g) of the CRL to permit the Agency to use Housing Funds outside of the Project Area. Housing Funds for the Project Area are combined in the Agency's "General" Housing Fund ("General Housing Fund") along with 15 of the Agency's project areas' housing set-aside funds. The purpose of a General Housing Fund was to provide the Agency with the ability to further the goal of housing development and rehabilitation in the Agency's target areas.

Effective January 2002, expenditure of housing set-aside revenues is subject to certain legal requirements. At a minimum, the Agency's Housing Fund revenue is to be expended in proportion to the community's need for very low and low income housing, as well as the proportion of the low income population under the age of 65.

The City's 2009-2013 Housing Element contains the Regional Housing Needs Allocation ("RHNA") for the City, which identified a need for 20,967 dwelling units for the Housing Element planning period. The City's share of the January 1, 2006 RHNA for very low, low, and extremely low income, is expressed as a percentage share. For purposes of this Implementation Plan, the extremely low income category was combined with the very low income category. The percentage of very low, low, and moderate income household expenditure requirements (very low 24%, low 16%, and moderate 16%) are identified in Table 5 and summarize the Agency's Housing Fund expenditures for the 10 year period from FY 2001-02 through 2009-10. The RHNA percentages are used as the minimum thresholds for housing program expenditure compliance that would be required over the 10-year period.

The proportionality requirements affect expenditures over a ten year period for the General Housing Fund. The table below documents the amount of General Housing Fund revenue expended for all housing units developed or rehabilitated with the General Housing Fund from the 16 redevelopment project areas that contribute to the General Housing Fund, categorized by income level. Table 5 indicates that the Agency has exceeded the minimum threshold requirements of the RHNA percentages for the expenditure of Housing Funds for the required very low and low income categories, for the initial 10-year compliance period (FY 1999-00 through 2009-10).

# CENTRAL CITY COMMERCIAL REDEVELOPMENT AREA

## Five Year Implementation Plan FY 2009-10 through 2014-15

**Proportionality of Low and Moderate Fund Expenditures: FY 2001-03 Through 2009-10<sup>1</sup>**  
**General Housing Fund**

**Table 5**

	Very Low	Low	Moderate	Total
Total Units by Income	712	634	356	1,702
Total Expenditures by Income <sup>2</sup>	\$4,481,671	\$5,948,402	\$2,710,936	\$13,141,009
Percentage of Units by Income	42%	37%	21%	100%
Percentage of Expenditures by Income	34%	45%	21%	100%
RHNA Percentage by Income	24%	16%	16%	

<sup>1</sup> Data for FY 2009-10 is partial year through March 31, 2010

<sup>2</sup> Expenditures for developed units, funds used on administration are excluded from analysis

*Source. Regional Housing Needs Allocation (RHNP) Percentages from 2007 Fresno County Regional Housing Needs Allocation Plan, Redevelopment Agency of the City of Fresno*

## Senior Affordable Housing

Pursuant to CRL Section 33334.4 the Agency must expend the Housing Funds to assist housing that is available to all persons regardless of age in at least the same proportion as the number of low-income households with a member under age 65 years bears to the total number of low-income households of the community as reported in the most recent Census of the United States Census Bureau. Therefore, Housing Fund expenditures for non-senior housing would be in proportion to the number of non-senior households in the community.

Previously, in 2002, the State Legislature adopted AB 687, which required that, over the duration of each redevelopment implementation plan, the moneys in the Housing Fund shall be spent to assist housing that is available to all persons regardless of age in at least the same proportion as the population under age 65 bears to the total population of the community as reported in the most recent census of the United States Census Bureau ("the 2002 Requirement"). In 2005, the State Legislature adopted SB 527, which amended the requirement to provide that an Agency is allowed to spend the Housing Fund money to assist senior, affordable housing in the same proportion as senior low-income households bears to the total low-income households in the community (the "2006 Requirement"). The effect of this change was anticipated to allow for agency assistance to a greater population of senior housing than the CRL allowed prior to 2006

In regard to the 2002 Requirement, the 2000 U.S. Census statistics as reported in the City's 2009-2013 Housing Element, indicated that persons 62 years or older were 10.8% of the population in the City of Fresno. In regard to the 2006 Requirement, the City's 2009-2013 Housing Element, reported that there were 4,843 low-income households (51-80% of median income) under the age of 65 in the City of Fresno, and 20,089 low-income households in the City of Fresno. Therefore no more than 24.1% of Project Area housing set-aside funds may be expended on housing for households age 65 or older

Since the 2002 Requirement regarding senior housing became effective, the Agency has not utilized Housing Fund moneys to assist any housing project within the Project Area, other Project Areas, or outside the Project Area that contained units dedicated to senior housing. Therefore, whether the 2002 Requirement or the 2006 Requirement is used, the Agency has complied, during the 10-year period of the Implementation Plan, with the CRL requirements to not spend Housing Fund moneys in excess of the Senior Housing limitation. During the next 10-year period for the Implementation Plan, the Agency may not expend more than 24.1% Housing Fund moneys on housing for households age 65 or older



2009-10 THROUGH 2014-15

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# **FIVE YEAR IMPLEMENTATION PLAN**

COMMUNITY REDEVELOPMENT PLAN FOR THE FRESNO AIR TERMINAL  
(FATRA) REDEVELOPMENT PROJECT AREA

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REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

**February 11, 2011**

**Revised February 16, 2011**

## **FATRA REDEVELOPMENT AREA**

**Five Year Implementation Plan FY 2009-10 through 2014-15**

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## **FATRA REDEVELOPMENT AREA**

Five Year Implementation Plan FY 2009-10 through 2014-15

## **INTRODUCTION**

### About this Implementation Plan

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Every five years, redevelopment agencies are required to adopt an implementation plan for each redevelopment project area that establishes five-year operational and financial programs for carrying out the redevelopment and affordable housing responsibilities of the agency. An implementation plan serves as a multi-year planning vehicle for projects on a programmatic basis. The implementation plan describes the links between the programs undertaken, the alleviation of blight and the provision of affordable housing for a project area. Implementation plans are policy documents meant to guide the implementation of the redevelopment plan for a project area, but allow sufficient flexibility for an Agency to respond to specific opportunities as they arise.

This Five Year Implementation Plan ("Implementation Plan") for the Redevelopment Agency of the City of Fresno ("Agency") covers the five-year planning period for fiscal years ("FY") 2009-10 through 2014-15 for the Community Redevelopment Plan for the Fresno Air Terminal (FATRA) Redevelopment Area ("Project Area"). This Implementation Plan also contains an update to the Project Area's Housing Compliance Plan ("Housing Compliance Plan") for meeting the Agency's affordable housing requirements for the 10-year compliance period (FY 1998-99 to 2008-09), including obligations for producing, replacing, and expending funds for affordable housing.

## **Legal Authority**

In 1993, the Legislature passed Assembly Bill 1290 (Chapter 942, Statutes of 1993), which enacted the California Community Redevelopment Law Reform Act and made changes to state redevelopment law (Health and Safety Code §33000 et seq.) ("CRL") in an effort to increase both the effectiveness and accountability of redevelopment agencies. One notable statutory change was the addition of Article 16.5 (§33490 et seq.) to the CRL, which required redevelopment agencies to adopt five year implementation plans every five years. CRL §33490(a) requires that the Implementation Plan contain:

- The Agency's goals, objectives, and programs within the Project Area for the next five years, including an estimate of tax increment revenue to be generated and an approximate amount to be allocated to programs.
- An explanation of how the goals, objectives, and programs will eliminate blight and promote affordable housing.
- An explanation of how the Agency will implement its Low and Moderate Income Housing Fund ("Housing Fund") requirements and the requirements for producing and replacing affordable housing.

## FATRA REDEVELOPMENT AREA

Five Year Implementation Plan FY 2009-10 through 2014-15

### ABOUT THE PROJECT AREA

Who, What, Where, When, and Why

On July 18, 1988, the City of Fresno City Council adopted the Redevelopment Plan for the Community Redevelopment Plan for the Fresno Air Terminal Redevelopment Area ("Project Area") to assist the City of Fresno with rebuilding and restructuring the 102 acre project area into a high quality, aviation-related business park and to address environmental issues associated with prior use of the Old Hammer Field. All of the land within the Project Area is owned by the City of Fresno and contains a mix of light industrial and recreational/open space uses, as well as numerous vacant parcels.

Environmental cleanup activity for the Project Area continues to be a priority and the majority of the project area resources, except for the housing set-aside funds, are allocated to this purpose. Based on an agreement between the City of Fresno and the Agency, the Airport Department is responsible for the administration of the environmental program. Reimbursements for eligible environmental cleanup expenses or debt service payments are provided by the Agency from available funds.

This Implementation Plan focuses on specific redevelopment goals and programs accomplished over the previous five year reporting period (FY 2004-05 thru 2009-10) and for the next five years (FY 2010-11 through 2014-15)

The Redevelopment Plan for the Project Area sets forth time limitations with regard to collecting tax increment revenue and plan effectiveness. The following Table 1 presents the current time limits contained in the Redevelopment Plan

**Redevelopment Plan Time Limits**

**Table 1**

#### **Community Redevelopment Plan for the FATRA Area**

Project Area Adopted	7/18/1988	Ordinance No. 88-96
Plan Effectiveness Date	7/18/2029	Ordinance No. 2008-9
Tax Increment Limit	\$85.25 million	Ordinance No. 88-96
Bond Debt Limit	\$85.25 million	Ordinance No. 88-96
Limit to Incur Debt*	7/18/2029	Ordinance No. 2008-26
Limit on Receiving Tax Increment	8/18/2029	Ordinance No. 2008-9
Eminent Domain Time Limit	8/18/2000 (Expired)	Ordinance No. 88-96

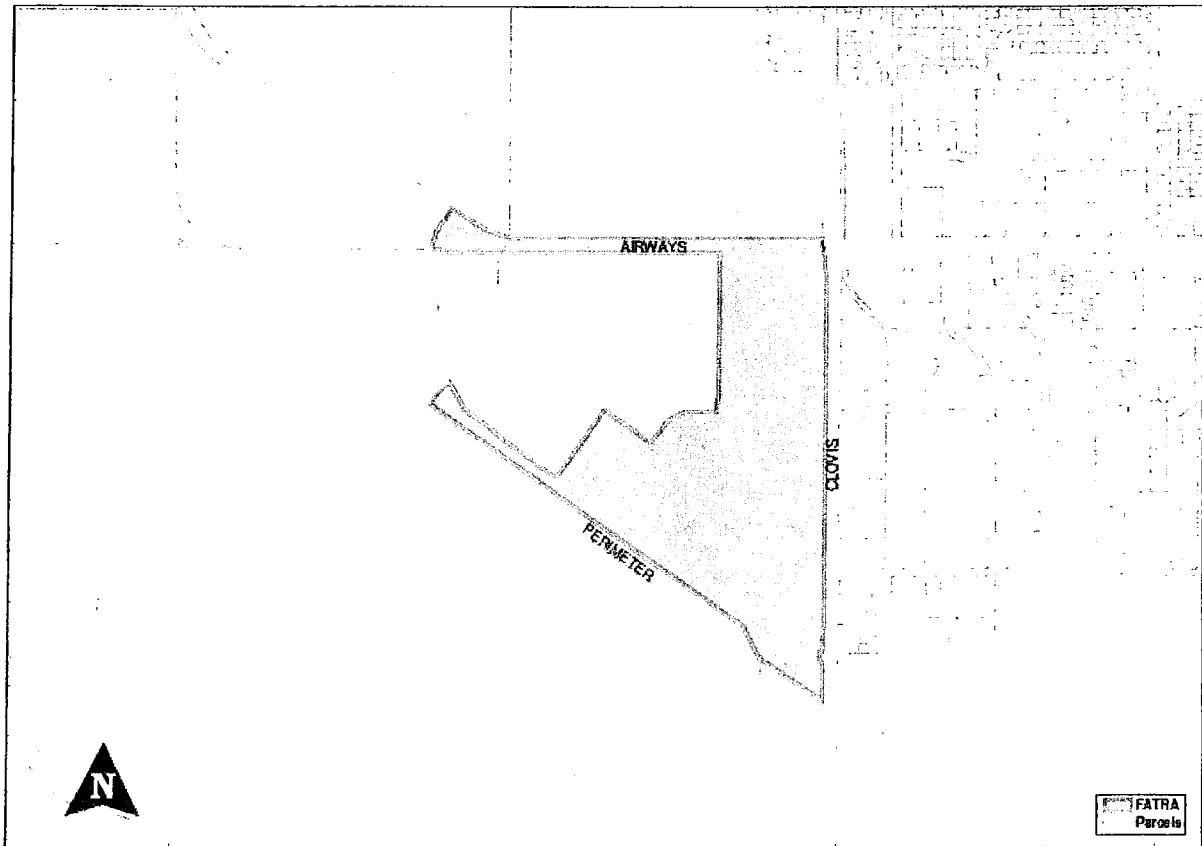
\*Council Ordinance 2008-26 was passed on May 13, 2008, deleting the Debt Incurrence Time Limit pursuant to CRL 33333.6(e)(2). Therefore, the Debt Incurrence Limit utilizes the Plan Effective Date

The map on the following page depicts the location of the Project Area

## FATRA REDEVELOPMENT AREA

Five Year Implementation Plan FY 2009-10 through 2014-15

### Fresno Air Terminal



## **FATRA REDEVELOPMENT AREA**

Five Year Implementation Plan FY 2009-10 through 2014-15

### **RECENT REDEVELOPMENT ACCOMPLISHMENTS**

The Public Value & Benefit of Redevelopment

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During the prior planning period (FY 2004-05 through 2009-10), the Agency continued to assist the City of Fresno with rebuilding and restructuring the 102 acre project site into a high quality, aviation-related business park and to address environmental issues associated with prior use of the Old Hammer Field portion. Environmental cleanup activity for the area continues to be a priority and the majority of the project area's non-housing fund resources are allocated to this purpose.

## FATRA REDEVELOPMENT AREA

Five Year Implementation Plan FY 2009-10 through 2014-15

### IMPLEMENTATION PLAN GOALS

Community Reinvestment and Revitalization

Adopted on July 18, 1988, the Redevelopment Plan establishes a variety of goals for redevelopment of the Project Area. These goals frame the near term redevelopment objectives for the Implementation Plan period. The Redevelopment Plan goals are listed below.



CLEAN

**Eliminate Blight.** Elimination of blighting influences, and the correction of environmental deficiencies in the Project Area, including, among others, small and irregular-shaped lots in multiple leaseholds, obsolete and aged building types, vacant buildings and lots, depreciated or stagnant property values and impaired investments, abnormally low lease rates, high crime rates, incompatible and uneconomic land uses, and inadequate or deteriorated public improvements, facilities, and utilities.



ACCESS

**Assemble Land.** Assist the City in the assembly of land into parcels, suitable for modern, integrated development, compatible with the FYI Airport Facility, with improved pedestrian and vehicular circulation in the Project Area.



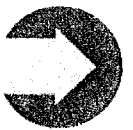
GROW

**Use Land Wisely.** Re-plan, redesign, and develop undeveloped and underdeveloped areas that are stagnant or improperly utilized, and strengthen the relationship with the FYI Airport Facility.



HELP

**Champion Participation.** Provide opportunities for participation by owners and tenants in the revitalization of their properties.



GO

**Cohesive Use of Land.** Strengthen land uses, their inter-related functions in the Project Area, and their functions and relationship with the FYI Airport Facility.



INVEST

**Generate and Enhance Commercial Activity.** Strengthen the economic base of the Project Area, the overall FYI Airport Facility, and the community through the installation of needed site improvements to stimulate new light industrial and related development, business expansion, employment, and social and economic growth.

## FATRA REDEVELOPMENT AREA

Five Year Implementation Plan FY 2009-10 through 2014-15



PLAY

**Land Uses for All.** Provide adequate land for strengthening the relationship and functions with the FYI Airport Facility, and the provision of areas for parking, access, open space, and service facilities



PRESERVE

**Protect and Enhance.** Community Character Establish a positive visual image through implementation of site design standards, environmental quality and compatibility with buildings of historical importance, and other design elements which provide unity and integrity to the entire Project Area and its relationship with the FYI Airport Facility.



LIVE

**Housing for All.** Expand, improve, and preserve the community's supply of housing available at affordable housing cost to low- and moderate-income persons and families outside the Project Area, and in adjacent neighborhoods (with appropriate findings).



COLLABORATE

**Together as a Team.** The encouragement of participation of Project Area businesses in the formulation and implementation of this Plan to ensure that Plan proposals are beneficial to the FYI Airport operations, project area businesses, employees, and customers within the Project Area, as well as the community in general



## FATRA REDEVELOPMENT AREA

Five Year Implementation Plan FY 2009-10 through 2014-15

### PROPOSED REDEVELOPMENT PROGRAM

Five Year Work Program for Reinvestment & Revitalization

Over the 5-year Implementation Plan period, the Agency plans to implement the following non-housing redevelopment projects and programs. The list below describes the projects proposed, what blighted conditions would be eliminated, and the Redevelopment Plan goals that would be achieved. Approximate costs for the proposed Programs are contained in Table 2, below

#### Project/Description

#### Goals Achieved

##### Business Revitalization and Attraction Program

The Agency will continue its efforts to retain and attract commercial businesses in the Project Area. Agency efforts may include infrastructure improvements (right-of-way improvements, water and sewer enhancements), development fee reductions, and financial assistance for start-up businesses, to stimulate business and industrial growth. The Agency will also continue to promote the Storefront Improvement Program which provides loan assistance for façade improvements.

Completion of commercial developments would improve public infrastructure, create new jobs, and will boost the local economy by attracting new businesses and residents to the area.

Implementation of various business revitalization and attraction programs will generate and enhance commercial activity, eliminate physical and economic blight by attracting new businesses and residents to the area, improve public infrastructure, and create new jobs. Development will increase property values and lease rates, and encourage the development of necessary commercial facilities to serve businesses and residents.



CLEAN



GROW



INVEST

Timeframe..... 2009-10 through On-going

## FATRA REDEVELOPMENT AREA

Five Year Implementation Plan FY 2009-10 through 2014-15

### Land Assembly, Restoration, Clearance and Relocation Program

This program enables the Agency to assist the City in the assembly of leasehold sites into sites suitable for modern, integrated development, as well as the restoration and adaptive reuse of buildings. To facilitate the consolidation of two or more separate leasehold parcels, the Agency may assist the City in the acquisition of existing leasehold parcels through negotiated purchase, or other forms of acquisition as it deems appropriate for land assembly. This program will allow for the expansion of existing businesses, the attraction of new businesses, to provide necessary access within the Project Area and to the FYI Airport Facility, to meet parking requirements and other needs, and directly remove and or correct the impact of blighting influences through the proposed improvements. This program may also include site preparation and demolition. Agency acquisition will target properties that will facilitate expansion of existing businesses and provide for new development opportunities.

