K-1

CITY OF LODI
COUNCIL COMMUNICATION

AGENDA TITLE: Introduction of an Ordinance of the City of Lodi to Adopt the Redevelopment Plan for the Lodi Community Improvement Project and Adoption of Related Resolutions, Including, but not Limited to, Certification of the Environmental Impact Report, by the Lodi Redevelopment Agency and City Council

MEETING DATE: June 18,2008

PREPARED BY: City Manager

RECOMMENDED ACTION: Take the following actions with regard to the Lodi Community Improvement Project:

1) Adopt resolutions of the City Council and Redevelopment Agency to certify the Final Program Environmental Impact Report (EIR).

2) Adopt resolutions of the City Council and Redevelopment Agency finding that the use of taxes allocated from the Lodi Community Improvement Project for the purposes of increasing, improving, and preserving the community's supply of low- and moderate-income housing outside of the Project Area will be of benefit to the Project.

3) Adopt Resolution of the City Council adopting findings in response to written objections to adoption of the Redevelopment Plan for the Lodi Community Improvement Project.

4) Introduce Ordinance of the City Council to adopt the Redevelopment Plan (without the power of eminent domain) for the Lodi Community Improvement Project.

BACKGROUND INFORMATION: On May 28, 2008, the City Council and Redevelopment Agency conducted a joint Public Hearing to consider public comments with regard to the adoption of the proposed Lodi Community Improvement Project. The Public Hearing was opened, comments taken, and the hearing closed. It is now appropriate to consider actions related to the adoption of the Redevelopment Plan.

Previously, the Council/Agency has been provided, as required by law, with the "Report to the City Council for the Lodi Community Improvement Project." The Report contained legally required information, a copy of the Plan for the Lodi Community Improvement Project, and an overview of the entire adoption process including community outreach efforts.

Prior to the Public Hearing, written objections to the proposed Plan were received. Staff has considered the written objections and, to assist the Council in its deliberations, has prepared thoughtful responses to the written objections. The responses were prepared by the working group including Special Legal Counsel Mark Huebsch, Don Fraser of Fraser Associates, and Paul Schowalter of GRC Consultants and have been reviewed by staff. The written responses to objections provide a sufficient basis for the Council to support the adoption of the proposed ordinance to establish the Project. The written responses are attached to the resolution adopting findings in response to written objections; additional exhibits referred to in the responses are filed with the City Clerk and available for review.

APPROVED: _____
Blair King, City Manager

The proposed Plan has no power of eminent domain. The Redevelopment Plan requires conformity to the General Plan. The proposed Redevelopment Plan would allow for the City to retain a greater percent of local property tax and increase local control over locally paid taxes without a tax increase. Without this extra revenue, needed capital improvements would not be accomplished or would be required to be paid out of the General Fund and thus impact existing City services, or tax increases or assessments would be required.

Certification of the Final Program EIR is required by both the Agency, as the body that originated the proposed Redevelopment Plan, and the City Council, as the legislative body, with final authority and discretion over the approval of the proposed action. A total of three comments on the Draft EIR were received and responded to in the final EIR submitted for your consideration.

State law requires that at least 20 percent of the incremental increase in taxes be dedicated to affordable housing. Affordable housing is defined on a county by county basis measured against a standard average income. In San Joaquin County, a family of four earning $73,600 could be eligible for housing assistance. Redevelopment law allows the City to spend the 20 percent funds anywhere within the city if it is so approved. This is typically done to avoid an over concentration in one area and to provide the greatest flexibility to expend the funds for the benefit of low- and moderate-income residents. Housing funds can be used for such activities as rehabilitating existing structures and providing for ownership opportunities. The final use of housing set-aside funds will be determined at the discretion of the City Council/Agency Board.

FISCAL IMPACT: Based upon one scenario of growth, it is estimated that new tax increment generated by the redevelopment project over a 45-year period will produce $242.1 million for low- and moderate-income housing and $566 million for discretionary tax increment eligible projects in future dollars.

James R. Krueger
for Blair King, City Manager

Attachments:
Response to Written Objections with Attachments
Resolution of RDA Approving and Certifying Final EIR
Resolution of the City Council Approving and Certifying the Final EIR
Resolution of the City Council Finding that Low- and Moderate-Income Housing will be of Benefit to the Project
Resolution of the RDA Finding that the Low- and Moderate-Income Housing will be of Benefit to the Project
Resolution of the City Council Adopting Findings in Response to Written Objections
Ordinance of the City Council Approving and Adopting the Redevelopment Plan for the Lodi Community Improvement Project

RESOLUTION NO. RDA2008-05

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF LODI APPROVING AND CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE REDEVELOPMENT PLAN FOR THE LODI COMMUNITY IMPROVEMENT PROJECT

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WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") has initiated a Redevelopment Plan for the Lodi Community Improvement Project (the "Redevelopment Plan"); and

WHEREAS, the Planning Commission of the City of Lodi has approved and forwarded to the Agency and the City of Lodi its report that the proposed Redevelopment Plan is in conformity with the General Plan of the City of Lodi and has recommended approval of said Redevelopment Plan; and

WHEREAS, a Draft Environmental Impact Report (the "Draft EIR") was prepared for the Redevelopment Plan pursuant to and in accordance with the California Environmental Quality Act (Public Resources Code Section 21000, *et* seq.) ("CEQA) and the Guidelines for Implementation of the California Environmental Quality Act (Title 14, California Code of Regulations Sections 15000, *et* seq.) (the "CEQA Guidelines"); and

WHEREAS, the Draft EIR was sent to the City of Lodi Planning Commission (the "Commission"), and the Commission held a public meeting to receive public input on the adequacy of the Draft Environmental Impact Report; and

WHEREAS, all actions required to be taken by applicable law related to the preparation, circulation, and review of the Draft EIR have been taken; and

WHEREAS, pursuant to public notice duly given, the City Council of the City of Lodi (the "City Council") and the Agency held a full and fair public hearing on the proposed Redevelopment Plan and Final Environmental Impact Report ("Final EIR) on May 28, 2008; and

WHEREAS, the Agency is the lead agency for the Redevelopment Plan under CEQA; and

WHEREAS, the Agency has reviewed and considered the Final EIR and the mitigation monitoring program included therein with respect to the Redevelopment Plan (the "Mitigation Monitoring Program"), including all comments and responses thereto; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE REDEVELOPMENT AGENCY OF THE CITY OF LODI DOES HEREBY RESOLVE:

SECTION 1. The Final EIR has been completed in compliance with CEQA and the CEQA Guidelines, as well as the local CEQA guidelines.

SECTION 2. The Agency hereby certifies that a full and fair public hearing has been held on the Final EIR, including all comments received thereon and responses thereto, which comments and responses are included in the Final EIR; the Agency as the lead agency has reviewed and considered the Final EIR and the information contained therein prior to deciding whether to approve the proposed Redevelopment Plan, including all comments received thereon and responses thereto; and the Agency finds that the Final EIR reflects the independent judgment of the Agency. These actions having been taken, the Final EIR is hereby approved and certified by the Agency.

SECTION 3. The Agency hereby makes and adopts the following findings of fact as set forth in the Final EIR:

Environmental impacts of the Redevelopment Plan will be less than significant without mitigation for aesthetics, agricultural resources, biological resources, cultural resources, geology/soils, hazards and hazardous materials, hydrology/water quality, land use/planning, mineral resources, noise, population/housing, public services, recreation, traffic and utilities.

Certain environmental impacts related to the Redevelopment Plan are potentially significantly adverse, but will be mitigated to less than significant level by conditions imposed upon the Redevelopment Plan in the area of air quality and cultural resources. Such impacts and mitigations are identified in Sections 4.4 Air Quality and **4.7** Cultural Resources of the Draft EIR portion of the Final EIR.

All feasible mitigation measures, which are within the jurisdiction of the Redevelopment Agency of the City of Lodi as identified in the Final Environmental Impact Report, have been incorporated into the project and represent the fullest extent to which the project-related impacts can be reasonably avoided and/or substantially lessened.

SECTION 4. The Agency hereby adopts the Mitigation Monitoring Program set forth in the Final EIR, which is hereby incorporated herein by reference, and finds that the mitigation measures and Mitigation Monitoring Program set forth in the Final EIR will eliminate, mitigate, avoid, or reduce to a level of significance, all potentially significant environmental effects of the Redevelopment Plan. The Agency hereby requires that such mitigation measures and the Mitigation Monitoring Program shall be implemented in connection with, and are hereby made a part of, the Redevelopment Plan.

SECTION 5. The Agency finds that the project alternatives identified in the Final EIR, including the No Project alternative and the Reduced Project Area alternative, either would not reduce environmental impacts, or would not achieve the primary objectives of the Redevelopment Plan, and such alternatives are therefore infeasible, and the proposed Redevelopment Plan is the environmentally superior alternative.

SECTION 6. The Agency shall make available the Final EIR and other related materials which constitute the record of the proceedings upon which its decision is based at the Lodi City Hall, 221 **W.** Pine Street, in the City of Lodi, California.

SECTION 7. Based on the Initial Study and the entire record before the Agency, the Agency declares that there is no evidence before it that the Redevelopment Plan has any potential for an adverse effect on wildlife resources or habitats and has rebutted the presumption of adverse effects set forth in Title 14, California Code of Regulations, Section 753.5(d).

SECTION 8. The findings made in this Resolution are based upon the information and evidence set forth in the Final EIR and upon other substantial evidence in the record of the proceedings on the Redevelopment Plan and the Final EIR, which include, among other things, the City of Lodi General Plan and the City of Lodi zoning regulations. The documents, staff reports, plans, specifications, technical studies, and other relevant materials, including, without limitation, the Final EIR, that constitute the record of proceedings on which this Resolution is based are on file and available for public examination during normal business hours in the Agency offices, 221 W. Pine Street, Lodi, California. The custodian of said records is the Secretary of the Agency.

SECTION 9. Upon approval of the Plan by the City, the Agency Secretary shall cause a Notice of Determination to be filed forthwith in the Office of the County Clerk of the County of San Joaquin and the State Clearinghouse pursuant to CEQA Guidelines Section 15094.

SECTION 10. That the Chairman shall sign this resolution and the Secretary shall attest and certify to the passage and adoption thereof.

Dated: June 18,2008

I hereby certify that Resolution No. RDA2008-05 was passed and adopted by the Members of the Redevelopment Agency of the City of Lodi in a regular meeting held June 18, 2008, by the following vote:

AYES: MEMBERS – Hansen, Johnson, and Katzakian

NOES: MEMBERS – Chairperson Mounce

ABSENT: MEMBERS – None

ABSTAIN: MEMBERS – Hitchcock

JENNIFER M. PERRIN
Deputy Secretary

RESOLUTION NO. 2008-115

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LODI APPROVING AND CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE REDEVELOPMENT PLAN FOR THE LODI COMMUNITY IMPROVEMENT PROJECT

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WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") has initiated a Redevelopment Plan for the Lodi Community Improvement Project (the "Redevelopment Plan"); and

WHEREAS, the Planning Commission of the City of Lodi has approved and forwarded to the Agency and City of Lodi (the "City") its report that the proposed Redevelopment Plan is in conformity with the General Plan of the City of Lodi and has recommended approval of said Redevelopment Plan; and

WHEREAS, a Draft Environmental Impact Report (the "Draft EIR") was prepared for the Redevelopment Plan pursuant to and in accordance with the California Environmental Quality Act (Public Resources Code Section 21000, ***et seq.)*** ("CEQA) and the Guidelines for Implementation of the California Environmental Quality Act (Title 14, California Code of Regulations Sections 15000, ***et seq.)*** (the "CEQA Guidelines"); and

WHEREAS, the Draft EIR was sent to the City of Lodi Planning Cornmission (the "Commission"), and the Commission held a public meeting to receive public input on the adequacy of the Draft Environmental Impact Report; and

WHEREAS, all actions required to be taken by applicable law related to the preparation, circulation, and review of the Draft EIR have been taken; and

WHEREAS, pursuant to public notice duly given, the City Council of the City of Lodi (the "City Council") and the Agency held a full and fair public hearing on the proposed Redevelopment Plan and Final Environmental Impact Report ("Final EIR") on May 28,2008; and

WHEREAS, the City is a responsible agency for the Redevelopment Plan under CEQA; and

WHEREAS, the City has reviewed and considered the Final EIR and the mitigation monitoring program included therein with respect to the Redevelopment Plan (the "Mitigation Monitoring Program"), including all comments and responses thereto; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LODI DOES HEREBY RESOLVE:

SECTION 1. The Final EIR has been completed in compliance with CEQA and the CEQA Guidelines, as well as the local CEQA guidelines.

SECTION 2. The City hereby certifies that a full and fair public hearing has been held on the Final EIR, including all comments received thereon and responses thereto, which comments and responses are included in the Final EIR; the City as a responsible agency has reviewed and considered the Final EIR and the information contained therein prior to deciding whether to approve the proposed Redevelopment Plan, including all comments received thereon and responses thereto; and the City finds that the Final EIR reflects the independent judgment of the City. These actions having been taken, the Final EIR is hereby approved and certified by the City.

SECTION 3. The City hereby makes and adopts the following findings of fact as set forth in the Final EIR:

Environmental impacts of the Redevelopment Plan will be less than significant without mitigation for aesthetics, agricultural resources, biological resources, cultural resources, geology/soils, hazards and hazardous materials, hydrology/water quality, land use/planning, mineral resources, noise, population/housing, public services, recreation, traffic, and utilities.

Certain environmental impacts related to the Redevelopment Plan are potentially significantly adverse, but will be mitigated to less than significant level by conditions imposed upon the Redevelopment Plan in the area of air quality and cultural resources. Such impacts and mitigations are identified in Sections 4.4 Air Quality and 4.7 Cultural Resources of the Draft EIR portion of the Final EIR.

All feasible mitigation measures, which are within the jurisdiction of the City of Lodi as identified in the Final Environmental Impact Report, have been incorporated into the project and represent the fullest extent to which the project-related impacts can be reasonably avoided and/or substantially lessened.

SECTION 4. The City hereby adopts the Mitigation Monitoring Program set forth in the Final EIR, which is hereby incorporated herein by reference, and finds that the mitigation measures and Mitigation Monitoring Program set forth in the Final EIR will eliminate, mitigate, avoid, or reduce to a level of significance, all potentially significant environmental effects of the Redevelopment Plan. The City hereby requires that such mitigation measures and the Mitigation Monitoring Program shall be implemented in connection with, and are hereby made a part of, the Redevelopment Plan.

SECTION 5. The City finds that the project alternatives identified in the Final EIR, including the No Project alternative and the Reduced Project Area alternative, either would not reduce environmental impacts, or would not achieve the primary objectives of the Redevelopment Plan, and such alternatives are therefore infeasible, and the proposed Redevelopment Plan is the environmentally superior alternative.

SECTION 6. The City shall make available the Final EIR and other related materials which constitute the record of the proceedings upon which its decision is based at the Lodi City Hall, 221 W. Pine Street in the City of Lodi, California.

SECTION 7. Based on the Initial Study and the entire record before the City, the city declares that there is no evidence before it that the Redevelopment Plan has

any potential for an adverse effect on wildlife resources or habitats and has rebutted the presumption of adverse effects set forth in Title 14, California Code of Regulations, Section 753.5(d).

SECTION 8. The findings made in this Resolution are based upon the information and evidence set forth in the Final EIR and upon other substantial evidence in the record of the proceedings on the Redevelopment Plan and the Final EIR, which include, among other things, the City of Lodi General Plan and the City of Lodi zoning regulations. The documents, staff reports, plans, specifications, technical studies, and other relevant materials, including, without limitation, the Final EIR, that constitute the record of proceedings on which this Resolution is based are on file and available for public examination during normal business hours in the Agency offices, 221 W. Pine Street, Lodi, California. The custodian of said records is the City Clerk.

SECTION 9. That the Mayor shall sign this resolution and the City Clerk shall attest and certify to the passage and adoption thereof.

Dated: June 18,2008

I hereby certify that Resolution No. 2008-115 was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 18, 2008, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Johnson, and Katzakian

NOES: COUNCIL MEMBERS – Mayor Mounce

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – Hitchcock

JENNIFER M. PERRIN
Deputy City Clerk

RESOLUTION NO. 2008-116

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LODI FINDING THAT THE PROVISION OF LOW- AND MODERATE-INCOME HOUSING OUTSIDE THE PROJECT AREA WILL BE OF BENEFIT TO THE PROJECT

WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") has initiated proceedings for the adoption of the Lodi Community Improvement Project (the "Project") and a project area as established in connection therewith (the "Project Area") and has filed with the Lodi City Council (the "City Council") its report to the City Council for the Lodi Community Improvement Project; and

WHEREAS, in accordance with Section 33334.2(a) of the Community Redevelopment Law (the "CRL"), not less than twenty percent (20%) of all tax increment that is allocated to the Agency from the Project Area shall be used for the purposes of increasing, improving, and preserving the community's supply of low- and moderate-income housing available at affordable housing cost; and

WHEREAS, CRL Section 33334.2(g) provides that the Agency may use such funds outside the Project Area upon adoption of resolutions by the City Council and the Agency finding that the provision of low- and moderate-income housing outside the Project Area is of benefit to the Project; and

WHEREAS, such authority is necessary and appropriate because (i) future locations of housing for low- and moderate-income families cannot be fully determined at this time and (ii) the governing board of the Agency should be able to consider the most advantageous proposals from time to time concerning the provision of affordable housing.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi as follows:

SECTION 1. Pursuant to CRL Section 33334.2(g), the City Council hereby finds that the provision of low- and moderate-income housing outside the boundaries of the Project Area will be of benefit to the Project.

SECTION 2. Pursuant to CRL Section 33334.2(g), the City Council hereby authorizes the use of low- and moderate-income housing funds outside the boundaries of the Project Area.

SECTION 3. The findings and determinations set forth herein shall be deemed final and conclusive. This Resolution shall take force and effect as of the date this Resolution is approved.

Date: June 18, 2008

I hereby certify that Resolution No. 2008-116 was passed and adopted by the Lodi City Council in a regular meeting held June 18, 2008, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Johnson, and Katzakian

NOES: COUNCIL MEMBERS – Mayor Mounce

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – Hitchcock

JENNIFER M. PERRIN
Deputy City Clerk

RESOLUTION NO. RDA2008-06

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF LODI FINDING THAT THE PROVISION OF LOW- AND MODERATE-INCOME HOUSING OUTSIDE THE PROJECT AREA WILL BE OF BENEFIT TO THE PROJECT

WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") has initiated proceedings for the adoption of the Lodi Community Improvement Project (the "Project") and a project area as established in connection therewith (the "Project Area") and has filed with the Lodi City Council (the "City Council") its report to the City Council for the Lodi Community Improvement Project; and

WHEREAS, in accordance with Section 33334.2(a) of the Community Redevelopment Law (the "CRL"), not less than twenty percent (20%) of all tax increment that is allocated to the Agency from the Project Area shall be used for the purposes of increasing, improving, and preserving the community's supply of low- and moderate-income housing available at affordable housing cost; and

WHEREAS, CRL Section 33334.2(g) provides that the Agency may use such funds outside the Project Area upon adoption of resolutions by the City Council and the Agency finding that the provision of low- and moderate-income housing outside the Project Area is of benefit to the Project; and

WHEREAS, such authority is necessary and appropriate because (i) future locations of housing for low- and moderate-income families cannot be fully determined at this time and (ii) the governing board of the Agency should be able to consider the most advantageous proposals from time to time concerning the provision of affordable housing.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Lodi as follows:

SECTION 1. Pursuant to CRL Section 33334.2(g) the Agency hereby finds that the provision of low- and moderate-income housing outside the boundaries of the Project Area will be of benefit to the Project.

SECTION 2. Pursuant to CRL Section 33334.2(g), the Agency hereby authorizes the use of low- and moderate-income housing funds outside the boundaries of the Project Area.

SECTION 3. The findings and determinations set forth herein shall be deemed final and conclusive. This Resolution shall take force and effect as of the date this Resolution is approved.

Dated: June 18,2008

I hereby certify that Resolution No. RDA2008-06 was passed and adopted by the Members of the Redevelopment Agency of the City of Lodi in a regular meeting held June 18, 2008, by the following vote:

AYES: MEMBERS – Hansen, Johnson, and Katzakian

NOES: MEMBERS – Chairperson Mounce

ABSENT: MEMBERS – None

ABSTAIN: MEMBERS – Hitchcock

JENNIFER M. PERRIN
Deputy Secretary

RESOLUTION NO. 2008-117

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LODI
ADOPTING FINDINGS IN RESPONSE TO WRITTEN OBJECTIONS
TO ADOPTION OF THE REDEVELOPMENT PLAN FOR THE
LODI COMMUNITY IMPROVEMENT PROJECT

WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") has formulated and prepared a Redevelopment Plan for the Lodi Community Improvement Project (the "Plan"); and

WHEREAS, the City Council and the Agency held on May 28, 2008, a joint public hearing on the adoption of the proposed Plan and certification of the Final Environmental Impact Report (the "Final EIR") on the Plan; and

WHEREAS, the City Council has provided an opportunity for all persons to be heard and has considered all written comments received and all evidence and testimony presented for or against any and all aspects of the Plan; and

WHEREAS, Section 33363 of the Community Redevelopment Law provides that, before adopting the Plan, the City Council shall make written findings in response to each written objection, if any, received from an affected taxing entity or property owner received before or at the noticed public hearing.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LODI DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1: The written objections from affected property owners and affected taxing agencies to the adoption of the Redevelopment Plan for the Lodi Community Improvement Project are hereby overruled for the reasons detailed in the written responses attached hereto as part of Attachment No. 1 and by this reference are incorporated herein.

SECTION 2: The written responses attached hereto as Attachment No. 1 are hereby adopted as the written findings of the City Council in response to the written objections received from affected property owners and affected taxing agencies.

SECTION 3: The City Clerk is hereby directed to transmit certified copies of this Resolution including the written responses attached hereto as Attachment No. 1 to the objectors by first class mail, postage prepaid.

Dated: June 18,2008

I hereby certify that Resolution No. 2008-117 was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 18,2008, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Johnson, and Katzakian

NOES: COUNCIL MEMBERS – Mayor Mounce

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – Hitchcock

JOANNE MOUNCE, Mayor

ATTEST:

JENNIFER M. PERRIN, Deputy City Clerk

ATTACHMENT NO. 1

RESPONSE TO WRITTEN OBJECTIONS REGARDING THE PROPOSED PLAN FOR THE LODI COMMUNITY IMPROVEMENT PROJECT

I. Introduction

On May 28,2008, the City Council and Redevelopment Agency of the City of Lodi held a joint public hearing to consider adoption of the proposed Plan for the Lodi Community Improvement Project ("Redevelopment Plan").[1] Following a staff report, testimony was given by several speakers, both in favor of and opposed to the adoption. Prior to the time set for the hearing, eight written objections were received by the Lodi City Clerk. Section 33364 of the California Community Redevelopment Law, Health and Safety Code Section 33000, ***et seq.*** ("Redevelopment Law"), at Sections 33363 and 33364 thereof; provides that if written objections to the adoption of a redevelopment plan are received, written responses are to be prepared and considered by the legislative body not earlier than one week after such written objections were presented. This Response to Written Objections Regarding the Proposed Plan for the Lodi Community Improvement Project is intended to provide a considered response to each of the written objections received by the Lodi City Clerk prior to the hearing, as provided by Section 33363 of the Redevelopment Law.

The following sections describe the constitutional and statutory framework of the Redevelopment Law and the applicable evidentiary standard. Then, each written objection to the proposed Redevelopment Plan received by the Lodi City Clerk is set forth and followed by a written analysis and response to such written objection based on the evidence in the record before the Lodi City Council, including the ***Report to City Council for the Lodi Community Improvement Project*** (the "Report to Council"), as transmitted by the Redevelopment Agency of the City of Lodi (the "Agency") to the City Council. The Report to Council was primarily compiled by GRC Redevelopment Consultants and Fraser & Associates. Resumes of persons at GRC Redevelopment Consultants and Fraser & Associates that were involved in the preparation of the Report to Council are set forth at Exhibit A.

11. Constitutional and Statutory Framework

Redevelopment, including tax increment financing for redevelopment, was included in the California Constitution by voter-approved initiative in 1952. The proposition that redevelopment is a public purpose is long-established in California (see, for example, the California Supreme Court decision *In* ***Re Bunker*** *Hill* (1964) 61 Cal. 2d 21). The Legislature has provided authority for "communities", mainly cities and counties (see Section 33002 of the Redevelopment Law, providing the definition of "community") to

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[1] **A** video of the May 28,2008 joint public hearing is attached hereto as Exhibit J and incorporated herein.

[2] The full text of Sections **33363** and **33364** is attached hereto in Exhibit I and incorporated herein.

activate redevelopment agencies and to adopt and amend redevelopment projects and project areas.

The funding source for redevelopment agencies in California is "tax increment."[3] Briefly, tax increment is that portion of property tax generated within an identified redevelopment project area from increases in assessed value of that area over a starting point, or "base roll." Taxing agencies, such as the County, continue to receive their share of base roll revenues. However, redevelopment law provides for the re-allocation of revenues attributable to increases in assessed value above the base—such revenues constituting "tax increment revenues" (or 'tax allocation revenues')—as the funding mechanism for redevelopment activities (see, for example, Section 33670 of the Redevelopment Law).[4]

The Legislature has prescribed a series of findings which are to be made by the host city council in order for a redevelopment plan to be adopted by that city.[5] It is within the authority of the city council of a city to consider the adoption of a redevelopment plan and whether there is substantial evidence in the record to support findings which are required for the adoption of a redevelopment plan. In the case of *Fosselman's v. City of Alhambra*, the City Council of the City of Alhambra had adopted certain findings and had proceeded to adopt a redevelopment plan for a portion of the City of Alhambra. Various private parties, as well as the County of Los Angeles, challenged the validity of the adoption of that redevelopment plan in the California Superior Court. The trial court ruled in favor of the City of Alhambra, upholding the adoption of the redevelopment plan. The County did not participate in the appeal, but private plaintiffs did. On appeal, the Court upheld the trial court's determination and upheld the validity of the adoption of the redevelopment plan by Alhambra. In so doing, the Court stated: "In the Community Redevelopment Law the Legislature delegated to the agency and the city council the power to determine blight as well as the power to adopt and implement redevelopment plans.... (citations omitted); the acts of the agency and the city council in carrying out such functions have been termed 'legislative.'"[6] The same decision states: "The substantial evidence standard, not the independent exercise of the court's judgment, governs judicial review of the findings and determinations of an agency and legislative body in the adoption and approval of a redevelopment plan."[7]

The court's ruling in *Fosselman's*, and its rationale, are particularly apposite relative to the matter before the Lodi City Council: a proposed plan adoption, with the interposition of written objections. As was the case in Alhambra, the ability of a city to adopt or amend a redevelopment plan is within the purview of the City Council of the host city; consent of other governmental agencies and individual citizens is not required. In

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3 Report to Council, pages 123-128 and the draft Plan for the Lodi Community Improvement Project at pages 31-35.

4 The use of tax increment financing is very common in California and is found in the communities of Tracy, Stockton and Manteca within San Joaquin County. *See* Appendix A of the State Controller's Report (defined below), an excerpt of which is attached as Exhibit B.

5 *See* Section 33367 of the Redevelopment Law; *see also Fosselman's v. City of Alhambra* (1986) 178 Cal.App.3d 806.

6 *See Fosselman's* at page 811.

7 *Fosselman's at* page 810.

considering evidence, the "substantial evidence test" applies! What is required for a plan adoption is that the city make various findings (see, for example Section 33367 of the Redevelopment Law; a full copy of the text of Section 33367 is set forth at Exhibit I, attached hereto and incorporated herein) and that the findings be supported by substantial evidence (see *Fosselman's v. Alhambra;* and *see Evans v. San Jose (2005)* 128 Cal. App. 4th 1123, which is discussed below). Where there may be conflicting evidence, it is not for third parties, such as individual citizens within a community, to resolve those evidentiary conflicts; nor is it the province of individual citizens to weigh the sufficiency of evidence; that function has been allotted to the host city council (namely, in this case, the City Council of the City of Lodi) in connection with the pending redevelopment plan adoption? In weighmg evidence, the City Council may consider relevance, specificity, credibility, reliability, experience and other factors to determine the weight to be given to various evidence—the City Council has the authority to assign greater weight to certain evidence and less weight to other evidence."

The basic approach illustrated by *Fosselman's* was applied in the recent case of *Evans v. San Jose, supra,* upholding the adoption of a new redevelopment project area in San Jose over objection that there was not substantial evidence in the record to support the City Council's findings, including a finding of blight." The *Evans* decision follows *the* principles and approach set forth in the *Fosselman's* case. In *Evans,* the plaintiff challenged the adoption, in 2002, of a redevelopment plan by the City of San Jose and the Redevelopment Agency of the City of San Jose (collectively, "San Jose"). The Superior Court decided in favor of San Jose. On appeal, the plaintiff contended that there was not substantial evidence in the record to support the City Council's findings of blight." The reviewing court found in favor of San Jose, determining that the finding of blight was supported by substantial evidence.

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8 Briefly, substantial evidence means "evidence of ponderable legal significance"; "enough relevant information and reasonable inferences from this information that a fair argument can be made to support a conclusion even though other conclusions might also be reached"; evidence that is "...reasonable in nature, credible, and of solid value…" The foregoing excerpts are from *Friends of Mammoth v. Town of Mammoth Lakes Redevelopment Agency (2002)* 82 Cal. App. 4" 511, 537-538), *San Franciscans Upholding the Downtown Plan v. City & County of San Francisco (2002)* 102 Cal. App. 4" 656, 675, and *Estate of Teed (1952)* 112 Cal. App. 2d 638, 644, respectively. *See* discussion in Part III, *infra.*

9 "In applying substantial evidence review, a court may not weigh the evidence; rather, we simply determine whether the record contains substantial evidence to support the agency's decision. [I]f there are conflicts in the evidence, their resolution is for the agency." *Moss v. County of Humboldt (2008)* 162 Cal. App. 4th 1041 (citations omitted; alteration in original).

10 See footnotes 9 and 11.

11 In *Evans,* the Court of Appeal wrote: "The scope of judicial review of an agency's decision to adopt a redevelopment plan is quite limited. Both the trial court and this court review the administrative record to determine whether the findings and decision of the legislative body are supported by substantial evidence. (citation omitted) In the application of this standard, '[t]he decisions of the agency are…given substantial deference and presumed correct.' (citation omitted) '[T]he reviewing court must resolve reasonable doubts in favor of the administrative fmdings and determination.' (citation omitted). And where conflicting inferences can be drawn from the evidence, we accept all reasonable inferences supporting the administrative findings. (citation omitted)" (Evans, at pp. 1145-1146).

12 *Evans,* page 1130.

The redevelopment project area at issue in *Evans* consisted of six noncontiguous areas totaling approximately 10,456 acres.[13] In contrast, Lodi's proposed Redevelopment Project Area (herein, the "Project Area") consists of approximately 2,000 acres.[14] While not addressed in the *Evans* opinion, the median income for a family of four in the County of Santa Clara (in which the City of San Jose is located), as shown in median income data published by the California Department of Housing and Community Development dated as of February 25, 2005, was $105,500.[15] The median income (for a family of four) in the County of San Joaquin for the same year was $55,300. This provides one economic comparison between the two areas.

Similar to the pending Lodi process, a portion of the area which had been proposed for inclusion within the territory being added as a project area was deleted – in the case of San Jose – "...just prior to the adoption of the...Plan."[16]

Concerning the evidence in the record offered by the consultant employed by San Jose, the plaintiff criticized the inclusion of local code violations as evidence of blight and generally questioned the methodology used by the consultant." In commenting upon information adduced by the consultant and presented before the City Council of San Jose, the Court noted that information concerned such matters as:

- infrastructure deficiencies in the Project Area;"
- code violations;[19]
- "site deficiencies, such as unpaved or overpaved driveways, improper storage of materials, fence deterioration, broken or missing sidewalks, curbs and gutters and excessive or deteriorated signage";[20]
- incompatible uses, irregularly shaped lots;[21] and
- inadequate public improvements, including deteriorated street, storm sewer and sanitary sewer systems.[22]

The staff of GRC Redevelopment Consultants has extensive experience in the area of redevelopment and describing and documenting conditions within proposed redevelopment project areas.[23] Much time and effort has gone into the collection of evidence for the Report to Council and the record which will be considered by the Lodi

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13 Evans, page 1134.

14 Report to Council, page 1.

15 ***See Income Limits*** on the website of the California Housing and Community Development Department.

16 Evans, page 1141.

17 Evans, page 1144.

18 Evans, page 1146.

19 Evans, page 1148.

20 Evans, page 1149.

21 Evans, page 1149.

22 *Evans*, page 1151.

23 ***See*** Exhibit **A,** attached hereto and incorporated herein, containing resumes of the GRC Redevelopment Consultants staff people who prepared the Report to Council, as well as the resume of Don Fraser of Fraser & Associates, who assisted with the preparation of the Report to Council.

City Council when it makes its decision whether to adopt the proposed Redevelopment Plan for the Lodi Community Improvement Project. As described in pages 25 through 105 of the Report to Council, the record before the Lodi City Council is replete with specific, documented examples of the occurrence and pervasiveness of similar features within the proposed Project Area.

III. The Substantial Evidence Test

The Report to the City Council and all other evidence and documentation in the record before the Lodi City Council, including the testimony received at the joint public hearing, contains information concerning the Project Area. In order for the City Council to adopt an ordinance approving a redevelopment plan, the City Council is required to make certain findings (as set forth in Section 33367 of the Redevelopment Law), which findings must be supported by substantial evidence in the record. The Project Area must exhibit both physical and economic characteristics which cause blight, as defined in Section 33031 of the Redevelopment Law, and be predominantly urbanized and the combination of physical and economic conditions set forth in Section 33031 of the Redevelopment Law must be so prevalent and so substantial that it causes a reduction of, or lack of, proper utilization of the area to such an extent that it constitutes a serious physical and economic burden on the community that cannot reasonably be expected to be reversed or alleviated by private enterprise or governmental action, or both, without redevelopment.[24]

Substantial evidence is defined as "enough relevant information and reasonable inferences from this information that a fair argument can be made to support a conclusion, even though other conclusions might also be reached."[25] The evidence "must be reasonable in nature, credible and of solid value; it must actually be 'substantial' proof of the essentials which the law requires in a particular case."[26]

IV. Response to Written Objections to the Proposed Redevelopment Plan

Each of the written objections to the proposed Redevelopment Plan is set forth below. The statements in each writing are then separated into areas of concern, which are then responded to individually; this format is intended to provide a more meaningful response and to ensure that each objection or item of concern is fully and meaningfully addressed.

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24 Conditions of blight and their extent are described in Sections 33030 and 33031 of the Redevelopment Law. Report to Council, pages 9-11; *see also* Exhibit I.

25 *San Franciscans Upholding the Downtown Plan v. City & County of San Francisco* (2002) 102 Cal. App. 4th 656,675.

26 *Friends of Mammoth v. Town of Mammoth Lakes Redevelopment Agency (2000)* 82 Cal. App. 4th 511,537–538 [superseded by statute on another issue].

RECEIVED

NOTICE OF OPPOSITION TO:
AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI
APPROVING AND ADOPTING THE REDEVELOPEMENT PLAN FOR
THE LODI COMMUNITY IMPROVEMENT PROJECT

2008 MAY 28 PM 1:34
CITY CLERK
CITY OF LODI

Forming a RDA is nothing new. There are so many communities in California involved with RDA's that their combined debt is now a staggering $81 Billion. Some of these communities are in so deep they can barely hold their head above water. Some, I am told, may be drowning. When the Lodi City Council last tried to implement this RDA idea, concerned citizens signed a petition in sufficient numbers that the matter was dropped. That council understood the meaning of no. This one decided what they want to accomplish for there own reasons and do not take no for an answer. They simply try again. This time, in order to get more people behind this proposition the council has resorted to making promises to many interests to get more approval. The information is deliberately vague and without a cost figure.

At the last meeting I attended, Mr. Blair King, when pressed for particulars stated, "We have here a theoretical scenario." He tried to make it sound wonderful. He was telling us the absolute truth when he referred to all the information he was giving us as theoretical. The truth is in the dictionary meaning of the word theoretical. Theoretical means; conjectural (surmised - as opposed to fact), hypothetical, speculative, and suppositional, (opinion, guess, suspicion). The truth is in the reality that a RDA, by law, cannot exist unless it incurs debt. It is a debt machine.

We can not pay our debt now and they want to create a bureaucracy that has the power to borrow and put us even further in debt for longer than many of our life expectancies. I am expected to live within my means. If I have spent my income I do not reach for a credit card to create an even bigger problem for tomorrow. We want our leaders to let our town live within its means and quit squandering large sums of city money that it can not afford in order to gain their own ends.

Jerold E. Kyle
327 DEL MONT ST
LODI, CA, 95242

Writing *A* Jerold E. Kyle, 327 Del Mont Street, Lodi, California 95242; NOTICE OF OPPOSITION TO: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI APPROVING AND ADOPTING THE REDEVELOPMENT PLAN FOR THE LODI COMMUNITY IMPROVEMENT PROJECT, received by the City Clerk of the City of Lodi on May 28,2008.

Comment No. 1:

Forming a RDA is nothing new. There are so many communities in California involved with RDA's that their combined debt is now a staggering $81 Billion. Some of these communities are in so deep they can barely hold their head above water. Some, I am told, may be drowning.

Response No. 1:

The statement manifests some confusion in that debts of redevelopment agencies are not debts of the host cities.

It is true that redevelopment agencies are funded through the incurrence of debt. This is a function of a state constitutional amendment (Article XVI, Section 16) that was approved in 1952 by the voters. That Section, which is also found in Section 33670 of the Redevelopment Law, states as follows:

That portion of the levied taxes each year in excess of that amount shall be allocated to and when collected shall be paid into a special fund of the redevelopment agency to pay the principal of and interest on loans, moneys advanced to, or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the redevelopment agency to jinance or rejinance, in whole or in part, the redevelopment project.

The source for the "$81 billion" figure referred to above appears to be from Statement of Indebtedness ("SOI") section of the *Community Redevelopment Agencies Annual Report (State Controller's Report)*, dated May 20, 2007 and compiled by the California State Controller's Office (herein, the "State Controller's Report"), a portion of which is attached hereto as Exhibit B and incorporated herein. It is also important to understand that redevelopment agency debt, as shown on the SOI, can take many forms. The chart below shows the various forms of indebtedness for redevelopment agencies as shown in the State Controller's Report.

Statement of Indebtedness
(Amounts in thousands)

	2005-06	%
Tax Allocation Bond Debt	$26,261,490	32.54%
Revenue Bond Debt	2,943,687	3.65%
Other Long-Term Debt	6,273,424	7.77%
Advances from City/County	7,169,832	8.88%
Low and Moderate Income Housing Fund	14,485,967	17.95%
All Other Indebtedness	23,571,776	29.21%
Total Indebtedness	**80,706,176**	
Available Revenues	3,668,784	
Net Tax Increment Requirement	**77,037,392**	

As shown in the chart, bonded debt (both tax allocation bonds and revenue bonds) represent approximately 36 percent of all debt. Redevelopment agencies often issue bonds for major capital investments, such as street reconstruction; water and sewer

system improvements; the construction of public facilities (libraries; community centers; etc.); and to assist property owners with improvements to their property.

The category of other long term debt represents about 8 percent of total debt and could cover a variety of different obligations that an agency has incurred. One common form of such debt is a commitment to assist the private sector through owner participation agreements or disposition and development agreements. Often, these agreements require an agency to reimburse the property owner a portion of the tax increment to be generated from the increase in value of their property from redevelopment. Agencies may provide such assistance when a property owner can show it is needed to make the development financially feasible. Assistance can take a variety of forms, including the installation of public improvements needed for the development. The key point is that the new tax increment revenues to be generated by the development are used to assist in the funding and without redevelopment assistance, such developments and the corresponding revenue would not occur. Agencies have used this technique to help create new shopping and entertainment centers, industrial developments and affordable housing. Several examples of activities undertaken by redevelopment agencies are set forth in the State Controller's Report. A few illustrations are included below under this caption. In addition, see Exhibits D, E and F, which are attached hereto and incorporated herein, for news articles and other publications describing redevelopment agency activities that have used public incentives to leverage private investment in development projects.

Advances to a redevelopment agency from the host city or county represent approximately 9 percent of total debt and reflect borrowing from the host city or county. Agencies typically use this source for:

1. The cost to start up the agency before tax increment is first received.
2. As an alternative to issuing bonds for capital project funding. The alternatives to the city not being a creditor of the agency are: a) the city pays for projects, with no expectation of any repayment at a later date (i.e., foregoing any greater share of property tax revenues for the local economy in the form of tax increment); or b) the community foregoes projects - i.e., streets aren't improved, libraries are not constructed, etc.
3. As a short term funding source to pay for the operating costs of the agency. The first payment of tax increment is typically received in December or January of a fiscal year. For the period of July through December, agencies may need to borrow money to pay for staff costs. Such advances are normally repaid within the fiscal year in which they are borrowed.

The Low and Moderate Income Housing Fund ("Housing Fund"), which is created under Sections **33334.2** and **33334.3** of the Redevelopment Law, represents roughly 18 percent of total debt. Redevelopment agencies are required to deposit **20** percent of their total tax increment into a Housing Fund. The Redevelopment Law specifically requires that this be treated as debt. Redevelopment agencies generate more housing subsidies than any other group in California (Source: *CLT Financing in California Working Paper #2 California Redevelopment Law*, Institute of Community Economics).

"All Other Indebtedness" represents about 29 percent of agency debt. It is not clear specifically what is included in this number. Don Fraser, principal of Fraser & Associates, is of the view that one major item that is included in this "All Other Indebtedness" figure is pass through payments that flow to counties, schools and special districts. Such payments are made either pursuant to agreements that have been entered into (for project areas adopted prior to 1994) or based on statutorily required payments pursuant to Sections 33607.5 and 33607.7, as applicable, of the Redevelopment Law. The State Controller's Report indicates that such payments totaled $817 million in 2005-06 out of a total of $4.1 billion of tax increment generated state-wide. Approximately 20 percent of all tax increment is used for pass through payments and such amounts are treated in the State Controller's Report as debt. Assuming that all agencies correctly reported their pass though obligations on the SOI, then such payments would represent approximately $16.1 billion of the $23.6 billion recorded as All Other Indebtedness. If an agency pays off all its other debt and is no longer receiving tax increment, then this debt item would no longer exist.

Another point in regards to the pass through obligation is that these payments actually generate additional funds for schools that would not be available in the absence of redevelopment. The State Controller's Report indicates that agencies paid schools over $190 million in pass though payments in 2005-06. Such funds can be used by the schools to upgrade and build new school facilities."

The Comment also indicates a concern about the health of redevelopment agencies due to the debt that has been incurred. The State Controller's Report indicates that agencies are, in fact, quite healthy. In the aggregate, the revenues and other resources for agencies exceeded their expenditures in 2005-06 by $1.6 billion. The total fund balance that agencies reported equaled almost $13 billion.

Agencies also had more than sufficient tax increment revenue to repay their bond debt. Typically, tax increment bonds can only be sold on the basis of an agency's ability to repay the debt from its current tax increment revenues. Credit markets require that redevelopment agencies show that assessed valuation is in place sufficient to support financing (and not based on speculative growth in the future) sufficient to repay bonds. Bond buyers also want to see that a redevelopment agency has a cushion should tax increment go down in the future. Usually, tax increment must be shown to exceed debt service payments by at least 25 percent. This is often referred to as the coverage ratio. The State Controller's Report actually shows that on a state-wide basis, agencies exceed this coverage ratio by a significant margin. Total debt service payments equaled approximately $2 billion, compared to over $4 billion in tax increment, which represents a 200 percent coverage ratio.

Agencies have used their tax increment funds and related debt to complete a substantial number of projects in the state. The State Controller's Report shows almost 32 million square feet of new or rehabilitated commercial, industrial and public buildings constructed in 2005-06 alone. The number of jobs created totaled 42,465 in 2005-06. The California State Department of Housing and Community Development reports that

[27] See *also* the discussion set forth at Response No. 5 to Writing B.

agencies assisted in the construction of 7,079 new affordable housing units in 2005-06.[28] Agencies also assisted with the substantial rehabilitation of 1,709 affordable units within the same time frame.[29]

A sampling of the accomplishments of various agencies, as shown in approximately 40 pages of the State Controller's Report, indicates that a wide a range of infrastructure, affordable housing and private development projects have been assisted. A few of these are described below:

Community Improvement Commission of the City of Alameda:

A. Assisting Alameda businesses through the Façade Improvement Program;
B. Completing construction of 109 market-rate and 72 below-market-rate housing units;
C. Completing construction on Breakers at Bayport, a 52-unit affordable rental housing project with a 10-unit affordable ownership project;
D. Completing 10 units of affordable housing though the Down-Payment Assistance Program;
E. Completing construction of Park Street Streetscape Project; and
F. Completing the Storm Drain Pump Station Improvement.

Monterey County Redevelopment Agency:

A. Completing construction of a new library, family resources center and public plaza;
B. Installing a new traffic signal on Salinas Road at Pajaro Middle School;
C. Completing Phase I of the Salinas Road Affordable Housing Project consisting of 26 units;
D. Completing Phase II of the Boronda Storm Drain Master Plan Implementation;
E. Painting 12 homes owned by low-income households through the Boronda Paint Program;
F. Beautifying the Boronda community though the Boronda Spring Clean-Up Program;
G. Providing loans to Boronda Oaks and Jardines de Boronda Affordable Housing Projects;
H. Providing loans to four low-income homeowners through the Housing Rehabilitation Program;
I. Providing loans to 12 homebuyers though the First-Time Homebuyers Down-Payment Assistance Program; and
J. Creating 11 inclusionary units though the Inclusionary Housing Program.

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28 ***See*** California Department of Housing and Community Development report dated **April** 1, 2007, Exhibit E-1, at page **20,** attached hereto as Exhibit E and incorporated herein.

29 ***See*** California Department of Housing and Community Development report dated May 1, 2007, Exhibit E-5, at page 6, attached hereto **as** Exhibit E and incorporated herein.

Pasadena Community Development Commission:

A. Providing 180 beds to homeless people during the emergency and bad-weather season;
B. Completing 12 rehabilitation projects for low-income elderly and disabled persons;
C. Providing financial assistance for housing rehabilitation, code enforcement, economic development and capital improvements within the Service Benefit Area;
D. Providing loans to 25 low- and moderate-income homebuyers through the Homeownership Opportunities Program;
E. Providing home rehabilitation within the targeted revitalization area;
F. Providing commercial storefront improvements in the Lake/Washington, Villa-Parke and Downtown Redevelopment Project Areas;
G. Providing tenant-based rental subsidies to 1,256 very-low-income families;
H. Providing rental assistance to eight very-low-income families though the Housing Opportunity for Persons With AIDS Program;
I. Providing assistance to 45 very-low-income families with disabilities though the Shelter Plus Program;
J. Providing supporting services to 1,015 homeless, very-low-income families though the Supportive Services Program;
K. Providing rental assistance to 28 very-low-income families through the Home Tenant-Based Rental Assistance Program; and
L. Providing financial assistance to local non-profit agencies for the provision of public and human services to low-income families.

Lincoln Redevelopment Agency:

A. Providing a loan to Lincoln Brand Feed for rehabilitation of a commercial building site;
B. Providing funding for residential sewer line rehabilitation and replacement;
C. Completing a 41-space public parking lot;
D. Providing funding for construction of 20 affordable single-family residential units; and
E. Providing funding for new furniture in the downtown area.

City of Cathedral City Redevelopment Agency:

A. Completing construction of a 61-unit moderate-income family housing project;
B. Providing assistance to very-low-, low- and moderate-income homeowners with home repair;
C. Completing construction of sanitary sewers, water lines and road pavement on 35th Avenue; and
D. Continuing assistance to low-income homeowners through the Assessment District Fee Assistance Program and Sewer Hook-Up Assistance Program.

Redevelopment Agency of the City of Rialto:

A. Completing 27 residential rehabilitation projects through the Emergency Home Repair Program;
B. Completing 12 rehabilitation projects though the Home Sweet Home Program;
C. Providing funding to 129 Lower-income households through the Senior Minor Repair Program;
D. Providing assistance to eight low- and moderate-income households through the Exterior Home Beautification Grant Program;
E. Completing the Target distribution center, creating 1,500 jobs;
F. Completing the third and final building as part of the Prologis, creating 650 jobs;
G. Completing two buildings by the Sares-Regis Group, creating 500 jobs; and Completing OPUS' three-building industrial projects.

Redevelopment Agency of the City of Redwood City:

A. Completing the parking facility and the cinema at the Broadway Cinema Retail Project;
B. Completing reconstruction of the Rolison Road Alley;
C. Completing rehabilitation of 10 single-family units and 45 multi-family units though the Home Improvement Loan Program;
D. Completing 15 projects through the Lead-Based Paint Grant Program;
E. Completing 47 units though the Residential Exterior Paint Program; and
F. Completing 26 home repair projects for low-income seniors through the Minor Home Repair Program.

Comment No. 2:

When the Lodi City Council last tried to implement this RDA idea, concerned citizens signed a petition in sufficient numbers that the matter was dropped. That council understood the meaning of no. This one decided what they want to accomplish for there [sic] own reasons and do [sic] not take no for an answer. They simply try again.

Response No. 2:

The proposed Redevelopment Plan before the City Council concerns an area different than that before the City Council in 2002.

Moreover, the municipal referendum law, Elections Code Section 9235, ***et seq.***, and Section 33378 of the Redevelopment Law provide that upon receipt of a referendum petition challenging an ordinance which is signed by not less than ten percent of the total votes cast within the city or county for Governor at the last gubernatorial election, the City Council must reconsider the ordinance. Elections Code Section 9241 provides:

> If the legislative body does not entirely repeal the ordinance against which the petition is filed, the legislative body shall submit the ordinance to the voters.... The

> ordinance shall not become effective until **a** majority of the voters voting on the ordinance vote in favor of it. If the legislative body repeals the ordinance or submits the ordinance to the voters, and a majority of the voters voting on the ordinance do not vote in favor of it, the ordinance shall not again be enacted by the legislative body for a period of ***one year*** after the date of its repeal by the legislative body or disapproval by the voters. (Emphasis added.)

In 2002, the City Council considered adoption of a redevelopment plan. Upon receiving a referendum petition signed by the requisite number of voters objecting to adoption of the redevelopment plan, the City Council took action to reconsider and repeal the ordinance. Where an ordinance has been referended, Elections Code Section 9241 prohibits the ordinance, once repealed in response to a referendum petition or invalidated by vote of the electors, from being reenacted for a period of one year after the date of its repeal.

The City of Lodi electorate has never rejected the implementation of a redevelopment plan in Lodi. Although a signature drive was successful in requiring an election relative to the 2002 plan, the City Council opted instead to rescind the ordinance.

Seven years have passed. Even assuming the Redevelopment Plan before the City Council were essentially the same (while it is not; it deals with a different area), the City Council would not be prevented from adopting such an ordinance. Importantly, the City Council early on in the current plan adoption proceedings took care to consider and attempt to address the objections raised by the citizens of Lodi during the 2002 redevelopment plan adoption proceedings, specifically excluding the power of eminent domain from the Redevelopment Plan early in the plan adoption proceedings. The City Council has continued to take the concerns raised by the public during the 2002 plan adoption proceedings into consideration throughout the present redevelopment plan adoption proceedings.

For example, one person speaking at the joint public hearing conducted May 28, 2008, Chuck Easterling, testified that during the prior plan adoption proceedings, the members of the project area committee (of which he was a member) and City Council considered the comments and objections to determine the concerns which were driving the opposition to Lodi's adoption of a redevelopment plan. Mr. Easterling stated that the two main concerns voiced by the citizens of Lodi in opposition to the adoption of a redevelopment plan were based on (1) a misunderstanding and fear of the use of tax increment financing and (2) the fear of eminent domain. In response to these concerns, the Lodi City Council has directed its staff and consultants to attempt to reach out to the community to provide information and explanations regarding redevelopment and the use of tax increment financing and, importantly, instructed that the proposed Redevelopment Plan not provide the Redevelopment Agency with the power to exercise eminent domain authority. These are two examples of how the Lodi City Council has taken the concerns and desires of the citizens of Lodi into consideration in the preparation of the proposed Redevelopment Plan, in response to the objections raised during the prior plan adoption proceedings. Mr. Easterling pointed out that the City could have made good use of the

tax increment it could have been collecting had the redevelopment plan been adopted in 2002 and that he supported the adoption of the presently proposed Redevelopment Plan to assist in the eradication of blight within the Project Area.

Comment No. 3:

This time, in order to get more people behind this proposition the council has resorted to making promises to many interests to get more approval. The information is deliberately vague and without a cost figure.

Response No. 3:

As described above, the Lodi City Council and staff have attempted to tailor the proposed Redevelopment Plan to meet the needs of the City of Lodi and its residents and business owners, while ensuring that the concerns of the citizens of Lodi are taken into account. Because a redevelopment plan is a planning document and does not constitute approval of any specific project or expenditure, no specific cost figures are able to be included at this time, In order to be a useful tool over the course of many decades, a redevelopment plan must be somewhat general, to permit the Redevelopment Agency to flexibly react to changing circumstances within the community. According to the City Manager, no formal commitments have been made to any private person for particular treatment; there have not been "promises" to "interests."

Comment No. 4:

At the last meeting I attended, Mr. Blair King, when pressed for particulars stated "We have here a theoretical scenario." He tried to make it sound wonderful. He was telling us the absolute truth when he referred to all the information he was giving us as theoretical. The truth is in the dictionay meaning of the word theoretical. Theoretical means; conjectural (surmised – as opposed to fact), hypothetical, speculative, and suppositional, (opinion, guess, suspicion).

Response No. 4:

This argument is a semantic and rhetorical device rather than an analysis or description of a meaningful flaw in the proposed Redevelopment Plan, redevelopment in general, or any specific actions of the City Manager. In fact, in describing the implementation of the proposed Redevelopment Plan as a theoretical scenario, Mr. King was being forthright with the citizens of Lodi. He cannot promise that any specific projects will he undertaken, or that any specific amount of money will be raised. These decisions will be in the hands of the members of the City Council, who are elected by the citizens of Lodi themselves and, in terms of activities of private parties, by the investment decisions made by the property owners in the Project Area.

The proposed Redevelopment Plan is a guiding and planning document. Each actual project to be undertaken by the Agency pursuant to the proposed Redevelopment Plan will undergo practical and fiscal consideration by the Agency board and environmental review to the extent necessary and appropriate pursuant to the California Environmental Quality Act and other applicable statutes and regulations. The proposed Redevelopment Plan does not provide for specific spending or development actions.

Comment No. 5:

*The truth is in the reality that a **RDA,** by law, cannot exist unless it incurs debt. It is a debt machine.*

Response No. 5:

A redevelopment agency exists within each community, but lies dormant until the legislative body of that community (in this case, the Lodi City Council) enacts an ordinance finding that a need exists for the redevelopment agency of the community to function. The Lodi City Council authorized the Redevelopment Agency of the City of Lodi to function within the community by Ordinance No. 1675, adopted July 7, 1999. The Redevelopment Agency of the City of Lodi has existed since the inception of the Redevelopment Law in California and has been authorized to transact business and exercise powers pursuant to the Redevelopment Law since 1999, but has incurred no debt.

Thus, redevelopment agencies can exist without incurring debt, but are only able to receive tax increment revenues to the extent the redevelopment agency has incurred debt. In this way, the California Legislature ensures that redevelopment agencies are taking immediate steps to institute projects and activities to eliminate blight within designated redevelopment project areas. Without the incurrence of debt, no funds would be available early in the life of a redevelopment project to institute projects for the purpose of eliminating blight and without the reduction or elimination of blight within a redevelopment project area, property values may not increase with inflation or at all and little or no tax increment revenue can be expected to accrue within the project area (for the benefit of the agency, the city, or the other taxing agencies that receive property taxes from the project area). In addition, Without tax increment financing, the Agency would forego the opportunity to retain a substantially greater share of property tax within the community. Tax increment financing is an advantageous, positive component of a successful redevelopment plan. Indebtedness of the Agency is not debt of the City.

Comment No. *6:*

We can not pay our debt now and they want to create a bureaucracy that has the power to borrow and put **us** *even further in debt for longer than many of* ***our*** *life expectancies. I am expected to live within my means. If I have spent my income I do not reach for a credit card to create an even bigger problem for tomorrow.* ***We*** *want our leaders to let our town live within its means and* ***quit*** *squandering large sums of city money that it can not afford in order to gain their own ends.*

Response No. 6:

The Comment equivocates over who "we" are and what "our" debts are. The debt of a redevelopment agency is not debt of the host city (let alone its residents). Bonds which are issued by a redevelopment agency and secured by tax increment revenues are not secured by the general funds of the host city, nor do such bonds incorporate a lien against any real property within the city or the project area. The issuance of bonds by a redevelopment agency does not and cannot result in an increase in property taxes. Obligations entered into by a redevelopment agency are not obligations of members of the public or the City. Agency obligations are not a lien on private property. A

redevelopment agency cannot impose a tax. To the extent the Comment suggests that tax increment financing equates to personal debt of citizens or increased debt of the City, the Comment is incorrect.

The adoption of the proposed Redevelopment Plan, which includes provisions allocating tax increment revenues to the redevelopment agency and permits the redevelopment agency to issue bonds and incur other obligations secured by such tax increment revenues, results in a net increase in dollars which are allocated to be used in the community, as directed by the governing board of the redevelopment agency (in the case of Lodi, the elected members of the City Council). Testimony was provided at the joint public hearing by Ken Bingamaxl that, without a redevelopment plan allocating tax increment revenues to the Agency, the community receives $0.16 per each dollar of property taxes collected within the City, whereas the proposed Redevelopment Plan would enable the community to receive approximately $0.60 per each dollar of new property taxes collected within the Project Area. This increase in the percentage of property tax dollars which would be permitted to stay within the community, for local purposes and local needs, will permit the Agency to accomplish needed public and infrastructure improvements within the City of Lodi, while lessening the burden on the City's general fund and with no added tax burden on the Lodi tax payers.

The proposed Redevelopment Plan would not cause the City of Lodi to spend in excess of its means; rather, the proposed Redevelopment Plan will increase the means available to the City and Agency to provide services and facilities which are badly needed by the community. The Redevelopment Plan will substantially increase revenues available for use in the community.

The incurrence of debt can be accomplished in many ways, but all of them are typically limited by the ability of the Agency to repay the debt. The City, as it is able, could loan money to the Agency (provided that the City Council elects to so proceed) and then receive tax increment as a source of future repayment of principal and interest. This method would provide a fairly limited borrowing capacity that would likely need to be repaid in a fairly short period of time (1 to 3 years) because the City will need its money for other priorities. Another way to raisemoney is to sell bonds to investors. Debt in this form is limited by the amount of tax increment that an agency is currently generating. (See Response No. 1 above).

JOINT PUBLIC HEARING OF THE LODI CITY COUNCIL AND THE LODI REDEVELOPMENT AGENCY ON THE PROPOSED PLAN FOR THE IMPROVEMENT PROJECT AND CERTIFICATION OF A FINAL ENVIRONMENTAL IMPACT REPORT WEDNESDAY May 28, 2008

RECEIVED
2008 MAY 28 PM 3:36
CITY CLERK
CITY OF LODI

The Eastside of Lodi is not "blighted". It is as strong physically as the Westside. It is growing with new construction. Just recently a new drug store opened on Cherokee Lane.

To red-tag the Eastside as "blighted" is not only dishonest, but contrary to State Law.

On average residents are younger, making this a vibrant part of Lodi.

The courts of California have repeatedly declared such project areas to be illegal. They are illegal because they attempt to steal future property tax revenues from local schools and county services without being a truly "blighted" area. You should be ashamed of yourselves. This is a wholly dishonest use of redevelopment law.

Respectfully,

John P. Talbot

John Talbot
800 Maplewood Drive
Lodi, Ca 95240

Hand Delivered May 28th, 2008 To Lodi City Clerks Office

Writing B: John Talbot, 800 Maplewood Drive, Lodi, California 95240, JOINT PUBLIC HEARING OF THE LODI CITY COUNCIL AND THE LODI REDEVELOPMENT AGENCY ON THE PROPOSED PLAN FOR THE IMPROVEMENT PROJECT *AND* CERTIFICATION OF A FINAL ENVIRONMENTAL IMPACT

REPORT WEDNESDAY May 28,2008, Hand Delivered May 28, 2008 to the City Clerk of the City of Lodi

Comment No. 1:

The Eastside of Lodi is not "blighted". It is as strong physically as the Westside. It is growing with new construction. Just recently a ***new*** *drug store opened on Cherokee Lane.*

Response No. 1:

The record before the Lodi City Council is replete with evidence that the proposed Project Area is blighted, including much of what is referred to as the east side of Lodi, but also including several areas of the west side of Lodi, treating the Union Pacific Railroad tracks as the "center."

The Report to Council contains evidence of numerous examples of both physical and economic blight throughout the proposed Project Area. Numerous physical conditions which cause blight pursuant to Section 33031(a) of the Redevelopment Law are described in the record before the Lodi City Council. For example, the Report to Council contains evidence (statistical, photographic and citations to other evidence) that the Project Area contains buildings which are unsafe or unhealthy in which to live or work due to the presence of hazardous materials contamination within the Project Area, inferences which can be made based on the age of many of the buildings within the Project Area and photographic evidence showing dilapidation on the exterior of buildings within the Project Area, which could lead to the inference that more serious dilapidation exists within such buildings." Photographs A3 and A4 at pages 31 and 32 show clear dilapidation of specific structures within the Project Area, including damaged walls and inadequate roofing material and even large missing portions of exterior wall material.

Page 27 of the Report to Council contains a map showing the extent of the TCE and PCE groundwater plumes within the City of Lodi—five plumes underlie extensive territory within the proposed Project Area, as well as other areas within the City. Approximately 1,830 properties in the proposed Project Area are likely to contain asbestos and/or lead-based paint.[31]

The Report to Council contains evidence of conditions that prevent or substantially hinder the viable use of buildings or lots within the Project Area. For example, field surveys conducted on foot and in a vehicle by a professional with over 20 years of property evaluation experience in California produced evidence, which is included in the Report to Council, showing that many of the buildings in the Project Area suffer from varying levels of deterioration, as described and presented in photographic evidence in the Report to Council.[32] The Report to Council also includes evidence that many buildings and properties are owned by absentee owners who do not live in the Project Area, the City, or even the State of California.[33] Additionally, the Report to Council

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30 Report to Council, pages 25-32.

31 Report to Council, page 28.

32 Report to Council, pages 32-35. Field surveys were conducted by Paul Schowalter on February 6, 7, 12, 13 and 14,2008, Mr. Schowalter's resume is attached in Exhibit **A** and incorporated herein.

33 Report to Council, pages 37-38.

contains evidence that many buildings and properties in the Project ***Area*** suffer from commercial obsolescence and many such properties likely require significant investment due to the age of structures.[34] Mr. Ken Bingamaxl testified at the May 28, 2008 joint public hearing that properties in the proposed Project Area have open sewage in their yards and feral cats and dogs in the alleys and that the east side of Lodi is in serious need of assistance. He further testified that, as a painter, he has seen properties in serious need of maintenance, that the houses smell like urine and that many people in the Project Area are unable to maintain their properties.

The Report to Council and numerous testimonial statements made during the joint public hearing by both members of the public and members of the Lodi City Council, provide specific evidence, including photographic evidence and a description of the results of the field survey conducted within the Project Area, that the Project Area suffers from inadequate public improvements.[35] The Report to Council shows that much of the proposed Project Area suffers from wastewater system deficiencies, street system deficiencies and water system deficiencies.[36] The cost to remedy the public infrastructure defects shown by the Report to Council to exist within the Project Area is estimated to exceed $148,000,000.00.[37]

Evidence that incompatible land uses (both existing incompatible uses and uses which are incompatible with the planned use for that property and surrounding properties) within the Project Area is shown at pages ***66*** through 73, including a description of where heavy concentrations of such incompatible uses are found and photographic evidence which provides specific examples of incompatible land uses. Examples of incompatible uses that hinder the viable use of properties within the Project Area include residential uses adjacent to commercial uses without adequate buffers, as depicted in photographs C1 through C4 and C8 through C14 at pages 69-72 in the Report to Council, as well as residential uses adjacent to industrial uses without adequate buffers, as depicted in photographs C6 and C7, at page 71 in the Report to Council. Where residential uses are adjacent to commercial and/or industrial uses without **an** adequate buffer, noise, traffic, odors and other nuisances are likely to reduce the viability not only of the residential use but also of the adjacent commercial or industrial use. Commercial uses often create traffic and excessive noise which disturbs residential users. Industrial uses often create noise, odor and traffic which disturbs residential users. And the existence of nearby residential uses can create problems for commercial and industrial users because of likely complaints by residential users and resulting additional restrictions on the use of the commercial and industrial properties.

The Report to Council also provides evidence that the Project Area contains numerous parcels which are subdivided into inadequate sizes and/or irregular shapes to permit most viable current land uses, which parcels are in multiple ownership?' Specific examples **of** irregular parcels within the Project Area include shallow lots along Sacramento, Main

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34 ***Report to Council,pages 35-37.***

35 ***Report to Council,pages 39-43.***

36 ***See*** maps in Report to Council at pages 41-43.

37 Report to Council, page **39.** This **figure** is based on interviews and data provided to GRC Redevelopment Consultants by City of Lodi staff.

38 Report to Council, pages 74-80.

and Stockton Streets, where some heavy industrial parcels are only 125 feet deep; residential lots north of Lockeford Avenue, east of Pleasant Avenue, where parcels are only 45 feet wide; residential lots south of Lockeford Avenue, east of Washington Street, where parcels have no frontage on a street and are accessed only by an alley; and over 100 privately owned parcels that are less than 2,500 square feet in area.[39] Again, photographic evidence is provided at pages 75 through 80 of the Report to Council to illustrate specific examples of these blighting conditions within the Project Area, including a parcel with poor layout causing cars to be parked at an angle, sticking into a public street,[40] parcels with inadequate parking in which cars are parked over a sidewalk or where a sidewalk should be (but is not),[41] and numerous parcels in which the layout requires cars to park in a manner which will require them to back out directly onto a street.[42]

The Report to Council also provides evidence and analysis regarding economic conditions in the proposed Project Area which cause blight, pursuant to Section 33031(b) of the Redevelopment Law. Statistics show that the property values within the Project Area are declining and that the rate of turnover and improvement to properties within the Project Area are comparatively lower than the surrounding areas, showing a significant lack of new investment in the Project Area.[43] Evidence has also been presented that property values in the Project Area suffer comparatively to surrounding areas due to the existence of hazardous materials contamination, both relating to the documented groundwater contamination and the presence of lead based paint and asbestos contamination which is typically present in buildings constructed prior to 1976.[44] The existence of hazardous materials contamination constitutes a deterrent to reinvestment, as the cost of remediation must be added to the normal cost of development or rehabilitation of a property. This in turn results in lowered property values.

Evidence of high vacancy rates, low lease rates and abandoned buildings within the Project Area, including photographic documentation showing numerous vacant residential, commercial and industrial buildings in the Project Area, is also provided in the Report to Council.[45] Many of the vacant properties shown in the Report to Council are badly maintained.[46] These conditions result in lower property values, reduce the incentive of surrounding property owners to maintain their properties, increase crime and fire rates and can even constitute a hazard to children.[47]

Another important economic blighting condition found in the Project Area is a high crime rate that constitutes a serious threat to the public safety and welfare.[48] The proposed Project Area suffers from a comparatively higher crime rate, including serious, "Part 1"

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39 Report to Council, page 74.
40 Report to Council, photograph D2.
41 Report to Council, photographs D3, D6, D12 and D13.
42 Report to Council, photographs D8, D9, D11 and D14.
43 Report to Council, pages 80-83.
44 Report to Council, pages ***26-30.***
45 Report to Council, pages 83-97 and photographs E1 through E40.
46 See in particular, photographs E2, E8, E10, E12 and E14 in **the** Report to Council at **pages** 84 through 88.
47 Report to Council, page **83.**
48 Report to Council, pages 97-99.

crimes, than the remaining areas of the City of Lodi.[49] In addition, the Project Area is the center of gang activity within the City.[50] See also discussion in Response No. 8 to Writing F.

A *summary* of the physical and economic conditions found within the Project Area which cause blight is found at pages 101 through 105 of the Report to Council, including maps depicting the locations of such blighting conditions.

In addition to the voluminous evidence set forth in the Report to Council and described above, at the May 28, 2008 joint public hearing, the Lodi City Council heard and considered testimony that buildings within the Project Area were old and dilapidated and require significant investment to rehabilitate, that the Cherokee Lane corridor is considered to be unsafe, which affects the viability of the hotels in that area, that the Project Area suffers from graffiti and that numerous infrastructure and public improvement projects were needed in the Project Area.[51]

Notwithstanding the assertion that one new drug store opened recently within the proposed Project Area, the record before the City Council shows that development and commercial activity within the proposed Project Area, including the rate of development:' vacancy rates,[53] and property values,[54] all compare unfavorably with the remainder of the City of Lodi and San Joaquin County. The proposed Redevelopment Plan is intended to assist the proposed Project Area, both economically and physically and to place this blighted area on equal footing with other areas of the City and County which contain thriving, economically and physically sound commercial and residential communities.

The Report to Council also includes evidence, at pages 17 through 22, that the proposed Project Area is "predominantly urbanizes' within the meaning of Section 33320.1 of the Redevelopment Law.

As held by the court in *Fosselman's* v. ***Alhambra, supra,*** the determination of whether an area is blighted within the meaning of the Redevelopment Law is delegated to the legislative body of the host community, in this case, the Lodi City Council. The writer's assertion that the Eastside of Lodi is not blighted is a statement of the opinion of Writer B. The above discussion shows that the Lodi City Council would be justified in determining that substantial evidence exists in the record before the City Council to support a finding that the Project Area is a legal redevelopment project area pursuant to Section 33320.1 of the Redevelopment Law.

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49 Report to Council, page 99.

50 Report to Council, page 99.

51 ***See*** testimony of Ken Bingamaxl, Dale Gillespie, Nancy Beckman, Beth Kim and Steve Spiegel and the May 28,2008 joint public hearing.

52 Report to Council, pages 81-83.

53 94 vacant commercial or industrial buildings exist within the project area. Report to Council, page 83. Numerous photographs showing vacant properties within the project area, as well as additional blighting conditions at these properties, are set forth at pages 84-97 of the Report to Council.

54 Report to Council, pages 80-83.

Comment No. 2:

To red-tag the Eastside us "blighted" is not only dishonest, but contrary to state law.

Response No. 2:

This Comment is vague and uncertain as to its meaning. It is not clear what is meant by "red-tag'' and no authority or explanation is given as to: (1) in what way the Eastside is being red-tagged, (2) why the actions of the City Council are dishonest, or (3) what state laws are being violated. If the writer is asserting that by adopting the proposed Redevelopment Plan, the Project Area and properties and residents therein will be stigmatized in some way, this assertion is contradicted by the following evidence that redevelopment project areas experience a higher rate of growth (i.e. in property values) than areas which are not included within a redevelopment project area.

If residents and businesses in a redevelopment project area were not able to obtain financing for improvements, then *one* would expect to see a stagnant or declining assessed valuation in redevelopment project areas. However, a study prepared by the Public Policy Institute of California found that over the 1983 to 1996 period assessed values in the studied redevelopment project areas rose by 270%, while assessed values in similar areas not in redevelopment rose by 144%, or by only 53% of the growth rates experienced by redevelopment project areas.[55]

In a similar manner, a study entitled The Impact of Fiscal 2002-03 Community Redevelopment Agency Activities on the California Economy[56] found that redevelopment agencies directly and indirectly generated some $31.84 billion in total economic activity during fiscal year 2002-03. It is unlikely that this activity would have taken place if financial institutions were not willing to invest in redevelopment project areas.

Further, Pat Patrick, President and CEO of the Lodi Chamber of Commerce, testified at the May 28, 2008 joint public hearing that the implementation of redevelopment results in increases in property values within Project Areas. Mr. Patrick also testified that redevelopment creates jobs, expands business opportunities, creates affordable housing and homeownership opportunities for families in need of housing assistance, reduces crime rates, improves infrastructure and attracts private investment in redevelopment project areas.

The writer did not provide any evidence or authority for the apparent claim that stigma or harm will come to the property or residents located within the proposed Project Area, either in the writing included above or in his testimony at the joint public hearing.

As for the notion that designation of an area stigmatizes the area or community, the State Controller's Report lists among communities with redevelopment project areas the following: Menlo Park, Pasadena, Redwood City, San Francisco, San Mateo, Santa Barbara, Town of Los Gatos, Santa Cruz and Santa Rosa—areas hardly suffering from a stigma. These redevelopment project areas in cities that hardly can be said to be under a

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55 Dardia, Michael. *Subsidizing Redevelopment in California.* Public Policy Institute of California, 1998. page xiii.