Agency assistance with this Program will help to eliminate blighting influences including parcels of irregular shape and sizes, obsolete and aged buildings, and boost the local economy by attracting new businesses to the area. Rehabilitation of existing buildings and development of new buildings will help reduce the number of unsafe and unhealthy buildings and the number of vacant lots.



ACCESS



INVEST



CLEAN

Timeframe ..... 2009-10 through On-going

### Public Improvements

The Agency will continue to participate in the on-going initiative to improve aging public infrastructure systems and to implement streetscape and beautification projects. The Agency will partner with the City Public Works and Airports Departments in the design and construction of airport access, traffic signals, curbs, gutters, paving, streetlights, street trees and landscaping, and bike lanes.

The construction of public infrastructure improvements will support investments by City in the FYI Airport Facility, the private sector in the reuse of vacant, deteriorated, obsolete and unsafe buildings, the effective utilization of vacant lots, and the rehabilitation of existing and construction of new aviation-related, industrial and commercial development. Such investments will support and increase property values and create jobs, which will in turn, reduce crime and encourage the development of commercial businesses.



ACCESS



INVEST



CLEAN

Timeframe ..... 2009-10 through On-going

## FATRA REDEVELOPMENT AREA

Five Year Implementation Plan FY 2009-10 through 2014-15

### FINANCING METHODS AVAILABLE TO THE AGENCY

#### Projected Revenues and Expenditures

The Agency's primary source of funding for non-housing programs is the annual deposit of the 80 percent of its tax increment revenue. Based on the tax increment revenue projections in Table 2, the Agency's non-housing-related tax increment will generate enough income to support planning, Agency administration, and program implementation activities during the five year period.

During the five year Implementation Plan period, the Agency projects approximately \$537,733 (with estimated carryover, sales, lease and loan proceeds) in net tax increment<sup>1</sup>. The Agency will use the net tax revenue for administration, program implementation and land assembly in connection with negotiating agreements with the City, leaseholders and developers, for one or more of the previously-discussed programs.

#### FATRA

Table 2

#### Proposed Five-Year Program Funds and Expenditures

Administration and Planning	\$	53,773
Land Assembly	\$	0
Project Area Improvements	\$	322,640
Business Revitalization and Attraction	\$	161,320
Sub-Total for Non-Housing Programs	\$	537,733
Sub-Total for Housing Programs	\$	252,959
TOTAL AGENCY EXPENDITURES	\$	790,692

Funds for the programs are anticipated as follows

Tax Increment (estimated carryover)	\$	0
New Tax Increment	\$	532,409
Sale, Lease, and Loan Proceeds	\$	5,324
Sub-Total for Non-Housing Programs	\$	537,733
Sub-Total for Housing Programs	\$	252,959
TOTAL AGENCY FUNDS AVAILABLE	\$	790,692

The Redevelopment Plan authorizes the Agency to finance redevelopment activities from any or all of the following sources: (1) tax increment funds, (2) Agency bonds, (3) interest income, (4) the City, (5) the State of California, (6) the Federal government, (7) loans from private financial institutions, (8) and any other legally available public or private source.

The CRL authorizes the Agency to create indebtedness, issue bonds, borrow funds or obtain advances in implementing and carrying out the specific intent of a Redevelopment Plan. The Agency is authorized to pay the principal and interest on the indebtedness, bond issues, borrowed funds or advances from tax increment revenue and any other funds available to the Agency. To the extent that it is able to do so, the City may also supply additional assistance through City loans or grants for various public facilities or other redevelopment project costs.

<sup>1</sup> Net of pass through payments, County administration fee, ERAF/SERAF payments, and 20% Housing Set-Aside.

## **FATRA REDEVELOPMENT AREA**






Five Year Implementation Plan FY 2009-10 through 2014-15

Some programs are dependent on the responses from the City and the private sector to Agency initiatives. Other programs may be dependent on funding sources not under Agency control, subsequent environmental assessment, and other factors. Expenditures on projects would be subject to budgetary review and consideration by the Agency board if and when such projects and programs are considered for implementation.

## PROPOSED AFFORDABLE HOUSING PROGRAM

Five Year Work Program for Balanced Communities

Over the five year Implementation Plan period (FY 2009-10 through 2014-15), the Agency plans to implement various affordable housing programs within adjacent neighborhoods. The list below describes the programs, what blighted conditions would be eliminated, and the Redevelopment Plan goals that would be achieved. Additionally, the Agency has estimated the number of affordable units that may be assisted by Housing Funds generated from the Project Area

Project/Description	Goals Achieved
<p><b>Agency Housing Assistance Programs</b></p> <p>The Agency will work with the development community to encourage the construction of low-income ownership and rental units. The Agency will also provide financial housing assistance via programs such as grants for housing improvements to assist low and moderate income homeowners in the improvement of their property. Completion of this project would help eliminate blighted residential properties in neighborhoods outside and in adjacent neighborhoods to the project area and create decent, safe, and sanitary affordable housing.</p> <p><i>Timeframe</i> ..... 2009-10 through On-going</p>	 LIVE  CLEAN
<p><b>Rehabilitation – Minor and Substantial</b></p> <p>The Agency intends to continue to revitalize neighborhoods outside the Project Area and other neighborhoods adjacent to the Project Area. Projects include the minor and substantial rehabilitation of existing housing, as well as boarded-up single family and multifamily residences. Assistance for the substantial rehabilitation may also include costs for purchasing of property, abatement and demolition costs. The Housing Funds may also be leveraged with the use of the Neighborhood Stabilization Program ("NSP") monies where possible.</p> <p>Completion of this project will remove blight outside the Project Area and in neighborhoods adjacent to the Project Area, create affordable housing, and provide for meeting the Agency's replacement housing and housing production responsibilities.</p> <p><i>Timeframe</i> ..... 2009-10 through On-going</p>	 LIVE  CLEAN
<p><b>Land Acquisition Program</b></p> <p>In order to achieve its housing production mandate, the Agency will continue to seek land acquisition opportunities in locations outside and in neighborhoods adjacent to the Project Area. Declining vacant land values and abandoned housing developments are generating new properties within the residential and commercial areas that may accommodate multi-family and mixed-use affordable housing.</p> <p>Implementation of this program will create future opportunities for affordable housing and provide for meeting the Agency's replacement housing and housing production responsibilities.</p> <p><i>Timeframe</i> ..... 2009-10 through On-going</p>	 LIVE

## FATRA REDEVELOPMENT AREA

Five Year Implementation Plan FY 2009-10 through 2014-15

provide the Agency with the ability to further the goal of housing development and rehabilitation in the Agency's target areas.

Effective January 2002, expenditure of housing set-aside revenues is subject to certain legal requirements. At a minimum, the Agency's Housing Fund revenue is to be expended in proportion to the community's need for very low and low income housing, as well as the proportion of the low income population under the age of 65

The City's 2009-2013 Housing Element contains the Regional Housing Needs Allocation ("RHNA") for the City, which identified a need for 20,967 dwelling units for the Housing Element planning period. The City's share of the January 1, 2006 RHNA for very low, low, and extremely low income, is expressed as a percentage share. For purposes of this Implementation Plan, the extremely low income category was combined with the very low income category. The percentage of very low, low and moderate income household expenditure requirements (very low 24%, low 16%, and moderate 16%) are identified in Table 4 and summarizes the Agency's Housing Fund expenditures for the 10 year period from FY 2001-02 through 2009-10. The RHNA percentages are used as the minimum thresholds for housing program expenditure compliance that would be required over the 10-year period.

The proportionality requirements affect expenditures over a ten year period for the General Housing Fund. The table below documents the amount of General Housing Fund revenue expended for all housing units developed or rehabilitated with the General Housing Fund from the 16 redevelopment project areas that contribute to the General Housing Fund, categorized by income level. Table 4 indicates that the Agency has exceeded the minimum threshold requirements of the RHNA percentages for the expenditure of Housing Funds for the required very low and low income categories, for the initial 10-year compliance period (FY 2001-02 through 2009-10).

**Proportionality of Low and Moderate Fund Expenditures: FY 2001-03 Through 2009-10<sup>1</sup>**  
**General Housing Fund**

**TABLE 4**

	<b>Very Low</b>	<b>Low</b>	<b>Moderate</b>	<b>Total</b>
Total Units by Income	712	634	356	1,702
Total Expenditures by Income <sup>2</sup>	\$4,481,671	\$5,948,402	\$2,710,936	\$13,141,009
Percentage of Units by Income	42%	37%	21%	100%
Percentage of Expenditures by Income	34%	45%	21%	100%
RHNA Percentage by Income	24%	16%	16%	

<sup>1</sup> Data for FY 2009-10 is partial year through March 31, 2010

<sup>2</sup> Expenditures for developed units, funds used on administration are excluded from analysis

*Source: Regional Housing Needs Allocation (RHNP) Percentages from 2007 Fresno County Regional Housing Needs Allocation Plan, Redevelopment Agency of the City of Fresno*

## Senior Affordable Housing

Pursuant to CRL Section 33334.4 the Agency must expend the Housing Funds to assist housing that is available to all persons regardless of age in at least the same proportion as the number of low-income households with a member under age 65 years bears to the total number of low-income households of the community as reported in the most recent Census of the United States Census Bureau. Therefore, Housing Fund expenditures for non-senior housing would be in proportion to the number of non-senior households in the community.

Previously, in 2002, the State Legislature adopted AB 687, which required that, over the duration of each redevelopment implementation plan, the moneys in the Housing Fund shall be spent to assist housing that is available to all persons regardless of age in at least the same proportion as the population under age 65 bears to the total population of the community as reported in the most recent census of the United States Census Bureau.

## **FATRA REDEVELOPMENT AREA**

Five Year Implementation Plan FY 2009-10 through 2014-15

### **AFFORDABLE HOUSING PROGRAM COMPLIANCE OBJECTIVES**

Ten Year Outlook of Affordable Housing

The CRL requires all redevelopment agencies to prepare and adopt affordable housing compliance plans on a ten year cycle, with updates corresponding with adoption of their five year implementation plans. The housing compliance plan must identify how a redevelopment agency will achieve the affordable housing production requirements for its redevelopment project area. The housing compliance plan must be consistent with the jurisdiction's housing element and must also be reviewed and, if necessary amended at least every five years in conjunction with the cyclical preparation of the housing element or the agency's five-year implementation plan.

This section of the Implementation Plan, referred to as the "Housing Compliance Plan", addresses specific requirements in the CRL with respect to affordable housing activities

Redevelopment agencies use implementation plans to establish ten year objectives to achieve compliance with State law in its affordable housing programs. These housing goals generally fall into three categories

- Housing Production – based on the number of housing units constructed or substantially rehabilitated over a ten year period, a redevelopment agency is to ensure that a percentage of these units are affordable to low and moderate income households
- Replacement Housing – another legal obligation for redevelopment agencies to ensure that any low or moderate income housing units destroyed or removed as a result of an agency redevelopment project are replaced within four years
- Expenditures by Household Types – specific requirements on the amount of housing set-aside funds an agency must spend over a ten year period on housing affordable to very low income households, low income households, and housing for residents under the age of 65

#### **Housing Production**

The Redevelopment Plan for the Fresno Air Terminal Project Area, since its adoption in 1986, does not permit the construction of new housing units, nor are there any existing housing units in the Project Area. Therefore, there are no existing affordable housing production needs to report for the previous ten year compliance period, nor are there any projections made for the next ten year compliance period, as well as to the termination of the Redevelopment Plan.

#### **Replacement Housing Needs**

The CRL requires that whenever housing occupied by extremely low, very low, low, or moderate income households are destroyed or removed from the low and moderate income housing market as part of an agency project, the agency is responsible for ensuring that an equivalent number of replacement units are constructed or substantially rehabilitated within four years. Since its inception the Fresno Air Terminal Project Area has not contained any existing housing units, there are no existing housing units in the Project Area, nor does the Redevelopment Plan permit the construction of new housing units. During the previous five year reporting period (FY 2004-05 thru 2009-10) for the FATRA Implementation Plan, the Agency has not destroyed or removed any units from the low and moderate income housing market in the Project Area, and there are no Replacement Housing Obligations to report.

#### **Housing Fund Expenditures**

In 1986, the City Council and Agency adopted a Joint Resolution making findings in compliance with Section 33334.2(g) of the CRL to permit the Agency to use Housing Funds outside of the Project Area. Housing Funds for the Project Area are combined in the Agency's "General" Housing Fund ("General Housing Fund") along with 15 of the Agency's other project areas' housing set-aside funds. The purpose of a General Housing Fund was to

**FATRA REDEVELOPMENT AREA**  
 Five Year Implementation Plan FY 2009-10 through 2014-15

Table 3: Five-Year Affordable Housing Program Funds and Estimated Housing Development

FATRA						Table 3
FIVE-YEAR AFFORDABLE HOUSING PROGRAM FUNDS AND ESTIMATED HOUSING DEVELOPMENT						
HOUSING PROGRAM	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
<b>Housing Expenditures</b>						
*New Construction, *Adaptive Reuse, *Substantial Rehab. Minor Rehabilitation	\$50,559	\$50,600	\$50,600	\$50,600	\$50,600	\$252,959
<b>Estimated Housing Units</b>	2-3	2-3	2-3	2-3	2-3	11-14
<b>HOUSING FUND DEPOSITS</b>	\$50,559	\$50,600	\$50,600	\$50,600	\$50,600	\$252,959
*45 Year Covenants for Owner-Occupied Housing and 55 Year Covenants for Rental Housing						



## **FATRA REDEVELOPMENT AREA**

**Five Year Implementation Plan FY 2009-10 through 2014-15**

("the 2002 Requirement"). In 2005, the State Legislature adopted SB 527, which amended the requirement to provide that an Agency is allowed to spend the Housing Fund money to assist senior, affordable housing in the same proportion as senior low-income households bears to the total low-income households in the community (the "2006 Requirement"). The effect of this change was anticipated to allow for agency assistance to a greater population of senior housing than the CRL allowed prior to 2006.

In regard to the 2002 Requirement, the 2000 U.S. Census statistics as reported in the City's 2009-2013 Housing Element, indicated that persons 62 years or older were 10.8% of the population in the City of Fresno. In regard to the 2006 Requirement, the City's 2009-2013 Housing Element, reported that there were 4,843 low-income households (51-80% of median income) under the age of 65 in the City of Fresno, and 20,089 low-income households in the City of Fresno. Therefore no more than 24 1% of Project Area housing set-aside funds may be expended on housing for households age 65 or older

Since the 2002 Requirement regarding senior housing became effective, the Agency has not utilized Housing Fund moneys to assist any housing project within the Project Area, other Project Areas, or outside the Project Area that contained units dedicated to senior housing. Therefore, whether the 2002 Requirement or the 2006 Requirement is used, the Agency has complied, during the 10-year period of the Implementation Plan, with the CRL requirements to not spend Housing Fund moneys in excess of the Senior Housing limitation. During the next 10-year period for the Implementation Plan, the Agency may not expend more than 24 1% Housing Fund moneys on housing for households age 65 or older

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2009-10 THROUGH 2014-15

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# FIVE YEAR IMPLEMENTATION PLAN

SOUTH FRESNO INDUSTRIAL REVITALIZATION REDEVELOPMENT  
PROJECT AREA

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REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

**February 11, 2011**

**Revised February 16, 2011**

**SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA**  
Five Year Implementation Plan FY 2009-10 through 2014-15

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# **SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA**

## **Five Year Implementation Plan FY 2009-10 through 2014-15**

## **INTRODUCTION**

About this Implementation Plan

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Every five years, redevelopment agencies are required to adopt an implementation plan for each redevelopment project area that establishes five-year operational and financial programs for carrying out the redevelopment and affordable housing responsibilities of the agency. An implementation plan serves as multi-year planning vehicle for projects on a programmatic basis. The implementation plan describes the links between the programs undertaken, the alleviation of blight and the provision of affordable housing for a project area. Implementation plans are policy documents meant to guide the implementation of the redevelopment plan for a project area, but allow sufficient flexibility for an Agency to respond to specific opportunities as they arise

This Five Year Implementation Plan ("Implementation Plan") for the Redevelopment Agency of the City of Fresno ("Agency") covers the previous five-year planning period from Fiscal Years 2004-05 through 2009-10 and the next five-year planning period from Fiscal Years FY 2009-10 through 2014-15 for the South Fresno Industrial Revitalization Redevelopment Project Area ("Project Area"). This Implementation Plan also contains an update to the Project Area's Housing Compliance Plan ("Housing Compliance Plan") for meeting the Agency's affordable housing requirements for the initial 10-year compliance period, including obligations for producing, replacing, and expending funds for affordable housing.

## **Legal Authority**

In 1993, the Legislature passed Assembly Bill 1290 (Chapter 942, Statutes of 1993), which enacted the California Community Redevelopment Law Reform Act and made changes to state redevelopment law (Health and Safety Code §33000 et seq.) ("CRL") in an effort to increase both the effectiveness and accountability of redevelopment agencies. One notable statutory change was the addition of Article 16.5 (§33490 et seq.) to the CRL, which required redevelopment agencies to adopt five year implementation plans every five years. CRL §33490(a) requires that the Implementation Plan contain:

- The Agency's goals, objectives, and programs within the Project Area for the next five years, including an estimate of tax increment revenue to be generated and an approximate amount to be allocated to programs
- An explanation of how the goals, objectives, and programs will eliminate blight and promote affordable housing within the Project Area
- An explanation of how the Agency will implement its Low and Moderate Income Housing Fund ("Housing Fund") requirements and the requirements for producing and replacing affordable housing.

## **ABOUT THE PROJECT AREA**

Who, What, Where, When, and Why

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On June 29, 1999, the City of Fresno City Council adopted the Redevelopment Plan for the South Fresno Industrial Revitalization Redevelopment Project Area ("Project Area"). The 1,378-acre Project Area contains a mix of land uses including commercial, industrial and other miscellaneous land uses

The focus of the redevelopment project is the elimination of blight and economic stagnation and the promotion of the redevelopment of underutilized industrial and commercial areas that were identified in the City's General Plan for industrial and commercial uses within the Project Area. The redevelopment project area was adopted with priorities on the retention and expansion of existing and new businesses in order to increase the availability of jobs

## **SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA**

### **Five Year Implementation Plan FY 2009-10 through 2014-15**

This Implementation Plan focuses on specific redevelopment goals and programs for the five-year time period from Fiscal Years FY 2009-10 through 2014-15

The Redevelopment Plan for the Project Area set forth time limitations with regard to collecting tax increment revenue and plan effectiveness. The following Table 1 presents the current time limits contained in the Redevelopment Plan.