56 The Center for Economic Development at California State University, Chico, *The Impact of Fiscal 2002-03 Community Redevelopment Agency Activities on the California Economy*, p. 1

"stigma" refutes the notion that a stigma attaches to an area based solely on findings that the area is "blighted" and inclusion of such area within a redevelopment project area,

Comment No. 3:

On average residents are younger, making this a vibrant part of Lodi.

Response No. 3:

The residents within the Project Area may be younger on average than the residents of the remainder of the City. The crime rates within the Project Area are also higher than the remainder of the City."

The determination that the proposed Project Area is predominated by physical and economic characteristics which cause blight does not rest on the age of the population within the Project Area.

Comment No. 4:

The courts of California have repeatedly declared such project areas to be illegal.

Response No. 4:

The writer's reference to "such project areas" is vague. It is unclear what project areas the writer is alleging are illegal. Clearly, as there are hundreds of operating project areas in California, it is possible to legally establish a redevelopment project area.

Courts in California have upheld numerous redevelopment project areas upon a determination that substantial evidence exists in the record to support a finding by the city council that the project area is blighted as required by the Redevelopment Law. One example is *Evans v. City of San Jose* (2005) 128 Cal.App.4th 1123, discussed *supra*, which upheld findings made by the City Council of the City of San Jose in creating a new project area within the City of San Jose. During that year, the median income for a family of four in the County of Santa Clara (in which the City of San Jose is located), as shown by the California Department of Housing and Community Development's publication dated February 25, 2005, was $105,500. The median income (for a family of four) in the County of San Joaquin for the same year was $55,300. The fact that San Jose had a relatively higher median income did not prevent the *Evans* court from upholding the findings of the City Council of San Jose that the project areas in that case were blighted. San Joaquin County's significantly lower median income figure constitutes further evidence from which an inference of blight can be taken, as discussed at pages 23-24 of the Report to Council.

The proposed Project Area contains numerous blighting conditions, as listed in more detail in Response No. 1 to Writing B above. The discussion in Response No. 1, above, shows that substantial evidence exists in the record before the City Council to support a

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[57] Report to Council, pages 97-99. Of all calls for service received by the Lodi Police Department, over half (54%) originated in the Project Area during the period spanning 2005 through 2007. Similarly, 54% of the City's major ("Part 1") crimes occurred in the Project Area. Report to Council, page 98. Page 99 of the Report to Council contains a table comparing the number of criminal incidents within the Project Area and the remainder of the City and shows that the project area has a higher proportionate number of calls for service, reported Part 1 crimes and Part 1 cases filed than the remainder of the City.

finding that the Project Area is a legal redevelopment project area pursuant to Section 33320.1 of the Redevelopment Law.

Comment No. 5:

They are illegal because they attempt to steal future property tax revenues from local schools and county services without being a truly "blighted" area.

Response No. 5:

The Redevelopment Law requires and provides a procedure for conducting consultations with and providing information to taxing agencies that may be affected by the adoption of a redevelopment plan.[58] Blair King, City Manager of the City of Lodi, met with representatives of each of the affected taxing agencies, including school districts and the County of San Joaquin, to discuss the proposed Redevelopment Plan and its possible effects on such taxing agencies, including the future tax revenues to be received by such agencies. None of the affected taxing agencies testified in opposition to the Redevelopment Plan or asserted any objection (in writing or otherwise) to the adoption by the Lodi City Council of the proposed Redevelopment Plan. An analysis of the 33328 report and the consultations with the affected taxing agencies is included in the Report to Council at pages 231 through 234.

In fact, schools and other taxing agencies receive *more* money as a result of the implementation of a redevelopment plan than they would in the absence of redevelopment. Redevelopment agencies are required by Section 33607.5 of the Redevelopment Law (enacted by AB 1290) to make statutory pass through payments to school districts and other taxing entities affected by a redevelopment agency's receipt of tax increment. The Redevelopment Law only requires that the schools report a portion of the AB 1290 pass through payments as property taxes, which offset state aid. The balance is used by the schools for facilities?' The schools benefit because the State of California is required under the California Education Code and Proposition 98 (passed in 1988—not to be confused with the 2008 version of Proposition 98 which dealt with rent control and eminent domain and was defeated at the polls in June, 2008) to fully fund the operations of schools based on their revenue limit. Any loss of property tax due to redevelopment must be made up by the state and in addition the districts get to deduct a portion of the AB 1290 pass through payments from the amounts they report as property taxes received, which amounts may be used to pay for facilities.

Further, the State Controller's Report states that within the State of California, redevelopment agencies provided a total of $163,274,000 to school districts during the fiscal year ending June 30, 2006, including pass through payments and other financial or construction aid (including aid to alleviate overcrowding of schools caused by the implementation of redevelopment plans and projects)!' In addition, redevelopment agencies provided a statewide total of $27,738,000 in financial assistance in the form of pass through payments and other financial and construction aid to community college

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58 *See, e.g.,* Sections 33327, 33328, 33328.1, 33333.3, 33344.5, 33344.6 and 33360.5 of the Redevelopment Law.

59 See, for example, Section 33607.5(a)(4)(A) through (D), which sets forth this allocation between funds for facilities and funds to be counted as property taxes.

60 State Controller's Report, at page xxiii.

districts during that same time period.[61] Thus, school districts are not likely to suffer—they *are* more likely to benefit—as a result of the adoption and implementation of the proposed Redevelopment Plan. And other taxing entities stand to benefit as well; in 2003 alone, redevelopment construction activities generated $1.58 billion in state and local taxes in California.[62]

Comment No. 6:

You should be ashamed of yourselves.

Response *No. 6:*

The statement constitutes the writer's opinion. Other witnesses expressed frustration that no City Council of Lodi had already enacted a redevelopment plan and implementing programs in Lodi. Witnesses also testified that redevelopment is needed in Lodi to encourage investment in the proposed Project Area.[63]

Comment No. 7:

This is a wholly dishonest use of redevelopment law.

Response *No. 7:*

The statement is vague and is not supported by evidence or citation of legal authority. The adoption of the proposed Redevelopment Plan for the Lodi Community Improvement Project is permitted by California law, upon compliance with certain procedures and upon certain findings and determinationsbeing made by the City Council. **All** legally required procedures have been complied with and all required findings and determinations are supported by substantial evidence in the record before the Lodi City Council, as described above in response to Comment No. 4. In addition, Lodi staff and consultants have provided public notice and held numerous community meetings in excess of legal requirements for a redevelopment plan adoption.[64] Substantial evidence supports a determination that the proposed Lodi Community Improvement Project may legally be adopted by the Lodi City Council in its discretion and that the proposed Project Area is a blighted area within the meaning of the Redevelopment Law.

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61 State Controller's Report, at page xxiii.

62 ***See*** CED, ***Executive Summary: The Impact of Fiscal 2002-03 Community Redevelopment Agency Activifies on the California Economy,*** conducted by: Center for Economic Development at Califomia State University, Chico, attached hereto as Exhibit C and incorporated herein; ***see also*** California Redevelopment Association, ***Redevelopment—Building Better Communities,*** at Exhibit D, attachedhereto and incorporated herein.

63 ***See*** testimony of Ken Bingamaxl, Dale Gillespie, Nancy Beckman, Beth Kim and Steve Spiegel and the May 28,2008 joint public hearing.

64 Report to Council, pages 157-214,includes copies of two newsletters distributed within the City in English, Spanish and Urdu and describes *the* meetings and additional outreach efforts implemented by City staff during the current plan adoption process.

May 28, 2008

RECEIVED
2008 MAY 28 PM 1:15
CITY CLERK
CITY OF LODI

To: Lodi City Council

Re: An Ordinance of the City Council of the City of Lodi Approving and Adopting the Redevelopment plan for the Lodi Community Improvement Project.

The project speaks of using RDA funds for ground water contamination clean up. However, rate payers of Lodi are already paying $10.50 on their utility bill for this clean up. Therefore, this is another example of double taxation and an excuse to create an RDA project that is already being corrected though other means of taxation. How will the City of Lodi refund the rate payers PCE/TCE ground water contamination since RDA funds will pay for future clean up?

The plan indicates eliminating blight conditions through improvements to appearance and attractiveness of residential neighborhood through neighborhood improvement programs, code enforcement efforts. However, Lodi's code enforcement has not been funded nor has it used the power of the law or fines to improve any deteriorated conditions in Lodi. What will be different about code enforcement in an RDA if code enforcement couldn't clean up blight with the law & fines at there disposal for the past 2 years?

With the passing of proposition 98 or 99 how will that affect the current RDA project?

Please indicate these concerns in the public record of this draft ordinance. I am requesting that council reject the above name ordinance.

Respectfully,

Oanh Nguyen
141 - 143 S Wain Dr
Lodi, CA 95240

Writing C: Oanh Nguyen, 141-143 S. Wain Drive, Lodi, California 95240, letter received by the City Clerk of the City of Lodi on May 28, 2008

Comment No. 1:

The project speaks of using RDA funds for ground water contamination clean up. However, ratepayers of Lodi are already paying $10.50 on their utility bill for this clean up. Therefore, this is another example of double taxation and an excuse to create an RDA project that is already being corrected through other means of taxation.

Response No. 1:

Comment No. 1 does not describe double taxation. Further, adoption of the proposed Redevelopment Plan will not result in double taxation. It would result in the host community retaining a greater portion of property taxes.

Groundwater contamination in Lodi is a very serious problem and by recent estimates is likely to cost in excess of $46,500,000.00 to remediate.[65] Toxic plumes under Lodi have been the source of litigation, a cooperation and a settlement agreement between the City and the Department of Toxic Substances Control and enforcement actions by the Department of Toxic Substances Control.[66] The City has installed a portion of the facilities required to remediate one of the five toxic plumes in the Lodi groundwater; however additional remediation activities are still required and even after the facilities have been installed, operation and maintenance of the remediation of the toxic plumes is anticipated to continue for 30 years.

As discussed in detail below, the City estimates that its potential liability arising from the PCE/TCE clean-up and related litigation that has not been funded by settlements is approximately $35.46 million (in 2007 dollars, with no adjustment based upon inflation or booming costs). In 2005, without any other current source to pay those costs, the City Council approved an average $10.50 rate increase to fund the remainder. Currently, that rate increase is expected to continue over the life of the expected 30 year cleanup to fund the operations and maintenance. However, if redevelopment moneys were be used to pay for all or portions of those costs it would allow an early termination of the water rate increase. As such, the City would not be tapping two sources of revenue to double recover its costs.

The City also settled with all but four groups of potentially responsible parties regarding the remaining four plumes and with its own insurance carriers, raising $34.2 million

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65 Report to Council, page 26. It is extremely difficult to estimate the cost to complete the remediation of the groundwater contamination in Lodi. This is because it is difficult to measure the contamination, in particular as the remediation efforts progress and the measurements become more difficult to obtain. In addition, attainment standards for groundwater quality change over time, normally becoming more restrictive, such that more remediation activities are required than previously believed to be necessary. Finally, costs of remediation do not remain stable over time, just as costs of construction vary based on the availability of materials and labor. As discussed below, other estimates of the total cost to remediate the toxic plumes reach $49,500,000.00.

66 *See* California Environmental Protection Agency, *News Release,* dated June 3,2003, at Exhibit F, attached hereto and incorporated herein; Department of Toxic Substances Control, *Notice of Proposed Settlement Lodi Groundwater Site Lodi, San Joaquin County,* California (Public Comment Period May 20 to June 20, 2005), at Exhibit F, attached hereto and incorporated herein, Matt Brown, *Lodi Contamination Settlement near end; cleanup moves ahead,* dated *June* 15, 2007, at Exhibit F, attached hereto and incorporated herein; see *also* Report to Council, pages 25-27.

toward the currently estimated $49.5 million total cleanup cost. The settlements reached as of September 2007 leave the City obligated to fund the $15.3 million remaining shortfall in clean-up costs. Settlements with the remaining defendants would reduce the City's potential clean-up liability.

However, the litigation program created several other liabilities for the City including the Lehman financing described below, litigation and consultant costs. To finance the litigation, the City and the Lodi Public Improvement Corporation entered into a financing arrangement with Lehman Brothers Inc. ("Lehman") in June 2000 entitled the Lodi Financing Corporation Environmental Abatement Program Variable Rate Certificates of Participation ("2000 COPs"). Lehman advanced $15,625,000, which was repayable with interest accruing at the rate of "LIBOR" plus 20% per annum, adjusted quarterly and compounded annually. In 2004, litigation arose between Lehman and the City over the City's obligations under the 2000 COPs. The matter settled in 2005 with the City paying Lehman $6 million to fully discharge its obligations under the 2000 COPs.

In 2005, City staff and outside consultants estimated that the cost of the City's potential liability arising from the PCE/TCE clean-up and related litigation that was not yet funded was $45 million. Although this potential liability could be shared by the System and the Water System, the City determined to fund the unfunded costs through the Water System by raising water rates. Accordingly, Bartle Wells performed a rate analysis and concluded that a $10.50 average monthly rate increase, phased in over 2 years, would meet the City's unfunded potential liability. This $10.50 average rate increase was adopted pursuant to Council Resolution 2005-203 on September 21, 2005 and is projected to raise $2.7 million in additional revenue each year ("Water Rate Increase Revenue"). This rate increase was unsuccessfully challenged by citizen initiative in November 2006; the effort to repeal the water rate increase was defeated by a vote of 63.9% to 36.1%.

The estimated future costs, immediately available sources of funds (excluding the $2.7 million of Water Rate Increase Revenues that the City expects to be generated on an annual basis) and resulting unfunded potential City liability with respect to the PCE/TCE clean-up and related litigation is summarized below. The City expects to fimd the unfunded liability with Water Rate Increase Revenues and not with assets or revenues of the System.

Item	Amount (in millions)
Cleanup Costs[67]	$49.50
Water Fund Loan[68]	12.50
Legal Fees	1.66
Total Costs	$63.66

[67] Includes a $15 million contingency.

[68] Represents a loan from the Infrastructure Replacement Water Fund Account to the PCE Water Fund Account, which is now being repaid from Water Rate Increase Revenue.

Available Sources of Funds:	
M&P settlements	$14.60
Insurance settlements[69]	13.60
Total Sources of Funds	28.20
Unfunded Potential City Exposure to be funded from Water Rate Increase Revenue	$35.46

Adoption of the proposed Redevelopment Plan is expected to result in additional revenues available to assist in the remediation of the groundwater contamination in the Project Area. The fact that funds are already being collected for this purpose does not mean that additional funds will not benefit the Project Area and the community as a whole—these additional revenues will enable the Agency to assist remediation of the groundwater contamination, resulting in the earlier completion of such remediation. It is unlikely that the assessment of $10.50 paid by the tax payers in Lodi is, by itself, sufficient to fully fund this remediation.

Comment No. 2:

How will the City of Lodi refund the rate payers PCE/TCE ground water Contamination since RDA funds will pay for future clean up?

Response No. *2:*

This statement is a non sequitur. It does not hold that if future tax increment revenues assist with the remediation of the groundwater contamination in Lodi, the rate payers' funds will not be needed to pay for the remediation as well. As discussed above, the availability of added funds to assist with the remediation can increase the likelihood of success and reduce the time within which the remediation can be completed.

As discussed in Response No. 1 to Writing C above, use of redevelopment funds to assist in the remediation of the ground water contamination in Lodi may assist in completing this remediation more quickly and efficiently than would otherwise be possible. Rate payers in Lodi will not pay more than the cost to complete this important remediation; instead, use of redevelopment funds may reduce the ultimate amount to be charged to the Lodi taxpayers for the remediation of the ground water contamination in Lodi.

Comment No. 3:

The plan indicates eliminating blight conditions through improvements to appearance and attractiveness of residential neighborhood through neighborhood improvements programs, code enforcement efforts. However, Lodi's code enforcement has not been funded nor has it used the power of the law or fines to improve any deteriorated conditions in Lodi. What will be different about code enforcement in an RDA if code

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69 **Reflects use of $6 million of the USF&G settlement to pay Lehman in connection with the *2000* COPs, as described above.**

enforcement couldn't clean up blight with the law & fines at there [sic] disposal for the past 2 years?

Response No. 3:

The photographs in the Report to Council show an abundance of code violations within the Project Area. The City spends a disproportionate amount of its funds on law enforcement efforts within the Project Area, as opposed to within the remainder of the City." The crime rate for serious (Part 1) crimes is higher in the Project Area, per capita, than elsewhere in the City?' This constitutes a burden on the remainder of the community, as tax dollars allocated to the City of Lodi are required to be used in greater amounts within the Project Area in the attempt to maintain reasonable levels of safety and compliance with the law. Increases in code enforcement activities within the Project Area, which will be necessary if the proposed Redevelopment Plan is not adopted, will result in an increased burden on the community which is disproportionate to the revenues generated for the City from within the Project Area.

As stated in Comment No. 3, the proposed Redevelopment Plan adoption is expected to provide additional funding which would be available for neighborhood improvement programs. In addition, redevelopment funds are expected to be available for public improvements which would otherwise be required to be funded by moneys in the City's general fund. This is anticipated to make funds available to the City for code enforcement which would not otherwise be available and has not been available in the past.

Together, the increased ability of the City to focus on code enforcement efforts in conjunction with the institution by the Redevelopment Agency of neighborhood improvement programs to provide grants and/or loans to property owners who wish to participate in such programs to improve their properties is expected to have a beneficial and long term effect on the physical and economic conditions in the Project Area, which could not be achieved by code enforcement alone.

Two years is not a sufficient period for determining how well code enforcement is working; code enforcement is a relatively slow and expensive process. Code enforcement is a tool which takes a long time to use and is not always effective at preventing repeated code violations as well as code violations which are difficult to detect. Moreover, redevelopment can address many community problems that cannot be addressed with code enforcement, such as inadequate lot size and contamination.

Comment No. 4:

With the passing of proposition 98 or 99 how will that affect the current RDA project?

Response No. 4:

Without undertaking a comprehensive analysis of the terms and potentially far-reaching effects of Proposition 99 (Proposition 98 was not adopted by the voters at the June 3, 2008 election), insofar as the writer specifically refers to the effects of Proposition 99 relative to the ability of the Redevelopment Agency to exercise the power of eminent

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70 Report to Council, pages 97-99.

71 Report to Council, pages 98 and 99; ***see also*** discussion in Response No. 8 to Writing F.

domain, Proposition 99 is not expected to have any effect on the proposed Redevelopment Plan. The proposed Redevelopment Plan does not provide the Redevelopment Agency of the City of Lodi with the authority to exercise eminent domain powers.

Mr. Ernest Glover,

I would like to know more about this redevelopment project in Lodi. I live on south Sacramento Street and this is going to effect me. The nop or whatever letter you sent out made no sense with all the codes on it so I got on the internet and started reading about it. I already am a first time homebuyer on government loans so how would this affect me? I live in a low density area according to your map what exactly does that mean? It also refers to the fact that there is contaminated water in some areas and I was wondering which ones and if I should be concerned about the health of my son and myself? I think the rest of the areas effected by this would like to know to the paper sent out letting us know how to contest and by when wasn't very factual and most people did not understand it. Where will all of the people go that are going to be displaced out of this? Are more houses going to built over ours and if so is there a new elementary and high school being built since the city is already overcrowded? I completely detest this project and there has to be a simpler way of doing this than displacing the low income people. I am a first time home buyer and have owned my house since September of 2007 and had I had known all of this then I would not have bought in this area.

Cara Fink
1637 S. Sacramento St.
Lodi Ca 95240

209-327-0546

Received 5/21/08
Ea

Writing D: Cara Fink, 1637 S. Sacramento Street, Lodi, California 95240, letter received by GRC Redevelopment Consultants on May 21, 2008.

Comment No. 1:

I would like to know more about this redevelopment project in Lodi. I live on south Sacramento Street and this is going to effect [sic] me. The nop or whatever letter you sent out made no sense with all the codes on it so I got on the internet and started reading about it,

Response No. 1:

The proposed Redevelopment Plan, Report to Council, Draft and Final Environmental Impact Report and other documents and materials prepared in connection with the proposed adoption of the Redevelopment Plan are all available for public inspection at the office of the Lodi City Clerk. City Manager Blair King and other City of Lodi staff and consultants provided notice of the proposed Redevelopment Plan adoption to the public as required by the Redevelopment Law by publication in a newspaper of general circulation for not less than four weeks (Sections 33349(a) and 33361 of the Redevelopment Law) mailing notices to all residents, businesses and property owners within the Project Area (Section 33349(b) and (c)); and mailing notices to the governing body of each taxing agency that levies a tax upon property within the Project Area (Section 33349(d)). In addition, Lodi staff and consultants conducted numerous public meetings and circulated two city-wide newsletters in English, Spanish and Urdu to attempt to raise awareness and provide information to the public regarding the proposed plan adoption.[72] The City's website contains a page devoted to informing the public about the proposed Redevelopment Plan adoption, including copies of documents prepared in connection with the plan adoption proceedings and copies of the newsletters referred to above.[73] The City of Lodi made significant efforts to ensure that members of the public who had questions or concerns regarding the proposed Redevelopment Plan were provided with the information they needed to understand the plan adoption process and the goals and objectives of the City.

Comment No. 2:

Ialready am a first time homebuyer on government loans so how would this affect me?

Response No. 2:

No specific plans or programs have been adopted by the Redevelopment Agency at this time; however, housing programs adopted by redevelopment agencies often focus on providing rental assistance and/or first time homebuyer assistance. Thus, it is not likely that the Agency will adopt a program for which the writer would qualify. It is possible that the Agency may approve a program to provide loans or grants for the rehabilitation of residential and/or commercial property within the Project Area, but any such program would be limited to property owners who voluntarily wish to participate.

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72 Report to Council, pages **157-167.**

73 **http://www.lodi.gov/Redevelopment.html**

Comment **No. 3:**

I live in a low density area according to your map what exactly does that mean?

Response **No. 3:**

Areas designated as "Low Density Residential" in the Lodi General Plan are limited to five residential units per gross acre (i.e. including streets and public right of way). Land use designations are a function of the City's General Plan and will not be modified by the Redevelopment Plan.

Comment **No. 4:**

It also refers to the fact that there is contaminated water in some areas and I was wondering which ones and if I should be concerned about the health of my son and myself?

Response **No. 4:**

1637 S. Sacramento Street does not overlay any of the known PCE/TCE contamination plumes. In addition, the City of Lodi has been working to remedy the ground water contamination to ensure that the health, safety and welfare of the citizens of the City of Lodi are not harmed by this environmental contamination. Additional information is available by contacting the California Department of Toxic Substances Control. The proposed Redevelopment Plan is expected to make additional funding available for this purpose through the receipt by the Redevelopment Agency of tax increment revenues and the exercise of redevelopment authority under the Polanco Act, Section 33459, *et seq.*, of the Redevelopment Law.

Comment **No. 5:**

I think the rest of the areas effected [sic] by this would like to know to [sic] the paper sent out letting us know how to contest and by when wasn't very factual and most people did not understand it.

Response **No. 5:**

The writer is the only person who has stated that they did not understand the notices sent out by the City of Lodi in connection with the Redevelopment Plan adoption proceedings. As described above in Response No. 1, the City and City staff and consultants have made substantial efforts (including efforts well beyond statutory requirements) to provide notice and information to the community in connection with the adoption of the Redevelopment Plan, to ensure that individual members of the community were fully informed about the City's goals and objectives, the procedures being followed by the City and the rights of the citizens of Lodi with respect to the proposed Redevelopment Plan adoption.

The Lodi City Council, the Redevelopment Agency of the City of Lodi and City and Agency staff and consultants made numerous efforts to communicate with the citizens of the City of Lodi and the residents and business owners within the proposed Project Area to ensure the community was provided with ample information regarding the proposed Redevelopment Plan adoption process and to ensure the citizens of Lodi had a meaningful opportunity to provide comments and feedback relating to the proposed

Redevelopment Plan adoption. An important part of the procedure set forth in the Redevelopment Law for the adoption of a Redevelopment Plan is the consideration and response to written objections, which is required prior to the introduction of the ordinance adopting a redevelopment plan (with which requirement this document is intended to comply). Several written objections (as well as a written statement in support) have been received by the Lodi City Clerk and numerous individuals attended and spoke both in support of and in opposition to the proposed Redevelopment Plan at the joint public hearing held May 28, 2008. Significant efforts (much more than legally required) were made to ensure that the community was provided with all information reasonably necessary to permit individuals in Lodi to evaluate the proposed Redevelopment Plan and ample opportunity was provided for public comment on the proposed plan.[74]

Comment No. *6:*

Where will all of the people go that are going to be displaced out of this? Are more houses going to built (sic] over ours and f so is there a new elementaiy and high school being built since the city is already overcrowded?

Response No. 6:

The proposed Redevelopment Plan does not include the power of eminent domain; thus, all projects involving private property undertaken by the Agency will be based on voluntary participation of Lodi property owners. The implementation of the proposed Redevelopment Plan is not expected to result in significant numbers of displaced persons, but if any displacement occurs as a result of the activities of the Agency, the Agency will comply with all applicable relocation laws, rules and regulations, including without limitation the California Relocation Assistance Law, Government Code Section 7260, ***et seq.*** Such assistance, if warranted pursuant to applicable laws, may include relocation advisory assistance, payment of actual moving and related expenses and in the case of businesses, the cost of lost business goodwill.[75]

It is unclear what the writer means by "*Are* more houses going to be built over ours." The proposed Redevelopment Plan is consistent with the Lodi General Plan and any development which occurs within the proposed Project Area must comply with the Lodi General Plan and zoning ordinances, as they may be amended from time to time. No specific projects are proposed at this time; however, at the time specific projects are considered by the Agency the effect on public services such as educational facilities will be considered, to the extent provided by the California Environmental Quality Act and other applicable laws. No persons, regardless of income, are expected to be displaced by the proposed Redevelopment Plan. The implementation of the proposed Redevelopment Plan is expected to improve the physical and economic conditions within the Project Area and to increase the value of property within the Project Area, which will in turn increase the revenues available to the City, the Agency and the other agencies that levy taxes within the Project Area, including the school districts. For a more detailed discussion, see Response No. 5 to Writing B.

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[74] Report to Council, pages 157-167.

[75] ***See,*** *e.g.,* Government Code Sections 7261 and 1262.

Comment No. 7:

I completely detest this project and there has to be a simpler way of doing this than displacing the low incomepeople.

Response No. 7:

This statement is the writer's opinion and is vague and unclear as to meaning. As stated above in Response No. ***6,*** the proposed Redevelopment Plan does not include the power of eminent domain, thus, all projects to be undertaken by the Agency will be based on voluntary participation of Lodi property owners. The implementation of the proposed Redevelopment Plan is not expected to result in significant numbers of displaced persons, but if and when displacement occurs as a result of a redevelopment project, the Agency will comply with all applicable relocation laws, rules and regulations, including without limitation the California Relocation Assistance Law, Government Code Section 7260, *et seq.*

Comment No. 8:

I am a first time home buyer and have owned my house since September of 2007 and had I had known all of this then I would not have bought in this area.

Response No. 8:

The implementation of the proposed Redevelopment Plan is expected to improve the physical and economic conditions within the Project Area and to increase the value of property within the Project Area, which will in turn increase the revenues available to the City, the Agency and the other agencies that levy taxes within the Project Area.

April 24 2008

RECEIVED

APR 2 8 2008

City Clerk
City of Lodi

City Clerk
City of Lodi
221 West Pine Street
Lodi, CA 95240

I, as a property owner in the proposed City of Lodi Redevelopement Area, hereby lodge a protest against the E.I.R. related to the proposed Redevelopement Agency for the City of Lodi.

The Enviromental Impact Report, as presented, does not sufficiently address the effect on the ethnic groups in the proposed area once they have been decreed as living in blight.

The question here is, with the blight stigma attached to them, will they continue to exhibit motavation to improve their living area?

The second question that must be addressed is what effect will the blight label have when these Lodi Citizens will seek financing for improvements on houses and businesses, but will be denied loans because they are in a blighted area?

Respectfully Submitted
James A. McCarty
16830 N. Rous Lane
Lodi, CA 95240

P.S. My immediate interest is that I have property interests in the proposed blighted area.

Writing E: James A. McCarty, 16830 N. Rous Lane, Lodi, California 95240, letter received by the Lodi City Clerk on April 28. 2008.

Comment No. 1:

I, as a property owner in the proposed City of Lodi Redevelopment Area, hereby lodge a protest against the E.I.R. related to the proposed Redevelopment Agency for the City of

Lodi. The Environmental Impact Report, as presented, does not sufficiently address the effect on the ethnicgroups in theproposed urea once they have been decreed as living in blight. The question here is, with the blight stigma attached to them, will they continue to exhibit motavation [sic] to improve their living urea?

Response No. 1:

The proposed Redevelopment Plan is intended and designed to alleviate blighting conditions and to provide an additional incentive to property owners within the proposed Project Area to improve and maintain their properties, through economic assistance in the form of rehabilitation grants and loans and the provision of additional needed public improvements to support the existing properties and possible future development within the proposed Project Area.[76] Implementation of the proposed Redevelopment Plan is expected to increase revenues (in the form of tax increment) available to provide public improvements and infrastructure, as well as to provide assistance to individual property owners and tenants as described above.[77] Designating an area as a redevelopment project area indicates that the local governmental agency has acknowledged that physical and economic conditions existing in the area are inhibiting the full and proper utilization and development of the area and has indicated a willingness and commitment to the improvement of such area. The adoption of the proposed Redevelopment Plan is expected to have a positive effect on the property values and viability of properties within the Project Area and is further anticipated to provide an incentive for property owners within the Project Area to invest in their properties to a greater extent than is currently occurring. As part of its redevelopment efforts, the Agency may seek to assist in attracting merchants to serve the needs of the various ethnic groups on the east side.

See the discussion in Response No. 2 to Writing B regarding the numerous cities in California which, despite having adopted redevelopment project areas, do not suffer from a stigma and evidence that property values in redevelopment project areas increase more quickly than in areas not included within a redevelopment project area.

The Comment relative to the sufficiency of the Environmental Impact Report prepared in connection with the proposed Redevelopment Plan was addressed in the Final Environmental Program Impact Report for the proposed Lodi Community Improvement Project.

Comment No. 2:

The second question that must be addressed is what effect will the blight label have when these Lodi Citizens will seek financing for improvements on houses and businesses, but will be denied loans because they are in a blighted area?

Response No. 2:

Designating an area as a redevelopment project area indicates that the local governmental agency has acknowledged that physical and economic conditions existing in the area are inhibiting the full and proper utilization and development of the area and has indicated a willingness and commitment to the improvement of such area; with tax increment

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76 Report to Councilpages 114-119.
77 Report to Council pages 119-122.

financing, such a designation significantly increases the likelihood of and facilitates opportunities for investment in the area. The proposed Redevelopment Plan is intended and designed to alleviate blighting conditions and to provide an additional incentive to property owners within the proposed Project Area to improve and maintain their properties, through economic assistance in the form of rehabilitation grants and loans and the provision of additional needed public improvements to support the existing properties and possible future development within the proposed Project Area.[78] Implementation of the proposed Redevelopment Plan is expected to increase revenues (in the form of tax increment) available to provide public improvements and infrastructure, as well as to provide assistance to individual property owners and tenants as described above?' The adoption of the proposed Redevelopment Plan is expected to have a positive effect on the property values and viability of properties within the Project Area. Before the City Council at the May 28,2008 joint public hearing, Pat Patrick, President and CEO of the Lodi Chamber of Commerce, testified that redevelopment ***"attracts private investment"*** and leads to ***an*** increase in property values, increased business opportunities and the creation of new jobs.[80] In addition, the Executive Director of the California Redevelopment Association has determined that between 1993 and 2002, redevelopment activities leveraged between $194 and $225 billion in private investment in California.[81]

No empirical evidence was presented supporting the thesis that institutional lenders will not make loans within redevelopment project areas. In fact, projects within redevelopment project areas are routinely financed by loans by institutional lenders, as may be inferred by the long list of projects instituted by various redevelopment agencies during the fiscal year ended June 30, 2006, as listed in Appendix **A** of the State Controller's Report. This long list of projects includes numerous projects listed in Response No. 1 to Writing A, above.

In addition to the projects discussed in Response No. 1 to Writing **A,** the City of Clovis and the Clovis Community Development Agency increased jobs, sales tax revenues and property values within that community by working with Anlin Industries to establish and expand this window manufacturer's business, requiring Anlin to obtain private financing for a portion of the project?'

Also, the publications and articles included in Exhibits D, E and F, which are attached hereto and incorporated herein describe numerous recent significant redevelopment accomplishments of the Cities of Chula Vista, Pleasant Hill and West Sacramento and other redevelopment agencies.[83] Petco Park in San Diego was developed on contaminated property using private and redevelopment moneys and. since 1998, the area has attracted investment in an amount of almost $2 billion.[84] The City of Petaluma has a new theatre district, including a 12 screen cinema complex, a mixed use project and a 4

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78 Report to Council pages 114-119.

79 Report to Council pages 119-122.

80 Response No. 2 to Writing B.

81 ***See*** **John** F. Shirey, ***Redevelopment Means Rebuilding Communities,*** presented at the 3rd Annual Tools to Revitalize California Communities Conference, July 23,2004 at Bakersfield, CA.

82 Exhibit D, attached hereto and incorporated herein.

83 Exhibits D, E and F, attached hereto and incorporated herein.

84 Exhibit D, attached hereto and incorporated herein.

level parking garage, developed pursuant to an owner participation agreement with a private developer.[85] These are merely a few of many examples of redevelopment agencies using tax increment revenues to leverage private investment within and for the benefit of redevelopment project areas, which often includes institutional financing and other private sources of funds.

[85] Exhibit D, attached hereto and incorporated herein.

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2008 MAY 28 PM 12:04
CITY CLERK
CITY OF LODI

Protest Against:

An ordinance of the City Council of the City of Lodi approving and adopting the redevelopment plan for the Lodi community improvement project.

Citizens Opposed to A Redevelopment Agency and the FEIR

To the Lodi City Council:

Our ad hoc group of concerned Lodi Citizens categorically reject the adoption of a Redevelopment Agency (RA) by the Lodi City Council. We object to the proposed project and the final program Environmental impact Report, and any council reliance on the GRC Consultant's Report. Furthermore, we strongly object the proposed project area map as it has undergone a series of gerrymanders that now includes the southern extension of Hutchins Street and a large apartment complex that requires extensive police presence. This new stretch of the project area, even though a far distance from the "east side" was done to show high crime (See GRC report 8.8 High Crime Rate, PG 97). Does this high crime rate justify the need for a RA?

The projected area map shows a number of isolated areas within the projected area map that have been removed from the original map. We submit that the proposed RA map is invalid until each of these changes is explained by the person or persons who made the changes. These changes include any current and future changes.

We hold that there is not sufficient physical blight in the proposed project area to justify a RA. The City of Lodi hired the GRC Consultants to compile a fictitious report to falsify the elements of blight, crime and as many other social and municipal failures as they could think of, all the mesh into the California Community Redevelopment Law. For a large fee GRC or another consultant will falsify blight, where there is none. Therefore, GRC report

(7.0 Socio-Economic Profile, and 8.0 Physical and Economic Conditions, pages 23 and 24) is erroneous.

The proposed area is economically vital experiencing public and private investments. The citizens living in the proposed are make up a young homogenous community. The residential homes are starter houses, serving as the affordable housing. Inspections of the project area show that these homes are being upgraded. The GRC report failed to show that these homes are currently being upgraded. Furthermore, small stores are also starter businesses with a multinational diverse population thriving from extensive new investments in the area and do not need to be redeveloped.

Contrary to the GRC report the proposed project area (the east side) is composed of a healthy blend of foreign born Hispanics, Middle Easterners, and Far Easterners all living in a healthy community. This society is not a burden on the remainder of the City of Lodi; it is in turn very successful and thriving. This group of citizens may have different mores, customs, colors, foods, signs, clothing, and religion; however, the GRC completely missed this element and presented the Lodi City Council an invalid report.

Not included in the GRC report is the existence of six well kept schools in the project area. The success of the education system in the project area will suffer and be denied funding by these divisions. The GRC report in section 8.8, failed to address the Lodi Police Department report of May 13, 2008 showing that crime and gang activity in the area is decreasing. Furthermore, in and about the corridors of the proposed project area, new construction is now underway on Lodi Avenue, Kettleman Lane, and Lockeford Street.