**Redevelopment Plan Time Limits**

**Table 1**

#### **South Fresno Industrial Revitalization Redevelopment Project Area**

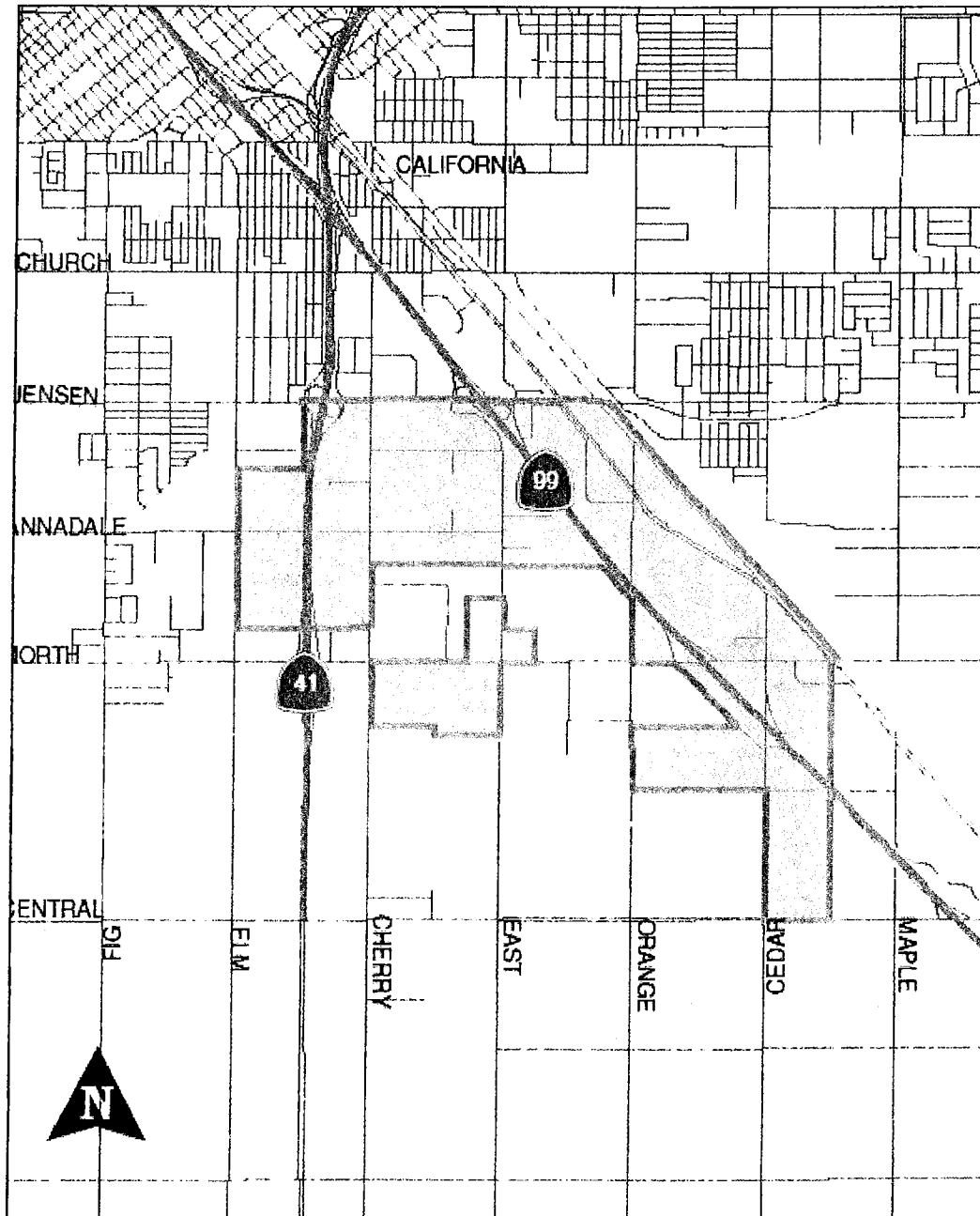
Project Area Adopted	6/29/1999	Ordinance No. 99-43
Plan Effectiveness Date	7/12/2030	Ordinance No. 2008-9
Tax Increment Limit	\$20 million	Ordinance No. 99-43
Bond Debt Limit	\$30 million	Ordinance No. 99-43
Limit to Incur Debt	7/12/2019	Ordinance No. 99-43
Limit on Receiving Tax Increment	7/12/2045	Ordinance No. 2008-9
Eminent Domain Time Limit*	8/12/2011	Ordinance No. 99-43

\*Shall not acquire property on which persons legally reside

The map on the following page depicts the location of the Project Area.

**SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA**  
Five Year Implementation Plan FY 2009-10 through 2014-15

## South Fresno Industrial Revitalization



## RECENT REDEVELOPMENT ACCOMPLISHMENTS

### The Public Value & Benefit of Redevelopment

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During the prior planning period (FY 2003-04 through 2008-09), the Agency accomplished many successful projects and programs in the Project Area, including the following:

**Street & Infrastructure Improvements.** The Agency has continued to identify target areas for infrastructure improvements in order to stimulate infill industrial development and advance planned industrial projects to shovel ready status

**Utility Trailer Sales.** The public/private partnership for East Avenue improvements triggered retention and expansion of Utility Trailer Sales resulting in the addition of \$8.5 million of new value including a new 45,000 square foot building and almost doubling the number of employees to 70. During the last year, the Utility Trailer Sales (UTS) site was completed to full build out and the company met its obligations for all funded improvements under the established Memorandum of Understanding (MOU). Construction for onsite improvements of East Avenue from Dorothy to Annadale Avenues adjacent to Utility Trailer with curbs, gutters, paving, street lights, sidewalks and storm drain improvements has been completed. The Agency portion of the MOU moved forward with the completion of the final design of Agency sponsored off-site improvements. The final improvements, along East Avenue from Dorothy to Annadale Avenues, will be constructed in the first quarter of the 2010-11 fiscal year

In addition to the UTS, an agreement has been reached with an adjacent 10 acre property owner for the owner's share of future development and entitlement costs that will advance their strategic infill parcel closer to shovel ready status. This draft MOU agreement will be executed in conjunction with the implementation of the planned improvements along East Avenue at Annadale Avenue.

**Jensen and Cherry Avenues.** Planned improvements at the intersection of Jensen and Cherry Avenues were also designed and prepared for construction in the next fiscal year. These improvements were determined by the finalization of the development plans of the expanding company, located at the corner of Jensen and Cherry Avenues. The company plans a 24,000 square foot, first phase office, testing and warehouse facility at this intersection and submitted plans for revised entitlements. Based upon their final plans, design work was completed and a draft MOU agreement has been prepared for execution in the first quarter of the 2010-11 fiscal year

**East and North Avenues Improvements.** Progress was also made on several significant industrial parcels located at the corner of East and North Avenues. A major industrial developer has finalized plans for off-site needs for several planned users of a 40 acre parcel. These improvements would help induce the development of the first 26 acres of development and would advance the balance of the project site to further shovel ready status

Additionally, a national company has identified a 6 acre site just to the north of East and North Avenues intersection for a future plant and initiated negotiations for the development of an MOU. The Agency assisted the company with several environmental inquiries which had slowed their process but which were resolved to their satisfaction.

**Cedar Avenue Water Main Project.** Approximately 3,950 feet of water line installed from Muscat Avenue to approximately one quarter mile south of Central Avenue was completed in October 2008, for approximately \$374,000. An additional 525 feet of water line was extended to the next property to the south to serve for fire suppression to help induce development of about 1.5 acres for Old Dominion Freight Line.

## SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA

Five Year Implementation Plan FY 2009-10 through 2014-15

### IMPLEMENTATION PLAN GOALS

Community Reinvestment and Revitalization

Adopted in June 29, 1999, the Redevelopment Plan establishes a variety of goals for redevelopment of the Project Area. These goals frame the near term redevelopment objectives for the Implementation Plan period. The Redevelopment Plan goals are listed below.



CLEAN

**Eliminate Blight.** Eliminate blighting influences and the correction of environmental deficiencies in the Project Area, including, among others, small and irregular-shaped lots in multiple ownership, obsolete and aged building types, vacant buildings and lots, depreciated or stagnant property values and impaired investments, abnormally low lease rates, high crime rates, incompatible and uneconomic land uses, and inadequate or deteriorated public improvements, facilities, and utilities.



ACCESS

**Assemble Land.** Assemble land into parcels, suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area.



GROW

**Use Land Wisely.** Re-plan, redesign, and develop undeveloped and underdeveloped areas that are stagnant or improperly utilized.



HELP

**Champion Participation.** Provide opportunities for participation by owners and tenants in the revitalization of their properties.



GO

**Cohesive Use of Land.** Strengthen land uses and their inter-related functions in the Project Area.



## **SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA**

Five Year Implementation Plan FY 2009-10 through 2014-15



**INVEST**

**Generate and Enhance Commercial Activity.** Strengthen the economic base of the Project Area and the community through the installation of needed site improvements to stimulate new development, business expansion, employment, and social and economic growth.



**PLAY**

**Land Uses for All.** Provide adequate land for parking and open space.



**PRESERVE**

**Protect and Enhance.** Community Character. Establish a positive visual image through implementation of site design standards, environmental quality and compatibility with buildings of historical importance, and other design elements which provide unity and integrity to the entire Project Area



**LIVE**

**Housing for All.** Expand, improve, and preserve the community's supply of housing available at affordable housing cost to low- and moderate-income persons and families outside the Project Area and adjacent neighborhoods (with appropriate findings)



**COLLABORATE**

**Together as a Team.** The encouragement of participation of Project Area residents in the formulation and implementation of this Plan to ensure that Plan proposals are beneficial to people who reside and work within the Project Area, as well as the community in general

# **SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA**

Five Year Implementation Plan FY 2009-10 through 2014-15

## **PROPOSED REDEVELOPMENT PROGRAM**

Five Year Work Program for Reinvestment & Revitalization

Over the 5-year Implementation Plan period, the Agency plans to implement the following redevelopment projects and programs. The list below describes the projects proposed, what blighted conditions would be eliminated, approximate costs, and the Redevelopment Plan goals that would be achieved

### **Project/Description**

### **Goals Achieved**

#### **Business Revitalization and Attraction Program**

The Agency will continue its efforts to retain and attract commercial businesses in the Project Area. Agency efforts may include infrastructure improvements (right-of-way improvements, water and sewer enhancements), development fee reductions, and financial assistance for start-up businesses, to stimulate business and industrial growth. The Agency will also continue to promote the Storefront Improvement Program which provides loan assistance for façade improvements.

Completion of commercial developments would improve public infrastructure, create new jobs, and will boost the local economy by attracting new businesses and residents to the area.

Implementation of various business revitalization and attraction programs will generate and enhance commercial activity, eliminate physical and economic blight by attracting new businesses and residents to the area, improve public infrastructure, and create new jobs. Development will increase property values and lease rates, and encourage the development of necessary commercial facilities to serve businesses and residents.



CLEAN



GROW



INVEST

*Timeframe..... 2009-10 through On-going*

## **SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA**

### **Five Year Implementation Plan FY 2009-10 through 2014-15**

#### **Land Assembly, Restoration, Clearance and Relocation Program**

This program enables the Agency to assemble parcels into sites suitable for modern, integrated development, as well as the restoration and adaptive reuse of buildings. To facilitate the consolidation of two or more separately-owned parcels, the Agency may acquire vacant land through negotiated purchase, eminent domain, or other forms of acquisition as it deems appropriate for land assembly. This program will allow for the expansion of existing businesses to meet parking requirements and other needs, and directly remove and or correct the impact of blighting influences through the proposed improvements. This program may also include site preparation and demolition. Agency acquisition will target properties that will facilitate expansion of existing businesses and provide for new development opportunities.

Agency assistance with this Program will help to eliminate blighting influences including parcels of irregular shape and sizes, obsolete and aged buildings, and boost the local economy by attracting new businesses to the area. Rehabilitation of existing buildings and development of new buildings will help reduce the number of unsafe and unhealthy buildings and the number of vacant lots.

*Timeframe* ..... 2009-10 through On-going



**ACCESS**



**INVEST**



**CLEAN**

#### **Public Improvements**

The Agency will continue to participate in the on-going initiative to improve aging public infrastructure systems and to implement streetscape and beautification projects. The Agency will partner with the Public Works Department and Caltrans in the design and construction of traffic signals, curbs, gutters, paving, streetlights, street trees and landscaping, and bike lanes.

The construction of public infrastructure improvements will support investments in the private sector in the reuse of vacant, deteriorated, obsolete and unsafe buildings, effective utilization of vacant lots, and the rehabilitation of existing and construction of new housing outside the Project Area and in adjacent neighborhoods. Such investments will support and increase property values and create jobs, which will in turn, reduce crime and encourage the development of commercial and industrial businesses.

*Timeframe* ..... 2009-10 through On-going



**ACCESS**



**INVEST**



**CLEAN**

**SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**

## **FINANCING METHODS AVAILABLE TO THE AGENCY**

### **Projected Revenues and Expenditures**

The Agency's primary source of funding for non-housing programs is the annual deposit of the 80 percent of its tax increment revenue. Based on the tax increment revenue projections in Table 2, the Agency's non-housing-related tax increment will generate enough income to support planning, Agency administration, and program implementation activities during the five year period

During the five year Implementation Plan period, the Agency projects approximately \$7,079,128 (with estimated carryover, sales, lease and loan proceeds) in net tax increment<sup>1</sup>. The Agency will use the net tax revenue for administration, program implementation and land assembly in connection with negotiating agreements with property owners and developers, for one or more of the previously-discussed programs

**South Fresno Industrial** **Table 2**  
**Proposed Five-Year Program Funds and Expenditures**

Administration and Planning	\$ 707,913
Land Assembly	\$ 1,415,826
Project Area Improvements	\$ 3,539,564
Business Revitalization and Attraction	\$ 1,415,826
Sub-Total for Non-Housing Programs	\$ 7,079,128
Sub-Total for Housing Programs	\$ 1,811,406
<b>TOTAL AGENCY EXPENDITURES</b>	<b>\$ 8,890,534</b>

Funds for the programs are anticipated as follows

Tax Increment (estimated carryover)	\$ 1,824,080
New Tax Increment	\$ 5,203,018
Sale, Lease, and Loan Proceeds	\$ 52,030
Sub-Total for Non-Housing Programs	\$ 7,079,128
Sub-Total for Housing Programs	\$ 1,811,406
<b>TOTAL AGENCY FUNDS AVAILABLE</b>	<b>\$ 8,890,534</b>

The Redevelopment Plan authorizes the Agency to finance redevelopment activities from any or all of the following sources (1) tax increment funds, (2) Agency bonds, (3) interest income, (4) the City, (5) the State of California, (6) the Federal government, (7) loans from private financial institutions, (8) lease or sale of Agency-owned property, and (9) any other legally available public or private source.

The CRL authorizes the Agency to create indebtedness, issue bonds, borrow funds or obtain advances in implementing and carrying out the specific intent of a Redevelopment Plan. The Agency is authorized to pay the principal and interest on the indebtedness, bond issues, borrowed funds or advances from tax increment revenue and any other funds available to the Agency. To the extent that it is able to do so, the City may also supply additional assistance through City loans or grants for various public facilities or other redevelopment project costs

<sup>1</sup> Net of pass through payments, County administration fee, ERAF/SERAF payments, and 20% Housing Set-Aside.

## **SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA**

**Five Year Implementation Plan FY 2009-10 through 2014-15**

Some programs are dependent on the responses from the private sector to Agency initiatives. Other programs may be dependent on funding sources not under Agency control, subsequent environmental assessment, and other factors. Expenditures on projects would be subject to budgetary review and consideration by the Agency board if and when such projects and programs are considered for implementation.






# **SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA**

Five Year Implementation Plan FY 2009-10 through 2014-15

## **PROPOSED AFFORDABLE HOUSING PROGRAM**

Five Year Work Program for Balanced Communities

Over the five year Implementation Plan period (FY 2009-10 through 2014-15), the Agency plans to implement various affordable housing programs outside the Project Area and in adjacent neighborhoods. The list below describes the programs, what blighted conditions would be eliminated, and the Redevelopment Plan goals that would be achieved. Additionally, the Agency has estimated the number of affordable units that may be assisted by Housing Funds generated from the Project Area.

Project/Description	Goals Achieved
<b>Agency Housing Assistance Programs</b>  The Agency will work with the development community to encourage the construction of low-income ownership and rental units. The Agency will also provide financial housing assistance via programs such as grants for housing improvements to assist low and moderate income homeowners in the improvement of their property. Completion of this project would help eliminate blighted residential properties in locations outside the project area and in adjacent neighborhoods and create decent, safe, and sanitary affordable housing resources for the Project Area. <i>Timeframe</i> ..... 2009-10 through On-going	 LIVE  CLEAN
<b>Rehabilitation – Minor, Substantial, Infill, Boarded-Up</b>  The Agency intends to continue to revitalize neighborhoods outside the redevelopment project area and adjacent to the Project Area. Projects include the minor and substantial rehabilitation of existing housing, as well as boarded-up single family and multifamily residences. Assistance for the rehabilitation may also include costs for purchasing of infill property, abatement and demolition costs. The Housing Funds may also be leveraged with the use of the Neighborhood Stabilization Program ("NSP") monies where possible.  Completion of this project will remove blight from outside the Project Area and adjacent neighborhoods, create affordable housing resources for the project area, and provide for meeting the Agency's replacement housing and housing production responsibilities. <i>Timeframe</i> ..... 2009-10 through On-going	 LIVE  CLEAN
<b>Land Acquisition Program</b>  In order to achieve its housing production mandate, the Agency will continue to seek land acquisition opportunities outside the Project Area and adjacent neighborhoods. Declining vacant land values and abandoned housing developments are generating new properties within the residential and commercial areas that may accommodate multi-family and mixed-use affordable housing.  Implementation of this program will create future opportunities for affordable housing resources for the Project Area and provide for meeting the Agency's replacement housing and housing production responsibilities. <i>Timeframe</i> ..... 2009-10 through On-going	 LIVE

**SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**

Table 3: Five-Year Affordable Housing Program Funds and Estimated Housing Development

SOUTH FRESNO INDUSTRIAL							Table 3
FIVE-YEAR AFFORDABLE HOUSING PROGRAM FUNDS AND ESTIMATED HOUSING DEVELOPMENT							
HOUSING PROGRAM	FY 2009-10*	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15*	TOTAL
<b>Housing Expenditures</b>							
*New Construction, Adaptive Reuse, Substantial Rehab. Minor Rehabilitation	\$177,028	\$359,579	\$359,579	\$363,175	\$366,807	\$185,238	<b>\$1,811,406</b>
<b>Estimated Housing Units</b>	8-10	15-20	15-20	16-20	16-20	8-10	<b>77-100</b>
<b>HOUSING FUND DEPOSITS</b>	\$177,028	\$359,579	\$359,579	\$363,175	\$366,807	\$185,238	<b>\$1,811,406</b>
*Half of Fiscal Year							
**45 Year Covenants for Owner-Occupied Housing and 55 Year Covenants for Rental Housing							

## **AFFORDABLE HOUSING PROGRAM COMPLIANCE OBJECTIVES**

### Ten Year Outlook of Affordable Housing

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The CRL requires all redevelopment agencies to prepare and adopt affordable housing compliance plans on a ten year cycle, with updates corresponding with adoption of their five year implementation plans. The housing compliance plan must identify how a redevelopment agency will achieve the affordable housing production requirements for its redevelopment project area. The housing compliance plan must be consistent with the jurisdiction's housing element and must also be reviewed and, if necessary amended at least every five years in conjunction with the cyclical preparation of the housing element or the agency's five-year implementation plan.