The California Community Redevelopment Law (CRL) at Health and Safety Code sections 33030 and 33021 list several requirements that must be satisfied in order to create a project area:

(GRC Consultants report to City Council, pg 109)

The proposed project area:

1. the area must have at least one of:
    a. Physical Blight.....None Present
    b. Economic Blight.....None Present
2. Blight must cause a lack of proper utilization of area.....None Present
3. *Improper Utilization is a burden in entire community.....None Present*
4. Lack of private investment in the area.....Lots of new investment
5. Must have a RA to correct.....Not Needed

This Score Card shows some of the current conditions in the project area, the City if Lodi does not need a Redevelopment Agency.

A Redevelopment requires that a portion of its revenues be spent on affordable housing. There is already more affordable housing in the proposed project area than any other place on the City of Lodi. The Project Area (PA) had more schools than any other area in Lodi (Lodi Adult School, Joe Serna Charter School, Lawrence Elementary School, Heritage Primary School, Lodi Academy, and Lodi S.D.A Elementary School).

- The PA has more well maintained churches than any other are in Lodi.
- The PA has a Moslem Mosque.
- The PA has a Buddhist Temple and Hall.
- The PA has a Boys and Girls Club.
- The PA has multiple, well kept soft-ball diamonds.
- The PA has Zuppo Field.
- The PA has DeBenedetti Soft Ball Field.

- The Pa has the Grape and Wine Festival Grounds.
- The PA has four parks: Hale Park, Armory Park, Lawrence Park, and Blakely Park.
- The PA has a new parking Garage (North Sacramento Street and East Pine Street).
- The PA has the new Transportation Center (Sacramento and Oak).
- The PA has a new Pharmacy (Lodi Pharmacy on Cherokee Lane).
- The PA has the very successful Rancho San Miguel Market (Cherokee Lane).
- The PA has new constructions sites throughout the project area.

In summary, we, the concerned citizens of Lodi opposed to the proposed project, the FEIR, all actions of the Lodi Planning Commission in Certifying original and amended project are maps. We also reject in its entirety the willfully deceitful GRC consultant report to the City Council5/28/2008. Finally, the clear purpose of this proposed redevelopment project are is to divert future tax increment revenues from new construction in violation of state law court decisions.

Phyllis E. Roche
1812 Cape Cod Circle
Lodi CA 95242-4207

Nicolas Santoyo Razo
738 South Lee Avenue
Lodi, CA 95240

John R. Talbot
800 Maplewood Dr
Lodi, CA 95240

Eunice Friederich
425 E. OAK ST
Lodi, Ca. 95240

Jack Hlozlehart
331 La Setta Dr
Lodi CA 95242

Jerold C. Lyle
327 DEL MONT ST
LODI, CA, 95242

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Writing F Phyllis E. Roche, 1812 Cape Code Circle, Lodi, California 95242-4207; Nicolas Santoyo Razo, 738 South Lee Avenue, Lodi, California 95240; John R. Talbot, 800 Maplewood Drive, Lodi, California 95240; Eunice Friederich, 425 E. Oak Street, Lodi,

California 95240; Jack J. Lockhart, 331 La Setta Drive, Lodi, California 95242; Jerold E. Kyle, 327 Del Mont Street, Lodi, California 95242, **Protest Against:** An ordinance of the city Council of the City of Lodi approving and adopting the redevelopment plan for the Lodi community improvement project, received by the Lodi City Clerk on May 28,2008

Comment No. 1:

Our ad hoc group of concerned Lodi Citizens categorically reject [sic] the adoption of a Redevelopment Agency (RA) by the Lodi City Council.

Response No. 1:

Pursuant to Section 33100 of the Redevelopment Law, "there is in each community a public body, corporate and politic, known as the redevelopment agency of the community." Such redevelopment agencies are generally unable to transact business or exercise any powers unless, by ordinance, the legislative body declares that there is a need for an agency to function in the community.[86] The Lodi City Council authorized the Redevelopment Agency of the City of Lodi to transact business and exercise powers under the Redevelopment Law pursuant to Ordinance No. 1675, adopted July 7, 1999. This written Comment is therefore inapposite at the present time. Insofar as the Comment intended an objection to the proposed adoption of the Redevelopment Plan for the Lodi Community Improvement Project, such objection is noted. The Redevelopment Plan will achieve increased revenues and enhanced public improvements in the Project Area as discussed herein. See Response No. 6 to Writing **A,** Response No. 3 to Writing C and Response No. 1 to Writing E; see also Exhibits D and E, providing numerous examples of redevelopment agency activities and achievements in California.

Comment No. 2:

We object to the proposed project and the final program Environmental impact Report, and any council reliance on the GRC Consultant's Report. Furthermore, we strongly object the proposed Project Area map as it has undergone a series of gerrymanders that now includes the southern extension of Hutchins Street and a large apartment complex that requires extensive police presence. This new stretch of project area, even though a far distance from the "eastside" was done to show high crime (See GRC report 8.8 High Crime Rate, PG 97). Does this high crime rate justify the need for a RA?

Response No. 2:

The boundaries of the proposed Project Area have been reviewed and approved by the Lodi Planning Commission and the Lodi Planning Commission has submitted its report and recommendation to the City Council recommending approval of the Redevelopment Plan for the Lodi Community Improvement Project.

The proposed Project Area is comprised of parcels which contain physical and economic conditions which cause blight, or parcels necessary for the effective redevelopment of the Project Area. Section 33031(b)(7) of the Redevelopment Law lists "a high crime rate that constitutes a serious threat to the public safety and welfare" as one economic

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[86] Section 33101 **of** the Redevelopment **Law.**

condition that causes blight. The Report to Council and the record available for consideration by the Lodi City Council contains substantial evidence that the proposed Project Area is a blighted area and all areas contained therein have been properly included in the proposed Project Area, for the reasons stated above in Response No. 4 to Writing B.

Comment No. 3:

The projected area map shows a number of isolated areas within the projected area map that have been removed from the original map. We submit that the proposed RA map is invalid until each of these changes is explained by the person or persons who made the changes. These changes include any current and future changes.

Response No. 3:

Some areas have been excluded from the proposed Project Area because they are in agricultural use, which would impose additional procedural requirements on the Lodi City Council in connection with the proposed Redevelopment Plan adoption.[87] Other areas have been omitted from the proposed Project Area boundaries because they may not be blighted and/or necessary for the effective redevelopment of the entire Project Area, or because they are not in urban use and therefore would reduce the percent of acreage within the proposed Project Area that is developed or previously developed for an urban use, or which are integral parts of an urbanized area.

Comment No. 4:

We hold that there is not sufficient physical blight in the proposed Project Area to justify a RA. The City of Lodi hired the GRC Consultants to compile a fictitious report to falsify the elements of blight, crime and as many other social and municipal failures as they could think of; all the mesh into (sic] the California Community Redevelopment Law. For a large fee GRC or another consultant will falsify blight, where there is none. Therefore, GRC report (7.0 Socio-Economic Profile, and 8.0 Physical and Economic Conditions, pages 23 and 24) is erroneous.

Response No. 4:

As discussed above in Response No. 4 to Writing B, the Report to Council and the other evidence and documentation in the record before the Lodi City Council, including the testimony received for and against the proposed Redevelopment Plan at the joint public hearing on May 28, 2008, support the conclusion that the proposed Project Area contains both physical and economic characteristics which cause blight, as defined in Section 33031 of the Redevelopment Law, that the proposed Project Area is predominantly urbanized and that the combination of physical and economic conditions set forth in Section 33031 of the Redevelopment Law is so prevalent and so substantial that it causes a reduction of, or lack of, proper utilization of the area to such an extent that it constitutes a serious physical and economic burden on the community that cannot

[87] ***See*** City of Lodi Planning Commission Staff Report dated April 23, 2008, page **2,** at Exhibit H, attached hereto and incorporated herein; ***see also*** testimony of City Manager Blair King at the May 28, 2008 joint public hearing explaining the reason for the exclusion of specific property because that property was determined to be in agricultural use.

reasonably be expected to be reversed or alleviated by private enterprise or governmental action, or both, without redevelopment.

The staff members of GRC Redevelopment Consultants have extensive experience in the area of redevelopment and evaluating and documenting conditions within proposed redevelopment plans.[88] The record before the Lodi City Council, including the Report to Council, includes evidence of blighting conditions which exist within the Project Area and no portion of the Report to Council or the record to be considered by the City Council has been falsified by City staff or consultants hired by the City in connection with the Redevelopment Plan adoption. Numerous photographs and other data have been provided in the Report to Council, as described in Response No. 1 to Writing B.

Comment No. 5:

The proposed area is economically vital experiencing public and private investments. The citizens living in the proposed are make ***up*** *[sic] a young homogenous community. The residential homes are starter houses, sewing as the affordable housing. Inspections of the project area show that these homes are being upgraded. The GRC report failed to show that these homes are currently being upgraded. Furthermore, small stores are also starter businesses with a multinational diverse population thriving from extensive new investments in the area and do not need to be redeveloped.*

Response No. 5:

The Report to Council and other documents, testimony and evidence in the record supports the conclusion that the proposed Project Area is a blighted area in need of redevelopment, as discussed in Response No. 4 to Writing B. The record contains two specific references to development within the proposed Project Area: The testimony of Ken Bingamaxl, a Lodi resident who rehabilitated his business with assistance from federal Community Development Block Grant moneys administered by the City and the testimony of Beth Kim, a Lodi resident and prior owner of a hotel located on Cherokee Lane in the Project Area, who is now developing a new hotel within the City (but outside the Project Area) and who strongly supported the adoption of the proposed Redevelopment Plan, because of the unsafe and generally unappealing appearance of Cherokee Lane. Other than these, the record is devoid of specific references to new development or rehabilitation of residential or commercial structures, or other new investment within the Project Area, which has not been funded in whole or part using aid from the City of Lodi.[89] Conversely, the record contains substantial evidence to support a

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88 *See* Exhibit A, attached hereto and incorporated herein, containing resumes of the GRC Redevelopment Consultants staff people who prepared the Report to Council, as well as the resume of Don Fraser of Fraser & Associates, who assisted with the preparation of the Report to Council.

89 The statement set forth in Writing F, quoted below as Comment No. 9, that "new construction **is** now underway on Lodi Avenue, Kettleman Lane and Lockeford Street" is extremely vague, as **is** the statement in Writing F, set forth below as Comment No. 13, that *"The PA has new constructions [sic] sites throughout the project area." No* information *about* the type or extent of development, whether it is new construction or rehabilitation, business or residential, or the specific location of such alleged development is given. The parking garage and transportation center referenced in Comment No. 13 below were both developed entirely using public funds.

determination that the proposed Project Area is blighted and in need of redevelopment to assist in the elimination of the many blighting conditions found in the Project Area.

The age of the current residents in the proposed Project Area is not determinative as to whether this area suffers physical and economic conditions which cause blight. Nor is the diverse national background of the residents of the Project Area determinative of whether this area is blighted.

Comment No. 6:

Contrary to the GRC report the proposed Project Area (the east side) is composed of a healthy blend of foreign born Hispanics, Middle Easterners, and Far Easterners all living in a healthy community. This society is not a burden on the remainder of the City of Lodi; it is in turn very successful and thriving. This group of citizens may have different mores, customs, colors, foods, signs, clothing, and religion; however, the GRE completely missed this element and presented the Lodi City Council an invalid report.

Response No. 6:

The Report to Council does not describe the ethnic mix within the proposed Project Area, as the nationality of the residents and business owners within the proposed Project Area is irrelevant, to a determination that the proposed Project Area is affected by economic and physical conditions which work together to cause blight. Nothing in the Report to Council or the remainder of the record before the City Council argues that the ethnicities or nationalities of the residents or business owners is itself a blighting characteristic or otherwise causes blight. Conversely, however, the mix of nationalities within the proposed Project Area does not eliminate the dilapidation, deferred maintenance, lack of public infrastructure, hazardous materials contamination, high crime rate and other blighting conditions which the Report to Council and other evidence and testimony in the record before the City Council shows to exist within the proposed Project Area, which characteristics have been shown to work together to cause blight within the Project Area that private enterprise alone has been and continues to be unable to remedy without public assistance. These blighting conditions in the Project Area, described in more detail in Response No. 4 to Writing B, constitute a burden on the remainder of the City of Lodi, as shown by evidence and statistical information set forth in the Report to Council at pages **39-43** (public infrastructure deficiencies) and 97-99 (high crime rates). The Report to Council contains all required evidence and analysis required by Section **33352** of the Redevelopment Law, as well as substantial evidence to support a finding that the Project Area is urbanized, blighted and in need of redevelopment to correct the blighting conditions found therein and is therefore a valid report as set forth in the Redevelopment Law.

Comment No. 7:

Not included in the GRC report is the existence of six well kept schools in the project area. The success of the education system in the project area will suffer and be denied funding by these divisions.

Response No. 7:

The Report to Council did not deny the existence of well kept schools within the proposed Project Area; however, Ken Bingamaxl presented testimony at the May 28,

2008 joint public hearing that the schools in the City of Lodi are already inferior due to a lack of funding, resulting in Mr. Bingamaxl's decision to send his children to private schools. The purpose of redevelopment is to provide for increased development, better maintenance of buildings, reduction in criminal activities and reduction in hazardous material within the project area, among other activities, all of which lead to the expectation that implementation of the proposed Redevelopment Plan will likely improve the physical and economic conditions within the Project Area and increase the value of property within the Project Area, which will in turn increase the revenues available to the City, the Agency and the other agencies that levy taxes within the Project Area, including the school districts. For further discussion and analysis showing that schools and other taxing agencies receive increased tax revenues as a result of the implementation of a redevelopment plan than without and describing the payments made by redevelopment agencies to school districts and community college districts in the 2005-2006 fiscal year, see Response No. 5 to Writing B.

Comment No. 7 asserts that the schools in the Project Area are well kept and successful; however, the Report to Council contains evidence that the Project Area experiences a higher crime rate than the rest of the community and that the Project Area is a center of gang activity in Lodi.[90] Crime and gang activities can be expected to reduce the effectiveness and success of public educational facilities.

Comment No. 8:

The GRC report in section 8.8, failed to address the Lodi Police Department report of May 13, 2008 showing that crime and gang activity in the area is decreasing.

Response No. 8:

The document referred to by Comment No. 8 is not, in fact, a police report, but rather a Lodi News-Sentinel article, which concludes with the statement that due to the efforts of the Lodi Police Department, Lodi has seen a recent decrease in gang activity. Notwithstanding this article, according to the Lodi Police Department, the Project Area remains the center of gang activity within the City, with a much higher occurrence of gang activity than is found outside the Project Area. Police Department staff report that gang activity tends to be cyclical, in that after long term, aggressive efforts on behalf of the Police Department, gang activity will be reduced due to the incarceration of large numbers of active gang members; however, as those gang members are released from jail and children within the community grow up to become new gang members, the frequency of gang-related crimes, including violent crimes, increases again.

Additionally, the Lodi Police Department reports that the Project Area suffers from a comparatively higher crime rate, including serious, "Part 1" crimes, than the remaining areas within the City of Lodi?' The Lodi Police Department has reported that the central portion of the Project Area has the highest concentration of major crimes?' Further, between 2005 and 2007, 54% of calls for service to the Lodi Police Department originated in the Project Area, while only 25% of the City's population lives in the

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90 See discussion in Response No. 8 to Writing F.

91 Report to Council, pages 97-99.

92 Report to Council, pages 97-98.

Project Area.[93] In 2007, the Project Area's Part 1 crime rate was 107 crimes per thousand persons, while the crime rate in the balance of the City was 30 crimes per thousand persons.[94]

Comment No. 9:

Furthermore, in and about the corridors of the proposed Project Area, new construction is now underway on Lodi Avenue, Kettleman Lane, and Lockeford Street.

Response No. 9:

No specific evidence is provided to support the assertion made by Comment No. 9. Further, each of the streets identified in the Comment contain numerous blighting conditions:

Lodi Avenue: Contains incompatible adjacent land uses primarily between Hutchins Street and Highway 99.[95] Water pipes in this street are sized six inches or smaller and require replacement to improve pressure and flow in the water system.[96] The street's pavement condition index is lower than 50 out of 100 and requires reconstruction!' The wastewater pipes in this street are more than 50 years old and require lining or replacement[98]

Kettleman Lane: **Is** within the site of the City's highest concentration of major crimes.[99] The wastewater pipes in this street are more than 50 years old and require lining or replacement.[100]

Lockeford Street: The wastewater pipes in this street are more than 50 years old and require lining or replacement."' The street's pavement condition index is lower than 50 out of 100 and requires reconstruction.[102] Residential lots on this street east of Washington Street have no frontage and are accessed only by an alley.[103] Residential lots on this street east of Pleasant Avenue are only 45 feet wide.[104]

Comment No. 10:

The California Community Redevelopment Law (CRL) at Health and Safety Code sections 33030 and 33021 list several requirements that must be satisfied in order to create a project area:

(GRC Consultants report to City Council, pg 109)

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93 Report to Council, page 98.
94 Report to Council, page 98.
95 Report to Council, page 67.
96 Report to Council, page 43.
97 Report to Council, page **42.**
98 Report to Council, page 41.
99 Report to Council, pages 97-98.
100 Report to Council, page 41.
101 Report to Council, page 41.
102 Report to Council, page **42.**
103 Report to Council, page 74.
104 Report to Council, page **74.**

The proposed Project Area:

1. the area must have at least one of:

a. Physical Blight ..... None Present

b. Economic Blight ..... None Present

2. Blight must cause a lack of proper utilization of area .....None Present

3. Improper Utilization is a burden in entire community .....None Present.

4. Lack of private investment in the area ..... Lots of new investment

5. Must have a RA to correct ..... Not Needed

This Score Card shows some of the current conditions in the project area, the City if Lodi does not need a Redevelopment Agency.

Response No. 10:

The Comment generally has some similarities to but does not correctly set forth the tests for blight; see Sections 33030 and 33031 of the Redevelopment Law as set forth at Exhibit I. Moreover, the Comment incorrectly describes the Project Area and the blighting conditions existing therein. It further provides no factual data, citations to data or credentials in support of its assertions. In contrast, the record before the City Council contains significant amounts of specified, quantified data supportive of a finding of blight. Some examples of this data are briefly described below.

Legal Requirement	Evidence
Physical blight	The Project Area is burdened by the existence of extensive groundwater contamination that threatens the health and safety of the City's residents.[105] Approximately 1,830 properties in the Project Area contain buildings that were construction prior to the abolition of asbestos and lead-based paint as building materials. The existence of these materials in structures throughout the Project Area renders those buildings unsafe or unhealthy places in which to live or work.[106] Numerous properties in the Project Area are unsafe or unhealthy due to their extensive dilapidation.[107] Forty-five percent of the commercial properties in the Project Area are commercially obsolete in one or more category.[108]

105 Report to Council, pages 26-21.
106 Report to Council, page 28-29.
107 Report to Council, pages 30-32.
108 Report to Council, pages 35-36.

Legal Requirement	Evidence
	The Project Area is hampered by inadequate infrastructure and public facilities; the cost of these facilities and infrastructure is estimated at more than $148,000,000.[109] The Project Area contains 293 properties without landscaping, containing residential overcrowding, damaged by graffiti and/or utilizing barbed- or razor-wire.[110] See also the discussion at Response No. 1 to Writing B.
Economic blight	The Project Area is characterized by stagnant property values and a lack of property re-investment."' The Project Area is burdened by the existence of hazardous waste that has caused extensive groundwater contamination that threatens the health and safety of the City's residents."' The Project Area is characterized by high business vacancies, low lease rates and abandoned buildings. The Project Area is burdened by the existence of extensive groundwater contamination that threatens the health and safety of the City's residents.[113] The Lodi Police Department has reported that the central portion of the Project Area has the highest concentration of major crimes.[114] Further, between 2005 and 2007, 54% of calls for service to the Lodi Police Department originated in the Project Area, while only 25% of the City's population lives in the Project Area.[115] In 2007, the Project Area's Part 1 crime rate was 107 crimes per thousand persons, while the crime rate in the balance of the City was 30 crimes per thousand persons.[116] See also the discussion at Response No. 1 to Writing B.
Blight causes a lack of proper utilization of the area	The Project Area shows many effects of blight including a median household income that is significantly lower than the City's median income and the County's median income; per capita income that is significantly lower than

109 Report to Council, pages 39-43.
110 Report to Council, pages 44-66.
111 Report to Council, pages 80-83.
112 Report to Council, pages 26-27.
113 Report to Council, pages 83-97.
114 Report to Council, pages 97-98.
115 Report to Council, page 98.
116 Report to Council, page 98.

Legal Requirement	Evidence
	the City's median income and the County's median income; lower rate of homeownership than both the City and the County; 35% of the households in the Project Area earn less than 50% of the county median income as compared to 24% for the City as a whole; and an average year of construction of 1961 for structures in the Project Area compared to 1972 for the City and 1973 for the County.[117] The blighting conditions in the Project Area hinder proper utilization of properties throughout the Project Area.[118]
Improper Utilization is a burden on the community	The groundwater contamination and other conditions of physical and economic blight limit the viable use of properties in the Project Area. The estimated cost to improve just the infrastructure in the proposed Project Area is over $148,000,000. The City must also pay more than $46,000,000 for groundwater cleanup.[119] These two factors alone establish that the blighting conditions in the Project Area are a substantial burden on the community.[120]
Lack of Private Investment in the Area	The Comment diverges from the tests set forth in Sections 33030 and 33031 of the Redevelopment Law. The Comment provides no citation for the proposition that there exists "Lots of new investment" in the Project Area.
Must have a RA to correct	This is not a requirement of the Redevelopment Law and the Comment provides no citation for the proposition that redevelopment is "not needed." Further, the groundwater contamination and other conditions of physical and economic blight limit the viable use of properties in the Project Area. The estimated cost to improve just the infrastructure in the proposed Project Area is over $148,000,000. The City must also pay more than $46,000,000 for groundwater cleanup.[121] The private sector, acting alone has not and cannot address these issues.

[117] Report to Council, page 24.
[118] Report to Council, page 109-110.
[119] ***See*** footnote 65.
[120] Report to Council, pages 110-111.
[121] Report to Council, pages 110-111.

Comment No. 11:

A Redevelopment requires that a portion of its revenues be spent on affordable housing. There is already more affordable housing in the proposed Project Area than any other place on the City of Lodi.

Response No. 11:

Comment No. 11 accurately notes that redevelopment agencies must spend a portion of their revenues on affordable housing. However, the assertion that there is "already more affordable housing in the proposed Project Area than any other place on the City of Lodi" is without citation or factual support. Further, the Redevelopment Plan will authorize and enable the Agency to provide programs to (a) improve the appearance and attractiveness of residential neighborhoods through neighborhood improvement programs, code enforcement efforts and residential rehabilitation programs; (b) protect the health and general welfare of the Project Area's low- and moderate-income residents by utilizing 20% of the property tax increment revenues to improve, increase and preserve the supply of low- and moderate-income housing; (c) provide replacement housing as required by law if any dwelling units affordable to low- or moderate-income persons or families are lost fiom the housing supply as a result of Agency activities; (d) provide relocation assistance to businesses and households, if any, displaced by Agency activities; and (e) provide housing rehabilitation programs to upgrade properties to eliminate blight and adverse code conditions."'

Regardless of the current cost of housing within the Project Area, if and when the Agency provides new affordable dwelling units in implementation of the Redevelopment Plan the Agency will place covenants on most if not all affordable dwelling units developed or substantially rehabilitated with assistance from the Agency, ensuring that such units remain affordable to persons and families of low- and moderate-income for at least 45 years (in the case of owner-occupied housing) and 55 years (in the case of rental housing).[123] This will ensure that such units remain available to such low- and moderate-income households at an affordable housing cost regardless of whether average property values increase within the Project Area, which is one of the intended goals of the proposed Redevelopment Plan.

Comment No. 12:

***The** Project Area (PA) had more schools than any other area in Lodi (Lodi Adult School, **Joe** Serna Charter School, Lawrence Elementary School, Heritage Primary School, Lodi Academy, and Lodi S.D.A Elementary School).*

Response No. 12:

The existence of schools does not indicate an absence of blighting conditions within the proposed Project Area.

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122 Report to Council, page 6.

123 Section 33334.3(f)(1) of *the* Redevelopment **Law.**

Comment No. 13:

- *The PA has more well maintained churches than any other are [sic] in Lodi.*
- *The PA has a Moslem Mosque.*
- *The PA has a Buddhist Temple and Hall.*
- *The PA has a Boys and Girls Club.*
- *The PA has multiple, well kept soft-ball diamonds.*
- *The PA has Zuppo Field.*
- *The **PA** has DeBenedetti Soft Ball Field.*
- *The Pa has the Grape and Wine Festival Grounds.*
- *The PA has four parks: Hale Park, Armory Park, Lawrence Park, and Blakely Park*
- *The PA has a new parking Garage (North Sacramento Street and East Pine Street).*
- *The PA has the new Transportation Center (Sacramento and Oak).*
- *The PA has a new Pharmacy (Lodi Pharmacy on Cherokee Lane).*
- *The PA has the very successful Rancho San Miguel Market (Cherokee Lane).*
- *The PA has new constructions [sic] sites throughout the project area.*

Response No. 13:

The existence of churches, mosques, Buddhist temples and other facilities, a Boys and Girls Club facility and athletic facilities, parks and festival grounds does not indicate an absence of blighting conditions within the proposed Project Area.

City staff have indicated that the parking garage located at North Sacramento Street and East Pine Street in the proposed Project Area was completed in 2002 and was developed entirely with public funds. The transportation center located at Sacramento and Oak in the Project Area was completed in 2000. This development consisted of relocating an abandoned train depot south by one block, renovating it and building a new sidewalk, parking lot, driveway, train platform and other ancillary improvements. This development was also built entirely with Federal Transportation Agency (public) funds.

These public improvements are examples of the improvements that may be funded by the Redevelopment Agency, using tax increment revenues, if the proposed Redevelopment Plan is adopted. The Agency's ability to fund much needed public improvements such as transportation and parking facilities will significantly reduce the burden which the Project Area places on the community by freeing up greatly needed City funds for other purposes.

City staff indicated that the new pharmacy located on Cherokee Lane opened in October 2007 and occupies a previously vacant building. One new business within the Project Area does not negate the overwhelming evidence of other blighting conditions within the Project Area. It should be noted that less than two months after the pharmacy opened, a break-in occurred; a safe containing cash and about $1,800 worth of prescription narcotics were stolen from the pharmacy, according to the Lodi Police Department. The

Project Area has a significantly higher crime rate, as shown not only by this anecdote but also by statistics and evidence cited in the Report to Council.[124]

The Rancho San Miguel Market on Cherokee Lane in the Project Area has been open for business since 2004. While Comment No. 13 of Writing F, asserts that the Rancho San Miguel Market is "very successful," no empirical support is provided to support this statement. The City cannot verify the success of this business. Any success enjoyed by the Rancho San Miguel Market is likely aided by the fact that only one other similar grocery store (providing a full line of groceries, including fresh produce and deli) is located within the Project Area. That other market, the "S-Mart" on Lodi Avenue at California Street, is located one and one-half miles away from the Rancho San Miguel Market.

The City of Lodi spent $4 million in 1998 to repave Cherokee Lane and to add a landscaped median and new streetlights. Additional public investment in Cherokee Lane was supported and even requested by several people who offered testimony in support of the proposed Redevelopment Plan at the May 28, 2008 joint public hearing.[125] In addition, several individuals testified at the joint public hearing that Cherokee Lane is unsafe and unappealing and acts as a deterrent to potential tourists as well as to investment in the Project Area.[126]

City Council member Bob Johnson made this point when he spoke after the joint public hearing but prior to the close of the City Council meeting held May 28, 2008. Councilman Johnson described his experience as a real estate appraiser, which was his business until one year ago when he retired. In his business, Councilman **Johnson** had the opportunity to drive through the entire proposed Project Area and to experience first hand the blighting conditions that exist there. He also described his experience hearing from the residents of the Project Area who, over many years, have expressed a feeling that they are neglected and not given their fair share of benefits. He stated that issues such as absentee landlords, decayed infrastructure and a continuing need for investment in the Project Area and indicated that these sentiments had been expressed by members of the community numerous times.

No information about the type or extent of development, whether it is new construction or rehabilitation, business or residential, or the specific location of such alleged development is given.

Comment No 14:

In summary, we, the concerned citizens of Lodi opposed to the proposed project, the FEIR, all actions of the Lodi Planning Commission in Certifying original and amended project are maps. We also reject in its entirety the willfully deceitful GRC consultant report to the City Council5/28/2008 [sic].

Response No. 14:

This Comment states the author's opinion.

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124 ***See*** discussion in Response No. 8 to Writing F.

125 Testimony of Ken Bingamaxl, Dale Gillespie, Nancy Beckman, Beth Kim and Steve Spiegel at the May 28,2008 joint public hearing.

126 Testimony of Nancy Beckman and Beth Kim at the May 28,2008 joint public hearing.

Comment No. 15:

Finally, the clear purpose of this proposed redevelopment project are is [sic] to divert future tax increment revenues from new construction in violation of state law court decisions.

Response No. 15:

Courts in California have upheld numerous redevelopment project areas upon a determination that substantial evidence exists in the record to support a finding by the city council that the project area is blighted as required by the Redevelopment Law. One example is *Evans v. City of San Jose* (2005) 128 Cal.App.4th 1123, discussed in Part 11, *supra,* which upheld findings made by the City Council of the City of San Jose in creating a new project area within the City of San Jose. See the more detailed discussion and analysis set forth in Part II, *supra.* The Agency would not divert revenues in violation of law.

As described in pages 25 through 105 of the Report to Council, the record before the Lodi City Council is replete with specific, documented examples of the occurrence and pervasiveness of similar features within the Project Area. See also the discussion in Response No. 1 to Writing B for a description of blighting conditions in the Project Area, as well as the discussion in Response No. 5 to Writing B for a discussion of the benefits of redevelopment to other entities, including school districts in particular, that levy taxes within redevelopment project areas.

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NO on REDEVELOPMENT

Lodi, Wake up! Why do we need the Redevelopment Agency to tell Lodi how to go into debt? The RDA will have the power to sell bonded debt without any voter approval.

Our Lodi Council is in debt $200 million dollars on loans. The $47 million worth of electric utility bonds will jump to $64.3 million to get fixed rate on interest. Expect an increase of 5 percent for your electricity by 2010.

The RDA will be calling the shots for 40 years. It will have a debt ceiling of about $400. million dollars. It is a separate state agency from Lodi Government. When the consultant's findings of blight are certified , a law firm is retained to draw up the paperwork & to defend against any legal challenges. Then the bond brokers can start borrowing. Lodi City Council has spent $300, thousand for the Redevelopment Agency to find blight.

Smart-Lodi does not think the map RDA shows is 100% blighted. It's time for Lodi registered voters to be able to vote No on Redevelopment.

Barbara Flockhart
331 La Setta Drive
Lodi, Ca. 95242

Writing *G:* Barbara Flockhart, 331 La Setta Drive, Lodi, California 95242, writing received by the Lodi City Clerk May 28,2008.

General Government	$23,759,452
Electric Fund	80,750,000
Wastewater Fund	57,740,000
Water Fund	1,754,606
Total Principal Owed	**$164,004,058**

The $200 million figure referred to in Comment No. 2 presumably includes both interest and principal payments. It is inaccurate to say that the indebtedness of the City of Lodi is over $200 million. The City's financial statements and the balance sheets of other governments do not show interest payments to be made in the future as outstanding debt unless they have not been paid when they become due and payable.

The statement: "The $47 million worth of electric utility bonds will jump to $64.3 million to get fixed rate on interest" is vague and unclear. The electric utility bonds issued by the

City and the amount charged the taxpayers in Lodi for electricity is unrelated and will not be affected by the adoption of the Redevelopment Plan.

As discussed in Response No. 6 to Writing A, the debt of a redevelopment agency is not debt of the host city. Bonds which are issued by a redevelopment agency and secured by tax increment revenues are not secured by the general funds of the host city, nor do such bonds incorporate a lien against any real property within the city or the project area. The issuance of bonds by a redevelopment agency does not and cannot result in an increase in property taxes. Obligations entered into by a redevelopment agency are not obligations of members of the public or the City.

To date, the cost of improvements has been borne by the City; the cost of such improvements to the City has limited and negatively impacted other General Fund operations such as police, fire and park maintenance.

Comment No. 3:

The RDA will be calling the shots for 40 years. It will have a debt ceiling of about $400. [sic] million dollars.

Response No. 3:

The Redevelopment Plan limits the term of effectiveness of the Redevelopment Agency's actions under the Redevelopment Plan to a term of 30 years from the date of adoption of the ordinance adopting the plan.[127] After the expiration of this 30 year term of effectiveness, the Agency "shall have no authority to act pursuant to [the Redevelopment Plan], except to pay previously incurred indebtedness, to enforce existing covenants or contracts, including nondiscrimination and nonsegregation provisions, which shall run in perpetuity, to complete its housing obligations in accordance with [Sections 33333.2 and 33333.8 of the Redevelopment Law], and to take any other actions permitted by law."[128] The Agency will continue to receive tax increment revenues for an additional 15 years past the date the effectiveness of the Redevelopment Plan expires.[129]

The proposed Redevelopment Plan imposes a $400 million limitation on the total outstanding principal of any bonds issued and payable from tax increment.[130] It is important to note that the proposed Redevelopment Plan prohibits the Agency from incurring "loans, advances, or indebtedness to finance, in whole or in part, [the proposed Lodi Community Improvement Project] and to be repaid from the allocation of taxes described in [Section 33670 of the Redevelopment Law]" beyond 20 years from the adoption of the ordinance adopting the Redevelopment Plan.[131] The $400 million limit also takes into account the circumstance that the schools may wish to have their pass through payments included in one or more future Agency bond issues (see Table 14 in the Report to Council).

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127 DRAFT Plan for the Lodi Community Improvement Project dated April 18, 2008, at page 37.

128 DRAFT Plan for the Lodi Community Improvement Project dated April 18, 2008, at pages 37-38.

129 DRAFT Plan for the Lodi Community Improvement Project dated April 18, 2008, at page 35.

130 DRAFT Plan for the Lodi Community Improvement Project dated April 18, 2008, at page 34.

131 DRAFT Plan for the Lodi Community Improvement Project dated April 18, 2008, at page 34.

As for the notion that the Redevelopment Agency would "call the shots," it should be kept in mind that the governing board of the Agency consists solely of the elected City Council of the City of Lodi.

Comment No. 4:

It is a separate state agency from Lodi Government.

Response No. 4:

The Redevelopment Agency is a separate legal entity from the City of Lodi, but the goveming body of the Redevelopment Agency is made up of the same five persons elected to serve as the Lodi City Council. Thus, while the Redevelopment Agency can enter into contracts and incur debt, for example, without in any way binding or obligating the City of Lodi, the decisions of both the goveming board of the Redevelopment Agency and the City Council will be made taking into account the best interests of the City of Lodi and its citizens and the City and Agency will be able to work in conjunction with each other and coordinate the resources of the City and Agency to provide services, facilities and assistance to the citizens of the City of Lodi.

Comment No. 5:

When the consultant's findings of blight are certified, [sic] a law firm is retained to draw up the paperwork & to defend against any legal challenges. Then the bond brokers can start borrowing. Lodi City Council has spent $300, [sic] thousand for the Redevelopment Agency to find blight.

Response No. 5:

The City Council, not a consultant, would make findings.

If the adoption of the Redevelopment Plan is challenged in court, the City will be required to answer the complaint. How the City may handle such a situation is not known at this time. If the Redevelopment Plan is adopted, the Agency may decide to issue bonds or other debt secured by future tax increment revenues, as permitted by law.

Any City wishing to adopt a redevelopment plan in accordance with the Redevelopment Law must spend a substantial amount of money to do so. The Redevelopment Law requires substantial evidence of blight, a meaningful analysis regarding blight and the need for redevelopment in the proposed Project Area and a variety of other documentation and analyses including an Environmental Impact Report, Relocation Plan, Preliminary Redevelopment Plan, Preliminary Report and Report to City Council.[132] Yet this cost and effort is well worth the ultimate benefits of redevelopment, which provide a blighted community with the tools necessary to remedy blighting conditions and provide needed assistance and incentives to investment in the project area.[133]

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132 See, *e.g.*, Redevelopment Law Sections 33325, 33333.3, 33344.5, 33352 and 33352(f).

133 See, *e.g.*, testimony at the joint public hearing of May *28,2008,* of Beth Kim, a resident and hotel owner in Lodi, stating that redevelopment is a much needed tool in the project area.