This section of the Implementation Plan, referred to as the "Housing Compliance Plan", addresses specific requirements in the CRL with respect to affordable housing activities over the first ten year compliance period from FYs 2004-05 through 2009-10 (i.e., December 2004 through December 2009). For the Project Area, this Housing Compliance Plan also evaluates the Agency's affordable housing requirements for the second ten year planning period FYs 2010-11 through 2020-21 (i.e., December 2010 to December 2020) and the life of the Redevelopment Plan.

Redevelopment agencies use implementation plans to establish ten year objectives to achieve compliance with State law in its affordable housing programs. These housing goals generally fall into three categories:

- Housing Production – based on the number of housing units constructed or substantially rehabilitated over a ten year period, a redevelopment agency is to ensure that a percentage of these units are affordable to low and moderate income households.
- Replacement Housing – another legal obligation for redevelopment agencies to ensure that any low or moderate income housing units destroyed or removed as a result of an agency redevelopment project are replaced within four years.
- Expenditures by Household Types – specific requirements on the amount of housing set-aside funds an agency must spend over a ten year period on housing affordable to very low income households, low income households, and housing for residents under the age of 65.



## **SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA**

Five Year Implementation Plan FY 2009-10 through 2014-15

### **Housing Production**

The Redevelopment Plan for the South Fresno Industrial Project Area, since its adoption in 1999, does not permit the construction of new housing units in the Project Area. Therefore, there are no existing affordable housing production needs to report for the previous ten year compliance period, nor are there any projections made for the next ten year compliance period, as well as to the termination of the Redevelopment Plan.

### **Replacement Housing Needs**

The CRL requires that whenever housing occupied by extremely low, very low, low, or moderate income households are destroyed or removed from the low and moderate income housing market as part of an agency project, the agency is responsible for ensuring that an equivalent number of replacement units are constructed or substantially rehabilitated within four years. As described in the Housing Production Section above, since its inception the South Fresno Industrial Project Area only contained several, existing, housing units that are non-conforming to the existing zoning. The Redevelopment Plan does not permit the construction of new housing units. During the previous five year reporting period (FY 2004-05 thru 2009-10) for the Implementation Plan, the Agency has not destroyed or removed any units from the low and moderate income housing market in the Project Area, and there are no Replacement Housing Obligations to report.

### **Low and Moderate Income Housing Fund**

The Agency's primary source of funding for housing projects and programs is the annual deposit of the 20 percent of its tax increment revenue into the Low and Moderate Income Housing Fund ("Housing Fund"). The CRL requires that these funds be used to increase, improve, and preserve the community's supply of affordable housing available to persons and families of very low, low, and moderate incomes. Projected annual housing set aside deposits from the Project Area is anticipated to total approximately \$1,819,615 over the five year period, exclusive of existing obligations.

### **Housing Fund Expenditures**

The City Council and Agency adopted a Joint Resolution making findings in compliance with Section 33334.2(g) of the CRL to permit the Agency to use Housing Funds outside of the Project Area. Housing Funds for the Project Area are combined in the Agency's "General" Housing Fund ("General Housing Fund") along with 15 of the Agency's project areas' housing set-aside funds. The purpose of a General Housing Fund was to provide the Agency with the ability to further the goal of housing development and rehabilitation in the Agency's target areas.

Effective January 2002, expenditure of housing set-aside revenues is subject to certain legal requirements. At a minimum, the Agency's Housing Fund revenue is to be expended in proportion to the community's need for very low and low income housing, as well as the proportion of the low income population under the age of 65.

The City's 2009-2013 Housing Element contains the Regional Housing Needs Allocation ("RHNA") for the City, which identified a need for 20,967 dwelling units for the Housing Element planning period. The City's share of the January 1, 2006 RHNA for very low, low, and extremely low income, is expressed as a percentage share. For purposes of this Implementation Plan, the extremely low income category was combined with the very low income category. The percentage of very low, low and moderate income household expenditure requirements (very low 24%, low 16%, and moderate 16%) are identified in Table 7 and summarizes the Agency's Housing Fund expenditures for the 10 year period from FY 2001-02 through 2009-10. The RHNA percentages are used as the minimum thresholds for housing program expenditure compliance that would be required over the 10-year period.

The proportionality requirements affect expenditures over a ten year period for the General Housing Fund. The table below documents the amount of General Housing Fund revenue expended for all housing units developed or rehabilitated with the General Housing Fund from the 16 redevelopment project areas that contribute to the General Housing Fund, categorized by income level. Table 8 indicates that the Agency has exceeded the minimum threshold requirements of the RHNA percentages for the expenditure of Housing Funds for the required very low and low income categories, for the initial 10-year compliance period (FY 1999-00 through 2009-10).

# **SOUTH FRESNO INDUSTRIAL REDEVELOPMENT AREA**

## **Five Year Implementation Plan FY 2009-10 through 2014-15**

**Proportionality of Low and Moderate Fund Expenditures: FY 2001-03 Through 2009-10<sup>1</sup>**  
**General Housing Fund**

**Table 4**

	<b>Very Low</b>	<b>Low</b>	<b>Moderate</b>	<b>Total</b>
Total Units by Income	712	634	356	1,702
Total Expenditures by Income <sup>2</sup>	\$4,481,671	\$5,948,402	\$2,710,936	\$13,141,009
Percentage of Units by Income	42%	37%	21%	100%
Percentage of Expenditures by Income	34%	45%	21%	100%
RHNA Percentage by Income	24%	16%	16%	

<sup>1</sup> Data for FY 2009-10 is partial year through March 31, 2010

<sup>2</sup> Expenditures for developed units, funds used on administration are excluded from analysis

*Source. Regional Housing Needs Allocation (RHNP) Percentages from 2007 Fresno County Regional Housing Needs Allocation Plan, Redevelopment Agency of the City of Fresno*

## **Senior Affordable Housing**

Pursuant to CRL Section 33334.4 the Agency must expend the Housing Funds to assist housing that is available to all persons regardless of age in at least the same proportion as the number of low-income households with a member under age 65 years bears to the total number of low-income households of the community as reported in the most recent Census of the United States Census Bureau. Therefore, Housing Fund expenditures for non-senior housing would be in proportion to the number of non-senior households in the community.

Previously, in 2002, the State Legislature adopted AB 687, which required that, over the duration of each redevelopment implementation plan, the moneys in the Housing Fund shall be spent to assist housing that is available to all persons regardless of age in at least the same proportion as the population under age 65 bears to the total population of the community as reported in the most recent census of the United States Census Bureau ("the 2002 Requirement"). In 2005, the State Legislature adopted SB 527, which amended the requirement to provide that an Agency is allowed to spend the Housing Fund money to assist senior, affordable housing in the same proportion as senior low-income households bears to the total low-income households in the community (the "2006 Requirement"). The effect of this change was anticipated to allow for agency assistance to a greater population of senior housing than the CRL allowed prior to 2006.

In regard to the 2002 Requirement, the 2000 U.S. Census statistics as reported in the City's 2009-2013 Housing Element, indicated that persons 62 years or older were 10.8% of the population in the City of Fresno. In regard to the 2006 Requirement, the City's 2009-2013 Housing Element, reported that there were 4,843 low-income households (51-80% of median income) under the age of 65 in the City of Fresno, and 20,089 low-income households in the City of Fresno. Therefore no more than 24.1% of Project Area housing set-aside funds may be expended on housing for households age 65 or older.

Since the 2002 Requirement regarding senior housing became effective, the Agency has not utilized Housing Fund moneys to assist any housing project within the Project Area, other Project Areas, or outside the Project Area that contained units dedicated to senior housing. Therefore, whether the 2002 Requirement or the 2006 Requirement is used, the Agency has complied, during the 10-year period of the Implementation Plan, with the CRL requirements to not spend Housing Fund moneys in excess of the Senior Housing limitation. During the next 10-year period for the Implementation Plan, the Agency may not expend more than 24.1% Housing Fund moneys on housing for households age 65 or older.

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2009-10 THROUGH 2014-15

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# FIVE YEAR IMPLEMENTATION PLAN

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SOUTHEAST FRESNO REVITALIZATION REDEVELOPMENT PROJECT AREA

REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

**February 11, 2011**

**Revised February 16, 2011**

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# **SOUTHEAST FRESNO REDEVELOPMENT AREA**

## **Five Year Implementation Plan FY 2009-10 through 2014-15**

## **INTRODUCTION**

### About this Implementation Plan

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Every five years, redevelopment agencies are required to adopt an implementation plan for each redevelopment project area that establishes five-year operational and financial programs for carrying out the redevelopment and affordable housing responsibilities of the agency. An implementation plan serves as multi-year planning vehicle for projects on a programmatic basis. The implementation plan describes the links between the programs undertaken, the alleviation of blight and the provision of affordable housing for a project area. Implementation plans are policy documents meant to guide the implementation of the redevelopment plan for a project area, but allow sufficient flexibility for an Agency to respond to specific opportunities as they arise

This Five Year Implementation Plan ("Implementation Plan") for the Redevelopment Agency of the City of Fresno ("Agency") covers the previous five-year planning period from Fiscal Years 2004 – 05 through 2009-10 and the next five-year planning period from Fiscal Years FY 2009-10 through 2014-15 for the Southeast Fresno Revitalization Redevelopment Project Area ("Project Area"). This Implementation Plan also contains an update to the Project Area's Housing Compliance Plan ("Housing Compliance Plan") for meeting the Agency's affordable housing requirements for the initial 10-year compliance period, including obligations for producing, replacing, and expending funds for affordable housing.

## **Legal Authority**

In 1993, the Legislature passed Assembly Bill 1290 (Chapter 942, Statutes of 1993), which enacted the California Community Redevelopment Law Reform Act and made changes to state redevelopment law (Health and Safety Code §33000 et seq.) ("CRL") in an effort to increase both the effectiveness and accountability of redevelopment agencies. One notable statutory change was the addition of Article 16.5 (§33490 et seq.) to the CRL, which required redevelopment agencies to adopt five year implementation plans every five years. CRL §33490(a) requires that the Implementation Plan contain:

- The Agency's goals, objectives, and programs within the Project Area for the next five years, including an estimate of tax increment revenue to be generated and an approximate amount to be allocated to programs
- An explanation of how the goals, objectives, and programs will eliminate blight and promote affordable housing within the Project Area.
- An explanation of how the Agency will implement its Low and Moderate Income Housing Fund ("Housing Fund") requirements and the requirements for producing and replacing affordable housing.

## **ABOUT THE PROJECT AREA**

### Who, What, Where, When, and Why

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On June 29, 1999, the City of Fresno City Council adopted the Redevelopment Plan for the Southeast Fresno Revitalization Redevelopment Project Area ("Project Area"). The 3,088-acre Project Area contains a mix of land uses including residential, commercial, office, industrial, public, utility and other miscellaneous land uses.

The focus of the redevelopment project is the elimination of blight and economic stagnation and the promotion of the redevelopment of underutilized industrial and commercial areas that were identified in the City's General Plan for industrial and commercial uses within the Project Area. The redevelopment project area was adopted with priorities on the retention and expansion of existing and new businesses in order to increase the availability of jobs.

# **SOUTHEAST FRESNO REDEVELOPMENT AREA** **Five Year Implementation Plan FY 2009-10 through 2014-15**

This Implementation Plan focuses on specific redevelopment goals and programs for the five-year time period from Fiscal Years FY 2009-10 through 2014-15 (i.e., December 2009 through December 2014).

The Redevelopment Plan for the Project Area set forth time limitations with regard to collecting tax increment revenue and plan effectiveness. The following Table 1 presents the current time limits contained in the Redevelopment Plan.

**Redevelopment Plan Time Limits**

**Table 1**

## **Southeast Fresno Revitalization Redevelopment Project Area**

Project Area Adopted	6/29/1999	Ordinance No. 99-45
Plan Effectiveness Date	7/12/2030	Ordinance No. 2008-9
Tax Increment Limit*	\$48 million	Ordinance No. 99-45
Bond Debt Limit	\$52 million	Ordinance No. 99-45
Limit to Incur Debt	7/12/2019	Ordinance No. 99-45
Limit on Receiving Tax Increment	7/12/2045	Ordinance No. 2008-9
Eminent Domain Time Limit**	8/12/2011	Ordinance No. 99-45

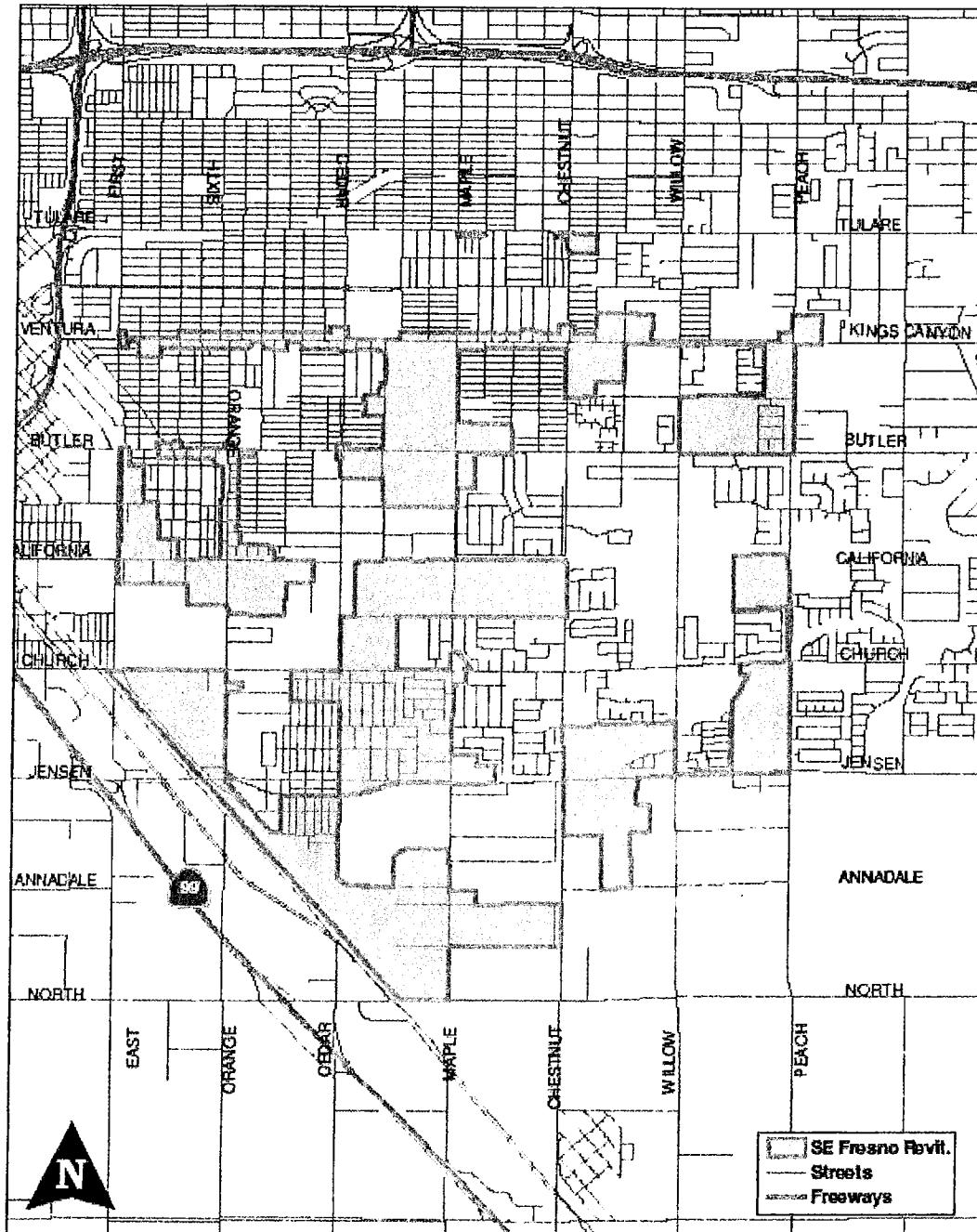
\*Countable Tax Increment per Agreement with Fresno County

\*\* Shall not acquire property on which persons legally reside

The map on the following page depicts the location of the Project Area.

**SOUTHEAST FRESNO REDEVELOPMENT AREA**  
Five Year Implementation Plan FY 2009-10 through 2014-15

## Southeast Fresno Revitalization



## SOUTHEAST FRESNO REDEVELOPMENT AREA

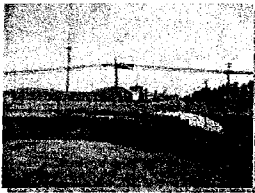
### Five Year Implementation Plan FY 2009-10 through 2014-15

## RECENT REDEVELOPMENT ACCOMPLISHMENTS

### The Public Value & Benefit of Redevelopment

During the prior planning period (FY 2004-05 through 2009-10), the Agency accomplished many successful projects and programs in the Project Area, including the following:

**Tenth and Ventura Streets Project.** The Agency completed assembly of the north side of Ventura between Tenth and Eleventh Streets and demolished the blighted structures at the corner of Ventura and Tenth. A complete Phase I Environmental Report was conducted, including lead and asbestos surveys. Subsequently, a Phase II and Soils Analysis were completed to ensure all environmental hazards were identified. The acquisition and demolition advances the Agency's goals for blight removal along a highly visible corridor and facilitates higher density land use consistent with the Southeast Fresno Revitalization Plan.



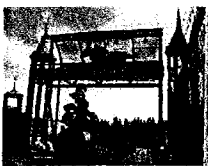
**Jensen and Willow Avenues Traffic Signalization.** The Jensen and Willow Traffic Signalization project was completed during the prior planning period. The construction comprised a signalized intersection, dedicated left turn lanes from Jensen Avenue onto Willow Avenue, loop detection, transition paving, and appropriate signage. Agency staff facilitated right of way acquisition with Fresno County and funded the construction of the traffic signal and southbound Willow Avenue street-widening to accommodate and attract growth.