Any contracts to be entered into by the City and/or Redevelopment Agency in implementation of the proposed Redevelopment Plan (including contracts relating to financial matters) will be brought back to the City Council and/or Redevelopment Agency board for consideration and approval or disapproval, as applicable, at a public meeting. Adoption of the Redevelopment Plan will not constitute approval of any contract, nor will the Redevelopment Plan authorize approval of any contract without prior consideration at a public meeting in accordance with the law.

To date, the Agency has paid less than $200,000 for consulting and advisory services in connection with the consideration of adoption of the proposed Redevelopment Plan; that figure will increase due to ongoing work (such as preparation for and attendance at the joint public hearing and the preparation, in conjunction with staff, of responses to objections, but is anticipated to fall well below the $300,000 figure mentioned in the Comment.

Comment No. 6:

Smart-Lodi does not think the map RDA shows is 100% blighted.

Response No. 6:

In her testimony before the City Council at the May 28, 2008 joint public hearing, Ms. Barbara Flockhart stated that the Project Area is not 100% blighted, but she acknowledged immediately that blight does exist within the Project Area. The membership or qualifications of "Smart-Lodi" was not indicated.

The Redevelopment Law does not require that a redevelopment project area be 100% blighted. Section 33030 of the Redevelopment Law states:

> "(a) It is found and declared that there exist in many communities blighted areas that constitute physical and economic liabilities, requiring redevelopment in the interest of the health, safety, and general welfare of the people of these communities and of the state.
>
> "(b) A blighted area is one that contains both of the following:
>
> "(1) An area that is predominantly urbanized, as that term is defined in Section 33320.1, and is an area in which the combination of conditions set forth in Section 33031 is so *prevalent and so substantial that it causes a reduction of, or lack of, proper utilization of the area to such an extent that it constitutes a serious physical and economic burden on the community that cannot reasonably be expected to be reversed or alleviated by private enterprise or governmental action, or both, without redevelopment.*
>
> "(2) An area that is characterized by *one or more conditions* set forth in any paragraph of subdivision (a) of Section 33031 and *one or more conditions* set forth in any paragraph of subdivision (b) of Section 33031.

> "(c) A blighted area that contains the conditions described in subdivision (b) may also be characterized by the existence of inadequate public improvements or inadequate water or sewer utilities."

Substantial evidence is set forth in the Report to Council and the record before the Lodi City Council to support a determination that the Project Area is a blighted area within the meaning of Section 33030 of the Redevelopment Law. See Response No. 1 to Writing B for a summary of the substantial evidence of blight contained in the record.

Importantly, Section 33321 provides:

> "A project area need not be restricted to buildings, improvements, or lands which are detrimental or inimical to the public health, safety, or welfare, but may consist of an area in which such conditions predominate and injuriously affect the entire area. A project area may include lands, buildings, or improvements which are not detrimental to the public health, safety or welfare, but whose inclusion is found necessary for the effective redevelopment of the area of which they are a part. Each such area included under this section shall be necessary for effective redevelopment and shall not be included for the purpose of obtaining the allocation of tax increment revenue from such area pursuant to Section 33670 without other substantial justification for its inclusion."

No portion of the proposed Project Area has been included for the purpose of obtaining the allocation of tax increment revenue from such area pursuant to Section 33670 of the Redevelopment Law without other substantial justification for its inclusion. In fact, as stated by City Manager Blair King at the May 28, 2008 joint public hearing in response to an inquiry by Mr. Ed Atwood, portions of the Project Area which are in agricultural use were removed. See also Planning Commission staff report dated April 23, 2008, discussing the exclusion of temtory from the proposed Project Area, which is attached hereto as Exhibit H and incorporated herein.

Comment No. 7:

It's time for Lodi registered voters to be able to vote No on Redevelopment.

Response No. 7:

The California Legislature has delegated the authority for determining what areas are blighted and in need of redevelopment to the legislative bodies of cities and counties in which proposed redevelopment project areas are located. The Lodi City Council, and not the citizens of Lodi, has the authority to determine whether the Project Area is a blighted area within the meaning of Section 33030 of the Redevelopment Law and whether adoption of the Redevelopment Plan and Project Area is an appropriate means of responding to and remedying the blighting conditions within the Project Area.[134] The Redevelopment Law permits a referendum petition to be filed in response to an ordinance adopting a redevelopment plan and if the citizens of Lodi desire to vote on the adoption

[134] ***See*** discussion in Part II, Constitutional and **Statutory** Framework, ***supra.***

of the Redevelopment Plan, the procedure set forth at Elections Code Section 9235, *et seq*., may be followed to place this matter on the ballot. See also Response No. 2 to Writing **A.** Requiring a vote on the adoption of redevelopment could result in loss of a base roll, permanently reducing moneys that could become available for use within the Project Area.

May 28th, 2008

RECEIVED
2008 MAY 28 PM 1:15
CITY CLERK
CITY OF LODI

To: City Council

Re: Written concerns regarding the Ordinance of the City Council of the City of Lodi Approving and adopting the redevelopment plan for the Lodi Community Improvement project.

The project does not address the double dipping of using RDA funds and the estimated $15.00 on city utility bills for Water and Sewage infrastructure replacement. The project language states, "improve project area public infrastructure system & provide a range of public infrastructure improvements". If RDA is paying for the infrastructure than how will a refund of the money's taken by the city from utility users be mitigated or refunded to the rate payer? This appears to be a clear case of double taxation. If I am already paying for infrastructure replacement than this RDA infrastructure improvement would appear to be only an excuse to have an RDA project.

With all the public projects proposed within this plan, how will the debt be paid off when public entities don't pay taxes or have tax increments? The plan does not define with detail an income generating project.

One of the mitigations to the vacant businesses in the EIR for the Super Wal-Mart was the RDA. The RDA would finance the remediation of blight, vacant businesses and derogation of neighborhoods from a Super Wal-Mart being built in Lodi. If the Plan is overturned with a referendum, will this stop future big box developments?

Please indicate these concerns in the public record of this draft ordinance. I am requesting that Council reject the above named proposed ordinance.

Respectfully,

EUNICE FRIEDERICH
425 E. OAK ST
LODI, CA. 95240

Writing H: Eunice Friederich, 425 E. *Oak* Street, Lodi, California 95240, letter received by the Lodi City Clerk May 28,2008.

Comment No. 1:

The project does not address the double dipping of using RDA funds and the estimated $15.00 on city utility bills for Water and Sewage infrastructure replacement. The project language states, "improve project area public infastructure system & provide a range of public infastructure improvements".

Response No. 1:

The Comment is vague as to the meaning of "double dipping."

The rates charged for water and wastewater infrastructure improvements are sized based on a 100 year (1% per year) replacement schedule. Adoption of the proposed Redevelopment Plan is expected to result in significant additional revenues (in the form of tax increment) available to assist in the construction of needed public improvements in the Project Area. The fact that funds are already being collected from rate payers in Lodi for water and sewage infrastructure replacement does not mean that additional funds will not benefit the Project Area—these additional revenues will enable the Agency to accelerate what is otherwise an extraordinarily long replacement schedule and provide public infrastructure improvements, resulting in the earlier completion of higher quality public improvements in the Project Area and/or an early termination of certain charges.

It should also be noted that, according to information provided by the City of Lodi, as of October 1, 2007, the wastewater service charges in Lodi are lower than comparable charges in Galt, Manteca and Tracy.[135]

Comment No. 2:

If RDA is paying for the infrastructure than how will a refund of the money's taken by the city from utility users be mitigated or refunded to the rate payer? This appears to be a clear case of double taxation. If I am already paying for infrastructure replacement than this RDA infrastructure improvement would appear to be only an excuse to have an RDA project.

Response No. 2:

No refund of the assessment referenced in Writing H is proposed, nor is a refund warranted (in that the moneys collected have been and are being expended for the identical public purpose and one which promotes the public health and safety). The money currently being collected in taxes and assessments by the City of Lodi is insufficient to pay the cost of necessary public improvements in the Project Area and the remediation of the groundwater contamination in the City. Adoption of the Redevelopment Plan will provide additional funds to the Redevelopment Agency, which will permit the Agency to assist in the remediation of the serious groundwater contamination in the Project Area as well as to pay for needed public improvements

[135] ***See*** Exhibit I.

which otherwise could not be provided by the City. The City currently lacks sufficient funds to provide these necessary services.

Adoption of the proposed Redevelopment Plan will not result in double taxation.

Comment **No. 3:**

With all the public projects proposed within this plan, how will the debt be paid off when public entities don't pay taxes or have tax increments?

Response **No. 3:**

Comment No. **3** appears to be based on the premise that when the Agency constructs public improvements or other public projects, this will result in an increase in the amount of real property which is exempt from taxes due to ownership by a public entity. This assumption is not necessarily accurate; public improvements contemplated by the Redevelopment Plan may and likely will be located within the current public right of way, or currently existing utilities easements (enacting the redevelopment plan does not change the layout of streets). The purpose of the Agency in acquiring property (from willing sellers) would be to recycle the property back into private ownership.

The Agency has an economic incentive to maintain the taxability of property within the Project Area.

Comment **No. 4:**

The plan does not define with detail an income generating project.

Response **No. 4:**

The point of the Comment is not clear. The proposed Redevelopment Plan is a guiding and planning document. Each actual project to be undertaken by the Agency pursuant to the proposed Redevelopment Plan will undergo practical and fiscal consideration by the Agency board and environmental review to the extent necessary and appropriate pursuant to the California Environmental Quality Act and other applicable statutes and regulations. The proposed Redevelopment Plan does not provide for specific spending or development actions.

Comment **No. 5:**

One of the mitigations to the vacant businesses in the EIR for the Super Wal-Mart was the RDA. The RDA would finance the remediation of blight, vacant businesses and derogation of neighborhoods from a Super Wal-Mart being built in Lodi.

Response **No. 5:**

Comment No. 5 is extremely vague and confusing. Nowhere in the Redevelopment Plan or any other document related to the Redevelopment Plan has the Agency expressed any interest in having a Super Wal-Mart.

Comment No. 6:

If the Plan is overturned with a referendum, will this stop future big box developments?

Response No. *6:*

Big Box development, like other types of residential and commercial development, can occur without regard to whether a redevelopment project area is adopted. If the ordinance adopting the Redevelopment Plan is repealed in response to a referendum, it will not prevent the development of additional big box retail stores, car dealerships, or any other development within the Project Area or the City of Lodi.

DRAFT

ORDINANCE NO. ___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI
APPROVING AND ADOPTING THE REDEVELOPMENT PLAN FOR
THE LODI COMMUNITY IMPROVEMENT PROJECT

==========

WHEREAS, the Community Redevelopment Law (California Health and Safety Code Division 24, Part 1) (the "CRL") permits the adoption of redevelopment plans and specifies the procedure for doing so; and

WHEREAS, the Redevelopment Agency of the City of Lodi (the "Agency") has prepared a redevelopment plan dated as of April 18, 2008, and entitled "Redevelopment Plan for the Lodi Community Improvement Project" (the "Redevelopment Plan"), which includes the creation of the Lodi Community Improvement Project Area (the "Project Area"); and

WHEREAS, the City Council of the City of Lodi (the "City Council") proposes by this Ordinance to adopt the Redevelopment Plan and to establish the Project Area, and

WHEREAS, the Agency has forwarded to the City Council and the City Council has received a copy of the Redevelopment Plan, which is on file with the City Clerk at the Office of the City Clerk of the City of Lodi, 221 West Pine Street, Lodi, California 95240, together with the Report to the City Council of the Agency prepared pursuant to Section 33352 of the CRL (the "Report to Council"), which includes a description and discussion of the Lodi Community Improvement Project, and which discusses certain other matters as set forth in Section 33352 of the CRL and including the Environmental Impact Report prepared for the Project (the "EIR"); and

WHEREAS, consistent with the direction earlier given by the City Council, the Redevelopment Plan does not provide for the Agency to have or utilize the power of eminent domain; and

WHEREAS, a Project Area Committee was not required to be formed in connection with the subject Redevelopment Plan because the Redevelopment Plan does not include authorization for the Agency to acquire by eminent domain property upon which people lawfully reside (the Redevelopment Plan, in this case, does not contain any power of eminent domain of the Agency); and

WHEREAS, by adoption of Resolution No. PC 08-09 of the Lodi Planning Commission on April 23, 2008, the Planning Commission has submitted to the City Council its report that the Redevelopment Plan conforms to the Lodi General Plan and its recommendation for approval of the Redevelopment Plan; and

WHEREAS, the City Council and the Agency held a joint public hearing on the proposed adoption of the Redevelopment Plan in the City Council Chambers, City Hall, 221 West Pine Street, Lodi, California; and

WHEREAS, notice of the joint public hearing was duly and regularly published in a newspaper of general circulation in the City of Lodi (the "City") once a week for four (4) successive weeks prior to the date of the joint public hearing, and a copy of said notice and affidavit of publication are on file with the City Clerk of the City of Lodi and Secretary of the Agency; and

WHEREAS, copies of the notice of the joint public hearing were mailed by first-class mail to the last known address of each assessee, as shown on the last equalized assessment roll of the County of San Joaquin, of each parcel of land in the Project Area, to each resident, and to each business as practicable at least thirty (30) days prior to the joint public hearing; and

WHEREAS, copies of the notice of the joint public hearing were mailed by certified mail with return receipt requested to the governing body of each taxing agency which receives taxes from property in the Project Area; and

WHEREAS, in accordance with CRL Section 33350, each assessee whose property would be subject to acquisition by purchase or condemnation was provided notice, either by statement, list or map; and

WHEREAS, the City Council has considered the Report, the Redevelopment Plan, and its effects, and the EIR; and has provided an opportunity for all persons to be heard, and has received and considered all evidence and testimony presented for or against any and all aspects of the adoption of the Redevelopment Plan; and

WHEREAS, the Agency and the City Council have reviewed and considered the EIR for the Redevelopment Plan, prepared and submitted pursuant to Public Resources Code Section 21000 et seq. and Health & Safety Code Section 33352, and certified said EIR on _____, 2008, by Agency Resolution No. _____, and by City Council Resolution No. ____; and

WHEREAS, the City Council has received and has considered the Report to Council from the Agency with regard to the Redevelopment Plan, has provided an opportunity for all persons to be heard, and has received and considered all evidence and testimony presented for or against any and all aspects of the Redevelopment Plan, and has made a written response to each written objection of an affected property owner and taxing entity filed with the City Clerk before the hour set for such joint public hearing.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LODI DOES ORDAIN AS FOLLOWS:

SECTION 1. The overall purpose of the City Council formulating the Redevelopment Plan is to provide for the elimination or alleviation of physical and economic blighting conditions, as defined in Sections 33030 and 33031 of the CRL, that exist within the Project Area. Broadly stated, these conditions include, without limitation: physical deterioration of buildings and facilities; potential threats to the public health and safety, inadequate public improvements and facilities that are essential to the health and safety of local residents and property owners; areas of incompatible land uses; lots of irregular form and shape and of inadequate size for proper development; land contaminated by hazardous materials; and land suffering from depreciated or stagnant values.

In eliminating blighting conditions, the Redevelopment Plan is intended to achieve the following goals and will institute the following programs or activities:

- Enhance existing business and residential neighborhoods, and encourage new in-fill development as appropriate.
- Encourage development according to the City's General Plan, as it currently exists or may be amended in the future.

- Help preserve and enhance existing conforming residential neighborhoods through landscaping, street and other infrastructure improvements.
- Work with business and property owners to upgrade their properties in the Project Area.
- Rehabilitate deteriorated residential and commercial properties to eliminate safety deficiencies to extend the useful lives of these structures.
- Encourage policies that protect historic structures and ensure historic preservation in the Project Area.
- Work with property owners and businesses to clean up properties that are or have been exposed to hazardous materials.
- Work with property owners to eliminate the negative impacts related to non-conforming land uses.
- Provide for an appropriate buffer to residential neighborhoods from noise, odors, and vibrations for non-residential uses.
- Promote and ensure an environment that is friendly and safe for pedestrians.
- Strengthen pedestrian connections between neighborhoods, and from the Project Area to the rest of the City.
- Create successful commercial and industrial employment areas to serve local residents, businesses, employees and visitors.
- Develop infrastructure improvements that facilitate private investment in the Project Area.
- Assist economically depressed properties to reverse stagnant or declining property investment through infrastructure improvements and programs.
- Expand opportunities for shopping and services by encouraging the development of new commercial uses that fulfill unmet needs in the community and rehabilitation of existing commercial properties.
- Work with property owners to consolidate parcels to induce new or expanded business development.
- Promote the development of new commercial and industrial opportunities that provide for diverse employment opportunities.
- Provide relocation assistance to businesses and residents in accordance with current law.
- Establish the Project Area as a community with a high-quality housing stock that includes a variety of housing unit types affordable to a wide range of households.
- Improve the appearance and attractiveness of residential neighborhoods through neighborhood improvement programs, and code enforcement efforts.
- Protect the health and general welfare of the Project Area's low- and moderate-income residents by utilizing 20% of the property tax increment revenues to improve, increase and preserve the supply of low- and moderate-income housing.

- Provide replacement housing as required by law if any dwelling units affordable to low- or moderate-income persons or families are lost from the housing supply as a result of Agency activities.
- Provide relocation assistance to businesses and households displaced by Agency activities.
- Provide housing rehabilitation programs to upgrade properties to eliminate blight and adverse code conditions.
- Improve the Project Area's public infrastructure system to ensure public health, safety and welfare of residents, businesses, and properties.
- Provide for improvements to the infrastructure system that cannot be undertaken by a single property owner, but must be improved on an area-wide basis such as drainage improvements, water distribution lines, flood control facilities, and under-grounding of utilities.
- Provide a range of public infrastructure improvements that induce or facilitate private investment such as intersection upgrades, streets, curbs and gutters, sidewalks, street medians, and parking management facilities.
- Work with property owners on the location and timing of improvements to economically assist the repositioning and development of parcels.
- Ensure that the Lodi Community Improvement Project is managed in the most efficient, effective and economical manner possible.
- Encourage the cooperation and participation of property owners, tenants, residents, public agencies, and community organizations in the elimination of blighting conditions and the promotion of new or improved development in the Project Area.
- Establish programs and activities which assist, complement, and coordinate with public and private development and encourage revitalization and enhancement in the Project Area.
- Oversee the necessary infrastructure improvements in a coordinated and efficient manner.

SECTION 2. The City Council hereby finds and determines, based on the evidence in the record, including, but not limited to, the Report and all documents referenced therein, and testimony received at the joint public hearing on adoption of the subject Redevelopment Plan that:

a) The Project Area is a blighted area pursuant to the CRL, the redevelopment of which is necessary to effectuate the public purposes of the CRL. These findings are based in part on testimony and the Report to Council.

b) The Redevelopment Plan will redevelop the Project Area in conformity with the CRL and in the interests of the public health, safety and welfare. This finding is based in part upon the fact that redevelopment of the Project Area will implement the objectives of the CRL by aiding in the elimination and correction of the conditions of blight, providing for planning, development, redesign, clearance, reconstruction or rehabilitation of properties which need improvement, and providing for higher economic utilization of potentially useful land and on testimony and the Report to Council.

c) The adoption and carrying out of the "Project" (as described in the Redevelopment Plan) is economically sound and feasible. This finding is based in part on the fact that within the passage of the Project, the Agency will engage in activities within the financial capability of the Agency based upon the revenues that will be available to the Agency and will pursue those activities which are consistent with revenues realized after adoption of the Project. Furthermore, this finding is based upon the fact that the Agency's Report further discusses and demonstrates the economic soundness and feasibility of the Project and undertakings pursuant thereto, even after adoption of the Project and on testimony and the Report to Council.

d) The Redevelopment Plan is consistent with the City of Lodi's General Plan including, but not limited to, the Housing Element thereof, which substantially complies with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code. This finding is based in part on the Lodi General Plan (Planning Commission Resolution No. PC 08-09, adopted April 23, 2008) and on testimony and the Report to Council.

e) The carrying out of the Redevelopment Plan would promote the public peace, health, safety and welfare of the community and will effectuate the purposes and policies of the CRL. This finding is based on the fact that redevelopment will benefit the Project Area and the community by allowing the Agency to correct continuing conditions of blight and by coordinating public and private actions to stimulate development, contribute toward needed public improvements and improve the economic, and physical conditions of the Project Area and the community and on testimony and the Report to Council.

f) The Agency has a feasible method for the relocation of families and persons displaced, if any, from the Project Area. The City Council and the Agency recognize that the provisions of Sections 7260 to 7276 of the California Government Code would be applicable to any relocation that would occur due to the implementation by the Agency of the Redevelopment Plan. The City Council finds and determines that the provision of relocation assistance according to law constitutes a feasible method for relocation.

g) There are or shall be provided within the Project Area or within other areas not generally less desirable with regard to public utilities and public and commercial facilities and at rents or prices within the financial means of any families and persons displaced from the Project Area, if any, decent, safe and sanitary dwellings equal in number to the number of and available to the displaced families and persons, and reasonably accessible to their places of employment.

h) Families and persons shall not be displaced prior to the adoption of a relocation plan pursuant to Sections 33411 and 33411.1 of the CRL and other applicable provisions of law. Dwelling units housing persons and families of low or moderate income shall not be removed or destroyed prior to the adoption of a replacement housing plan pursuant to the applicable provisions of Sections 3334.5, 33413 and 33413.5 of the CRL. The Agency has adopted a method of relocation for the Project Area which incorporates the California Relocation Assistance and Real Property Acquisition Guidelines. The method provides that no persons or families of low and moderate income shall be displaced unless and until there is a suitable housing unit available and ready for occupancy by such displaced person or family at rents comparable to those at the time of their displacement.

i) All noncontiguous areas of the Project Area, if any, are either blighted or necessary for effective redevelopment and are not included for the purpose of obtaining the allocation of taxes from such area pursuant to Section 33670 of the CRL without other substantial justification for their inclusion. The Project Area is a blighted area which is characterized by a combination of conditions which are prevalent and so substantial that it causes a reduction of, and lack of, proper utilization of the area to such an extent that it constitutes a serious physical and economic burden on the community which cannot be expected to be reversed or alleviated by private enterprise or governmental action, or both, without redevelopment.

j) Inclusion of any lands, buildings or improvements into the Project Area, which are not detrimental to the public health, safety or welfare, is necessary for the effective redevelopment of the entire area of which they are a part, and any such area is not included for the purpose of obtaining the allocation of tax increment revenues from such area pursuant to Section 33670 of the CRL without other substantial justification for its inclusion. This finding is based in part upon the fact that the boundaries of the Project Area were specifically drawn to include only those lands that were underutilized because of blighting influences, or to include land affected by the existence of blighting influences or land uses significantly contributing to the conditions of blight, or to include land that is necessary for effective redevelopment, which inclusion is necessary to accomplish the objectives and benefits of the Redevelopment Plan and on testimony and the Report to Council.

k) The elimination of blight and the redevelopment of the Project Area could not reasonably be expected to be accomplished by private enterprise acting alone without the aid and assistance of the Agency. This finding is based in part upon the continued existence of blighting influences including, without limitation, the demonstrated lack of private sector interest in redeveloping properties in the Project Area, structural deficiencies and other indications of blight more fully enumerated in the Report, and the infeasibility due to cost of requiring individuals (by means of assessment or otherwise) to eradicate or significantly alleviate existing deficiencies in properties and facilities and the inability and inadequacy of other governmental programs and financing mechanisms to eliminate the blighting conditions and on testimony and the Report to Council.

l) The Project Area is predominately urbanized, as defined by subdivision (b) of CRL Section 33320.1. This finding is based in part on testimony and the Report to Council.

m) The time limitations contained in the Redevelopment Plan are reasonably related to the proposed projects to be implemented in the Project Area and to the ability of the Agency to eliminate blight within the Project Area. This finding is based on testimony and the Report to Council.

n) The limitation on the number of dollars to be allocated to the Agency as contained in the Redevelopment Plan is reasonably related to the proposed projects to be implemented in the Project Area and the ability of the Agency to eliminate blight within the Project Area. This finding is based on testimony and the Report to Council.

o) The implementation of the Redevelopment Plan will improve or alleviate the physical and economic conditions of blight in the Project Area, as described in the Report. This finding is based on testimony and the Report to Council.

p) The Redevelopment Plan contains adequate safeguards so that the work of redevelopment will be carried out pursuant to the Redevelopment Plan, and it provides for the retention of controls and the establishment of restrictions and covenants running with the land on land sold or leased for private use for periods of time and under conditions specified in the Redevelopment Plan, which the City Council deems necessary to effectuate the purposes of the Health and Safety Code. This finding is based on testimony and the Report to Council.

q) Based upon the record of the joint public hearing held on the Redevelopment Plan and the various reports and other information provided to the City Council, the City Council is satisfied that permanent housing facilities will be available within three years from the time occupants of the Project Area, may be displaced and that pending the development of such facilities, there will be available to such occupants who may be displaced adequate temporary housing facilities at rents comparable to those in the City at the time of their displacement.

SECTION 3. The City Council is satisfied that permanent housing facilities will be available within three years from the time residential occupants of the Redevelopment Project are displaced, and that pending the development of such facilities, there will be available to any such displaced residential occupants temporary housing facilities at rents comparable to those in the City at the time of their displacement. This statement is based upon the City Council's finding that no persons or families of low and moderate income shall be displaced from residences unless and until there is a suitable housing unit available and ready for occupancy by such displaced persons or families at rents comparable to those at the time of their displacement and on testimony and the Report to Council. Such housing units shall be suitable to the needs of such displaced persons or families and must be decent, safe, sanitary and otherwise standard dwellings. This statement is made pursuant to the requirements of the CRL notwithstanding the expectation that there will not be displacement of residential occupants in connection with the actions of the Agency in implementing the Redevelopment Plan.

SECTION 4. The City Council has considered written objections, if any, to the Redevelopment Plan and all evidence and testimony for and against the adoption of the Redevelopment Plan. All written objections, if any, have been overruled.

SECTION 5. The City Council has previously approved all appropriate environmental findings and determinations required in connection with the adoption of the Redevelopment Project.

SECTION 6. That certain "Redevelopment Plan for the Lodi Community Improvement Project" (also referred to above as the "Redevelopment Plan") a copy of which is on file in the office of the Agency and the office of the City Clerk, having been duly reviewed and considered, is hereby approved and adopted. The Redevelopment Plan, which is incorporated herein by reference, is hereby designated, approved, and adopted as the official redevelopment plan for the Project Area and the Lodi Community Improvement Project.

SECTION 7. In order to implement and facilitate the effectuation of the Redevelopment Project hereby approved, this City Council hereby: (a) pledges its cooperation in helping to carry out the Redevelopment Plan, (b) requests the various officials, departments, boards, and agencies of the City having administrative responsibilities in the Project Area likewise to cooperate to such end and to exercise their respective functions and powers in a manner consistent with redevelopment of the Project Area, (c) stands ready to consider and take

appropriate action upon proposals and measures designed to effectuate the Redevelopment Plan, and (d) declares its intention to undertake and complete any proceeding, including the expenditure of moneys, necessary to be carried out by the City under the provisions of the Redevelopment Plan.

SECTION 8. The City Clerk is hereby directed to send a certified copy of this Ordinance to the Agency, whereupon the Agency is vested with the responsibility for carrying out the Redevelopment Plan.

SECTION 9. The City Clerk is hereby directed to record the subject Redevelopment Plan or a notice that such Redevelopment Plan has been adopted in the Official Records of San Joaquin County as promptly as practicable. The City Clerk is further directed to record, within sixty (60) days of the passage of this Ordinance, in the Official Records of San Joaquin County, the notice required pursuant to Section 33373 of the CRL, which notice must include a description of the land within the Project Area and a statement that proceedings for the redevelopment of the Project Area have been instituted under the CRL.

SECTION 10. The City Clerk is hereby authorized and directed to certify to the passage of this Ordinance and to cause the same to be published in the Lodi News Sentinel, a newspaper of general circulation which is published and circulated in the City of Lodi.

SECTION 11. If any part of this Ordinance or the subject Redevelopment Plan which it approves is held to be invalid for any reason, such decision shall not effect the validity of the remaining portion of this Ordinance or of the subject Redevelopment Plan, and this City Council hereby declares that it would have passed the remainder of the Ordinance or approved the remainder of the subject Redevelopment Plan if such invalid portion thereof had been deleted.

SECTION 12. This Ordinance shall be in full force and effect at the earliest date provided by law.

Approved this _____day of _____, 2008

_____
JOANNE MOUNCE
Mayor

Attest:

RANDI JOHL
City Clerk

==========

State of California
County of San Joaquin, ss.

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that Ordinance No. ____ was introduced at a regular meeting of the City Council of the City of Lodi held _____, 2008, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held _____, 2008, by the following vote:

AYES: COUNCIL MEMBERS –

NOES; COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

I further certify that Ordinance No. _____ was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

_____
RANDI JOHL
City Clerk

Approved as to Form:

_____
D. STEPHEN SCHWABAUER
City Attorney

EXHIBITS

REFERENCED

IN K-1

EXHIBIT A

ERNEST GLOVER
President

As President, Ernest Glover is responsible for all redevelopment project activities for GRC. He is the primary client contact, oversees the preparation of all materials, and is responsible for quality control. Mr. Glover joined GRC as a redevelopment planner/environmental specialist with fifteen years of wide ranging experience in both the public and private sectors. His focus is on working with the public sector in preparing and processing redevelopment plans, environmental impact reports, and specific plans. His in-depth understanding of redevelopment policy, urban design and its practical implementation is an invaluable contribution to planning and design projects. In fact, Mr. Glover is a Local and National American Planning Association Award Winner.

Prior to joining GRC, Mr. Glover was a Senior Associate for POD/Sasaki in charge of the specific planning, environmental and recreational planning studio. Earlier, he was an Associate for Haworth & Anderson. He gained public sector planning experience as Planning Director for the City of San Clemente, as Supervisor of Advanced Planning for the City of Garden Grove, and as staff planner for the City of Simi Valley. He has managed over 50 major studies and planning efforts in the fields of redevelopment planning, specific plans, environmental analysis, land use planning, housing, economics, land use regulation and recreation.

Mr. Glover received his Master of City Planning from San Diego State University, and a Bachelor of Arts in Political Science and Sociology, with honors, from the University of California at Santa Barbara. He completed his post graduate studies at the University of Southern California, and holds a California Community College Teaching Credential. He is a frequent guest speaker on redevelopment and other planning-related topics, and is an on-going participant in American Institute of Architects Regional Urban Design Assistance Team Workshops.

Redevelopment Plans or Plan Amendment Clients

Avalon
County of Alameda (2)
Anaheim
Town of Apple Valley
Bakersfield (2)
Banning (2)
Barstow (3)
Burbank (3)
Carson (2)
Colton (7)
Culver City
Duarte (2)
El Monte
Fullerton (4)
Fresno
Glendale
Glendora (5)
Half Moon Bay
Hayward
Hesperia (2)
Huntington Park
Imperial Beach (2)
La Verne (2)
Lompoc (2)
Maywood (2)
Milpitas
Monterey Park (6)
Norwalk (2)
Ontario
Pasadena
Redlands
Riverbank
Riverside (5)
Riverside County (10)
Sacramento (2)
San Dimas (3)
San Fernando (2)
San Gabriel (2)
San Jacinto (2)
San Jose
Santa Clarita
Simi Valley (5)
Sonoma
South Lake Tahoe
Upland (2)
West Covina (2)
Westminster
Town of Windsor
Yucaipa (2)

PAUL SCHOWALTER
Principal

After receiving a Bachelor of Architecture with an Urban Design emphasis from California State Polytechnic University, Pomona, Paul Schowalter worked on the design team for several single-family homes and planned communities. Additional private-sector experience includes project manager duties for the evaluation of millions of square feet of buildings and sites for design and safety inadequacies.

With GRC, Mr. Schowalter has managed and assisted in over 70 plan adoptions, amendments, and implementation plans. He is responsible for all activities related to redevelopment projects, including documentation of existing conditions, evaluation of commercial feasibility, market research, generation and maintenance of databases, and the preparation and production of all redevelopment documents. He has developed a successful public participation program consisting of newsletters and "Town Hall" meetings designed to inform and involve the communities where GRC works.

Mr. Schowalter has served on the Board of Directors for the Inland Empire Design Institute, a non-profit organization created to enhance the quality of design in the environment. He was elected co-chair of the awards subcommittee for the highly successful 1993 awards program. He was also in charge of the IEDI's logo competition. In 1994, Mr. Schowalter was selected as a jury member for the 'Vintages & Vinegar" design awards by the Coalition of Environmental Professionals. His continued efforts with the CEP earned a California APA award in 1995. In addition, he has had articles published in *California Planner* and *The Environmental Monitor.*

Mr. Schowalter came to GRC with experience from public and private organizations, most recently with the County of San Bernardino. He co-wrote, amended and presented the Natural and Manmade Hazards elements of the 1989 General Plan. Using his knowledge of computers and desktop publishing, Mr. Schowalter also designed the layout and supervised the production of the in-house document.

Redevelopment Plans or Plan Amendments

City of Avalon
County of Alameda
City of Anaheim
Town of Apple Valley
City of Bakersfield
City of Baldwin Park
City of Banning
City of Barstow (2)
City of Buena Park
City of Carson
City of Clarmont
City of Clovis
City of Colton
City of Corona (2)
City of Culver City
City of Cypress
City of Downey (3)
City of El Monte
City of Fullerton
City of Glendale
City of Glendora
City of Hayward
City of Hesperia (2)
City of La Verne (2)
City of Lompoc (2)
City of Monterey Park (6)
City of Norwalk
City of Pasadena
City of Rialto
City of Riverside
County of Riverside (6)
City of Sacramento
Sacramento Housing and Redevelopment Agency
City of San Dimas (2)
City of San Fernando
City of San Gabriel
City of San Jacinto
City of San Jose
City of Santa Clarita
City of South Lake Tahoe
City of Simi Valley
City of Upland (2)
City of Visalia
City of West Covina
City of Westminster
Town of Windsor
City of Yorba Linda
City of Yucaipa

FA FRASER & ASSOCIATES

RESUME

Donald J. Fraser

Mr. Fraser manages his own consulting firm, Fraser & Associates. The firm was formed in 1998 in order to provide hands on services to redevelopment agencies. Mr. Fraser currently assists or has assisted 48 different public sector agencies with a variety of financial, implementation and plan adoption services. The firm specializes in issues related to tax increment financing, including the preparation of feasibility reports for the issuance of tax allocation bonds.

Prior to forming Fraser & Associates, Mr. Fraser was with Katz Hollis, where he served as Vice President for Northern California operations. Services that were provided through Katz Hollis included financial analysis; bond services; assistance with the implementation of development projects; and plan adoption services. Mr. Fraser was with Katz Hollis from March 1990 through December 1998.

Mr. Fraser's background also includes over eight years of experience in municipal government with the cities of Lynwood and Paramount. Mr. Fraser's last municipal assignment was as Assistant City Manager for the City of Lynwood. In addition to serving as the chief assistant to the City Manager, he also served as the finance director of the City. Mr. Fraser also assisted in the implementation of redevelopment activities for the City.

Mr. Fraser has been a frequent speaker on redevelopment for the California Redevelopment Association and the League of California Cities. He is a member of the International City Managers Association and the California Redevelopment Association. He holds a bachelors degree in political science from the University of California at Los Angeles and a masters degree in public administration from California State University Long Beach.

EXHIBIT B

JOHN CHIANG

California State Controller

May 10,2007

To the Citizens, Governor, and Members
of the Legislature **of** the State **of** California:

I am pleased to submit the 22nd edition of the Community Redevelopment ***Agencies*** Annual *Report* for the fiscal year ended June 30, 2006, which was compiled from standardized reports submitted by community redevelopment agency officials.

Community redevelopment funds are used to assist local governments in eliminating blight through development, reconstruction, and rehabilitation of residential, commercial, industrial, and retail districts. Because these projects are funded by tax dollars, it is vital that state and local legislative bodies, persons responsible for community planning and management, and concerned citizens be informed about the nature and extent of such projects. This report will help ensure that the funds are being invested wisely.

Following are highlights of the financial activities of California's redevelopment agencies for the fiscal year ended June 30,2006.

- Total revenues increased from $7.3 billion in the 2004-05 fiscal year to $8.7 billion in the 2005-06 fiscal year. Taxes and assessments, the largest revenue source, increased from $3.5 billion to $4.1 billion, a 16.8% increase.

- Total expenditures increased from $6.3 billion in the 2004-05 fiscal year to $7.1 billion in the 2005-06 fiscal year. Project improvement and construction costs were the largest expenditures, increasing from $940.2 million to $1.1 billion, a 15.7% increase.

- Total outstanding long-term debt increased from $23.2 billion in the 2004-05 fiscal year to $24.8 billion in the 2005-06 fiscal year. Tax allocation bonds accounted for the largest portion of debt, increasing from $14.3 billion to $15.4 billion, an 8.0% increase.

I extend my appreciation to my staff and the many local government representatives who worked on this publication—it would not have been possible without their contributions.

Sincerely,

Original Signed By:

JOHN CHIANG
California State Controller

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Introduction

The Community Redevelopment Law, Chapter 710, Statutes of 1951, was enacted by the California State Legislature with the objective of redeveloping those areas in many communities that, for a variety of reasons, suffer from unsafe, unfit, deteriorated, and economically dislocated buildings and properties. The California Constitution, Article XVI, Section 16, and the Health and Safety Code, heginning with Section 33000, provide funding from local property taxes to promote the redevelopment of blighted areas. Voters approved Article XVI in 1952; therefore, the revenues it generates are not subject to the limitations imposed by Article XIIIB, the Gann Limit.

Government Code Section 12463.3, as added by Senate Bill 1387, Chapter 1523, Statutes of 1984, requires the California State Controller to compile and publish a report of the financial transactions of community redevelopment agencies. All agencies created pursuant to Division 24 (commencing with Section 33000) of the Health and Safety Code must file a report. Senate Bill 1387 also requires the California Department of Housing and Community Development to publish housing data regarding the Low and Moderate Income Housing Fund. For information regarding these housing statistics, please contact the California Department of Housing and Community Development, at P.O. Box 952053, Sacramento, California 94252-2053.

Tables 1, 2, and 3 in this publication contain general information regarding assessed values, tax increment revenues apportioned by each county, historical information regarding the formation of each agency and project area, and data relating to each agency's achievements in the current year. Tables 4 through 7 consist of detailed information on revenues, expenditures, long-term debt, and assessed valuations.

This publication includes an analysis of the data, as well as other pertinent information specific to individual redevelopment agencies. Definitions and terminology used are provided in Appendix B.

Financial and Compliance Audit

Each agency is required to annually submit a financial and compliance audit to its legislative body and to the California State Controller's Office. Pursuant to Health and Safety Code Section 33080.1(a), this audit is to be conducted "in accordance with generally accepted auditing standards and the rules governing audit reports promulgated by the California State Board of Accountancy. The audit report shall also include an opinion of the agency's compliance with laws, regulations, and administrative requirements governing activities of the agency."

To meet this requirement, the California State Controller's Office requires agencies to prepare their financial statements on a component unit basis, detailing all funds of each project area in combining statements. The

component unit statement presents the agency's activities without combining them with other unrelated city or county activities.

A total of 422 redevelopment agencies existed during the 2005-06 fiscal year. Twenty-seven agencies reported having no financial transactions. Two agencies failed to file their financial reports.[1]

Figures 19 through 23 include statistical information concerning redevelopment agencies' formation, organization, and purpose.

Of the 393 agencies reporting financial transactions, 383 filed financial audits for the 2005-06 fiscal year, with 382 including compliance reports. Ten agencies failed to file their 2005-06 audit reports.[2]

Figure 1 highlights the most frequently cited areas of non-compliance, the related Health and Safety Code Section, and the number of violations reported. The number of reported violations is based on the agencies' compliance audit reports for the 2005-06 fiscal year. The violations reported in Figure 1 may include prior year violations that have not been corrected by the agency or other events that occurred during the 2005-06 fiscal year.

Senate Bill 497, Chapter 362, Statutes of 1999, and Senate Bill 109, Chapter 318, Statutes of 2003, requires the California State Controller's Office to identify nine types of major violations of the Community Redevelopment Law, as reported in the independent financial audit. Figure 1 includes **all** nine areas considered major violations and the number of violations reported. Agencies that have not corrected their major violations on or before June 1 of each year are referred to the California Attorney General for further action.

Of the 382 compliance reports submitted to the California State Controller's Office, 76 reports indicated areas of non-compliance, noting a total of 134 specific violations. The most frequently cited violations concerned the five-year implementation plan. Health & Safety Code Section 33490 requires that on or before December 31,1994, and every five years thereafter, each agency that has adopted a redevelopment plan prior to December 31, 1993, shall adopt, after a public hearing, an implementation plan that shall contain the specific goals and objectives of the agency for the project area; the specific programs, including potential projects, and estimated expenditures proposed to be made for the next five years; and an explanation of how the goals and objectives, programs, and expenditures will eliminate blight within the project area.

[1] Imperial Redevelopment Agency and Madera County Redevelopment Agency failed to file their annual reports for the 2005-06 report year.

[2] Redevelopment agencies for the cities of Chowchiiia. Clearlake, Commerce. Crescent City, Cudahy, Isleton, King, San Bruno. San Diego. and Sierra Madre failed to file their audit reports for the 2005-06 report year. Willows Community Redevelopment Agency failed to submit the compliance report.

Figure 1

Frequency of Compliance Findings

Description	Code Section[1]	Number of Violations
Senate Bills 109 and 497 Major Violations		
Implementation plan not adopted	33490(a)(1)	27
Failed to initiate development or land not sold	33334.16	9
Lack of findings for administrative expenditures from the Low and Moderate Income Housing Fund	33334.3(d)	7
Failed to file annual report to Controller's Office	33080.1(b)	6
Failed to file audit report	33080.1(a)	5
Time limits not established	33333.6	3
Tax increment revenues not deposited directly into Low and Moderate Income Housing Fund upon receipt	33080.8	3
Interest not accrued to Low and Moderate Income Housing Fund	33334.3(b)	1
Separate Low and Moderate Income Housing Fund not established	33334.3(a)	0
Subtotal		61
All Other Compliance Findings		
Failed to file blight progress report	33080.1(d)	7
Failed to file property report	33080.1(f)	7
Housing not monitored	3341[illegible]	
Failed to file loan report	33080.1(e)	
Not otherwise classified	Various	51
Subtotal		73
Total		134

[1] References are to the Health and Safety Code unless otherwise specified

Financial Statements

Redevelopment accounting is based on the modified accrual basis of accounting, rather than on the full accrual basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein. These accounts are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The debt service fund, for example, is used to account for the payment of principal and interest owed on long-term debt.

The financial information in this publication has been gathered from redevelopment agencies based on these accounting concepts. The statement of revenues and expenditures and the balance sheet are basic financial statements that, when considered together, reveal the economic events of a period of time and the end results.

The figures that follow are based on the "10000 Redevelopment Agencies" uniform accounting system, as prescribed for redevelopment agencies by the California State Controller. The system requires a fund financial statement presentation for governmental funds.

Beginning with the 2001-02 fiscal year, the governmental financial reporting model, **as** established by Governmental Accounting Standards Board (GASB) Statement No. **34,** phases in the preparation of government-wide financial statements and fund financial statements. However, the purpose of this publication is to present only specific financial data for community redevelopment agencies. Therefore, the financial statements contained in this publication are not intended to conform with GASB Statement No. **34.**

Combined Balance Sheet

The combined balance sheet on page vii presents the totals of assets, liabilities, and equities of all community redevelopment agencies as of June 30, 2006, compared to June 30,2005. In addition to the fund types, two account groups are shown as of June 30,2006.

The General Fixed Assets Account Group is a self-balancing group of accounts set up to account for the general fixed assets of an agency, such **as** land, buildings, and equipment. These assets are in contrast to assets held for investment purposes.

The General Long-Term Debt Account Group is also a self-balancing group of accounts, used to account for the unmatured general long-term debt of an agency.

Many readers of financial statements are interested in the financial condition of a fund, or in the relationship between assets, liabilities, and equity. Equity represents the net of total assets minus total liabilities of a specific fund. Equity consists of investments in fixed assets and fund balance.

Fund balance is further classified into three categories.

Reserved — Fund balance that is reserved for specific purposes and is not available for financing the program expenditure of the current fiscal period.

Unreserved Designated — Fund balance that is segregated to indicate tentative managerial plans or intent and is clearly distinguished from reservations.

Unreserved Undesignated — Fund balance that is unencumbered and available to finance the program expenditure of the fiscal period to which it applies.

Also significant is the asset account, Land Held for Resale. In order to accomplish the goal of eliminating blight, agencies may purchase parcels of land to attract development that will replace the blighted conditions. This account represents the cost or investment in land currently held for eventual resale.

Figure 2

Combined Balance Sheet — All Fund Types and Account Groups
As of June 30.2006
Amounts in thousands

	Capital Projects Fund	Debt Service Fund	Low/Moderate Income Housing Fund	All Other Funds	General Long-Term Debt Account Group	General Fixed Assets Account Group	Totals 2006	Totals 2005
ASSETS/OTHER DEBITS								
Cash	4,586,890	2,750,673	2,069,582	499,417			9,906,562	8,715,879
Accounts Receivable	724.875	172,353	1,271,460	156,776			2,325,464	2,055,935
Other Receivables	21,163	320.703	291		11.942		354,099	366,643
Due From Other Funds	439.416	91.828	273,996	50,520			855,762	731,759
investments	636,949	192,733	108,819	169,643			1,108,144	1,135,740
Other Assets	170.486	34,806	67,260	10,349			282,901	316,486
Land Held for Resale	1,093,770		379,836	51,480			1,525,086	1,278,937
Allowance for Decline in Value	29.682		16,243				45,925	33,910
Fixed Assets				148,664		4,586,574	4,735,238	4,319,135
Other Debits:								
Amount Available in Debt Service Fund					2,242,533		2,242,533	1,796,685
Amounts to Be Provided for Payment of Long-Term Debt.					22,269,059		22,269,059	21,123,988
Total Assets/Other Debits	7,643,867	3,563,096	4,155,003	1,086,849	24,523,534	4,586,574	45,558,923	41,807,277
LIABILITIES								
Accounts Payable	857,668	674,082	718.742	101,771			2,352,263	2,294,592
interest Payable	11,518	6,533	160	3,047	4,250		25.508	11,786
Due to Other Funds	228.934	92,919	117,433	416,476			855,762	731,759
Tax Allocation Bonds and Notes				8,500	15,503,761		15,512,261	14,381,647
Revenue Bonds/Certificates of Participation/Financing Bonds					3,592,909		3,592,909	3,441,307
Ail Other Debt				272,380	5,422,614		5,694,994	5,389,839
Total Liabilities	1,098,120	773,534	836,335	802,174	24,523,534	—	28,033,697	26,250,930
EQUITY/OTHER CREDITS								
Investments in Fixed Assets						4,586,574	4,586,574	4,180,107
Fund Balance:								
Reserved	3,382,125	2,142,559	2,152,771	202,008			7,879,463	7,135,518
Unreserved Designated	2,422,063	678,284	860,274	108.284			4,068,905	3,288,125
Unreserved Undesignated	741,559	31,281	305,623	25,617			990,284	952,597
Total Equity/Other Credits	6,545,747	2,789,562	3,318,668	284,675		4,586,574	17,525,226	15,556,247
Total Liabilities/Equity	7,643,867	3,563,096	4,155,003	1,086,849	24,523,534	4,586,574	45,558,923	41,807,277

Combined Statement of Revenues, Expenditures, and Changes in Fund Balance

The following figures represent the statewide totals of revenues, expenditures, and other financing sources and uses for community redevelopment agencies for the 2005-06 fiscal year. This summary of revenues and expenditures shows the results of operations during the fiscal year. The data are provided by fund type. This data may be of particular interest to those concerned with specific kinds of financial information, such as the activity in the Low and Moderate Income Housing Fund.

Revenues and Other Financing Sources

Revenues and other financing sources from all local, state, and federal sources amounted to $8.7 billion for the 2005-06 fiscal year. See Figures 3 and 4 for summary information, Figure 7 for trend information, and Figures 9 and 10 for detailed information.

Local tax revenues, the largest source of funds, amounted to $4.1 billion, or 47.3% of total revenues and other financing sources. This is an increase of 16.8% from the 2004-05 fiscal year. These funds are generated from tax increment revenues, sales tax, property assessments, and the state-provided special supplemental subvention. Agencies that formerly received the business inventory tax and pledged that tax for the repayment of debt are eligible to apply for a special supplemental subvention from the State. However, beginning with the 1992-93 fiscal year, the amount allocated by the State has averaged less than one-tenth of previous allocations. For the 2005-06 fiscal year, only two agencies reported receiving special supplemental subvention revenues. Tax increment revenues amounted to $4.1 billion, an increase of 17.7% from the 2004-05 fiscal year (see Figure 10). Property assessments in the amount of $3.6 million were levied by 11 redevelopment agencies. Twenty cities have diverted sales tax revenue in the amount of $29.9 million to their project areas. Redevelopment agencies may also impose a transient occupancy tax. Five redevelopment agencies did so during the 2005-06 fiscal year, reporting a total of $14.1 million in transient occupancy tax revenues, a 3.4% decrease from the prior year.

The second largest single revenue source was interest on funds held by redevelopment agencies. This revenue totaled $388.8 million, an increase of 45.3% from the 2004-05 fiscal year. Rental and lease income amounted to $1 10.3 and $20.4 million respectively, a combined decrease of 1.3% from the 2004-05 fiscal year. Sale of real estate amounted to $74.2 million, a decrease of 38.6% from the 2004-05 fiscal year.

Additional financing sources include proceeds from long-term debt issuances. During the 2005-06 fiscal year, a total of $3.4 billion was received from issuances of long-term debt; tbis total was comprised of $303.9 million in advances, $946.2 million in refunding issuances, and $2.2 billion from all other debt issuances. All other revenues and financing sources, including $123.4 million in grant revenues, amounted to $555.6 million.

The financial data presented in Table 4 of this publication show the aggregate of all funds for each project area by redevelopment agency.

Figure 3

Revenues and Other Financing Sources

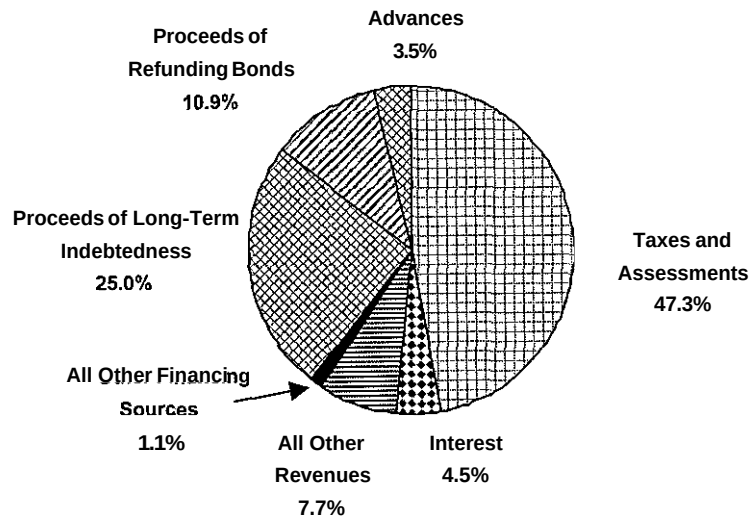


Figure 4

Combined Summary of Revenues and Other Financing Sources
(Amounts in thousands)

	2005.06	2004-05
Revenues:		
Taxes and Assessments	$ 4,104,448	$ 3,514,929
Ail Other Revenues	670,026	682.885
Interest	388,832	267,579
Other Financing Sources:		
Proceeds of Long-Term Indebtedness	2,172,059	1,717,631
Proceeds of Refunding Bonds	946.181	723.332
Advances	303,903	303,259
All Other Financing Sources	90.455	40,794
Total Revenues and Other Financing Sources	$ 8,675,904	$ 7,250,409

Expenditures and Other Financing Uses

Expenditures and other financing uses for all agencies for the 2005-06 fiscal year amounted to $7.1 billion. See Figures 5 and 6 for summary information, Figure 8 for trend information, and Figures 9 and 10 for detailed information. Project improvement and construction costs was the largest expenditure,

amounting to $1.1 billion (15.7%). Interest expense and long-term debt principal payments amounted to $1.1 billion (15.5%) and $904.0 million (12.8%), respectively. Payments to refunding bond escrow agent amounted to $1.0 billion (14.2%). **All** other expenditures and financing uses amounted to $3.0 billion for the 2005-06 fiscal year.

Figure 5

Expenditures and Other Financing Uses

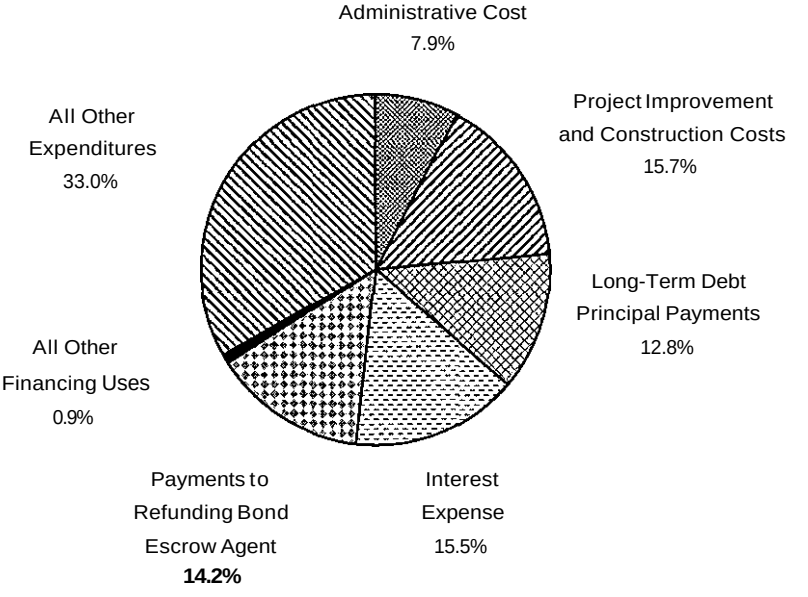


Figure 6

Combined Summary of Expenditures and Other Financing Uses

(Amounts in thousands1

	2005-06	2004-05
Expenditures:		
All Other Expenditures	$ 2,333,822	$ [illegible]
Project Improvement and Construction Costs	1,109,901	[illegible]
Interest Expense	1,094,961	[illegible]
Long-Term Debt Principal Payments	901,025	[illegible]
Administrative Costs	557,166	[illegible]
Other Financing Uses:		
Payments to Refunding Bond Escrow Agent	1,005,240	743,180
All Other Financing **Uses**	61,254	106,449
Total Expenditures and Other Financing Uses	$ 7,066,369	$ 6,345,280

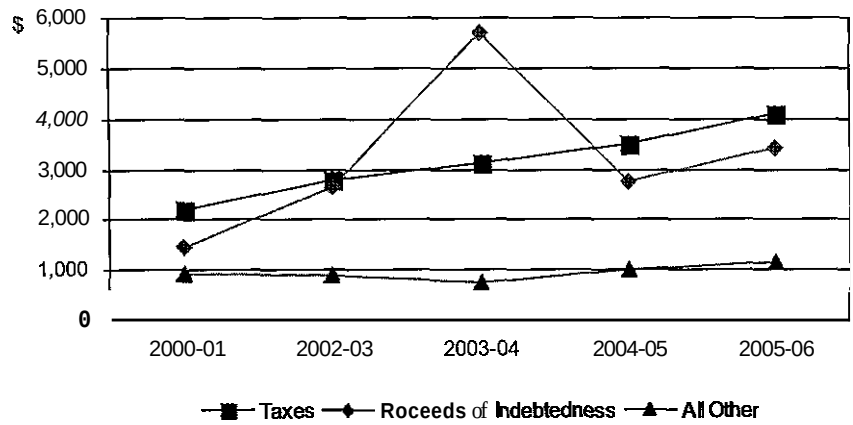
x

Five-Year Trends

Figure 7 presents the five-year trend in revenue and other financing sources. The proceeds of indebtedness consist of proceeds of long-term debt, proceeds of refunding bonds, and city/county advances. Figure 8 presents the five-year trend in expenditures and other financing uses. The excess of revenues and other financing sources over expenditures and other financing uses was $1.6 billion, compared to $905.1 million in the **prior** year.

Figure 7

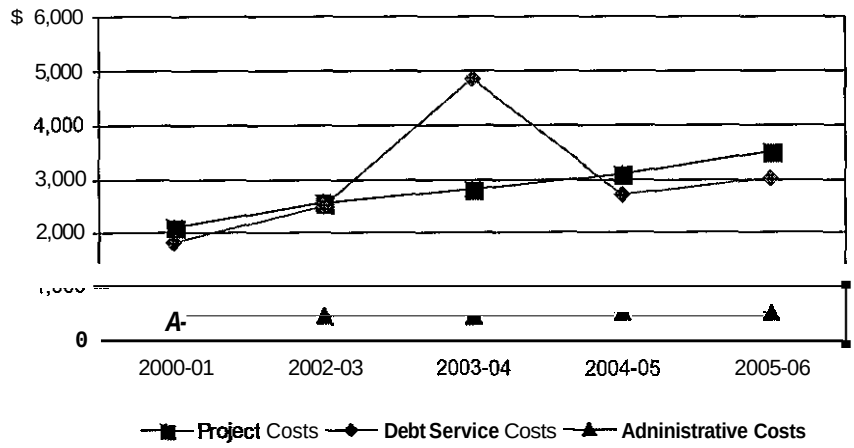
Trends in Revenues and Other Financing Sources'
(Amounts in millions)



[1] Proceeds of indebtedness were restated to include proceeds of refunding bonds

Figure 8

Trends in Expenditures and Other Financing Uses'
(Amounts in millions)



[1] Debt service casts were restated to include payments to refunding bond escrow agent.

Figure 9

Combined Statement of Revenues, Expenditures, and Changes in Fund Balance by Fund Types

For the Fiscal Year Ended June 30, 2006
(Amounts in thousands)

	Capital Proiects Fund	Debt Service Fund	Low/Moderate Income Housing Fund	All Other Funds	Total
REVENUES					
Tax Increment	$ 1,248,208	$ 2,377,099	$ 431,403	—	4,056,710
Special Supplemental Subvention	45	115	—	—	160
Property Assessments	389	2,873	106	248	3,616
Sales and Use Tax	9,439	20,432	—	29	29,900
Transient Occupancy Tax	241	13,821	—	—	14,062
Interest Income	195,964	94.759	86,733	11,376	388,832
Rental Income	56,411	30,105	14,436	9,327	110,279
Lease Income	8,416	11,371	89	507	20.383
Sale of Real Estate	34.983	598	9,698	28,897	74,176
Gain on Land Held for Resale	8,055	20	12,160	649	20,884
Grant Revenues	61,348	12,207	16,056	33,822	123,433
Other Revenues	32,240	40,177	97,037	21,417	320,871
Total Revenues	35,739	03,577	667,718	106,272	5,163,306
EXPENDITURES					
Administrative Costs	387,940	35,881	105.868	27,477	557,166
Professional, Planning, and Design	127,906	9.988	25,333	6,603	169,830
Real Estate Purchases	180.213	3,002	70,759	24.324	278,298
Relocation Costs and Payments	19,537	36	9,188	81	28,842
Project improvement Costs	937.878	16,803	136,719	18,501	1,109,901
Rehabilitation Costs and Grants	33,861	2,080	54,774	124	90,839
Interest Expense	73,374	988,120	30,267	3,200	1,094,961
Long-Term Debt Principal Payments	111,361	769,160	18,657	4,847	904,025
All Other	663,617	804,186	241.393	36,817	1,766,013
Total Expenditures	2,555,687	2,629,256	692,958	121,974	5,999,875
Deficiency of Revenues Under Expenditures	(769,948)	(25,679)	(25,240)	(15,702)	(836,569)
OTHER FINANCING SOURCES (USES)					
Proceeds of Long-Term Debt	1,079,233	867.692	139,903	85,231	2,172,059
Proceeds of Refunding Bonds	110,765	740.904	94,512	—	946,181
Payments to Refunding Bond Escrow Agent	(63,688)	(908,354)	(33.196)	—	(1,005,240)
Advances From City/County	151,318	146,867	5,690	28	303,903
Sale of Fixed Assets	72,189	15,879	1.823	564	90,455
Miscellaneous Sources (Uses)	(42,141)	(15,194)	(5,114)	1,194	(61,255)
Operating Transfers In	1,199,417	910,471	227,119	64,388	2,401,395
Set-Aside Transfers In	—	—	313,260	—	313,260
Operating Transfers Out	(1,058,809)	(1,114,168)	(198,283)	(30,135)	(2,401,395)
Set-Aside Transfers Out	(123,455)	(189,805)	—	—	(313,260)
Total Other Sources (Uses)	1,324,829	454,292	545,712	121,270	2,446,103
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	554,881	428,613	520,472	105,568	1,609,534
Equity, Beginning of Period[1]	5,997,465	2,405,674	2,797,608	175,400	11,376,147
Adjustments	(6,599)	(44,725)	588	3.707	(47,029)
Equity, End of Period	$ 6,545,747	$ 2,789,562	$ 3,318,668	284,675	12,938,652

[1] The beginning equity balances are as reported by all reporting agencies for the 2005-06 fiscal year.

Figure **10**

Comparative Statement **of** Revenues, Expenditures, and Changes in Fund Balance **by** Fiscal Year
(Amounts in thousands)

	2005-06	2004-05	2003-04	2002-03	2001-02
REVENUES					
Tax Increment	$ 4,056,710	$ 3,445,711	$ 3,059,293	2,755,590	2,510,529
Special Supplemental Subvention	160	454	709	805	822
Property Assessments	3,616	20,841	7.639	1.712	7.501
Sales and Use Tax	29,900	33,365	34,550	34,438	29,320
Transient Occupancy Tax	14,062	14,558	15,045	13,092	14,299
Interest Income	388,832	267,579	174,160	245,536	310,563
Rental Income	110,279	113,632	75.837	90,952	84.540
Lease Income	20.383	18.774	46,522	27,707	32,389
Sale of Real Estate	74.176	120,802	50,033	65,571	50.473
Gain on Land Held for Resale	20.884	11.241	4.327	7,047	3,591
Grant Revenues	123,433	97,410	104,822	98.411	92,959
Other Revenues	320,871	321,026	280,687	282,611	241,885
Total Revenues	5,163,306	4,465,393	3,853,624	3,629,472	3,378,871
EXPENDITURES					
Administrative Costs	557,166	524,429	457,939	439,750	379,336
Professional, Planning, and Design	169,830	204.268	151,124	141,974	150,434
Real Estate Purchases	278,298	194,892	180,344	189,602	123.150
Relocation Costs and Payments	28,842	17,821	20,298	18,138	11,262
Project Improvement Costs	1,109,901	940,208	867.803	981.314	892,267
Rehabilitation Costs and Grants	90,839	61,151	62.259	63,512	56,101
Interest Expense	1,094,961	1,115,967	966,162	932,034	884,589
Long-Term Debt Principal Payments	904,025	857,308	1,365,490	696,970	646,627
All Other	1,766,013	1,579,607	1,363,023	1,159,122	936,410
Total Expenditures	5,999,875	5,495,651	5,434,442	4,622,416	4,080,176
Deficiency of Revenues Under Expenditures	(836,569)	(1,030,258)	(1,580,818)	(992,944)	(701,305)
OTHER FINANCING SOURCES (USES)					
Proceeds of Long-Term Debt	2,172,059	1,717,631	2,419,170	1,402,423	1,518,658
Proceeds of Refunding Bonds	946,181	723,332	2,859,968	861,271	922.303
Payments to Refunding Bond Escrow Agent	(1,005,240)	(743.180)	(2,515,591)	(883,421)	(967,248)
Advances From City/County	303.903	303,259	408,671	369,247	183,140
Sale of Fixed Assets	90,455	40,794	20,548	28,968	6,011
Miscellaneous Sources (Uses)	(61 255	[illegible]	(164,717)	49,909	29,016
Operating Transfers In	2,401 395	[illegible]	2,426,617	1,944,803	1,349,964
Set-Aside Transfers In	[illegible]	[illegible]	267,337	218,841	200,901
Operating Transfers Out	(2,401,395)	(2,020,877)	(2,426,617)	(1,944,803)	(1,349,964)
Set-Aside Transfers Out	(313,260)	(268,[illegible])	(267,337)	(218.841)	(200,901)
Total Other Sources (Uses)	**2,446,103**	**1,935,387**	**3,028,049**	1,828,397	1,691,880
Excess (Deficiency) **of** Revenues and Other Financing Sources Over Expenditures and Other **Financing Uses**	1,609,534	905,129	1,447.231	835,453	990,575
Equity, Beginning of Period	11,376,240	10,423,869	8,969,743	7.947,561	6,977,908
Adjustments [1]	(47,122)	47,242	6,895	186,729	(20,922)
Equity, End of Period [1]	**$ 12,938,652**	**$ 11,376,240**	**$ 10,423,869**	**8,969,743**	**7,947,561**

[1] The beginning equity for each year is adjusted for agencies that failed to file their financial transactions report in prior years (see page iv). The ending balances shown are as reported each year and presented in Table 4.

Long-Term Debt

Figure 11 presents the changes in long-term debt of community redevelopment agencies for the 2005-06 fiscal year. This figure summarizes the beginning unmatured debt, adjustments, debt issued, debt matured, debt defeased, and ending unmatured debt by the type of debt issued. Agencies frequently borrow funds from their respective city or county. The repayment of these loans may be subordinate to the repayment of bonds or other types of debt, and occasionally no monies are available for repayment of interest or principal. Accrued interest that is due but not paid is added to long-term debt by adjusting the principal amount outstanding. A total of $107.4 million in unpaid interest was added to long-term debt in the *2005-06* fiscal year. Table *5* presents the details of agency long-term debt. Figure 13 presents a five-year comparison by type of debt issued.

Figure 11

Agency Long-Term Debt
As of June 30,2006
(Amounts in thousands)

Principal	Tax Allocation Bonds	Revenue Bonds	City/ County Loans/ Advances	Ail Other Debt	Total
Unmatured, Beginning of Year [1]	$ 14,109,324	$ 1,206,818	$ 3,629,303	$ 4,027,308	$ 22,972,753
Adjustments	213.352	13,487	73.469	64,483	364,791
Issued	2,349,964	146,385	270.061	579,844	3,346,254
Matured	(443,916)	(39,083)	(208,213)	(213,449)	(904,661)
Defeased	(780,219)	(54,810)	(21,680)	(122,264)	(978,973)
Unmatured, End of Year	$ **15,448,505**	$ **1,272,797**	$ **3,742,940**	$ **4,335,922**	$ **24,800,164**

[1] Beginning balances shown are as reported for the 2005-06 fiscal year. No adjustment has been made for non-reporting agencies (see page iv).

[2] This includes $280.9 million in long-term debt reported in Long-Term Debt Listed in Ail Other Funds shown in Figure 12. The majority of this amount is reported in the enterprise fund of the California State University Channel Island Site Authority.

Figure 12 reconciles the long-term debt as reported in the Combined Balance Sheet (Figure *2)* to the amounts reported in Figure 11. A few agencies have established enterprise funds to account for specific programs or activities. The long-term debt of an enterprise fund is presented within that fund. These amounts are included in the Ail Other Funds column of the Combined Balance Sheet and must be combined with the total amount of the General Long-Term Debt Account Group in order to identify total redevelopment agency long-term debt.

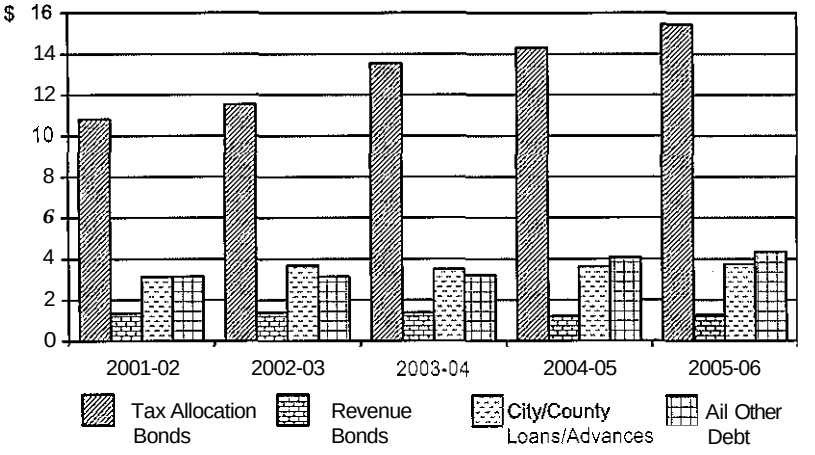
Figure 12

Reconciliation of Agency Long-Term Debt to Combined Balance Sheet
As of June 30,2006
(Amounts in thousands)

Reconciling Items	Balance Sheet Data
Long-Term Debt Account Group, Total Debt	$ 24,523,534
Long-Term Debt Listed in Ail Other Funds	280,880
Interest Payable on Long-Term Debt but Not included in Debt Schedules	(4,250)
Totals	$ **24,800,164**

Figure **13**

Outstanding Long-Term Debt Balances by Fiscal Year
(Amounts in billions)



During the 2005-06 fiscal year, $979.0 million of tax allocation bonds, revenue bonds, and other debt was retired by the agency with the issuance of $946.2 million refunding bonds. The purpose of the early extinguishment of debt is generally to take advantage of lower interest rates, extend the number **of** years over which the debt matures, or increase borrowing capacity.

Non-Agency Long-Term Debt

Figure 14 presents the changes in long-term debt that was originally issued by the agency but is generally not considered a debt of the agency. Examples of this type of debt include mortgage revenue bonds, industrial development bonds, and certain certificates of participation. Some agencies had difficulty providing this information, and a few were unable to provide the detail that the California State Controller's Office requires because the obligations are usually administered by a trustee and are not generally accounted **for** by the agency itself. The detail of non-agency long-term debt appears in Table 6.

Figure 14

Non-Agency Long-Term Debt
As of June 30.2006
(Amounts in thousands)

Principal	Mortgage Revenue Bonds	Commercial Revenue Bonds	industrial Development Bonds	Certificates of Participation	Total
Unmatured, Beginning of Year [1]	$ 2,120,108	$ 134,385	$ 102,211	$ 90,670	$ 2,447,374
Adjustments	(91,307)	—	269	7,800	(83,238)
issued	126,369	—	—	98,920	225,289
Matured	(50,251)	(1,395)	(29.394)	(1,222)	(82,262)
Defeased	(56,199)	(5,525)	—	—	(61.724)
Unmatured, End of Year	$ 2,048,720	$ 127,465	$ 73,086	$ 196,168	$ 2,445,439

[1]Beginning balances shown are as reported for the 2005-06 fiscal year with an adjustment for non-reporting agencies (see page iv).

Assessed Valuation and Tax Increment Distribution

Section 33670 of the Health and Safety Code authorizes the allocation of property taxes between the various local agencies and community redevelopment agencies. The "frozen base assessed valuation" is the value of property at the time of the adoption of a redevelopment project plan. The "incremental assessed valuation" is the cumulative increase in the value of properly within a project area above the frozen base assessed valuation. Tax increment revenues are produced by applying general and debt service tax rates to the incremental assessed valuation. Figure 15 presents total assessed values for the 2004-05 and 2005-06 fiscal years.

Figure 15

Assessed Valuation Totals
(Amounts in thousands)

	2005-06	2004-05
Frozen Base Assessed Valuation	$ 155,751,557	$ 151,789,685
Incremental Assessed Valuation	381,242,845	326,205,103
T[illegible] A[illegible] Valuation	$ 536,994,402	$ 477,994,788

Not all of the tax increment is available to a redevelopment agency. Pursuant to Assembly Bill 1290, Chapter 942, Statutes of 1993, a project area formed or amended after January 1, 1994, **is** required to pay a portion of its tax increment, on a graduated basis, to the local taxing agencies within its area. All payments are calculated against the net tax increment after the agency has set aside the 20% obligation to the Low and Moderate Income Housing Fund.

For the first 10 years from each project area's established date, this "pass-through" payment is based on 25% of the net tax increment. This payment continues for the life of the project area. Beginning in the 11th year and continuing for the remaining life of the project area, an additional 21% of the net tax increment is passed through, based on the incremental growth over assessed value in the 10th fiscal year. Beginning in the 31st year and continuing for the remaining life of the project area, an additional 14% of the net tax increment is passed through, based on the incremental growth over assessed value in the 30th fiscal year.

For project areas formed prior to January 1, 1994, Health and Safety Code Section 33670 allows cities, counties, and special districts — and requires school districts and community college districts — to elect to receive that portion of the tax increment generated by the annual increase in assessed valuation due to inflation. In lieu of this provision, local taxing agencies can opt to receive tax increment pass-through payments based upon a negotiated agreement with the redevelopment agency. The local taxing agency is required to demonstrate to the redevelopment agency that these payments were necessary to alleviate a financial burden created by redevelopment activities. The pass-through payments in place pursuant to

these agreements are grandfathered and remain in effect throughout the life of the project area.