**Frank Chance Field Monument Sign.** The original Frank Chance Field site at the southwest corner of Ventura and Cedar Avenues was nominated to the Local Historic Register in May 2009. The site is now occupied by the Sunnyside Car Wash. Working with the property owner and community members, the Agency provided funds for a monument recognizing this individual's importance in Fresno's history and the history of Baseball.

**Storefront Improvement Program.** The Agency assisted with the renovation of 10 storefronts along Kings Canyon and Ventura Boulevards. Agency Staff has been working with a designer to produce before and after renderings for several storefronts along the Ventura/Kings Canyon corridor.



**Ventura/Kings Canyon Boulevard Design Guidelines.** In 2008, the Council adopted Commercial Design Guidelines prepared by staff for the Ventura/Kings Canyon Boulevard Corridor from First Street to Peach Avenue. The guidelines provide standards and criteria for use by developers, businesses, property owners and their designers in preparation of development plans, as well as by the Agency during consultations. The guidelines are intended to help to resolve conflicting design issues between residential and business use, foster the attractiveness of mixed-use developments, and help prevent the reoccurrence of physical blight and economic stagnation.



**Big Fresno Fair Improvements.** The Agency partnered with the Big Fresno Fair through a Grant Agreement to provide financial assistance for renovations to the pedestrian and vehicular entryways onto the Fairgrounds along Kings Canyon Boulevard. The improvements were completed in time for the opening of the Fair in October 2008, at a total cost of \$650,000 with the Agency contribution of \$250,000. A ribbon cutting ceremony was held to debut the new entryway, and to celebrate the Big Fresno Fair's 125<sup>th</sup> Anniversary.



## SOUTHEAST FRESNO REDEVELOPMENT AREA

### Five Year Implementation Plan FY 2009-10 through 2014-15

## IMPLEMENTATION PLAN GOALS

### Community Reinvestment and Revitalization

Adopted on June 29, 1999, the Redevelopment Plan establishes a variety of goals for redevelopment of the Project Area. These goals frame the near term redevelopment objectives for the Implementation Plan period. The Redevelopment Plan goals are listed below



CLEAN

**Eliminate Blight.** Eliminate blighting influences and the correction of environmental deficiencies in the Project Area, including, among others, small and irregular-shaped lots in multiple ownership, obsolete and aged building types, vacant buildings and lots, depreciated or stagnant property values and impaired investments, abnormally low lease rates, high crime rates, incompatible and uneconomic land uses, and inadequate or deteriorated public improvements, facilities, and utilities



ACCESS

**Assemble Land.** Assemble land into parcels, suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area



GROW

**Use Land Wisely.** Re-plan, redesign, and develop undeveloped and underdeveloped areas that are stagnant or improperly utilized



HELP

**Champion Participation.** Provide opportunities for participation by owners and tenants in the revitalization of their properties.



GO

**Cohesive Use of Land.** Strengthen land uses and their inter-related functions in the Project Area.

**SOUTHEAST FRESNO REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**



**INVEST**

**Generate and Enhance Commercial Activity.** Strengthen the economic base of the Project Area and the community through the installation of needed site improvements to stimulate new development, business expansion, employment, and social and economic growth.



**PLAY**

**Land Uses for All.** Provide adequate land for parking and open space.



**PRESERVE**

**Protect and Enhance.** Community Character Establish a positive visual image through implementation of site design standards, environmental quality and compatibility with buildings of historical importance, and other design elements which provide unity and integrity to the entire Project Area



**LIVE**

**Housing for All.** Expand, improve, and preserve the community's supply of housing available at affordable housing cost to low- and moderate-income persons and families within the Project Area or outside the Project Area (with appropriate findings).



**COLLABORATE**

**Together as a Team.** The encouragement of participation of Project Area residents in the formulation and implementation of this Plan to ensure that Plan proposals are beneficial to people who live and work within the Project Area, as well as the community in general.

# SOUTHEAST FRESNO REDEVELOPMENT AREA

## Five Year Implementation Plan FY 2009-10 through 2014-15

### PROPOSED REDEVELOPMENT PROGRAM

Five Year Work Program for Reinvestment & Revitalization

Over the 5-year Implementation Plan period, the Agency plans to implement the following redevelopment projects and programs. The list below describes the projects proposed, what blighted conditions would be eliminated, approximate costs, and the Redevelopment Plan goals that would be achieved.

#### Project/Description

#### Goals Achieved

##### Business Revitalization and Attraction Program

The Agency will continue its efforts to retain and attract commercial businesses in the Project Area. Agency efforts may include infrastructure improvements (right-of-way improvements, water and sewer enhancements), development fee reductions, and financial assistance for start-up businesses, to stimulate business and industrial growth. The Agency will also continue to promote the Storefront Improvement Program which provides loan assistance for façade improvements.

Completion of commercial developments would improve public infrastructure, create new jobs, and will boost the local economy by attracting new businesses and residents to the area.

Implementation of various business revitalization and attraction programs will generate and enhance commercial activity, eliminate physical and economic blight by attracting new businesses and residents to the area, improve public infrastructure, and create new jobs. Development will increase property values and lease rates, and encourage the development of necessary commercial facilities to serve businesses and residents.



CLEAN



GROW



INVEST

Timeframe..... 2009-10 through On-going

## SOUTHEAST FRESNO REDEVELOPMENT AREA

### Five Year Implementation Plan FY 2009-10 through 2014-15

#### Land Assembly, Restoration, Clearance and Relocation Program

This program enables the Agency to assemble parcels into sites suitable for modern, integrated development, as well as the restoration and adaptive reuse of buildings. To facilitate the consolidation of two or more separately-owned parcels, the Agency may acquire vacant land through negotiated purchase, eminent domain, or other forms of acquisition as it deems appropriate for land assembly. This program will allow for the expansion of existing businesses to meet parking requirements and other needs, and directly remove and or correct the impact of blighting influences through the proposed improvements. This program may also include site preparation and demolition. Agency acquisition will target properties that will facilitate expansion of existing businesses and provide for new development opportunities.

Agency assistance with this Program will help to eliminate blighting influences including parcels of irregular shape and sizes, obsolete and aged buildings, and boost the local economy by attracting new businesses to the area. Rehabilitation of existing buildings and development of new buildings will help reduce the number of unsafe and unhealthy buildings and the number of vacant lots.

Timeframe ..... 2010-11 through On-going



ACCESS



INVEST



CLEAN

#### Public Improvements

The Agency will continue to participate in the ongoing initiative to improve aging public infrastructure systems and to implement streetscape and beautification projects. The Agency will partner with the Public Works Department and Caltrans in the design and construction of traffic signals, curbs, gutters, paving, streetlights, street trees and landscaping, and bike lanes.

The construction of public infrastructure improvements will support investments in the private sector in the reuse of vacant, deteriorated, obsolete and unsafe buildings, the effective utilization of vacant lots, and the rehabilitation of existing and construction of new housing. Such investments will support and increase property values and create jobs, which will in turn, reduce crime and encourage the development of commercial businesses.

Timeframe ..... 2010-11 through On-going



ACCESS



INVEST



CLEAN

**SOUTHEAST FRESNO REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**

## **FINANCING METHODS AVAILABLE TO THE AGENCY**

### **Projected Revenues and Expenditures**

The Agency's primary source of funding for non-housing programs is the annual deposit of the 80 percent of its tax increment revenue into the Capital Projects Fund. Based on the tax increment revenue projections in Table 2, the Agency's non-housing Fund will generate enough income to support planning, Agency administration, and program implementation activities during the five year period.

During the five year Implementation Plan period, the Agency projects approximately \$10,179,880 (with estimated carryover, sales, lease and loan proceeds) in net tax increment<sup>1</sup>. The Agency will use the net tax revenue for administration, program implementation and land assembly in connection with negotiating agreements with property owners and developers, for one or more of the previously-discussed programs.

#### **Southeast Fresno**

**Table 2**

#### **Proposed Five-Year Program Funds and Expenditures**

Administration and Planning	\$ 1,017,988
Land Assembly	\$ 2,035,976
Project Area Improvements	\$ 5,089,940
Business Revitalization and Attraction	\$ 2,035,976
Sub-Total for Non-Housing Programs	\$ 10,179,880
Sub-Total for Housing Programs	\$ 2,955,259
<b>TOTAL AGENCY EXPENDITURES</b>	<b>\$ 13,135,139</b>

Funds for the programs are anticipated as follows

Tax Increment (estimated carryover)	\$ 1,666,491
New Tax Increment	\$ 8,429,098
Sale, Lease, and Loan Proceeds	\$ 84,291
Sub-Total for Non-Housing Programs	\$ 10,179,880
Sub-Total for Housing Programs	\$ 2,955,259
<b>TOTAL AGENCY FUNDS AVAILABLE</b>	<b>\$ 13,135,139</b>

The Redevelopment Plan authorizes the Agency to finance redevelopment activities from any or all of the following sources. (1) tax increment funds, (2) Agency bonds, (3) interest income, (4) the City, (5) the State of California, (6) the Federal government, (7) loans from private financial institutions, (8) lease or sale of Agency-owned property, and (9) any other legally available public or private source.

The CRL authorizes the Agency to create indebtedness, issue bonds, borrow funds or obtain advances in implementing and carrying out the specific intent of a Redevelopment Plan. The Agency is authorized to pay the principal and interest on the indebtedness, bond issues, borrowed funds or advances from tax increment revenue and any other funds available to the Agency. To the extent that it is able to do so, the City may also supply additional assistance through City loans or grants for various public facilities or other redevelopment project costs.

<sup>1</sup> Net of pass through payments, County administration fee, ERAF/SERAF payments, and 20% Housing Set-Aside

**SOUTHEAST FRESNO REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**






Some programs are dependent on the responses from the private sector to Agency initiatives. Other programs may be dependent on funding sources not under Agency control, subsequent environmental assessment, and other factors. Expenditures on projects would be subject to budgetary review and consideration by the Agency board if and when such projects and programs are considered for implementation.

**SOUTHEAST FRESNO REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**

**PROPOSED AFFORDABLE HOUSING PROGRAM**

Five Year Work Program for Balanced Communities

Over the five year Implementation Plan period (FY 2009-10 through 2014-15), the Agency plans to implement the following affordable housing projects and programs within the Project Area and adjacent neighborhoods. The list below describes the projects and programs proposed, what blighted conditions would be eliminated, and the Redevelopment Plan goals that would be achieved. Additionally, in Table 3, the Agency has estimated the number of affordable units that may be assisted by Housing Funds generated from the Project Area.

Project/Description	Goals Achieved
<p><b>Agency Housing Assistance Programs</b></p> <p>The Agency will work with the development community to encourage the construction of low-income ownership and rental units. The Agency will also provide financial housing assistance via programs such as grants for housing improvements to assist very low, low and moderate income homeowners in the improvement of their property. Completion of this project would help eliminate blighted residential properties in the project area and create decent, safe, and sanitary affordable housing.</p> <p><i>Timeframe..... 2009-10 through On-going</i></p>	 <p>LIVE</p>  <p>CLEAN</p>
<p><b>Rehabilitation – Minor, Substantial, Infill, Boarded-Up</b></p> <p>The Agency intends to continue to revitalize neighborhoods throughout the redevelopment project area and adjacent to the Project Area. Projects include the minor and substantial rehabilitation of existing housing, as well as boarded-up single family and multifamily residences. Assistance for the substantial rehabilitation may also include costs for purchasing of property, abatement and demolition costs. The Housing Funds may also be leveraged with the use of the Neighborhood Stabilization Program ("NSP") monies where possible.</p> <p>Completion of this project will remove blight, create affordable housing, and provide for meeting the Agency's replacement housing and housing production responsibilities.</p> <p><i>Timeframe..... 2009-10 through On-going</i></p>	 <p>LIVE</p>  <p>CLEAN</p>
<p><b>Land Acquisition Program</b></p> <p>In order to achieve its housing production mandate, the Agency will continue to seek land acquisition opportunities in the Project Area. Declining vacant land values and abandoned housing developments are generating new properties within the residential and commercial areas that may accommodate multi-family and mixed-use affordable housing.</p> <p>Implementation of this program will create future opportunities for affordable housing and provide for meeting the Agency's replacement housing and housing production responsibilities.</p> <p><i>Timeframe..... 2009-10 through On-going</i></p>	 <p>LIVE</p>

**SOUTHEAST FRESNO REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**

Table 3: Five-Year Affordable Housing Program Funds and Estimated Housing Development

SOUTHEAST FRESNO							Table 3
FIVE-YEAR AFFORDABLE HOUSING PROGRAM FUNDS AND ESTIMATED HOUSING DEVELOPMENT							
HOUSING PROGRAM	FY 2009-10*	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15*	TOTAL
<b>Housing Expenditures</b>							
*New Construction, Adaptive Reuse, Substantial Rehab. Minor Rehabilitation	\$302,411	\$583,653	\$583,653	\$589,489	\$595,384	\$300,669	\$2,955,259
<b>Estimated Housing Units</b>	13-17	25-32	25-32	25-33	25-33	13-17	126-164
<b>HOUSING FUND DEPOSITS</b>	\$302,411	\$583,653	\$583,653	\$589,489	\$595,384	\$300,669	\$2,955,259
*Half of Fiscal Year							
**45 Year Covenants for Owner-Occupied Housing and 55 Year Covenants for Rental Housing							



## **AFFORDABLE HOUSING PROGRAM COMPLIANCE OBJECTIVES**

### Ten Year Outlook of Affordable Housing

---

The CRL requires all redevelopment agencies to prepare and adopt affordable housing compliance plans on a ten year cycle, with updates corresponding with adoption of their five year implementation plans. The housing compliance plan must identify how a redevelopment agency will achieve the affordable housing production requirements for its redevelopment project area. The housing compliance plan must be consistent with the jurisdiction's housing element and must also be reviewed and, if necessary amended at least every five years in conjunction with the cyclical preparation of the housing element or the agency's five-year implementation plan.

This section of the Implementation Plan, referred to as the "Housing Compliance Plan", addresses specific requirements in the CRL with respect to affordable housing activities over the first ten year compliance period from FYs 2004-05 through 2009-10 (i.e., December 2004 through December 2009). For the Project Area, this Housing Compliance Plan also evaluates the Agency's affordable housing requirements for the second ten year planning period FYs 2010-11 through 2020-21 (i.e., December 2010 to December 2020) and the life of the Redevelopment Plan

Redevelopment agencies use implementation plans to establish ten year objectives to achieve compliance with State law in its affordable housing programs. These housing goals generally fall into three categories

- Housing Production – based on the number of housing units constructed or substantially rehabilitated over a ten year period, a redevelopment agency is to ensure that a percentage of these units are affordable to low and moderate income households
- Replacement Housing – another legal obligation for redevelopment agencies to ensure that any low or moderate income housing units destroyed or removed as a result of an agency redevelopment project are replaced within four years
- Expenditures by Household Types – specific requirements on the amount of housing set-aside funds an agency must spend over a ten year period on housing affordable to very low income households, low income households, and housing for residents under the age of 65

## **SOUTHEAST FRESNO REDEVELOPMENT AREA**

### **Five Year Implementation Plan FY 2009-10 through 2014-15**

## **Housing Production**

This Housing Compliance Plan identifies all new residential construction or substantial rehabilitation that has occurred within the Project Area since adoption of the Redevelopment Plan in order to determine affordable housing production needs. It accounts for past residential construction and substantial rehabilitation, and includes projects of new dwelling units that were constructed or substantially rehabilitated during the initial ten-year planning period which extended through FY 2009-10.

### **Status of Housing Production Obligations and Projections of Future Housing Production Needs**

Table 4, below, shows both the status of the Agency's existing Housing Production obligations, and projections for the Agency's estimated obligations during subsequent years, through to Project Termination. During the first Ten Year Planning Period, there were 299 units of housing constructed by the private sector, and 1 substantial rehabilitation unit that was assisted with Agency Housing Funds, for a total of 300 units developed within the Project Area. The development of the 300 units created an obligation of the Agency to provide a total of 45 low and moderate income units, where not less than 18 of the affordable units would need to be restricted to very low income households to meet the projected ten year planning period needs. During the second Ten Year Planning Period the Agency has estimated there would be 250 units developed in the Project Area, and a need for 38 low and moderate units, with not less than 15 very low income units. For the third Ten Year Planning Period, which extends to Plan Termination, the Agency has estimated there would be 400 units developed, with a need for 60 low and moderate units, with not less than 24 very low income household units.

Table 4 below summarizes the Agency's production activities during the first five years of the current housing compliance period and identifies the projected production requirements for the Compliance Period and over the life of the Redevelopment Plan. Construction and substantial rehabilitation statistics during the first five years were provided by the Agency. The number of affordable units required is based on applicable CRL requirements, and the Agency is responsible for ensuring that the appropriate number of affordable units is created during a ten year period.

It should be noted that neither the housing units nor projections for future dwelling units include any units to be developed by the Agency. However, the Agency will continue to cooperate with and provide assistance and incentives to private developers, in order to fulfill the Agency's affordable housing production requirements.

Pursuant to Section 33413(b) of the CRL not less than 15 percent of the units produced by persons or entities other than the Agency must be affordable to low and moderate income households (includes private sector units constructed or substantially rehabilitated with assistance by the Agency). Not less than 40 percent of the required affordable units must be restricted for very low income households. The Agency's affordable housing production requirements are indicated in Table 4 below. In addition, to satisfy the Agency's production requirements, new or substantially rehabilitated units must have recorded 55-year income restrictions or covenants for rental units and 45-year income restrictions or covenants for owner-occupied units. The affordable housing units may be constructed inside or outside of the Project Area, but units outside the Project Area may only be counted on a 2-for-1 basis. On a limited basis, the Agency may also receive production credit for purchases of affordability covenants on very-low or low-income multifamily units.

**SOUTHEAST FRESNO REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**

<b>Housing Production Needs and Units Provided for 10 Year Time Periods</b>					<b>Table 4</b>
<b>Southeast Fresno Revitalization Redevelopment Project Area</b>					
<b>Time Period</b>			<b>Units Built Within Project Area</b>	<b>Required Affordable Units</b>	
				<b>Total<sup>1</sup></b>	<b>Very Low<sup>2</sup></b>
<b>Initial 10 Year Planning Period</b>					
1999-00 through 2009-10 Needs (Actual <sup>3</sup> )			300	45	18
			<b>Units Provided From Outside Project Area<sup>4</sup></b>		
<b>Project</b>	Brierwood Court				
<b>Location</b>	Outside of Project Area			45	
<b>Project</b>	Westgate Gardens Project			45	28
<b>Location</b>	SWF Project Area				
<b>Project</b>	MLK Square				8
<b>Location</b>	SWF Project Area				
1999-00 through 2009-10 Total Housing Units Provided <sup>4</sup>				90	36
			<b>Units To Be Built Within Project Area</b>		
<b>Second 10 Year Planning Period</b>					
2010-11 through 2020-21 Needs (Forecast) <sup>5</sup>			250	38	15
			<b>Units To Be Built Within Project Area</b>		
<b>Third 10 Year Planning Period to Plan Duration</b>					
2021-22 through 2030-31 Needs (Forecast) <sup>5</sup>			400	60	24

<sup>1</sup>Total Housing Production Needs Requirement is 15% of units constructed by private development or with RDA assistance; or substantial rehabilitation with RDA or other public assistance.

<sup>2</sup>Of the Total Housing Production Needs Requirement, 6% of the units must be Very Low Income.

<sup>3</sup>Source of units built are City of Fresno Building Permits for all new housing construction; and substantial rehabilitation with RDA assistance.

<sup>4</sup>When housing production units are provided from outside a project area, the requirement is doubled.

<sup>5</sup>Forecast of housing production units from project area historical trends.

## Replacement Housing Needs

The CRL requires that whenever housing occupied by extremely low, very low, low, or moderate income households are destroyed as part of an agency project, the agency is responsible for ensuring that an equivalent number of replacement units are constructed or substantially rehabilitated within four years. An agency may replace these units by new construction, substantial rehabilitation, or purchase of affordability covenants. Replacement units must provide at least the same number of bedrooms destroyed, and 100 percent of the replacement units must be affordable to the same income categories (i.e. extremely low, very low, low, moderate) as those removed. The Agency receives full credit for replacement units created inside or outside of the Project Area. Table 5 below summarizes the units that have been removed and subsequently replaced

**SOUTHEAST FRESNO REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**

**Inventory of Replacement Housing Units**  
**Southeast Fresno Redevelopment Project**

**Table 5**

Location	Total Units	Total Bedrooms	Units			
			Extremely Low	Very Low	Low	Moderate
Removed <sup>1</sup>	2	6	0	2	0	0
Replaced <sup>2</sup>	2	6	0	2	0	0

<sup>1</sup> California-Orange Housing Project

<sup>2</sup> Brierwood Court Housing Project, single family unit

*Source: Replacement Housing Plan for the California-Orange Housing Project*

As noted in Table 5, the Agency removed two (2) very low income units with six (6) bedrooms. The units were removed from the low and moderate housing market on June 1, 2004 and must be replaced no later than June 1, 2008. These units were replaced with one unit produced in the substantial rehabilitation of the Brierwood Court Housing Project on June 30, 2004, and one unit produced in the construction of a single family unit on August 12, 2004 in the Southwest Fresno Project Area

### **Low and Moderate Income Housing Fund**

The Agency's primary source of funding for housing projects and programs is the annual deposit of the 20 percent of its tax increment revenue into the Low and Moderate Income Housing Fund ("Housing Fund"). The CRL requires that these funds be used to increase, improve, and preserve the community's supply of affordable housing available to persons and families of very low, low, and moderate incomes. Projected annual housing set aside deposits from the Project Area is anticipated to total approximately \$2,953,517 over the five year period, exclusive of existing obligations

### **Housing Fund Expenditures**

The City Council and Agency adopted a Joint Resolution making findings in compliance with Section 33334 2(g) of the CRL to permit the Agency to use Housing Funds outside of the Project Area. Housing Funds for the Project Area are combined in the Agency's "General" Housing Fund ("General Housing Fund") along with 15 of the Agency's project areas' housing set-aside funds. The purpose of a General Housing Fund was to provide the Agency with the ability to further the goal of housing development and rehabilitation in the Agency's target areas.

Effective January 2002, expenditure of housing set-aside revenues is subject to certain legal requirements. At a minimum, the Agency's Housing Fund revenue is to be expended in proportion to the community's need for very low and low income housing, as well as the proportion of the low income population under the age of 65.

The City's 2009-2013 Housing Element contains the Regional Housing Needs Allocation ("RHNA") for the City, which identified a need for 20,967 dwelling units for the Housing Element planning period. The City's share of the January 1, 2006 RHNA for very low, low, and extremely low income, is expressed as a percentage share. For purposes of this Implementation Plan, the extremely low income category was combined with the very low income category. The percentage of very low, low, and moderate income household expenditure requirements (very low 24%, low 16%, and moderate 16%) are identified in Table 6 and summarizes the Agency's Housing Fund expenditures for the 10 year period from FY 2001-02 through 2009-10. The RHNA percentages are used as the minimum thresholds for housing program expenditure compliance that would be required over the 10-year period.

The proportionality requirements affect expenditures over a ten year period for the General Housing Fund. The table below documents the amount of General Housing Fund revenue expended for all housing units developed

## SOUTHEAST FRESNO REDEVELOPMENT AREA

### Five Year Implementation Plan FY 2009-10 through 2014-15

or rehabilitated with the General Housing Fund from the 16 redevelopment project areas that contribute to the General Housing Fund, categorized by income level. Table 6 indicates that the Agency has exceeded the minimum threshold requirements of the RHNA percentages for the expenditure of Housing Funds for the required very low and low income categories, for the initial 10-year compliance period (FY 2001-02 through 2009-10).

**Proportionality of Low and Moderate Fund Expenditures: FY 2001-03 Through 2009-10<sup>1</sup>**

**Table 6**

**General Housing Fund**

	<b>Very Low</b>	<b>Low</b>	<b>Moderate</b>	<b>Total</b>
Total Units by Income	712	634	356	1,702
Total Expenditures by Income <sup>2</sup>	\$4,481,671	\$5,948,402	\$2,710,936	\$13,141,009
Percentage of Units by Income	42%	37%	21%	100%
Percentage of Expenditures by Income	34%	45%	21%	100%
RHNA Percentage by Income	24%	16%	16%	

<sup>1</sup> Data for FY 2009-10 is partial year through March 31, 2010

<sup>2</sup> Expenditures for developed units, funds used on administration are excluded from analysis

*Source: Regional Housing Needs Allocation (RHNP) Percentages from 2007 Fresno County Regional Housing Needs Allocation Plan, Redevelopment Agency of the City of Fresno*

## Senior Affordable Housing

Pursuant to CRL Section 33334.4 the Agency must expend the Housing Funds to assist housing that is available to all persons regardless of age in at least the same proportion as the number of low-income households with a member under age 65 years bears to the total number of low-income households of the community as reported in the most recent Census of the United States Census Bureau. Therefore, Housing Fund expenditures for non-senior housing would be in proportion to the number of non-senior households in the community.

Previously, in 2002, the State Legislature adopted AB 687, which required that, over the duration of each redevelopment implementation plan, the moneys in the Housing Fund shall be spent to assist housing that is available to all persons regardless of age in at least the same proportion as the population under age 65 bears to the total population of the community as reported in the most recent census of the United States Census Bureau ("the 2002 Requirement"). In 2005, the State Legislature adopted SB 527, which amended the requirement to provide that an Agency is allowed to spend the Housing Fund money to assist senior, affordable housing in the same proportion as senior low-income households bears to the total low-income households in the community (the "2006 Requirement"). The effect of this change was anticipated to allow for agency assistance to a greater population of senior housing than the CRL allowed prior to 2006.

In regard to the 2002 Requirement, the 2000 U.S. Census statistics as reported in the City's 2009-2013 Housing Element, indicated that persons 62 years or older were 10.8% of the population in the City of Fresno. In regard to the 2006 Requirement, the City's 2009-2013 Housing Element, reported that there were 4,843 low-income households (51-80% of median income) under the age of 65 in the City of Fresno, and 20,089 low-income households in the City of Fresno. Therefore no more than 24.1% of Project Area housing set-aside funds may be expended on housing for households age 65 or older.

Since the 2002 Requirement regarding senior housing became effective, the Agency has not utilized Housing Fund moneys to assist any housing project within the Project Area, other Project Areas, or outside the Project Area that contained units dedicated to senior housing. Therefore, whether the 2002 Requirement or the 2006 Requirement is used, the Agency has complied, during the 10-year period of the Implementation Plan, with the

**SOUTHEAST FRESNO REDEVELOPMENT AREA**  
**Five Year Implementation Plan FY 2009-10 through 2014-15**

CRL requirements to not spend Housing Fund moneys in excess of the Senior Housing limitation. During the next 10-year period for the Implementation Plan, the Agency may not expend more than 24 1% Housing Fund moneys on housing for households age 65 or older

2008-09 THROUGH 2012-13

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# FIVE YEAR IMPLEMENTATION PLAN

FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR  
REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

**February 11, 2011**

**Revised February 16, 2011**

**FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**  
Five Year Implementation Plan FY 2008-09 through 2012-13

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# **FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**

## **Five Year Implementation Plan FY 2008-09 through 2012-13**

## **INTRODUCTION**

### **About this Implementation Plan**

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Every five years, redevelopment agencies are required to adopt an implementation plan for each redevelopment project area that establishes five-year operational and financial programs for carrying out the redevelopment and affordable housing responsibilities of the agency. An implementation plan serves as a multi-year planning vehicle for projects on a programmatic basis. The implementation plan describes the links between the programs undertaken, the alleviation of blight and the provision of affordable housing for a project area. Implementation plans are policy documents meant to guide the implementation of the redevelopment plan for a project area, but allow sufficient flexibility for an Agency to respond to specific opportunities as they arise.

This Five Year Implementation Plan ("Implementation Plan") for the Redevelopment Agency of the City of Fresno ("Agency") covers the five-year planning period for fiscal years ("FY") 2008-09 through 2012-13 for the Freeway 99-Golden State Boulevard Corridor Project Area ("Project Area"). This Implementation Plan also contains an update to the Project Area's Housing Compliance Plan ("Housing Compliance Plan") for meeting the Agency's affordable housing requirements for the 10-year compliance period (FY 2003-04 to 2012-13), including obligations for producing, replacing, and expending funds for affordable housing.

## **Legal Authority**

In 1993, the Legislature passed Assembly Bill 1290 (Chapter 942, Statutes of 1993), which enacted the California Community Redevelopment Law Reform Act and made changes to state redevelopment law (Health and Safety Code §33000 et seq ) ("CRL") in an effort to increase both the effectiveness and accountability of redevelopment agencies. One notable statutory change was the addition of Article 16.5 (§33490 et seq.) to the CRL, which required redevelopment agencies to adopt five year implementation plans every five years. CRL §33490(a) requires that the Implementation Plan contain

- The Agency's goals, objectives, and programs within the Project Area for the next five years, including an estimate of tax increment revenue to be generated and an approximate amount to be allocated to programs
- An explanation of how the goals, objectives, and programs will eliminate blight and promote affordable housing within the Project Area and adjacent neighborhoods
- An explanation of how the Agency will implement its Low and Moderate Income Housing Fund ("Housing Fund") requirements and the requirements for producing and replacing affordable housing.

# **FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**

## **Five Year Implementation Plan FY 2008-09 through 2012-13**

### **ABOUT THE PROJECT AREA**

#### **Who, What, Where, When, and Why**

On June 24, 2003, the City Council and Redevelopment Agency Board adopted the Redevelopment Plan for the Freeway 99-Golden State Boulevard Corridor Project Area. The Project Area runs along Freeway 99 extending north towards Herndon and ending at the intersecting Freeway 180. The Project Area encompasses approximately 2,790 acres and contains a mix of land uses, including residential, commercial, office, and other miscellaneous land uses.

The focus of the redevelopment project is the elimination of blight and economic stagnation and the promotion of the redevelopment of underutilized industrial and commercial areas, and neighborhoods that were identified in the City's General Plan for industrial, commercial and residential uses within the Project Area. The redevelopment project area was adopted with priorities on the retention and expansion of existing and new businesses in order to increase the availability of jobs.

This Implementation Plan focuses on specific redevelopment goals and programs accomplished over the last two years (FYs 2008-09 and 2009-10) and for the next three years (FYs 2010-11 through 2012-13).

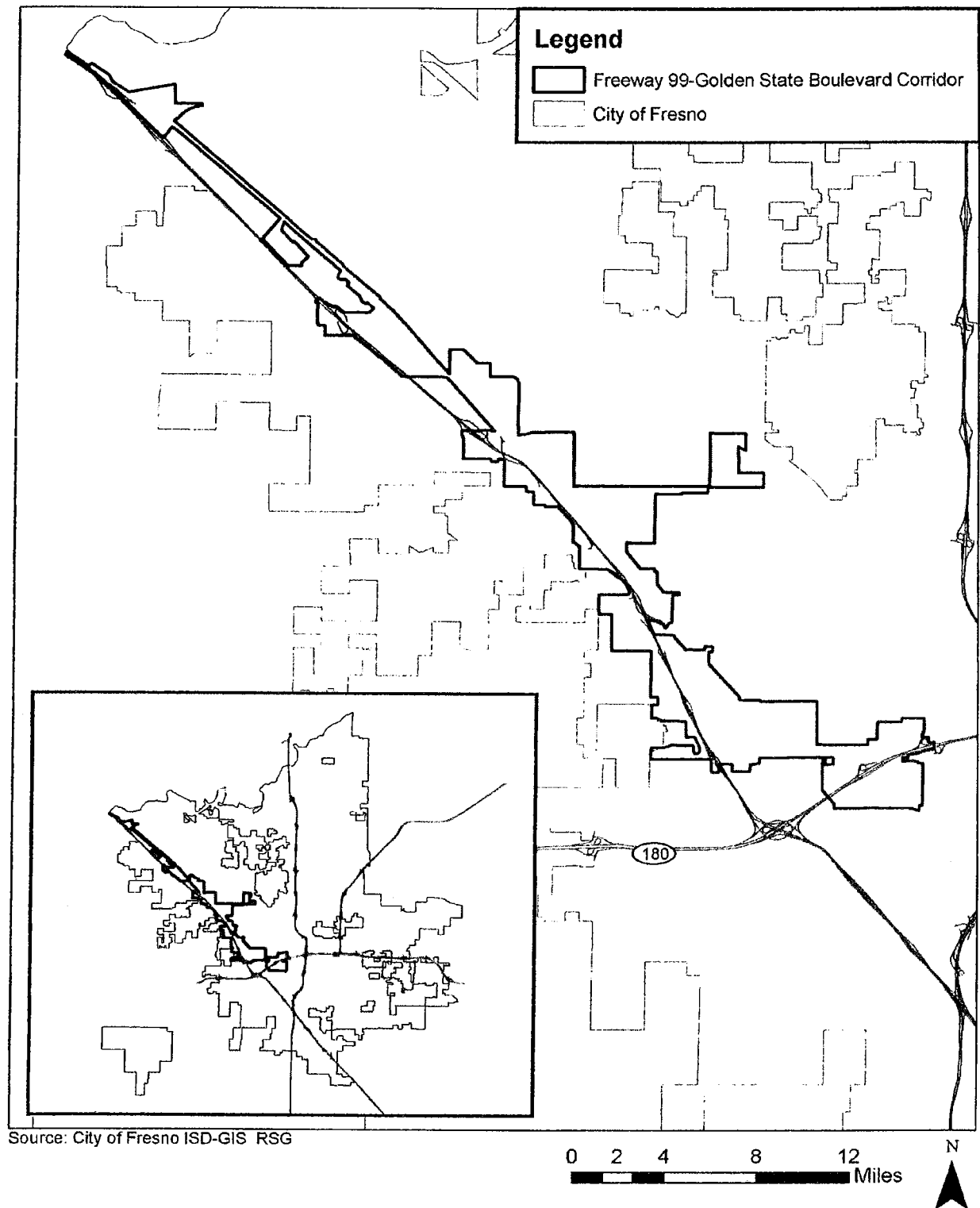
The Redevelopment Plan for the Project Area set forth time limitations with regard to collecting tax increment revenue and plan effectiveness. The following Table 1 presents the current time limits contained in the Redevelopment Plan.

<b>Redevelopment Plan Time Limits</b>		<b>Table 1</b>
<b>Freeway 99-Golden State Boulevard Corridor Redevelopment Project Area</b>		
Project Area Adopted	6/24/2003	Ordinance No. 2003-53
Plan Effectiveness Date	7/5/2034	Ordinance No. 2008-09
Tax Increment Limit	N/A	
Bond Debt Limit	N/A	
Limit to Incur Debt	7/5/2023	Ordinance No. 2003-53
Limit on Receiving Tax Increment	7/5/2049	Ordinance No. 2008-9
Eminent Domain Time Limit*	8/5/2015	Ordinance No. 2003-53
* Shall not acquire property on which persons legally reside		

The map on the following page depicts the location of the Project Area.

# **FREWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**

Five Year Implementation Plan FY 2008-09 through 2012-13



## **FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**

### **Five Year Implementation Plan FY 2008-09 through 2012-13**

## **RECENT REDEVELOPMENT ACCOMPLISHMENTS**

### **The Public Value & Benefit of Redevelopment**

Considering the Implementation Plan covers this five year period (FY 2008-09 through 2012-13), the Agency has accomplished the following projects during the previous five year reporting period (FYs 2003-04 through 2007-08) and the first two years of the Implementation Plan period (FYs 2008-09 and 2009-10).

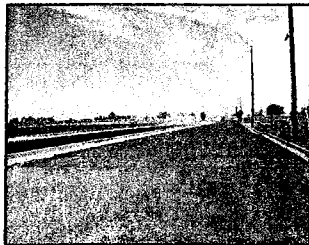
**Mid-State Plaza Project.** The Agency acquired five parcels, comprising 7.37 acres that included Mid-State Bowl, for the purposes of redeveloping the area. A DDA was subsequently approved and the title of the property was transferred to the Developer, Noyan-Frazier Properties, LLC

The developer is currently working with the City for the construction of a new police substation on a portion of the site. The 3 acre police substation site has been sold to the City. The police substation will be comprised of a 16,000 square foot building and 160 parking stalls. The balance of the 5.25 acre project site is identified for approximately 50,000 to 75,000 square feet of hotel, restaurant and commercial development.

**Bel Air Motel Redevelopment.** In 2007, the Agency purchased the Bel Air Motel with the intention of demolishing the blighted building and reusing the site. The Agency relocated tenants, completed the abatement work, and demolished the prior improvements. Now, the Agency is preparing to identify a developer and reuse for the site. During the current five-year period of this Implementation Plan, the Agency intends to market the site for private development.

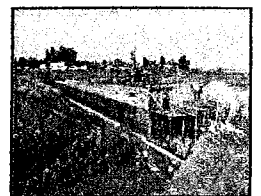
**Dakota/Marks Intersection Improvements.** In March 2009, new traffic signals were installed at the intersection of Dakota and Marks Avenues, replacing the four-way stop signs that had previously controlled traffic. These new traffic signals have improved operating service levels, traffic safety, air quality, and have reduced vehicle idling. In addition, the Agency added sidewalks, trees, and irrigation improving the façade of the property at the southwest corner of Dakota and Marks Avenues.