Figure 16 summarizes the distribution of tax increment revenues between the redevelopment agencies and other taxing entities for the 2005-06 fiscal year and presents summary information for the 2004-05 fiscal year. Data are presented as reported by the redevelopment agencies.

Figure **16**

Tax Increment Distribution
(Amounts in thousands)

Pass-Through Payments per Health and Safety Code Section	2005-06 33401	2005-06 33676	2005-06 33607	2005-06 Total	2004.05 Total
Counties	5 363,058	$ 24,066	$ 70,484	$ 457.608	$ 383,068
Cities	9,739	1,251	26,383	37,373	25,964
School Districts	100.036	16.927	45.310	162.273	121.698
Community College Districts	16.603	2,624	81245	27.472	18,.337
Spacial Districts	110.272	5,087	16,868	132,227	112,561
Total Paid to Taxing Agencies	$ 599,708	$ 49,955	$ 167,290	$ 816,953	$ 661,628

Figure 17 reconciles the total tax increment generated for the 2004-05 and 2005-06 fiscal years and shows the amount available for redevelopment purposes after pass-throughs. This is the net amount available to redevelopment agencies to accomplish all of their purposes, including payments to the Low and Moderate Income Housing Fund.

Figure **17**

Reconciliation **of** Total **Tax** Increment Generated
(Amounts in thousands)

	2005-06	2004-05
Total Tax Increment Generated in Project Areas'	$ 4,054,420	$ 3,445,713
Less Amounts Paid to Taxing Agencies	816.953	661,628
Net Tax Increment Available to Agencies	$ 3,237,467	$ 2,784,085

'Some agencies do not include amounts paid to other local taxing agencies, pursuant to Health and Safety Code Section **33676,** as tax increment revenues on their Statement of Revenues and Expenditures. Therefore, the amount listed above does not equal the amount of "tax increment" revenues in Figures **9** and **10.**

Statement of Indebtedness

Tax increment revenues retained by redevelopment agencies, net of pass-through payments to other local taxing agencies and the required set-aside to the Low and Moderate Income Housing Fund, may be expended only for the purpose of repaying principal and interest on any type of loan, advance, or indebtedness listed on the Statement of Indebtedness. In order to receive these revenues, an agency must file a Statement of Indebtedness with its county auditor. If the county auditor does not dispute the amount of indebtedness as filed, the agency must be paid the portion of taxes generated from the incremental assessed valuation in an amount not to exceed the total debt listed on the Statement of Indebtedness, less available revenues. The

amounts shown include principal and interest remaining to be paid over the term of the indebtedness.

The meaning of "indebtedness," for the purposes of the Statement of Indebtedness, is not limited to the formal accounting definition of indebtedness but is expanded to include all redevelopment obligations, whether pursuant to an executory contract or a performed contract, or to repay principal and interest on bonds or loans. Obligations to the Low and Moderate Income Housing Fund are defined in the Health and Safety Code as "indebtedness" for the purpose of the Statement of Indebtedness.

The Statement of Indebtedness is perhaps the least understood aspect of redevelopment finance. It itemizes all future tax increment requirements for the purpose of repaying indebtedness. In preparing the Statement of Indebtedness, an agency must take into consideration all obligations, contracts to perform, and legal agreements such as pass-through payments to other local taxing agencies. The exact amounts of pass-through payments are not always known until the year in which they must be paid. For example, pass-through payments may or may not be directly related to tbe amount of tax increment received. Estimates must be made annually *to* determine what future obligations would be required for pass-through payments for the life of the project area.

Redevelopment agencies must also prepare a reconciliation statement that shows all changes from the prior year's Statement of Indebtedness to the current year. All new indebtedness, payments, adjustments, and modified estimates are itemized and explained in the reconciliation statement.

In addition, an agency may have revenues or resources that are committed to the repayment of indebtedness. This amount, called available revenues, is also calculated annually. This calculated amount is deducted from the total indebtedness to determine the net amount needed for an agency to meet all of its future indebtedness obligations.

The California State Controller's Office noted, in preparing the data for this publication, that some Statements of Indebtedness are prepared in ways that indicate that some redevelopment agencies fail to realize the document's importance. **All** future demands for **tax** increment revenues should be itemized in the document, yet some agencies omit their required funding of the Low and Moderate Income Housing Fund, future administrative cost requirements, and other costs that would be funded from future tax increment revenues. Assembly Bill 1290, Chapter 942, Statutes of 1993, added requirements that redevelopment agencies adopt certain time limits regarding the establishment of new indebtedness, the effectiveness of the redevelopment plan, and the final date for the repayment, from tax increment revenues, of all indebtedness. These requirements make it essential that an agency include the above-mentioned indebtedness in order to receive sufficient tax increment revenues to meet all of its obligations within tbose time limits.

For example, for the 2005-06 fiscal year, 88 agencies reported indebtedness that did not include the required funding of the Low and Moderate Income Housing Fund. These agencies reported a total of $5.8 billion in indebtedness. Because redevelopment agencies are required to set aside 20% of all tax increment revenues for deposit in the Low and Moderate Income Housing Fund, these agencies will not be able to repay their indebtedness and satisfy the 20% set-aside requirement to the Low and Moderate Income Housing Fund if they receive only $5.8 billion in tax increment revenues. To meet all obligations, these agencies should increase amounts reported on their Statement of Indebtedness by 25%, an additional $1.5 billion. The resulting total indebtedness of **$7.3** billion will provide these agencies with sufficient tax increment revenues to satisfy all obligations, including the 20% set-aside requirement (20% of $7.3 billion = $1.5 billion).

Figure 18 shows the amounts reported on the Statement of Indebtedness in a summarized form, combining the major types of indebtedness. Detailed information is presented in Table 7 of this publication.

Figure 18

Statement of Indebtedness
(Amounts in thousands)

	2005-06	2004-05
Tax Allocation Bond Debt	$ 26,261,490	$ 25,678,910
Revenue Bond Debt	2,9431687	2,639,936
Other Long-Term Debt	6,273,424	4,467,327
Advances From City/County	7,169,832	6,352,207
Low and Moderate Income Housing Fund	14,485,967	11,210,178
All Other Indebtedness	23,571,776	19,377,803
Total Indebtedness	80,706,176	69,726,361
Available Revenues	(3,668,784)	(3,711,122)
Net Tax Increment Requirement	$ 77,037,392	$ 66,015,240

Changes and Trends

Over the years, legislation has amended the meaning of "redevelopment" in order to meet California's diverse needs. In addition to rehabilitating blighted areas by making property available for new development, various legislative proposals have asked redevelopment agencies to provide shelter for the homeless, establish daycare for children, deal with hazardous wastes, fund fire protection, ensure notification of industrial plant and base closures, and fund pension liabilities. Although not all of these requests have become law, the Legislature has permitted redevelopment agencies to engage in various activities. Redevelopment has provided flood control measures, financed housing for low-income families, assisted in the construction of sports arenas, and operated amusement parks.

The California State Controller's Office has collected financial transaction reports from community redevelopment agencies since the 1967-68 fiscal year. In the fiscal years preceding 1984-85, the reports were compiled annually in the ***Special Districts Annual*** Report. These earlier reports contained significantly less detail than today's reports. Agencies that did not receive tax increment revenues were not required to file a report and thus

were not included in the special districts publication. Figure 19 outlines the increase in the number of established agencies over the last 65 years. For the 2005-06 fiscal year, **27** agencies, or 6.4%, reported having no financial transactions. In the 2004-05 fiscal year, 30 agencies, or 7.1%, reported having no financial transactions.

Figure 19

Number of Agencies and Project Areas[1]

	Agencies		Project Areas	
Five-Year Period	Established	Total	Formed	Total
2006-10	—	422	2	759
2001-05	12	422	54	757
1996-00	18	410	89	703
1991-95	31	392	82	614
1986-90	49	361	138	532
1981-85	114	312	149	394
1976-80	39	198	74	245
1971-75	72	159	111	171
1966-70	40	87	35	60
1961-65	14	47	16	25
1956-60	24	33	6	9
1951-55	4	9	1	3
1940-50	5	5	2	2

[1] Due to new formations, amendments, or merging of project areas annually, the total wunt of project areas varies from year to year. This count is based upon project areas existing and reported during the 2005-06 fiscal year. Only the remaining merged area is counted in the case of mergers, and project areas that may have completed their purpose are dropped from the counts.

Counties have raised concerns regarding the impact that city community redevelopment agencies have on county revenues. In recent years, however, counties have established their own redevelopment agencies. Thirty counties have redevelopment agencies, with 24 reporting financial transactions in the 2005-06 fiscal year. Five agencies have been formed as a result of joint exercise of power agreements between one or more communities. Each of these joint powers entities is currently active. Of these, three were formed as a result of military base closures in order to assist the local communities in economic recovery and base reuse programs. Figure 20 shows the number of active and inactive agencies and project areas by the forming entity.

Figure 20

Number of Agencies and Project Areas by Forming Body

	Agencies			Number of
Formed by	Inactive	Active	Total	Project Areas
Counties	6	24	30	54
Cities	21	366	387	700
Joint Exercise of Powers Agreements	—	5	5	5
Total	27	395	422	759

Figure 21 shows the number of cities that have an active redevelopment agency, an inactive agency, or no agency. Of the 478 cities existing in the 2005-06 fiscal year, 81.0% had at least authorized an agency. Of the 164 cities with a population of 50,001 or greater, 94.5% had active agencies. Of the 21 inactive city agencies, 85.7% were in cities with a population of less than 50,001.

Figure **21**

Number **of** City Agencies **by** Population Group

Population Group	Cities With Active Agencies	Cities With inactive Agencies	Cities With No Agencies	Total
Under 10,000	49	10	52	111
10.001 to 25.000	79	6	21	106
25,001 to 50.000	83	2	12	97
50,001 to 100,000	93	3	5	101
100,001 to 250,000	49	—	1	50
Over 250.000	13	—	—	13
Total	**366**	21	**91**	**478**

The relative physical size of project areas, as well as their increasing numbers, may have an impact on other taxing agencies and the allocation of property taxes. The reported project areas vary in size from approximately two acres to more than 46,000 acres. Figure 22 summarizes the number of project areas by size.

Figure **22**

Number **of** Project **Areas** by Size

(Amount in **acres)**

Number of project areas not reporting acreage	—
2 to 50	64
51 to 100	41
101 lo 500	213
501 to 2,500	332
2,501 to 6,000	75
Over 6.000	34
Total	**759**

Each agency was asked to indicate the various objectives of each of its project areas. The objective most often cited was commercial development. Many agencies cited multiple objectives for project areas. Figure **23** shows the most frequently cited objectives engaged by the project areas.

Figure **23**

Objectives **of** Redevelopment

Commercial	703
Residential	**626**
Public	609
industrial	489
Other	257
Total	**2,684**

Redevelopment Agency Accomplishments

Table 3 in this publication reports information regarding accomplishments **or** achievements of redevelopment agencies during the 2005-06 fiscal year. To provide information about the accomplishments that are a direct result of redevelopment activities, data have been collected regarding estimates of jobs created and the amount of square footage completed on new- and rehabilitated-building projects. However, the data are limited to the most current fiscal year, while projects almost always extend over several years. To avoid overlap of information, agencies are required to provide data only for those projects or accomplishments completed during the report year. In addition to the achievements outlined below, many public infrastructure facilities, such as streets, utilities, sewers, and landscaping projects, were improved or constructed. An estimated 30,632 jobs were created in the 2004-05 fiscal year, and 42,465 jobs were created in the 2005-06 fiscal year. Appendix **A** provides additional information on the accomplishments of specific project areas.

The data reported in Table 3 are presented as reported to the California State Controller's Office and have not been reviewed or verified as to accuracy or reliability. Figure 24 summarizes this information for the past 10 years.

Figure **24**

Square Footage **by** Type **of** Construction Completed and **Jobs** Created
(Amounts in thousands)

	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99	1997-98	1996.97
New Construction										
Commercial Buildings ...	10,686	7,808	10,449	9,128	9,426	6,295	8,647	8,594	4,892	5.630
Industrial Buildings.....	7,814	6,279	8.698	10,748	15.635	15,045	12,850	15,867	10,717	9,096
Public **Buildings**.....	1,427	1,070	834	868	455	1,073	3,270	1,207	453	719
Other Buildings	4,054	5,602	8,863	14,207	5,749	4,203	5,978	4,574	4.416	2,486
New Construction Square Footage	23.981	20,759	28,844	34,951	31,265	26,616	30,745	30,242	20,478	17,931
Rehabilitated Construction										
Commercial Buildings ...	1,790	1,708	2,542	2,710	2,597	7,163	7,747	7,705	1,953	1,699
Industrial **Buildings**.....	2,628	2,609	2,319	1,421	1.592	1,085	1,142	1,491	1.151	1.682
Public Buildings.....	162	386	29	113	83	62	133	72	94	176
Other Buildings	3.337	1,008	1.507	1,367	926	880	1,003	921	1,117	711
Rehabilitated Construction Square Footage	7,917	5,711	6,397	5,611	5,198	9,190	10,025	10,189	4,315	4,268
Total Square Footage.....	**31,898**	**26,470**	35,241	40,562	36,463	35,806	40,770	40,431	24,793	22,199
Jobs Created	42	31	32	34	37	34	38	39	29	41

Assistance to School Districts and Community College Districts

Educational assistance includes financial assistance as well as capital outlay assistance. This comes in various forms, including pass-through agreements and the sharing of the tax increment produced by the 2% growth on the base assessed valuation. In addition, the Health and Safety Code allows an agency to assist school districts with capital outlay by financing actual construction by purchasing or financing facilities, or, when the activities of the agency cause overcrowding of schools, by providing financing assistance to alleviate the overcrowding. Figure 25 shows the State totals for these forms of assistance.

Figure ***25***

Assistance to School Districts and Community College Districts

(Amounts in thousands)

Other Financial Assistance	School Districts	Community College Districts	Totals 2005-06	Totals 2004.05
Tax Increment Pass-Throughs	$ 162,273	$ 27.472	$ 189.745	$ 140,035
Other Financial or Construction Aid	1,001	266	1,267	3,546
Total Other Financial Assistance	$ 163,274	$ 27,738	$ 191,012	5 143,581

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Alameda County (Continued)

Community Redevelopment Agency of the City of Union City — Among its accomplishments during the year, the agency reported:

A. Completing construction of 11th Street;

B. Completing construction of 119 **luxury** single-family homes;

C. Completing conversion of the overhead utilities to underground service from Tamarack Drive to Whipple Road;

D. Completing sidewalks and other improvements along southern Whipple Road;

E. Completing construction of Mission Gateway, a 120-unit affordable family apartment complex, and Alma Via, a 95-unit seniors' assisted-living complex consisting of 16 low-income and seven very-low-income units; and

F. Providing grants and low-cost loans to income-qualifying households to maintain and improve their homes.

Butte County

Chico ***Redevelopment Agency*** — Among its accomplishments during the year, the agency reported:

A. Performing public infrastructure improvements consisting of street improvements, bicycle and pedestrian improvements, storm drainage improvements, and airport improvements;

B. Installing five *art* benches in the Downtown area;

C. Providing funding for a 107-unit senior housing project;

D. Assisting nine families with home purchases through the Mortgage Subsidy Program; and

E. Providing loans to Veterans Executive Committee Organizing Rehabilitation for a 15-bed transitional facility for homeless veterans.

Gridley ***Redevelopment Agency*** — Among its accomplishments during the year, the agency reported opening two small retail centers.

Oroville ***Redevelopment Agency*** — Among its accomplishments during the year, the agency reported

A. Completing a street overlay project for a residential area;

B. Completing sidewalk infill projects to comply with Americans with Disabilities Act;

C. Completing Phase I of the Hewitt Park Project;

D. Completing 12 first-time homebuyer projects;

Butte County (Continued)

E. Completing seven landscaping loans; and

F. Completing a new animal shelter facility for the Society for the Prevention of Cruelty to Animals.

Paradise Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Providing a grant to a low- and moderate-income multi-housing project; and

B. Assisting businesses through the Facade Improvement Program.

Calaveras County

City of Angels Redevelopment Agency — The audit opinion noted that the agency has a net deficiency in net assets at June 30, 2006, which raises substantial doubt about the agency's ability to continue as a going concern.

Contra Costa County

Contra Costa County Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Assisting first-time homebuyers through First-Time Homebuyers and Individual Deposit Account Programs;

B. Providing a revolving abatement loan program to remove unsafe structures;

C. Providing education and construction skills to youth ex-offenders through the YouthBuild Program; and

D. Creating the Young Adult Empowerment Center.

Redevelopment Agency of the City of Concord — Among its accomplishments during the year, the agency reported

A. Opening several businesses in the project area; and

B. Completing three facade improvement programs.

City of El Cerrito Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing construction of Baxter Creek Park;

B. Providing streetscape improvements on San Pablo Avenue; and

C. Providing assistance to businesses through the Business Outreach and Graffiti Abatement Program.

Oakley Redevelopment Agency — The compliance audit opinion noted that the agency did not have the annual report from the property owner, as required by Code Section 33418.

Contra Costa County (Continued)

Among its accomplishments during the year, the agency reported assisting families and senior citizens through the Single-Family Housing Rehabilitation Loan and Grant Program.

Redevelopment Agency of the City of Pittsburg — Among its accomplishments during the year, the agency reported

A. Providing loans for tenant improvements, housing developments, and commercial rehabilitation;

B. Providing a grant for the installation of public infrastructure improvements to support the new Empire Business Park; and

C. Assisting two homeowners through the First-Time Homebuyer Program.

Pleasant Hill Redevelopment Agency — The compliance audit opinion noted that the agency had used the housing fund for expenditures outside the project area without a resolution from the Board of Directors, as required by Code Section 33334.2(g).

Richmond Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not file the Independent Auditor's report on financial statements and report on legal compliance for the year ended June 30,2005, with the State Controller's Office on or before December 31, 2005, as required by Code Section 33080.1. The report was filed on May 12,2006; and

B. The agency did not have the **annual** report from the property owners, as required by Code Section 33418.

Among its accomplishments during the year, the agency reported:

A. Completing construction of the eastern segment of the MacDonald Avenue streetscape improvements;

B. Providing 25 loans to commercial property owners for exterior improvements to their businesses; and

C. Continuing the road reconstruction program.

Redevelopment Agency of the City of San Pablo — The compliance audit opinion noted that the agency did not submit its annual reports to the Board of Directors, as required by Code Section 33080.1.

City of Walnut Creek Redevelopment Agency — Among its accomplishments during the year, the agency reported assisting homeowners with first-time homebuyer and rehabilitation loans.

Fresno County

Clovis Community Development Agency — Among its accomplishments during the year, the agency reported:

A. Completing construction of a single-family home;

B. Completing construction of 75 apartment units for very-low-income senior citizens;

C. Completing painting the exterior of 16 homes occupied by low-income senior citizens;

D. Completing construction of a 162-space parking lot;

E. Providing grants to mobile home owners to make health and safety repairs; and

F. Completing basic exterior property maintenance for low-income senior citizens.

Redevelopment Agency of the City of Fresno — Among its accomplishments during the year, the agency reported:

A. Completing rehabilitation of a vacant home through the Community Housing Partnership Program;

B. Completing three building facade projects through the Commercial Rehabilitation Loan Program;

C. Opening a bank and the Federal Courthouse in downtown Fresno;

D. Completing the first phase of the parking garage for a downtown convention hotel;

E. Completing construction of an office building and garage in the Civic Center Square;

F. Completing the Fink-White Playground Rehabilitation Project;

G. Completing the reconstruction of Elm Avenue through the Street Reconstruction and Beautification Project;

H. Completing construction of two new warehouse/distribution centers;

I. Providing funding for the Martin Luther King Square Rehabilitation Project;

J. Providing land and funding for the Neighborhood Youth Center; and

K. Completing street improvements at the intersection of Butler Street and Chestnut Avenue, and the northwest comer of Butler and Orange Streets.

Fresno County (Continued)

Reedley ***Redevelopment Agency*** — Among its accomplishments during the year, the agency reported providing grants for the Facade Program, Emergency Housing Program, and Senior House Painting Program.

Sanger ***Redevelopment Agency*** — Among its accomplishments during the year, the agency reported assisting four homeowners through the Home Improvement Loan Program.

Humboldt County

Arcata Community Development Agency — The compliance audit opinion noted that the agency did not adopt its five-year implementation plan on or before December 31,2005, as required by Code Section 33490.

Eureka Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Providing funding and completing construction of the Fisherman's Terminal Project;

B. Assisting Old Town Rotary Club with its centennial projects;

C. Providing funding assistance for the North Coast Veterans Resource Center Project;

D. Providing 51 grants to homeowners through the Paint-Up/Fix-Up Program;

E. Assisting homeowners with first-time homebuyer and rehabilitation loans;

F. Assisting seniors in home repairs through the Senior Home Repair Program;

G. Providing assistance to property owners with The Graffiti Clean-Up Program; and

H. Completing four facade improvements through the Facade Improvement Program.

Fortuna ***Redevelopment Agency*** — Among its accomplishments during the year, the agency reported issuing housing rehabilitation and commercial loans.

Imperial County

Community Redevelopment Agency of the City of Calexico — The compliance audit opinion noted that the agency did not adopt a resolution for spending the housing fund outside the project area, as required by Code Section 33334.2(g).

Redevelopment Agency of the City of *El Centro* — The compliance audit opinion noted the following areas of non-compliance:

A. The agency is holding a property for a period of more than five years without an extension by resolution, as required by Code Section 33334.16; and

Imperial County (Continued)

B. The agency did not file its annual reports and the independent auditor's report with the State Controller's Office for the fiscal year ended June 30, 2006, on time, as required by Code Section 33080.1. The reports were filed in January 2007.

Holtville Redevelopment Agency — The compliance audit opinion noted that the agency did not adopt its five-year implementation plan on or before December 31,2005, as required by Code Section 33490. The plan was adopted on January 23,2006.

Kern County

Bakersfield Redevelopment Agency — Among its accomplishments during the year, the agency reported completing construction of 14 homes for the Southeast Bakersfield In-Fill Housing Project.

Taft Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not adopt the five-year implementation plan on December 31,2004, as required by Code Section 33490; and

B. The effectiveness of the redevelopment plan remains at 40 years instead of 30 years, as required by Code Section 33333.6, and the redevelopment plan does not state the period to repay indebtedness.

Kings County

Redevelopment Agency of the City of Corcoran — Among its accomplishments during the year, the agency reported providing assistance to first-time homebuyers and providing rent subsidies for a senior housing project.

Redevelopment Agency of the City of Hanford — Among its accomplishments during the year, the agency reported

A. Expanding 30 businesses and creating 21 jobs in the Downtown Enhancement Project Area; and

B. Establishing nine new businesses and creating 50 jobs in the existing building.

Lake County

Lake County Redevelopment Agency — Among its accomplishments during the year, the agency reported providing financial assistance to a senior housing project in Clearlake Oaks, and a mixed-income housing project in Nice.

Los Angeles County

Community Development Commission of the County of Los Angeles — Among its accomplishments during the year, the agency reported

A. Completing rehabilitation of 42 homes and five businesses; and

Los Angeles County (Continued)

B. Completing development of 100,000 square feet of Phase 1 of the Lincoln Crossing Retail Center, consisting of the Magic Johnson Fitness Center, Farm Fresh Market, a parking structure, and other retail businesses.

Alhambra Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency had not filed its blight progress report or property report to its legislative body or the State Controller's Office for the fiscal year ended June 30,2005, as required by Code Section 33080.4; and

B. The agency did not file its independent auditor's report and its annual reports with the State Controller's Office for the year ended June 30, 2005, on time, as required by Code Section 33080.1. The reports were filed on January 23,2006.

Arcadia Redevelopment Agency — Among its accomplishments during the year, the agency reported providing funds for three commercial facade improvement projects.

Artesia Redevelopment Agency — The compliance audit opinion noted that the agency did not file its annual reports with the legislative body within six months for the fiscal year ended June 30, 2005, as required by Code Section 33080.1. The reports were filed on January 17,2006.

City of Azusa Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Providing a loan and a grant to a developer for tenant improvements;

B. Completing construction of a state-of-the-art dental office and two loft apartments;

C. Completing a new retail center, including a Starbucks, Subway, Cingular, and UPS Store;

D. Providing financial assistance through the Business Development Program; and

E. Providing 20 housing rehabilitation grants and two HOME rehabilitation loans to low-income residents through the Housing Rehabilitation Program.

Bellflower Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing construction of the Library Gardens Park;

B. Completing construction of two entry portals on Bellflower Boulevard at Rose Street and Foster Road;

C. Painting the 91 Freeway underpass abutments at Bellflower Boulevard;

Los Angeles County (Continued)

D. Completing the Palm Vista mobile home park redesign and redevelopment on Flora Vista. The project included the widening of Flora Vista Street, installation of new sidewalks, curbs, and gutters; and

E. Completing construction of the 8,500 square-foot Pocket Park at the southwest comer of Palm Street and Clark Avenue.

Burbank Redevelopment Agency — Among its accomplishments during the year, the agency reported completing the Burbank Accessible Apartments.

Cerritos Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Providing 12 grants through the Residential Assistance Program;

B. Providing a loan to a low-income family;

C. Installing landscape along the southbound portion of the 605 Freeway;

D. Installing traffic signals at Dumont Avenue and Artesia Boulevard;

E. Completing the parking lot at Valley Christian High School;

F. Completing renovation of the Swim and Fitness Center;

G. Completing construction of a sculpture garden and park at the Civic Center Complex;

H. Completing expansion of the Cerritos Senior Center;

I. Replacing a 16-hydraulic stage lift system at the Cerritos Center for Performing **Arts;**

J. Completing reconstruction of 166th Street from Carmenita Road to Edwards Road; and

K. Creating 482 new jobs as the result of commercial and residential development within the project areas.

Commerce Community Development Commission — Among its accomplishments during the year, the agency reported:

A. Providing funding for the Housing Rehabilitation Program;

B. Providing funding for the Neighborhood Fix-Up Grant Program;

C. Completing the Slauson/Telegraph improvement;

D. Completing the first expansion of the Citadel Outlet Collection Development; and

E. Completing the Commercial Facade Program for Atlantic Boulevard.

Los Angeles County (Continued)

City of Compton Community Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not complete analyzing the general ledger prior to the start of audit fieldwork resulting in a number of adjustments to the trial balance;

B. The agency did not have comprehensive policies and procedures for accounting functions;

C. There is no procedure in place to ensure that cash and investments are recorded properly;

D. The agency did not perform a comprehensive reconciliation that reconciled total cash in the general ledger to all the bank accounts;

E. The agency did not have a policy that monitored and controlled the movement of capital assets; and

F. The agency did not have procedures in place to ensure that the purchases of land held for resale are recorded properly.

Among its accomplishments during the year, the agency reported:

A. Providing down-payment assistance to 42 first-time homebuyers to purchase single-family units; and

B. Providing rehabilitation loans and grants to 75 homeowners

Covina Redevelopment Agency — Among its accomplishments during the year, the agency reported continuing improvements to the Shoppers' Lane Center through the Facade Program.

Culver City Redevelopment Agency — Among its accomplishments during the year, the agency reported opening Ford's Filling Station.

Downey Community Development Commission — Among its accomplishments during the year, the agency reported:

A. Continuing street improvements including intersection widening, raised medians, landscaping, decorative lighting, and irrigation systems;

B. Continuing the Facade Improvement and Sign Programs; and

C. Converting a restaurant from a former gas station to complement a recently completed supermarket center.

Redevelopment Agency of the City of Duarte — Among its accomplishments during the year, the agency reported

A. Completing the La-Z-Boy Furniture Gallery Center with six in-line shops; and

Los Angeles County (Continued)

B. Completing 79 one-bedroom apartments for very-low-income seniors at the Andres Duarte Terrace.

El Monte Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency is holding a property for a period of more than five years without an extension by resolution, as required by Code Section 33334.16; and

B. The agency did not adopt a budget during fiscal year 2005-06, as required by Code Section 33606. The budget was adopted on November 27,2006.

Among its accomplishments during the year, the agency reported:

A. Completing the first phase construction of a Wells Fargo Bank;

B. Completing construction of a four-story 100-unit affordable senior apartment project at Valley and Esto; and

C. Completing four commercial rehabilitations.

Glendale Redevelopment Agency — Among its accomplishments during the year, the agency reported completing construction of Phases I and II of the San Fernando Road Landscape Project.

Glendora Community Redevelopment Agency — The compliance audit opinion noted that the agency did not have a proper system of checks and balances. Bank accounts were not reconciled to the general ledger on a timely basis.

Among its accomplishments during the year, the agency reported:

A. Completing facade renovation of an office building;

B. Providing seven deferred loans, nine emergency grants, and 14 mobile home grants; and

C. Providing assistance to 104 very-low-income senior housing units.

Hawaiian Gardens Redevelopment Agency — The compliance audit opinion noted that the agency had not adopted its five-year implementation plan, as required by Code Section 33490.

Hawthorne Community Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency had not adopted its five-year implementation plan, as required by Code Section 33490; and

B. The agency has held a property for a period of more than five years without an extension by resolution, as required by Code Section 33334.16.

Los Angeles County (Continued)

Community Development Commission of the City of Huntington Park — The compliance audit opinion noted that the agency did not prepare a written determination showing that planning and administrative expenditures were necessary for the production, improvement, or preservation of low- and moderate-income housing, as required by Code Section 33334.3(d).

Inglewood Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing construction of two single-family homes;

B. Completing construction of Village Century, a 16-acre, 193,000 square-foot retail shopping center; and

C. Providing homebuyers with loans through the First-Time Homebuyer Program.

Irwindale Community Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing four buildings at Buena Vista;

B. Completing Phase I of a housing project consisting of nine low- and moderate-income homes and six market-rate units;

C. Providing 14 home improvement loans for housing rehabilitation; and

D. Completing construction of a landscaped concrete-perimeter block wall for pedestrian safety.

Lakewood Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Providing rehabilitation loans to very-low-, low-, and moderate-income homeowners through the Single-Family Rehabilitation Loan Program;

B. Providing grants to low- and moderate-income homeowners through the Fix-Up/Paint-Up Program; and

C. Providing funding assistance in cleaning up properties through the Neighborhood Clean-Up Program.

Lancaster Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing construction of the 15,500 square-foot facility for the Children's Center of Antelope Valley;

B. Completing construction of MBK homes in a section of the Northeast Gateway Comdors Project, and sold 79 single-family residences; and

C. Completing construction of the first phase of the Fox Field Business Park.

Los Angeles County (Continued)

Lawndale Redevelopment Agency — Among its accomplishments during the year, the agency reported providing rehabilitation loans and grants to low- and moderate-income homeowners.

Redevelopment Agency of the City of Long Beach — Among its accomplishments during the year, the agency reported:

A. Providing funding to assist artists to develop live/work units and studio space through the East Village Artist Loan Program;

B. Completing the Insurance Exchange Building adaptive reuse;

C. Implementing the Uniform Public Parking Signage Program throughout Downtown;

D. Completing eight commercial facade projects;

E. Providing funding for the Neighborhood Revitalization Program;

F. Completing construction of five gateway medians,

G. Completing construction of a new mini-park at Market and Dairy; and

H. Providing funding for economic development activities, small business assistance programs, and environmental clean-up.

Community Redevelopment Agency of the City of *Los* Angeles — The compliance audit opinion noted that the agency did not adopt the five-year implementation plans for 20 out of 32 project areas on a timely basis, as required by Code Section **33490.**

Among its accomplishments during the year, the agency reported

A. Assisting homeowners with loans through the First-Time Homebuyer Program and Residential Rehabilitation Program;

B. Providing funding through the Cesar Chavez Avenue Beautification Program;

C. Providing a construction loan to develop 85-units of affordable multi-family rental housing;

D. Providing loans to businesses through the Facade Improvement Program;

E. Opening three new food establishments, a prominent cafe/coffee retailer, and women's clothing retailers;

F. Providing graffiti and sidewalk clean-up, and creating jobs and job training for 20 youths;

G. Completing one housing development through the Homeless Reduction Program;

Los Angeles County (Continued)

H. Completing streetscape public improvements in the Leimert Park Village area;

I. Completing the View Park Charter School;

J. Completing construction of 50-units of affordable rental housing at Beyond Shelter, Inc.;

K. Completing construction of 24-units of very-low-income housing for elderly persons;

L. Completing the mixed-use development project at The Tuscany;

M. Providing storefront facade/signage grants and move-in loans through the Business Assistance Program;

N. Completing construction of the MTA Bus Terminal;

O. Completing construction of surface parking lots to serve the Nate Holden Performing Arts Center;

P. Completing seven condominium units at 7th and Grand Avenues;

Q. Completing the Sav On Pharmacy at 700 South Gaffey;

R. Completing 119 one- to five-bedroom affordable units at Tierra Del Sol;

S. Completing improvements of a deteriorated parking lot in the Reseda commercial district;

T. Completing upgrades on 35 storefronts;

U. Completing the final phase of the rehabilitation project in the Guadalupe Center; and

V. Providing clean-up services to remove graffiti from the walls of existing businesses, commercial buildings, and residential properties through the Community Pride and Graffiti Abatement Program.

Lynwood Redevelopment Agency — Among its accomplishments during the year, the agency reported completing rehabilitation of 13 homes.

Monrovia Redevelopment Agency — The compliance audit opinion noted that the agency bad not developed land acquired with Low- and Moderate-Income Housing Funds within a ten-year period, as required by Code Section 33334.16. The agency had disposed of the property shortly after the end of the fiscal year.

Montebello Community Redevelopment Agency — The compliance audit opinion noted that the agency did not adopt the five-year implementation plan on or before December 31,2004, as required by Code Section 33490.

Among its accomplishments during the year, the agency reported:

A. Completing 20 detached single-family homes;

Los Angeles County (Continued)

B. Completing Phase I of the Whittier Boulevard Streetscape Project;

C. Completing the Don Chente Restaurant;

D. Completing a strip mall development on the northwest comer of Washington and Greenwood Boulevards; and

E. Completing an industrial condominium building on Telegraph Road

Community Redevelopment Agency of the City of Monterey Park — Among its accomplishments during the year, the agency reported:

A. Completing one commercial facade improvement through the Commercial Rehabilitation Program;

B. Providing a loan for renovation of the affordable housing for low-income tenants;

C. Providing funding for two residential rehabilitation projects;

D. Completing rehabilitation of a six-unit apartment building to provide supportive housing for seven to ten adults with mental disabilities; and

E. Providing funding for the rehabilitation of two single-family homes for low-income owners through the Rebuilding Together Program.

Palmdale Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Opening various businesses throughout the merged project area;

B. Opening the South Valley Work Source Center;

C. Assisting homeowners through the Single-Family Rehabilitation Loan Program;

D. Assisting homeowners through the Mobile Home Rehabilitation Grant Program;

E. Completing revitalization activities in Focus neighborhood #3 and East Avenue P-14;

F. Providing landscape assistance to very-low-income families through the Community Outreach Program;

G. Assisting very-low-income families through the Emergency Repair Grant Program; and

H. Assisting in revitalization of downtown through the Palmdale Boulevard Facade Improvement Program.

Los Angeles County (Continued)

Pasadena Community Development Commission — Among its accomplishments during the year, the agency reported:

A. Providing 180 beds to homeless people during the emergency and bad-weather season;

B. Completing 12 rehabilitation projects for low-income elderly and disabled persons;

C. Providing financial assistance for housing rehabilitation, code enforcement, economic development, and capital improvements within the Service Benefit Area;

D. Providing loans to 25 low- and moderate-income homebuyers through the Homeownership Opportunities Program;

E. Providing home rehabilitation within the targeted revitalization area;

F. Providing commercial storefront improvements in the Lake/Washington, Villa-Parke, and Downtown Redevelopment Project Areas;

G. Providing tenant-based rental subsidies to 1,256 very-low-income families;

H. Providing rental assistance to eight very-low-income families through the Housing Opportunity for Persons With Aids Program;

I. Providing assistance to 45 very-low-income families with disabilities through the Shelter Plus Program;

J. Providing supporting services to 1,015 homeless, very-low-income families through the Supportive Services Program;

K. Providing rental assistance to 28 very-low-income families through the Home TBRA Program; and

L. Providing financial assistance to local non-profit agencies for the provision of public and human services to low-income families.

Pico Rivera Redevelopment Agency — Among its accomplishments during the year, the agency reported providing rehabilitation funding for owner-occupied single-family homes through the Rehabilitation Program.