**Golden State Boulevard Reconstruction Project (Phases I & II).** The reconstruction of Golden State Boulevard between Ashlan and Shaw Avenues was established in FY 2005-06 as a three phase project. Phase I (FY 2008-09) included right-of-way improvements between Ashlan and Gettysburg Avenues and Phase II (FY 2009-10) included right-of-way improvements between Gettysburg and Shaw Avenues. Right-of-way improvements included curbs, gutters, paving, streetlights, street trees, bike lanes and traffic signals. The Agency provided approximately \$3 million for the right-of-way improvements. The project assisted in the elimination of blight and economic stagnation in the Project Area, addressed traffic and safety issues and created an attractive environment for potential business expansions and new businesses.



Phase III improvements will include the extension of water, sewer, and storm drains.

**Herndon Townsite Area.** The Herndon Townsite area lacked sufficient infrastructure. The Agency partnered with a private affordable housing developer by providing \$250,000 in financial assistance for the construction of five (5) affordable units in a new subdivision proposed on the eastern boundary of the Herndon Townsite. In exchange, the developer would provide the Herndon Townsite area with a new water system for both the new homes and the older neighborhood. In addition, this investment was used to enhance improvements at Elgin, Weber and Farrington Avenues. Completion of the new affordable housing units will be completed in April 2011.



**Shaw and Polk Signalized Intersection.** In the summer of 2009, construction began to redesign and reconstruct the intersection at Shaw and Polk Avenues. The Agency is working with the City's Public Works Department on this project; the Agency provided \$60,000 for the design of the intersection. State funds will be used for the intersection improvements.

## **FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**

**Five Year Implementation Plan FY 2008-09 through 2012-13**

**McKinley Avenue Widening Design.** McKinley Avenue from Freeway 99 west to Marks Avenue is a gateway to the rapid housing growth in the West Fresno area. Development on this corridor of McKinley Avenue includes a mixture of residential and commercial uses. Through private development, the south side of McKinley Avenue has been improved with sidewalks, curbs, and gutters while the north side remains unimproved. Due to the incomplete infrastructure, the area floods resulting in traffic hazards, as well as property and street damage. In addition to drainage issues, sidewalk improvements are needed to provide school children with safe and clean pathways to Jane Addams School. The Agency partnered with the Public Works Department to complete the design of the right-of-way improvements on the north side of McKinley Avenue. The Agency and Public Works Department are working to identify funding sources for right-of-way acquisition, curb, gutter, median island, and road construction.

**Northwest Circulation.** To reduce blight, improve traffic safety and encourage new investment, the Agency provides funds for entry improvements at the Shaw and Golden State intersection and Marks and Dakota intersection.

**Storefront Improvement Program (SIP)** This program offers matching funds to upgrade and renovate the facades of commercial buildings in an effort to raise property values and make businesses more successful. Funding for the SIP is on a first come, first served basis, and is available to commercial property owners and tenants in each redevelopment project area. In FY 2009-10, twenty-two (22) businesses participated in the Program with a total of \$286,021 of investment; \$158,059 from private investment and \$127,962 from Agency funds. Through this program the Agency has provided financial assistance to over 130 business owners since 1997.

The Agency continues to actively market the SIP through a new, redesigned marketing brochure and folder to serve all redevelopment project areas. In addition, the Agency is working with Council District staff and other groups to identify opportunities to increase participation in the program. The Storefront Improvement Program continues to grow and benefit individual property and business owners as well as older commercial districts and corridors.

# **FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**

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## **IMPLEMENTATION PLAN GOALS**

### **Community Reinvestment and Revitalization**

Adopted in June 2003, the Redevelopment Plan establishes a variety of goals for addressing blighting conditions and providing for the redevelopment of the Project Area. These goals frame the redevelopment objectives for the Implementation Plan period. The Redevelopment Plan goals are listed below.



**CLEAN**

**Eliminate Blight.** Eliminate blighting influences and the correction of environmental deficiencies in the Project Area, including, among others, small and irregular-shaped lots in multiple ownership, obsolete and aged building types, vacant buildings and lots, depreciated or stagnant property values and impaired investments, abnormally low lease rates, high crime rates, incompatible and uneconomic land uses, and inadequate or deteriorated public improvements, facilities, and utilities.



**ACCESS**

**Assemble Land.** Assemble land into parcels, suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area.



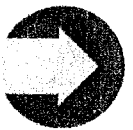
**GROW**

**Use Land Wisely.** Re-plan, redesign, and develop undeveloped and underdeveloped areas that are stagnant or improperly utilized.



**HELP**

**Champion Participation.** Provide opportunities for participation by owners and tenants in the revitalization of their properties.



**GO**

**Cohesive Use of Land.** Strengthen land uses and their inter-related functions in the Project Area.



**INVEST**

**Generate and Enhance Commercial Activity.** Strengthen the economic base of the Project Area and the community through the installation of needed site improvements to stimulate new development, business expansion, employment, and social and economic growth.

# **FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**

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**PLAY**

**Land Uses for All.** Provide adequate land for parking and open space.



**PRESERVE**

**Protect and Enhance.** Community Character Establish a positive visual image through implementation of site design standards, environmental quality and compatibility with buildings of historical importance, and other design elements which provide unity and integrity to the entire Project Area.



**LIVE**

**Housing for All.** Expand, improve, and preserve the community's supply of housing available at affordable housing cost to low- and moderate-income persons and families within the Project Area or outside the Project Area (with appropriate findings).



**COLLABORATE**




**Together as a Team.** The encouragement of participation of Project Area residents in the formulation and implementation of this Plan to ensure that Plan proposals are beneficial to people who live and work within the Project Area, as well as the community in general.

**FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**  
Five Year Implementation Plan FY 2008-09 through 2012-13

**PROPOSED REDEVELOPMENT PROGRAM**

Five Year Work Program for Reinvestment & Revitalization

Over the remaining three years of the five year Implementation Plan period (FYs 2010-11 through 2012-13), the Agency plans to implement the following redevelopment programs. The list below describes the programs proposed, what blighted conditions would be eliminated, and the Redevelopment Plan goals that would be achieved.

Project/Description	Goals Achieved
<b>Business Revitalization and Attraction Program</b>	
The Agency continues its efforts to retain and attract commercial and industrial development at suitable sites within the project area.	 CLEAN
The Agency continues to explore targets of opportunity for infrastructure improvements or other forms of assistance to stimulate business and industrial growth in appropriate areas such as Brawley and Weber Avenues and Freeway 99 and Olive Avenue. Agency efforts may include infrastructure improvements including but not limited to right-of-way improvements, water and sewer enhancements. The Agency will also continue to promote the Storefront Improvement Program which provides loan assistance for façade improvements.	 GROW
Implementation of various business revitalization and attraction programs will generate and enhance commercial activity, eliminate physical and economic blight by attracting new businesses and residents to the area, improve public infrastructure, and create new jobs. Development will increase property values and lease rates, and encourage the development of necessary commercial facilities to serve businesses and residents.	 INVEST
<i>Timeframe..... 2010-11 through On-going</i>	



## **FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**

Five Year Implementation Plan FY 2008-09 through 2012-13

### **Land Assembly, Restoration, Clearance and Relocation Program**

This program enables the Agency to assemble parcels into sites suitable for modern, integrated development, as well as the restoration and adaptive reuse of buildings. To facilitate the consolidation of two or more separately-owned parcels, the Agency may acquire vacant land through negotiated purchase, eminent domain, or other forms of acquisition as it deems appropriate for land assembly. This program will allow for the expansion of existing businesses to meet parking requirements and other needs, and directly remove and or correct the impact of blighting influences through the proposed improvements. This program may also include site preparation and demolition. Agency acquisition will target properties that will facilitate expansion of existing businesses and provide for new development opportunities.

Agency assistance with this Program will help to eliminate blighting influences including parcels of irregular shape and sizes, obsolete and aged buildings, and boost the local economy by attracting new businesses to the area. Rehabilitation of existing buildings and development of new buildings will help reduce the number of unsafe and unhealthy buildings and the number of vacant lots.

*Timeframe* ..... 2010-11 through On-going



ACCESS



INVEST



CLEAN

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### **Public Improvements**

The Agency will continue to participate in the on-going initiative to improve aging public infrastructure systems and to implement streetscape and beautification projects. The Agency will partner with the Public Works Department and Caltrans in the design and construction of traffic signals, curbs, gutters, paving, streetlights, street trees and landscaping, and bike lanes

The construction of public infrastructure improvements will support investments in the private sector in the reuse of vacant, deteriorated, obsolete and unsafe buildings, the effective utilization of vacant lots, and the rehabilitation of existing and construction of new housing. Such investments will support and increase property values and create jobs, which will in turn, reduce crime and encourage the development of commercial businesses.

*Timeframe* ..... 2010-11 through On-going



ACCESS



INVEST



CLEAN

**FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**  
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## FINANCING METHODS AVAILABLE TO THE AGENCY

### Projected Revenues and Expenditures

The Agency's primary source of funding for non-housing programs is the annual deposit of the 80 percent of its tax increment revenue. Based on the tax increment revenue projections in Table 2, the Agency's non-housing-related tax increment will generate enough income to support planning, Agency administration, and program implementation activities during the five year period.

During the five year Implementation Plan period, the Agency projects approximately \$9,457,883 (with estimated carryover, sales, lease and loan proceeds) in net tax increment<sup>1</sup>. The Agency will use the net tax revenue for administration, program implementation and land assembly in connection with negotiating agreements with property owners and developers, for one or more of the previously-discussed programs.

**Freeway 99-Golden State Boulevard  
Proposed Five-Year Program Funds and Expenditures**

**Table 2**

Administration and Planning	\$ 945,788
Land Assembly	\$ 1,891,577
Project Area Improvements	\$ 4,728,942
Business Revitalization and Attraction	\$ 1,891,577
Sub-Total for Non-Housing Programs	\$ 9,457,883
Sub-Total for Housing Programs	\$ 2,448,665
<b>TOTAL AGENCY EXPENDITURES</b>	<b>\$ 11,906,548</b>

Funds for the programs are anticipated as follows

Tax Increment (estimated carryover)	\$ 2,638,187
New Tax Increment	\$ 6,752,174
Sale, Lease, and Loan Proceeds	\$ 67,522
Sub-Total for Non-Housing Programs	\$ 9,457,883
Sub-Total for Housing Programs	\$ 2,448,665
<b>TOTAL AGENCY FUNDS AVAILABLE</b>	<b>\$ 11,906,548</b>

The Redevelopment Plan authorizes the Agency to finance redevelopment activities from any or all of the following sources: (1) tax increment funds, (2) Agency bonds, (3) interest income, (4) the City, (5) the State of California, (6) the Federal government, (7) loans from private financial institutions, (8) lease or sale of Agency-owned property, and (9) any other legally available public or private source

The CRL authorizes the Agency to create indebtedness, issue bonds, borrow funds or obtain advances in implementing and carrying out the specific intent of a Redevelopment Plan. The Agency is authorized to pay the principal and interest on the indebtedness, bond issues, borrowed funds or advances from tax increment revenue

<sup>1</sup> Net of pass through payments, County administration fee, ERAF/SERAF payments, and 20% Housing Set-Aside.

**FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**  
Five Year Implementation Plan FY 2008-09 through 2012-13

and any other funds available to the Agency. To the extent that it is able to do so, the City may also supply additional assistance through City loans or grants for various public facilities or other redevelopment project costs.

Some programs are dependent on the responses from the private sector to Agency initiatives. Other programs may be dependent on funding sources not under Agency control, subsequent environmental assessment, and other factors. Expenditures on projects would be subject to budgetary review and consideration by the Agency board if and when such projects and programs are considered for implementation.






# **FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**

Five Year Implementation Plan FY 2008-09 through 2012-13

## **PROPOSED AFFORDABLE HOUSING PROGRAM**

Five Year Work Program for Balanced Communities

Over the remaining three years of the five year Implementation Plan period (FY 2010-11 through 2012-13), the Agency plans to implement the following programs within the Project Area and adjacent neighborhoods. The list below describes the projects and programs proposed, what blighted conditions would be eliminated, and the Redevelopment Plan goals that would be achieved. Additionally, the Agency has estimated the number of affordable units that may be assisted by Housing Funds generated from the Project Area.

Project/Description	Goals Achieved
<b>Agency Housing Assistance Programs</b> <p>The Agency will continue to work with the development community to encourage the construction of low-income ownership and rental units. The Agency will also provide financial housing assistance via programs such as grants for housing improvements to assist very low, low and moderate income homeowners in the improvement of their property. Completion of this project would help eliminate blighted residential properties in the project area and create decent, safe, and sanitary affordable housing.</p> <p><i>Timeframe..... 2009-10 through On-going</i></p>	 <b>LIVE</b>  <b>CLEAN</b>
<b>Rehabilitation – Minor, Major, Infill, Boarded-Up</b> <p>The Agency intends to continue to revitalize neighborhoods throughout the redevelopment project area including the Lowell neighborhood, Highway City, and other neighborhoods within and adjacent to the Project Area. Projects include the minor and major rehabilitation of existing housing, as well as boarded-up single family and multifamily residences. Assistance for the rehabilitation may also include costs for purchasing of infill property, abatement and demolition costs. The Housing Funds may also be leveraged with the use of the Neighborhood Stabilization Program ("NSP") monies where possible.</p> <p>Completion of this project will remove blight, create affordable housing, and provide for meeting the Agency's replacement housing and housing production responsibilities.</p> <p><i>Timeframe..... 2009-10 through On-going</i></p>	 <b>LIVE</b>  <b>CLEAN</b>
<b>Land Acquisition Program</b> <p>In order to achieve its housing production mandate, the Agency will continue to seek land acquisition opportunities in the Project Area. Declining vacant land values and abandoned housing developments are generating new properties within the residential and commercial areas that may accommodate multi-family and mixed-use affordable housing.</p> <p>Implementation of this program will create future opportunities for affordable housing and provide for meeting the Agency's replacement housing and housing production responsibilities.</p> <p><i>Timeframe..... 2010-11 through On-going</i></p>	 <b>LIVE</b>

**FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**  
**Five Year Implementation Plan FY 2008-09 through 2012-13**

Table 3 Five-Year Affordable Housing Program Funds and Estimated Housing Development

FREEWAY 99-GOLDEN STATE BOULEVARD FIVE-YEAR AFFORDABLE HOUSING PROGRAM FUNDS AND ESTIMATED HOUSING DEVELOPMENT						Table 3
HOUSING PROGRAM	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	TOTAL
<b>Housing Expenditures</b>						
*New Construction, *Adaptive Reuse, *Substantial Rehab. Minor Rehabilitation	\$547,791	\$489,085	\$469,033	\$469,033	\$473,723	\$2,448,665
<b>Estimated Housing Units</b>	23-30	21-27	20-26	20-26	20-26	105-136
<b>HOUSING FUND DEPOSITS</b>	\$547,791	\$489,085	\$469,033	\$469,033	\$473,723	\$2,448,665
*45 Year Covenants for Owner-Occupied Housing and 55 Year Covenants for Rental Housing						

## **AFFORDABLE HOUSING PROGRAM COMPLIANCE OBJECTIVES**

### **Ten Year Outlook of Affordable Housing**

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The CRL requires all redevelopment agencies to prepare and adopt affordable housing compliance plans on a ten year cycle, with updates corresponding with adoption of their five year implementation plans. The housing compliance plan must identify how a redevelopment agency will achieve the affordable housing production requirements for its redevelopment project area. The housing compliance plan must be consistent with the jurisdiction's housing element and must also be reviewed and, if necessary amended at least every five years in conjunction with the cyclical preparation of the housing element or the agency's five-year implementation plan

This section of the Implementation Plan, referred to as the "Housing Compliance Plan", addresses specific requirements in the CRL with respect to affordable housing activities over the last five years (FYs 2003-04 to 2007-08) and the anticipated housing program for the following five years of the initial ten year (FYs 2003-04 to 2012-13) compliance period. For the Project Area, this Housing Compliance Plan also evaluates the Agency's affordable housing requirements for the second ten year planning period and the life of the Redevelopment Plan

Redevelopment agencies use implementation plans to establish ten year objectives to achieve compliance with State law in its affordable housing programs. These housing goals generally fall into three categories:

- Housing Production – based on the number of housing units constructed or substantially rehabilitated over a ten year period, a redevelopment agency is to ensure that a percentage of these units are affordable to low and moderate income households
- Replacement Housing – another legal obligation for redevelopment agencies to ensure that any low or moderate income housing units destroyed or removed as a result of an agency redevelopment project are replaced within four years.
- Expenditures by Household Types – specific requirements on the amount of housing set-aside funds an agency must spend over a ten year period on housing affordable to very low income households, low income households, and housing for residents under the age of 65

## **FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**

Five Year Implementation Plan FY 2008-09 through 2012-13

### **Housing Production**

This Housing Compliance Plan identifies all new residential construction or substantial rehabilitation that has occurred within the Project Area since adoption of the Redevelopment Plan in order to determine affordable housing production needs. It accounts for past residential construction and substantial rehabilitation, and includes projects of new dwelling units that may be constructed or substantially rehabilitated during the current ten-year planning period which extends through June 30, 2013.

#### **Planning and Period Production Needs**

Table 4 below summarizes the Agency's production activities during the first five years of the current housing compliance period and identifies the projected production requirements for the Compliance Period and over the life of the Redevelopment Plan. Construction and substantial rehabilitation statistics during the first five years were provided by the Agency. The number of affordable units required is based on applicable CRL requirements, and the Agency is responsible for ensuring that the appropriate number of affordable units is created during a ten year period.

It should be noted that neither the housing units nor projections for future dwelling units include any units to be developed by the Agency, but does include new construction and substantial rehabilitation units assisted by the Agency. However, the Agency will continue to cooperate with and provide assistance and incentives to private developers, in order to fulfill the Agency's affordable housing production requirements.

Pursuant to Section 33413(b) of the CRL not less than 15 percent of the units produced by persons or entities other than the Agency must be affordable to low and moderate income households. Not less than 40 percent of the required affordable units must be restricted for very low income households. The Agency's affordable housing production requirements are indicated in Table 4 below. In addition, to satisfy the Agency's production requirements, new or substantially rehabilitated units must have recorded 55-year income restrictions or covenants for rental units and 45-year income restrictions or covenants for owner-occupied units. The affordable housing units may be constructed inside or outside of the Project Area, but units outside the Project Area may only be counted on a 2-for-1 basis. On a limited basis, the Agency may also receive production credit for purchases of affordability covenants on very-low or low-income multifamily units.

**FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**  
**Five Year Implementation Plan FY 2008-09 through 2012-13**

**Actual and Projected Housing Production Need by Time Period** **Table 4**  
**Freeway 99-Golden State Boulevard Corridor Redevelopment Project**

<b>Time Period</b>	<b>Units Built Within Project Area</b>	<b>Required Affordable Units Total</b>	<b>Very Low</b>
<b>10 Year Planning Period (2003-04 through 2012-13)</b>	<b>82</b>	<b>13</b>	<b>6</b>
2003-04 to 2007-08 (Actual)	39	6	3
2008-09 to 2012-13 (Forecast) <sup>1</sup>	43	7	3
2013-14 to 2017-18 (Forecast) <sup>2</sup>	10	2	1
2018-19 to 2032-33 (Forecast) <sup>2</sup>	30	5	2
Redevelopment Plan Duration (2003-2033) (Forecast) <sup>2</sup>	122	19	8

<sup>1</sup> Forecast of housing production includes projects that have been issued a building permit. Forecasts also includes projects that are under review or have been approved by the Planning Department and may or may not be constructed

<sup>2</sup> Forecast of housing production based on residential build-out projections as provided by the City of Fresno 2025 General Plan.

*Source: City of Fresno Building Department, City of Fresno 2025 General Plan*

As shown in Table 4, the Project Area is not anticipated to experience a substantial number of residential construction given the small number of vacant parcels that permit such uses. Over the first ten year planning period, the Agency projects that a total of 13 low and moderate income units would be needed based on actual construction to date and projected activity through the end of FY 2012-13. Of these 13 affordable units, not less than 6 would need to be restricted to very low income households to meet the projected ten year planning period needs. Over the life of the Redevelopment Plan, the total production need may reach 19 low and moderate income units, of which eight (8) would need to be restricted for very low income households.

**Production Fulfillment**

Table 5 summarizes the current status of fulfilling the projected production needs of the Project Area, based on completed projects to date. As shown in the fulfillment table below.



# **FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**

Five Year Implementation Plan FY 2008-09 through 2012-13

**Fulfillment of Affordable Housing Production Requirements by Time Period**  
**Freeway 99-Golden State Boulevard Corridor Redevelopment Project**

**Table 5**

Time Period	Units Required (from Table 2)		Units Produced		Additional Units Required		Net Surplus Units Produced	
	Total	Very Low	Total	Very Low	Total	Very Low	Total	Very Low
<b>10-Year Planning Period (2003-04 through 2012-13)</b>	<b>13</b>	<b>6</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>1</b>	<b>0</b>
2003-04 to 2007-08 (Actual) <sup>1</sup>	6	3	2	0	4	3	0	0
2008-09 to 2012-13 (Forecast) <sup>2</sup>	7	3	12	0	0	3	5	0
2013-14 to 2017-18 (Forecast)	2	1	0	0	1	7	0	0
2018-19 to 2032-33 (Forecast) <sup>2</sup>	5	2	0	0	6	9	0	0
Redevelopment Plan Duration (2003-2033)	19	8	14	0	5	8	0	0

<sup>1</sup> Dakota-West-BNSF-Fruit and Lowell Housing

<sup>2</sup> Fultonia Live/Work Village

*Source. City of Fresno Building Department, Redevelopment Agency of the City of Fresno*

During the first five years of the current Compliance Period (FY 2003-04 through 2007-08), 39 units were constructed in the Project Area and the Agency was required to restrict six (6) low and moderate income units, of which three (3) units were required to be restricted for very low income households. During this five year period, two (2) affordable units were income-restricted in the Project Area, none of which were restricted for very low income households.

During the next five years of the current Compliance Period (FY 2008-09 through 2012-13) 43 units are anticipated to be constructed in the Project Area. This forecast includes market-rate and affordable projects that are currently under review by staff or have been approved and/or are under construction. Based on the anticipated 43 units to be produced, seven (7) units would need to be affordable, of which three (3) units are required to be restricted for very low income households. The Agency projects 12 affordable units to be produced during this 5-year period none of which will be restricted for very low income households.

## **Replacement Housing Needs**

The CRL requires that whenever housing occupied by extremely low, very low, low, or moderate income households are destroyed as part of an agency project, the agency is responsible for ensuring that an equivalent number of replacement units are constructed or substantially rehabilitated within four years. An agency may replace these units by new construction, substantial rehabilitation, or purchase of affordability covenants. Replacement units must provide at least the same number of bedrooms destroyed, and 100 percent of the replacement units must be affordable to the same income categories (i.e. extremely low, very low, low, moderate) as those removed. The Agency receives full credit for replacement units created inside or outside of the Project Area. Table 6 below summarizes the units that have been removed and subsequently replaced.

# **FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**

## **Five Year Implementation Plan FY 2008-09 through 2012-13**

**Inventory of Replacement Housing Units**

**Table 6**

**Freeway 99-Golden State Boulevard Corridor Redevelopment Project**

Location	Total Units	Total Bedrooms	Units			
			Extremely Low	Very Low	Low	Moderate
Removed <sup>1</sup>	7	8	7	0	0	0
Replaced <sup>2</sup>	7	8	7	0	0	0

<sup>1</sup> Bel-Air Motel

<sup>2</sup> Martin Luther King Square Housing Project

*Source: Replacement Housing Plan The Bel-Air Motel*

As noted in Table 6, the Agency removed seven (7) extremely low income units with eight (8) bedrooms. The units were removed from the low and moderate housing market in December 2007 and were replaced with units produced in the substantial rehabilitation of the Martin Luther King Square Housing Project in January 2008

## **Low and Moderate Income Housing Fund**

The Agency's primary source of funding for housing projects and programs is the annual deposit of the 20 percent of its tax increment revenue into the Low and Moderate Income Housing Fund ("Housing Fund"). As of the beginning of Fiscal Year 2008-09<sup>2</sup>, the Agency had a total of \$3,931,577 in its Housing Fund, which included funds from the Project Area and several other of the Agency's 18 redevelopment project areas. The CRL requires that these funds be used to increase, improve, and preserve the community's supply of affordable housing available to persons and families of very low, low, and moderate incomes. Projected annual housing set aside deposits from the Project Area is anticipated to total approximately \$2,448,665 over the five year period, exclusive of existing obligations.

## **Housing Fund Expenditures**

The City Council and Agency adopted a Joint Resolution making findings in compliance with Section 33334.2(g) of the CRL to permit the Agency to use Housing Funds outside of the Project Area. Housing Funds for the Project Area are combined in the Agency's "General" Housing Fund ("General Housing Fund") along with 15 of the Agency's project areas' housing set-aside funds. The purpose of a General Housing Fund was to provide the Agency with the ability to further the goal of housing development and rehabilitation in the Agency's target areas.

Effective January 2002, expenditure of housing set-aside revenues is subject to certain legal requirements. At a minimum, the Agency's Housing Fund revenue is to be expended in proportion to the community's need for very low and low income housing, as well as the proportion of the low income population under the age of 65.

The City's 2009-2013 Housing Element contains the Regional Housing Needs Allocation ("RHNA") for the City, which identified a need for 20,967 dwelling units for the Housing Element planning period. The City's share of the January 1, 2006 RHNA for very low, low, and extremely low income, is expressed as a percentage share. For purposes of this Implementation Plan, the extremely low income category was combined with the very low income category. The percentage of very low, low and moderate income household expenditure requirements (very low 24%, low 16%, and moderate 16%) are identified in Table 8 which summarizes the Agency's Housing Fund expenditures for the 10 year period from FY 2001-02 through 2009-10. The RHNA percentages are used as the minimum thresholds for housing program expenditure compliance that would be required over the 10-year

<sup>2</sup> Redevelopment Agency of the City of Fresno FY 2009-10 Annual Budget

**FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**  
**Five Year Implementation Plan FY 2008-09 through 2012-13**

period. The proportionality requirements affect expenditures over a ten year period for the General Housing Fund. The table below documents the amount of General Housing Fund revenue expended for all housing units developed or rehabilitated with the General Housing Fund from the 16 redevelopment project areas that contribute to the General Housing Fund, categorized by income level. Table 8 indicates that the Agency has exceeded the minimum threshold requirements of the RHNA percentages for the expenditure of Housing Funds for the required very low and low income categories, for the initial 10-year compliance period (FY 2001-02 through 2009-10).

**Proportionality of Low and Moderate Fund Expenditures: FY 2001-03 Through 2009-10<sup>1</sup>** **Table 8**  
**General Housing Fund**

	<b>Very Low</b>	<b>Low</b>	<b>Moderate</b>	<b>Total</b>
Total Units by Income	712	634	356	1,702
Total Expenditures by Income <sup>2</sup>	\$4,481,671	\$5,948,402	\$ 2,710,936	\$13,141,009
Percentage of Units by Income	42%	37%	21%	100%
Percentage of Expenditures by Income	34%	45%	21%	100%
RHNA Percentage by Income	24%	16%	16%	

<sup>1</sup> Data for FY 2009-10 is partial year through March 31, 2010

<sup>2</sup> Expenditures for developed units, funds used on administration are excluded from analysis

*Source: Regional Housing Needs Allocation (RHNP) Percentages from 2007 Fresno County Regional Housing Needs Allocation Plan, Redevelopment Agency of the City of Fresno*

## **FREEWAY 99-GOLDEN STATE BOULEVARD CORRIDOR**

Five Year Implementation Plan FY 2008-09 through 2012-13

### **Senior Affordable Housing**

Pursuant to CRL Section 33334.4 the Agency must expend the Housing Funds to assist housing that is available to all persons regardless of age in at least the same proportion as the number of low-income households with a member under age 65 years bears to the total number of low-income households of the community as reported in the most recent Census of the United States Census Bureau. Therefore, Housing Fund expenditures for non-senior housing would be in proportion to the number of non-senior households in the community.

Previously, in 2002, the State Legislature adopted AB 687, which required that, over the duration of each redevelopment implementation plan, the moneys in the Housing Fund shall be spent to assist housing that is available to all persons regardless of age in at least the same proportion as the population under age 65 bears to the total population of the community as reported in the most recent census of the United States Census Bureau ("the 2002 Requirement"). In 2005, the State Legislature adopted SB 527, which amended the requirement to provide that an Agency is allowed to spend the Housing Fund money to assist senior, affordable housing in the same proportion as senior low-income households bears to the total low-income households in the community (the "2006 Requirement"). The effect of this change was anticipated to allow for agency assistance to a greater population of senior housing than the CRL allowed prior to 2006.

In regard to the 2002 Requirement, the 2000 U.S. Census statistics as reported in the City's 2009-2013 Housing Element, indicated that persons 62 years or older were 10.8% of the population in the City of Fresno. In regard to the 2006 Requirement, the City's 2009-2013 Housing Element, reported that there were 4,843 low-income households (51-80% of median income) under the age of 65 in the City of Fresno, and 20,089 low-income households in the City of Fresno. Therefore no more than 24.1% of Project Area housing set-aside funds may be expended on housing for households age 65 or older.

Since the 2002 Requirement regarding senior housing became effective, the Agency has not utilized Housing Fund moneys to assist any housing project within the Project Area, other Project Areas, or outside the Project Area that contained units dedicated to senior housing. Therefore, whether the 2002 Requirement or the 2006 Requirement is used, the Agency has complied, during the 10-year period of the Implementation Plan, with the CRL requirements to not spend Housing Fund moneys in excess of the Senior Housing limitation. During the next 10-year period for the Implementation Plan, the Agency may not expend more than 24.1% Housing Fund moneys on housing for households age 65 or older.

### **Family Units Assisted by Housing Set-Aside Fund**

The CRL requires a recap of the number of the projects assisted by the Housing Fund to create extremely low, very low, and low income units over the past implementation plan period (FYs 2003-04 through 2007-08). Two (2) affordable units in the Project Area have been constructed since FY 2003-04 with private funding sources and no assistance from by the Housing Fund.

### **Housing Units Constructed During Prior Implementation Plan Without Housing Set-Aside Funds**

Since the Redevelopment Plan was adopted in 2003, no affordable units featuring long term covenants (affordable units with covenants of at least 45 years for ownership housing or 55 years for rental housing) have been created in the Project Area using other locally controlled government assistance and without the assistance of the Agency.

## **ATTACHMENT "B"**

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### **NOTICE OF PUBLIC HEARING**

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REDEVELOPMENT AGENCY OF THE

CITY OF FRESNO, MARLENE MURPHEY

2344 TULARE ST STE 200

FRESNO, CA 93721

## PROOF OF PUBLICATION

### COUNTY OF FRESNO STATE OF CALIFORNIA

#### EXHIBIT A.

The undersigned states:

McClatchy Newspapers in and on all dates herein stated was a corporation, and the owner and publisher of The Fresno Bee.

The Fresno Bee is a daily newspaper of general circulation now published, and on all the dates herein stated was published in the City of Fresno, County of Fresno, and has been adjudged a newspaper of general circulation by the Superior Court of the County of Fresno, State of California, under the date of November 22, 1994, Action No. 520058-9

010465

The undersigned is and on all dates herein mentioned was a citizen of the United States, over the age of twenty-one years, and is the principal clerk of the printer and publisher of said newspaper; and that the notice, a copy of which is hereto annexed, marked Exhibit A, hereby made a part hereof, was published in The Fresno Bee in each issue thereof (in type not smaller than nonpareil), on the following dates.

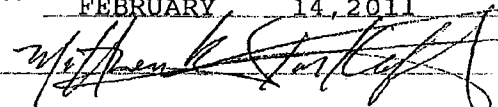
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APPROVED BY \_\_\_\_\_  
DATE OF APPROVAL \_\_\_\_\_  
PROJECT AREA/PROJECT \_\_\_\_\_  
PROJECT # \_\_\_\_\_  
COMMENTS \_\_\_\_\_

I certify (or declare) under penalty of perjury that the foregoing is true and correct

Dated FEBRUARY 14, 2011



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## NOTICE OF PUBLIC HEARING

As required by state law, the Redevelopment Agency of the City of Fresno ("Agency") is proposing five updated Five-Year Redevelopment Implementation Plans for the Central City Commercial Revitalization Redevelopment Project Area, Fresno Air Terminal Redevelopment Project Area, Southeast Fresno Revitalization Redevelopment Project Area, South Fresno Industrial Revitalization Redevelopment Project Area, and Freeway 99-Golden State Boulevard Corridor Redevelopment Project Area. The Agency is holding a public meeting and a public hearing to review and evaluate the proposed updated implementation Plans, and to receive testimony from interested parties.

COUNTY  
STATUTE

EXHIBIT

The proposed five updated Implementation Plans will cover the Agency goals and objectives for the five project areas over the next five years, and the redevelopment programs and projects planned to achieve the goals and objectives. It will also describe anticipated programs and projects, estimated expenditures, and explain how the goals, objectives, programs, and expenditures will help eliminate blight in the project areas and carry out the Agency's low and moderate income housing responsibilities.

The Agency will hold a public meeting and a public hearing to review and evaluate the proposed updated Five-Year Implementation Plans, and to receive testimony of all interested parties. The public meeting and public hearing will be at the following times and places:

### Housing and Community Development Commission Meeting

City Hall - 2600 Fresno Street  
Second Floor, Meeting Room "A"  
Wednesday, February 23, 2011, at 5:00 P.M.

### Redevelopment Agency Hearing

City Hall - 2600 Fresno Street  
Second Floor, Council Chambers  
Thursday, March 3, 2011, at 10:45 A.M.

The proposed Five-Year Implementation Plans will be available for review by February 11, 2011, in the City Clerk's Office at City Hall, 2600 Fresno Street, Fresno, California 93721; Fresno County Library Main Branch Reference Desk at 2420 Mariposa Street in downtown Fresno; and Redevelopment Agency Office at 2344 Tulare Street, Suite 200, or the Redevelopment Agency's website [www.fresnorda.com](http://www.fresnorda.com).

If you challenge the proposed action in court, you may be limited to raising only those issues that you raised at the public hearing, or in written correspondence delivered to the Fresno Redevelopment Agency at or before the public hearing.

If you have questions, you may call David Martin, Jeff Findley, or Jerry Freeman at (559) 621-7600.

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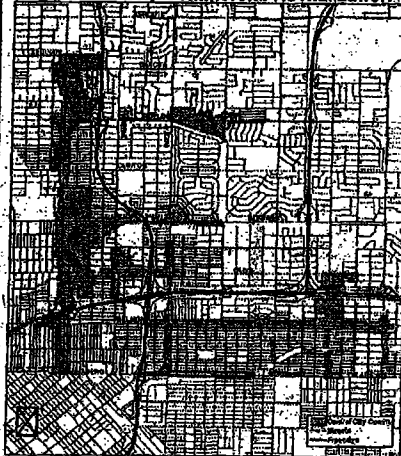
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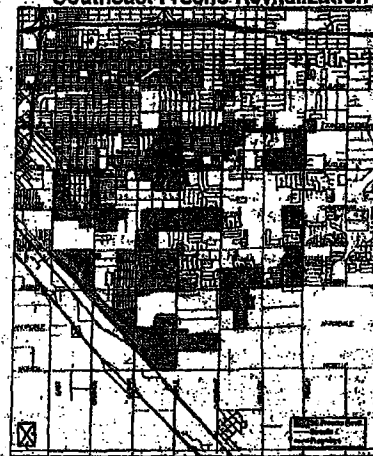
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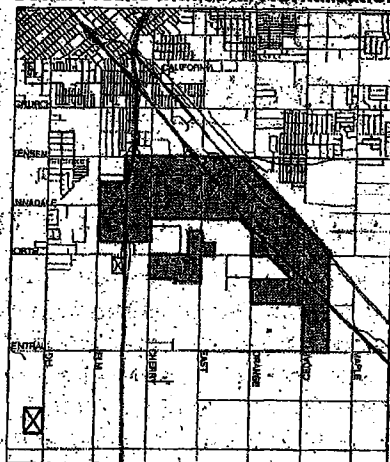
Central City Commercial Revitalization



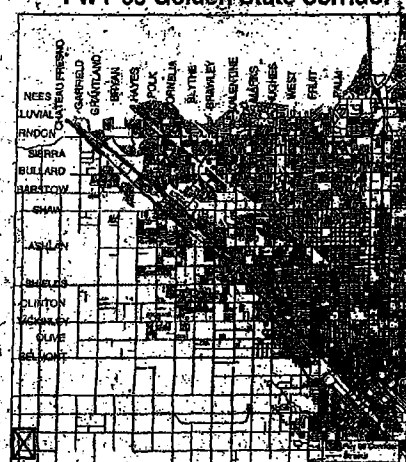
Southeast Fresno Revitalization



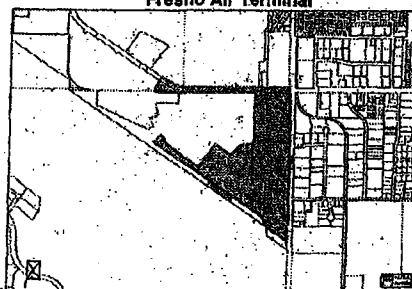
South Fresno Industrial Revitalization



FWY-99 Golden State Corridor



Fresno Air Terminal



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