Redevelopment Agency of the City of Pomona — The compliance audit opinion noted that the agency did not sell the properties that it has been holding for periods in excess of five years plus the period of their one-time extension, as required hy Code Section 33334.16.

Among its accomplishments during the year, the agency reported:

A. Providing ten grants to very-low, low-, and moderate-income families through the Facade Improvement Program;

Los Angeles County (Continued)

B. Providing seven grants to very-low- to moderate-income single-family homeowners through the Emergency Grant Program; and

C. Providing business assistance to relocate and construct a new restaurant.

San Dimas Redevelopment Agency — The compliance audit opinion noted that the agency did not adopt its five-year implementation plan on or before December 31,2004, as required by Code Section 33490.

Among its accomplishments during the year, the agency reported

A. Continuing installation of decorative street lights in the town core area; and

B. Providing mortgage subsidies to qualified homebuyers through the Second Mortgage Subsidy Program.

City of *San* Fernando Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not adopt the current five-year implementation plan on or before December 31, 2004, as required by Code Section 33490. The plan was adopted on October 16,2006; and

B. The agency did not deposit the appropriate amount of interest to the Low- and Moderate-Income Housing Fund, as required by Code Section 33334.3.

Redevelopment Agency of the City of Santa *Fe* Springs — The compliance audit opinion noted the following areas of non-compliance:

A. The agency is holding properties for a period of more than five years without an extension by resolution, as required by Code Section 33334.16; and

B. The agency did not prepare a written determination showing that planning and administrative expenditures were necessary for the production, improvement, or preservation of low- and moderate-income housing, as required by Code Section 33334.3(d).

Among its accomplishments during the year, the agency reported assisting 118 residential units through the Housing Rehabilitation Program.

Redevelopment Agency of the City of Santa Monica — Among its accomplishments during the year, the agency reported

A. Opening the Main Library and Supplemental Parking Facility;

B. Providing construction funding for two affordable housing projects; and

C. Providing acquisition and rehabilitation funding for an affordable housing development that will provide eight three-bedroom and two bathroom units at 1944-20th Street.

Los Angeles County (Continued)

Community Redevelopment Agency of the City of Sierra Madre — Among its accomplishments during the year, the agency provided three grants to businesses through the Facade Improvement Program.

South El Monte Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not prepare a written determination showing that planning and administrative expenditures were necessary for the production, improvement, or preservation of low- and moderate-income housing, as required by Code Section 33334.3(d); and

B. The agency bought certificates of deposit with a credit union that did not have deposit insurance that was in accordance with the investment policy. In addition, the certificate of deposit was purchased for a term longer than the investment policy allowed.

Redevelopment Agency of the City of South Gate — The compliance audit opinion noted that the agency did not follow the public notification procedure for the sale of property owned by the agency.

Temple City Community Redevelopment Agency — The compliance audit opinion noted that the agency was not in compliance with Code Section 33302 because the city's housing element did not comply with Government Code Section 65300. On June 20,2000, the city adopted an updated housing element. This updated document was provided to the California Department of Housing and Community Development and was returned with comments. In October 2001, a revised housing element was resubmitted to the State and was also returned with additional comments. At this time, the city is reviewing information relative to the status of an updated document.

Among its accomplishments during the year, the agency reported providing low-interest loans to very-low-income homeowners to make repairs and improvements in order to bring housing into compliance with building codes.

West Covina Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing four restaurants at the Eastland Shopping Center and six restaurants at the Edwards Entertainment Center;

B. Providing ten loans through the Housing Preservation Program; and

C. Providing 52 loans through the Home Improvement Loan Program.

Madera County

Madera Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing the East Yosemite Avenue Entry Project;

Madera County (Continued)

B. Assisting one homeowner with a down-payment assistance loan, three homeowners with new construction loans, and two homeowners with rehabilitation loans;

C. Completing two rehabilitation projects;

D. Providing funding through the First-Time Homebuyer Homeownership Program;

E. Completing six community infrastructure projects; and

F. Providing graffiti abatement and other neighborhood renewals through the Neighborhood Revitalization Program.

Marin County

Marin County Redevelopment Agency — The compliance audit opinion noted that all the payments of housing set-aside funds made by the agency to the Partnership (Gateway Apartment Partners, L.L.P.) were used to pay operating costs of a project instead of the principal and interest payments on the California Housing Finance Agency loan.

Redevelopment Agency of the City of Novato — The compliance audit opinion noted that the agency did not adopt the five-year implementation plan on or before December 31,2004, as required by Code Section 33490.

Mendocino County

Ukiah Redevelopment Agency — Among its accomplishments during the year, the agency reported providing funding for Ukiah downtown business district streetscape and facade improvements.

Merced County

Atwater Redevelopment Agency —The compliance audit opinion noted the following areas of non-compliance:

A. The agency's system of internal control did not provide segregation of duties to safeguard assets to ensure proper recording of transactions; and

B. The agency did not have written policies and procedures regarding capital assets capitalization.

Dos Palos Redevelopment Agency — The compliance audit opinion noted that the amounts due on notes receivable were several months behind in collection, but no one on the agency staff was aware of this. The agency's bookkeeper has incorrectly recorded payment of principal and interest. This compliance exception is identical to that stated in the 2004-05 audit.

Merced County (Continued)

Los Banos ***Redevelopment Agency*** — Among its accomplishments during the year, the agency reported:

A. Providing improvements in the downtown area; and

B. Providing improvements in conjunction with the rail to trail corridor.

Redevelopment Agency of the City of Merced — Among its accomplishments during the year, the agency reported completing construction of a home for a first-time homeowner by Habitat for Humanity.

Monterey County

Monterey County ***Redevelopment Agency*** — Among its accomplishments during the year, the agency reported:

A. Completing construction of a new library, family resource center, and public plaza;

B. Installing a new traffic signal on Salinas Road at the Pajaro Middle School;

C. Completing Phase I of the Salinas Road Affordable Housing Project consisting of 26 units;

D. Completing Phase II of the Boronda Storm Drain Master Plan Implementation;

E. Painting 12 homes owned by low-income households through the Boronda Paint Program;

F. Beautifying the Boronda community through the Boronda Spring Clean-Up Program;

G. Providing loans to Boronda **Oaks** and Jardines de Boronda Affordable Housing Projects;

H. Providing loans to four low-income homeowners through the Housing Rehabilitation Program;

I. Providing loans to 12 homebuyers through the First-Time Homebuyers Down-Payment Assistance Program; and

J. Creating 11 inclusionary units through the Inclusionary Housing Program.

Salinas Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing street improvements on Sanborn Street;

B. Completing two new affordable housing rental projects for low- and very-low-income families consisting of 25 units for senior farm workers, and 20 units for the mentally ill;

Monterey County (Continued)

C. Providing a facade grant to one business; and

D. Painting five commercial buildings

Napa County

Napa Community Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Completing one seismic retrofit project; and

B. Completing one facade improvement project.

Nevada County

Town of Truckee Redevelopment Agency — The compliance audit opinion noted that the agency did not adopt the five-year implementation plan on or before December 31, 2004, as required by Code Section 33490. The plan was adopted on May 19,2006.

Orange County

Orange County Development Agency — Among its accomplishments during the year, the agency reported:

A. Providing down-payment assistance for low- and moderate-income families through the Mortgage Assistance Program;

B. Providing loans to single families through the Block Rehabilitation Program;

C. Providing infrastructure improvements to public facilities, public work projects, and community centers;

D. Installing an alleyway for seven single-family residences and a multi-housing apartment building;

E. Widening the narrow section of Spring Street;

F. Completing construction of Stratford Place and Windsor Court Apartments; and

G. Completing construction of the Windrow/Northwood Apartments.

Brea Redevelopment Agency — Among its accomplishments during the year, the agency reported providing financial assistance through the Homebuyer Assistance Program, Senior Subsidy Program, Low- and Moderate-Income Rental Program, and the Neighborhood Enhancement Program.

Redevelopment Agency of the City of Buena Park — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not submit its independent auditor's report on financial statements and legal compliance to the Board of Director's for the year ended June 30,2005, on time, as required by Code Section 33080.1; and

Orange County (Continued)

B. The agency did not file the property report for the year ended June 30,2005, as required by Code Section 33080.1.

Redevelopment Agency of the City of Cypress — Among its accomplishments during the year, the agency reported:

A. Providing loans and grants through the Residential Rehabilitation Program; and

B. Opening the Costco Warehouse.

Fullerton Redevelopment Agency — The compliance audit opinion noted that the agency did not prepare a written determination showing that planning and administrative expenditures were necessary for the production, improvement, or preservation of low- and moderate-income housing, as required by Code Section 33334.3(d).

Among its accomplishments during the year, the agency reported:

A. Completing reconstruction of Lemon Street from Chapman to Berkeley, including landscape median;

B. Providing financial assistance for the arterial street reconstruction, rehabilitation, and repair; and

C. Completing the Lemon Underpass Improvement Project.

Garden Grove Agency for Community Development — The compliance audit opinion noted that the agency has held property for a period of more than five years without an extension by resolution, as required by Code Section 33334.16.

Among its accomplishments during the year, the agency reported

A. Providing 14 mobile home improvement grants;

B. Assisting 14 property owners with home improvement loans; and

C. Providing funding for exterior home improvements for 30 seniors through the Senior Grant Program.

Redevelopment Agency of the City of Huntington Beach — Among its accomplishments during the year, the agency reported:

A. Opening the Pacific City Discovery Center;

B. Opening the 1,532-space public parking garage; and

C. Completing the Lifeguard and Junior Lifeguard Headquarters.

Orange County (Continued)

Lake *Forest* Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing the first phase of the Orchard at Saddleback Development;

B. Completing construction of road, landscape, and streetscape improvements along El Toro Road between the **1-5** Freeway and Muirlands Boulevard;

C. Completing the Rockfield Wall Coating and Aliso Creek Pedestrian Bridge Replacement;

D. Completing minor repairs and exterior painting of 11 mobile homes through the Neighborhood Revitalization/Volunteer Pride Program;

E. Assisting 13 moderate income homeowners with home repairs through the Community Development Block Grant Rehabilitation Program; and

F. Providing funding to assist low- and moderate-income residents through public service programs.

Community Development Agency *of* the City *of* Mission Viejo — Among its accomplishments during the year, the agency reported providing loans and grants to low- and moderate-income families for housing rehabilitation.

City *of* Orange Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Opening several stores and restaurants at The Village;

B. Completing construction of a Home Depot;

C. Completing major interior remodeling of the Doubletree Hotel; and

D. Providing monthly housing cost subsidies to one very-low-income senior through the Mobile Home Park Rental Assistance Program.

San Clemente Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Providing loans for four multi-family projects and two single-family projects through the Home Rehabilitation Loan Program;

B. Completing Phase II garden improvements in the Casa Romantica Development; and

C. Providing assistance to four non-profit organizations through housing support programs.

San Juan Capistrano Community Redevelopment Agency — Among its accomplishments during the year, the agency reported providing blight removal in the core business district through the Downtown Directional Signage Program and Facade Improvement Program.

Orange County (Continued)

City of Santa Ana Community Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Completing the first phase expansion of the Discovery Science Center;

B. Completing the first phase of Santiago Street Lofts with *36* transit-oriented live/work units adjacent to the train station;

C. Completing the first phase of the Auto Mall expansion with an addition of over 170,000 square feet;

D. Completing the Digital Media Center;

E. Assisting a non-profit agency with the acquisition and rehabilitation of four apartment buildings in the Cornerstone Village and two apartment buildings in the Willard neighborhood;

F. Assisting rehabilitation of a 24-unit apartment along Santa Ana Boulevard; and

G. Providing loans to 14 mobile home owners and two single-family owner-occupants to rehabilitate their homes.

Stanton Redevelopment Agency — The compliance audit opinion noted that the agency calculated the 20% set-aside of tax increment based on the net proceeds received rather than the gross tax increment.

Westminster Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Completing the intergenerational housing complex with 58 rental units for low-income seniors and 28 rental town homes for low-income families;

B. Completing a three-unit apartment building;

C. Providing loans and completing rehabilitation of seven single-family homes owned by low-income families;

D. Opening Rose Community Center;

E. Completing the Coast Community College District Learning Center;

F. Completing conversion of a 54-unit motel into very-low and low-income single-room apartments; and

G. Completing right-of-way projects and residential street improvement and repair projects.

Placer County

Redevelopment Agency *of* Placer *County* — Among its accomplishments during the year, the agency reported:

A. Providing street, sidewalk, landscaping, and roadway improvements to Highway 49;

B. Providing improvements to street intersections;

C. Providing assistance in construction of hike trails and pedestrian walkways along the shore of Lake Tahoe; and

D. Providing funding for the construction of California Highway 28 street improvements.

Lincoln Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Providing a loan to Lincoln Brand Feed for rehabilitation of a commercial building site;

B. Providing funding for residential sewer line rehabilitation and replacement;

C. Completing a 41-space public parking lot;

D. Providing funding for construction of 20 affordable single-family residential units; and

E. Providing funding for new furniture in the downtown area.

Redevelopment Agency *of* the *City of* Roseville — Among its accomplishments during the year, the agency reported:

A. Providing funding for rehabilitation of Roseville Homestart's 27-unit transitional housing facility; and

B. Providing assistance to six low-income first-time homebuyers with deferred loans in combination with Home Investment Partnership Program funds.

Riverside County

Redevelopment Agency *for* the *County of* Riverside — Among its accomplishments during the year, the agency reported

A. Completing construction of the Home Gardens Fire Station, a library, and a community center;

B. Completing beautification and improvements of Armstrong Road and Sierra Avenue, Etiwanda Avenue, Vemola Basin and Park, and Phase II **of** Home Gardens;

C. Completing the Art Samson Community Library;

Riverside County (Continued)

D. Completing improvements on the interchange of Monterey, Cook, and Washington Streets;

E. Completing rehabilitation of Hemet Ryan Hangar 5;

F. Completing the Jacqueline Cochran Airport Infrastructure Project; and

G. Completing the Mecca Family Service Center and Community Clinic.

Redevelopment Agency of the City of Beaumont — The compliance audit opinion noted that the agency did not file its annual financial reports for the fiscal year ended 2004-05, on time, as required by Code Section 33080.1. The annual reports were filed on March 6,2006.

City of Calimesa Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency redevelopment plan limit for establishing debt exceeds the 20-year limit; and

B. The agency redevelopment plan does not include a statement regarding the effectiveness of the plan.

City of Cathedral City Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing construction of a 61-unit moderate-income family housing project;

B. Providing assistance to very-low-, low-, and moderate-income homeowners with home repair;

C. Completing construction of sanitary sewers, water lines, and road pavement on 35th Avenue; and

D. Continuing assistance to low-income homeowners through the Assessment District Fee Assistance Program and Sewer Hook-Up Assistance Program.

Redevelopment Agency of the City of Corona — Among its accomplishments during the year, the agency reported

A. Assisting families through the Minor Home Improvement Grant Program and Home Improvement Loan Program;

B. Completing various safety improvements within the Corona Mall common area;

C. Assisting removal and replacements of five blighted or outdated signs, and providing three businesses with exterior improvements;

D. Creating 1,600 new jobs;

Riverside County (Continued)

E. Completing construction of 360 affordable housing units at the River Run Senior Apartments; and

F. Completing the 40-unit very-low-income Sherman Avenue Senior Apartments.

City of Desert Hot Springs Redevelopment Agency — The compliance audit opinion noted that the agency does not have a policy and a corresponding procedure that requires annual monitoring of each loan program.

Hemet Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency had not adopted its five-year implementation plan, as required by Code Section 33490; and

B. The agency had used the housing fund for expenditures outside the project area without a resolution from the Board of Directors, as required by Code Section 33334.2(g).

Redevelopment Agency of the City of Indian Wells — Among its accomplishments during the year, the agency reported providing funding for the Indian Wells Golf Resort Improvement Project.

La Quinta Redevelopment Agency — Among its accomplishments during the year, the agency reported providing improvements in widening Highway 111 between Adams Street and Simon Drive.

Lake Elsinore Redevelopment Agency — The compliance audit opinion noted that the agency did not submit the annual report, the blight progress report, and the property report to the legislative body and the State Controller's Office by December 31,2005, as required by Code Section 33080.

March Joint Powers Redevelopment Agency — The compliance audit opinion noted that the agency could not provide evidence of notifying the public of a hearing in a local newspaper for the five-year implementation plan, as required by Government Code Section 6040.

Moreno Valley Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing construction of Pepper Street improvements;

B. Completing Phase II of Cottonwood Place, a low- and moderate-income apartment project;

C. Completing construction of a home through the Youthbuild Program;

D. Providing homebuyers with down-payment assistance through the Homebuyer Assistance Program and Homeownership Opportunity Program;

Riverside County (Continued)

E. Providing loans to homeowners for minor home repairs through the Homeowner Assistance for Minor Rehabilitation Program;

F. Providing low-interest loans to homeowners for repairs and improvements through the Home Improvement Loan Program;

G. Providing grants to mobile home residents for improvements through the Mobile Home Grant Program; and

H. Opening the Lakeside Terrace Shopping Center, the Moreno Beach Plaza, the Moreno Valley Plaza, the TownGate Plaza, the TownGate Promenade, the TownGate Square, and a manufacturing/distribution center on the east side of Heacook Street.

Norco Community Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Completing construction of a new traffic signal at Chaparral Center; and

B. Completing banner poles improvements in Old Town Norco.

City of Palm Desert Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Providing funding assistance for renovation of the central business district and the Wallaroo Children's Center;

B. Completing construction of the Visitor Information Center;

C. Completing renovations of 21 units at Laguna Palms Apartments and 120 units at the California Villas Apartments;

D. Providing funding for the development of 93 single-family homes and 21 senior apartment complexes;

E. Providing financial assistance for two homes through the Acquisition and Rehabilitation Program; and

F. Providing grants and loans to very-low-, low-, and moderate-income families to improve housing conditions.

Redevelopment Agency of the City of Riverside — Among its accomplishments during the year, the agency reported completing the Casa Blanca Health Clinic Project.

Redevelopment Agency of the City of San Jacinto — The compliance audit opinion noted that the agency did not present its independent financial audit, the fiscal statement, a description of the agency's activities, the blight progress report, and the property report to its legislative body for the fiscal year ended June 30,2005, on time, as required by Code Section 33080.1.

Riverside County (Continued)

Among its accomplishments during the year, the agency reported:

A. Completing one facade project;

B. Providing loans to nine families through the Home Rehabilitation Program;

C. Providing grants to 64 qualifying households through the Senior Home Repair Grant Program; and

D. Assisting 240 new businesses joining the community

Redevelopment Agency of Temecula — Among its accomplishments during the year, the agency reported providing funding to 55 homeowners for exterior home improvements through the Residential Improvement Paint and Fence Program.

Sacramento County

Redevelopment Agency of the County of Sacramento — Among its accomplishments during the year, the agency reported completing new streets, curbs, gutters, landscaping, lighting, and underground utilities.

Redevelopment Agency of the City of Folsom — Among its accomplishments during the year, the agency reported

A. Providing assistance through the Seniors-Helping-Seniors Program;

B. Providing loans and grants through the Mobile Home Loan/Grant Program and Winter Relief Transition Program;

C. Completing Phase I of the Historic Revitalization Effort;

D. Providing financial assistance for curb improvements;

E. Providing first-time homebuyers with down-payment assistance; and

F. Providing subsidies to the Mercy Senior Housing Creekside Drive Project and affordable family housing on Sibley Street.

Redevelopment Agency of the City of Galt — Among its accomplishments during the year, the agency reported completing rehabilitation of seven single-family residential properties and three mobile homes through the Galt Rehabilitation and Loan Program.

Redevelopment Agency of the City of Sacramento — Among its accomplishments during the year, the agency reported:

A. Completing the Fremont Mews, a 119-unit mixed-income complex;

B. Completing Phase III of the Dixieanne Street Lighting Project;

C. Completing Stockton Boulevard Streetscape Improvements;

D. Completing Oak Park Community Center Phase I improvements;

Sacramento County (Continued)

E. Completing rehabilitation of 15 homes; and

F. Installing traffic calming devices on Stockton Boulevard.

San Benito County

Hollister Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Providing rehabilitation assistance to 14 low-income single-family owner-occupied units;

B. Providing financial assistance to a local non-profit housing provider to rehabilitate six housing units;

C. Providing loans for the Downtown Facade Improvement Project; and

D. Providing financial assistance to rehabilitate an existing building to house the Honda Motorcycle Dealership.

San Bernardino County

Redevelopment Agency of the County of San Bernardino — Among its accomplishments during the year, the agency reported:

A. Providing graffiti abatement through the Graffiti Abatement Program;

B. Completing the Beech Avenue road-widening project; and

C. Completing the Whittram Avenue road-widening project.

Apple Valley Redevelopment Agency — The compliance audit opinion noted that the agency did not present its annual financial report and housing activities report to the legislative body or the State Controller's Office, on time, as required by Code Section 33080.1.

Redevelopment Agency of the City of Barstow — Among its accomplishments during the year, the agency reported:

A. Completing construction of 41 homes; and

B. Completing construction of the $2.3 million Compressed Natural Gas/Liquefied Natural Gas fuel stations.

Redevelopment Agency of the City of Chino — Among its accomplishments during the year, the agency reported:

A. Completing construction of a 20,000 square-foot medical office building;

B. Completing construction of a 8,500 square-foot office building;

C. Completing downtown parking lot improvements; and

D. Completing 100 Best Communities and four entry monument signs.

San Bernardino County (Continued)

Redevelopment Agency of the City of Colton — Among its accomplishments during the year, the agency reported

A. Completing six tenant conversions;

B. Completing curbs, gutters, and sidewalks at Citrus Street through the Public Infrastructure Improvements and Home Beautification Grant Program;

C. Completing streetscape, residential curbs and gutters, bike lanes, and scenic drive fencing in the Mt. Vernon Project Area;

D. Completing improvements for Dauer Park, Cooley Park, the Washington Street median, signals, and reconstruction in the Cooley Ranch Wood Street sub-division;

E. Providing tenant improvements to several new restaurants and stores; and

F. Completing the 35,000 square-foot Saddleback RV dealership.

Fontana Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The loan receivable balance on the general ledger did not agree with information present in the support files;

B. The accounting software does not post payables into the appropriate accounts; and

C. The agency did not present its annual reports to its legislative body within six months after the end of the fiscal year, as required by Code Section 33080.1.

Community Redevelopment Agency of the City of Grand Terrace — The compliance audit opinion noted that the agency is holding two parcels of property for a period of more than five years without an extension by resolution, as required by Code Section **33334.16.**

Hesperia Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Providing funding to Sunrise Terrace I and II projects;

B. Assisting families through the Housing Rehabilitation Loan Program; and

C. Providing funding for the Down-Payment Assistance Program.

Inland Valley Development Agency — The compliance audit opinion noted that the agency did not submit its independent auditor's report on financial statements and its legal compliance, the annual report, and the housing activities report to its governing board within six months for fiscal year 2004-05, as

San Bernardino County

(Continued)

required by Code Section 33080(a). The reports were submitted in January 2006.

Among its accomplishments during the year, the agency reported:

A. Providing improvements to Commissary Building #56 to mitigate existing deficiencies; and

B. Providing a grant to the San Bernardino International Airport for various capital improvements.

City of Loma Linda Redevelopment Agency — Among its accomplishments during the year, the agency reported providing housing funds for loans and grants to very-low- and low-income homeowners for residential repairs.

City of Montclair Redevelopment Agency — Amongits accomplishments during the year, the agency reported

A. Assisting low- and moderate-income families through the Homebuyer Assistance Program; and

B. Rehabilitating 50 properties through the Exterior Housing Improvement Program.

Needles Redevelopment Agency — The audit opinion noted that the agency did not record certain general infrastructure assets and the depreciation expense on those assets in governmental activities.

Ontario Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing rehabilitation of the office at the Ideal Mobile Home Park;

B. Completing construction of a five-bedroom, single-family house at Taylor Avenue;

C. Providing assistance to 247 homes through the Ontario CARES Exterior Beautification Program;

D. Continuing implementation of the Citywide Emergency Grant Program to assist elderly, handicapped, and very-low-income homeowners;

E. Providing rehabilitation loans to assist homeowners in rehabilitating their properties;

F. Completing construction of public street improvements along Fourth Street between Haven and Milliken Avenue;

G. completing installation of fence improvements located at South Fern Avenue;

H. Completing office improvements; and

San Bernardino County (Continued)

I. Creating an off-site parking lot at 101-125 South Vineyard Avenue.

Rancho Cucamonga Redevelopment Agency — The compliance audit opinion noted that the agency had not developed land acquired with Low- and Moderate-Income Housing Funds within a ten-year period, as required by Code Section 33334.16.

Among its accomplishments during the year, the agency reported:

A. Completing the agency-funded Cultural Center;

B. Completing Fire Station # 173 at Day Creek Boulevard; and

C. Assisting one family through the First-Time Homebuyer Program.

Redevelopment Agency of the City of Redlands — Among its accomplishments during the year, the agency reported

A. Providing street and median improvements in the downtown area through the Downtown Enhancement Project; and

B. Providing eight single-family home rehabilitation grants to low-income homeowners for property improvements.

Redevelopment Agency of the City of Rialto — Among its accomplishments during the year, the agency reported:

A. Completing 27 residential rehabilitation projects through the Emergency Home Repair Program;

B. Completing 12 rehabilitation projects through the Home Sweet Home Program;

C. Providing funding to 129 lower-income households through the Senior Minor Repair Program;

D. Providing assistance to eight low- and moderate-income households through the Exterior Home Beautification Grant Program;

E. Completing the Target distribution center, creating 1,500 jobs;

F. Completing the third and final building as part of the Prologis, creating 650 jobs;

G. Completing two buildings by the Sares-Regis Group, creating 500 jobs; and

H Completing OPUS' three-building industrial projects.

City of San Bernardino Economic Development Agency — Among its accomplishments during the year, the agency reported:

A. Completing Elephant Bar, Residence Inn, and Fairfield Inn by Marriott;

San Bernardino County (Continued)

B. Completing construction of Phase I of the Essex Realty Management Inc. Office/Industrial Park;

C. Providing loans and completing construction of the new corporate headquarters and central commissary for the Amapola Rico Taco restaurant chain;

D. Completing relocation of one business and seven tenants;

E. Completing the 75-unit Buena Vista senior housing project;

F. Providing assistance to 12 households through the Homebuyer Assistance Program;

G. Assisting 18 companies through the Business Incentive Grant Program, creating 155 jobs; and

H. Assisting 53 seniors with minor home improvements and repairs.

Upland Community Redevelopment Agency — The compliance audit opinion noted that the agency incorrectly calculated the excess surplus, as required by Code Section 33334.12.

Victor Valley Economic Development Authority — Among its accomplishments during the year, the agency reported:

A. Completing hangar construction through the Southern California Logistic Airport Hangar Improvement Project;

B. Providing assistance to three low-income households through the Down-Payment Assistance Program;

C. Providing loans for rehabilitation through the Residential Rehabilitation Loan Program;

D. Providing assistance to one household through the Mortgage Assistance Program; and

E. Completing 2,135 single-family affordable housing units.

Victorville Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing the Home Depot retail store;

B. Completing construction of the manufacturing and warehouse facility for Netro Products Inc., employing approximately 200 employees;

C. Completing construction of ConAgra Foods;

D. Completing 119 single-family dwelling units and 96 multi-family dwelling units; and

E. Completing the first phase of the Casa Bella apartment complex.

San Diego County

San Diego County Redevelopment Agency — The compliance audit opinion noted that the agency did not adopt the current five-year implementation plan, as required by Code Section 33490.

Among its accomplishments during the year, the agency reported

A. Completing construction of 13 new hangars at Southern California Aircraft; and

B. Completing one two-story hangar building.

City of Chula Vista Redevelopment Agency — The compliance audit opinion noted that the agency did not adopt the current five-year implementation plan before November 2004, as required by Code Section 33490. The plan was adopted in July 2006.

Among its accomplishments during the year, the agency reported:

A. Completing Phase II of Town Center I;

B. Completing construction of the Chula Vista Toyota auto dealership, the Chrysler-Dodge-Jeep auto dealership, and Payless Car Sales; and

C. Completing construction of the Panda Express and Souplantation restaurants.

Community Development Agency of the City of Coronado — Among its accomplishments during the year, the agency reported:

A. Completing construction of the Coronado Unified School District Early Childhood Development Center; and

B. Providing funding assistance for the construction of the Coronado High School facility.

El Cajon Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Providing funding to 941 property owners through the Graffiti Abatement Program;

B. Providing funding for Boys and Girls Club facility improvements;

C. Providing funding for emergency fire equipment replacement;

D. Providing funding for business retention/recruiting/relocation, creating 35 new businesses and 155 new jobs;

E. Completing rehabilitation of 29 mobile homes through the Mobile Home Rehabilitation Loan Program;

F. Assisting 29 families through the Mobile Home, Single-Family, and Multi-Family Housing Rehabilitation Program;

San Diego County (Continued)

G. Assisting two families through the First-Time Homebuyer Assistance Program;

H. Assisting 79 individuals with funding assistance through the Shared Housing Program;

I. Providing two families with first-time homebuyer loans;

J. Assisting 12 families with tax credits through the Mortgage Credit Certificates Program; and

K. Providing funding assistance to six businesses for facade improvements through the Facade Improvement Program.

Community Development Commission of the City of Escondido — Among its accomplishments during the year, the agency reported:

A. Completing construction of many homes for first-time homebuyers and condo projects;

B. Completing construction of several commercial developments; and

C. Completing construction of three single-family homes on Milane Lane.

Imperial Beach Redevelopment Agency — The compliance audit opinion noted that the agency did not file its annual reports with its legislative body for the fiscal year ended June 30,2005, within six months, as required by Code Section 33080.1. The reports were filed on March 15,2006.

La Mesa Community Redevelopment Agency — Among its accomplishments during the year, the agency reported completing a fire station and administration building.

Community Development Commission of the City of National City — The compliance audit opinion noted that the agency had not reconciled the cash and investments accounts to the general ledger on a monthly basis to detect any discrepancy or unauthorized transactions.

Oceanside Community Development Commission — Among its accomplishments during the year, the agency reported:

A. Completing construction of a 450-space parking structure;

B. Completing 14 single-family homes at Windward Villas; and

C. Completing the Commercial Facade Program for storefronts at Pier View Way, North Coast Highway, and North Tremont Street.

Redevelopment Agency of the City of San Diego — Among its accomplishments during the year, the agency reported:

A. Completing the SO-unit Talmadge Senior Village;

San Diego County (Continued)

B. Providing assistance to low- and moderate-income homeowners through the Housing Enhancement Loan Program;

C. Completing construction of the fourth office building at the Naval Training Center;

D. Completing Phase I of the Veteran's Village of San Diego, which includes 112 new transitional beds for homeless veterans, a counseling center, and a kitchen/dining hall;

E. Opening the renovated and historic North Park Theatre;

F. Opening the 400-space North Park parking facility;

G. Completing a Broadway office building;

H. Completing Diamond Terrace, a 113-unit market-rate condo project, the Element, a 65-unit market-rate condo project, and Gaslamp Square, an 88-unit market-rate condo project;

I. Opening the House of Blues and Palm Restaurants;

J. Opening Pinnacle Museum; and

K. Completing 99 homes, the Cesar Chavez Elementary School, a nine-acre park, and a shopping area at Soutbcrest.

Santee Community ***Development*** *Commission* — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not adopt the five-year implementation plan by January 1, **2005,** as required by Code Section 33490. The plan was adopted on November 8,2006; and

B. The agency expended housing funds for expenditures outside the project area without a resolution from the Board of Directors, as required by Code Section 33334.2(g).

Among its accomplishments during the year, the agency reported

A. Assisting six first-time homebuyers with down-payment assistance;

B. Providing funding to nine low- and moderate-income families through the Housing Preservation Loan Program;

C. Providing rental assistance for low-income mobile home park residents; and

D. Providing funding to complete street frontage and landscaping improvements to the Shadow Hill Apartments Affordable Housing Project.

San Diego County (Continued)

Vista Community Development Agency — Among its accomplishments during the year, the agency reported

A. Revitalizing 24 homes through the Revitalizing Our Community Program;

B. Completing rehabilitation of 13 homes through the City's housing programs;

C. Providing down-payment assistance to 21 households through the Vista Home Ownership Program;

D. Providing rental assistance to 38 households under the Vista Mobile Home Assistance Program;

E. Assisting one resident to purchase a home using the Mortgage Credit Certificate Program;

F. Providing rental assistance to 469 households through the County of San Diego Housing Authority; and

G. Providing social services and assisting 151 persons with job searchs through the Community Development Block Grant.

San Francisco County

Redevelopment Agency of the City and County of San Francisco — Among its accomplishments during the year, the agency reported:

A. Providing funding to Residential Care Facilities for the Chronically Ill;

B. Providing funding for the Partial-Rent Subsidy Program serving HIV-disabled persons and homeless persons with AIDS;

C. Completing construction of a 139-unit senior rental project;

D. Completing construction of 106 mini-studio units;

E. Opening the Museum Tower; and

F. Completing construction of the Museum of the African Diaspora.

San Joaquin County

Manteca Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Completing expansion of the police department office and parking lot;

B. Completing downtown streetscape improvements;

C. Completing 14 light-industrial office flexes and a multi-tenant light-industrial flex;

D. Completing the first phase of a multi-tenant retail center; and

San Joaquin County

(Continued)

E. Providing financial assistance to the Big League Dreams Sport Park project.

Redevelopment Agency of the City of Stockton — Among its accomplishments during the year, the agency reported completing the Stockton Arena.

Community Development Agency of the City of Tracy — The audit opinion noted that the agency has suffered a deficit from operations during the fiscal year and has a net assets balance of $(4,018,384) at June 30,2006, that raises substantial doubt about the agency's ability to continue as a going concern.

San Luis Obispo County

Arroyo Grande Redevelopment Agency — Among its accomplishments during the year, the agency reported completing a 108-unit senior low- and very-low-income affordable housing project.

Atascadero Community Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing the Sunken Garden Improvement Project; and

B. Completing rehabilitation of the Creekside Building.

El Paso de Robles Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Providing funding for completing the 68-unit Canyon Creek Apartments for low-income families; and

B. Providing funding for the construction of the 40-unit Oak Park senior housing project.

San Mateo County

Belmont Redevelopment Agency — The compliance audit opinion noted that the agency did not adopt the five-year implementation plan on or before June 12,2006, as required by Code Section 33490.

Daly City Redevelopment Agency — The compliance audit opinion noted that the agency did not adopt the five-year implementation plan for one of its project areas on or before January 1,2006, as required by Code Section 33490.

Among its accomplishments during the year, the agency reported assisting four business owners with facade improvements through the Facade Improvement Program.

Community Development Agency of the City of Foster City — Among its accomplishments during the year, the agency reported providing financial assistance through the Rental Subsidies Program, the Homeowners/Rehabilitation Loan Program, and the First-Time Homebuyer Program.

San Mateo County (Continued)

Community Development *Agency of* the City *of Menlo* Park — Among its accomplishments during the year, the agency reported

A. Providing funding to six low-income senior residents through the Community Development Block Grant;

B. Providing five rehabilitation loans and four emergency repair loans;

C. Providing funding for home sharing opportunities through the Human Investment Project;

D. Providing funding to the Center for Independence of the Disabled to increase the accessibility for persons with disabilities; and

E. Completing the Overall Streetscape Improvement Project on Ivy Drive.

Redevelopment *Agency of* the City *of* Redwood City — Among its accomplishments during the year, the agency reported:

A. Completing the parking facility and the cinema at the Broadway Cinema Retail Project;

B. Completing reconstruction of the Rolison Road Alley;

C. Completing rehabilitation of ten single-family units and 45 multi-family units through the Home Improvement Loan Program;

D. Completing 15 projects through the Lead-Based Paint Grant Program; and

E. Completing 47 units through the Residential Exterior Paint Program; and

F. Completing 26 home repair projects for low-income seniors through the Minor Home Repair Program.

Redevelopment *Agency of* the City *of San Bruno* — Among its accomplishments during the year, the agency reported providing grants to the Building Facade Improvement Program.

San Carlos Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not adopt the five-year implementation plan on or before December 31, 2004, as required by Code Section 33490. The plan was adopted on December 11,2006;

B. The agency did not prepare a written determination showing that planning and administrative expenditures were necessary for the production, improvement, or preservation of low- and moderate-income housing, as required by Code Section 33334.3(d);

San Mateo County (Continued)

C. The agency did not present its property report, loan report, or blight progress report to its legislative body and the State Controller's Office for the fiscal year ended June 30, 2005, on time, as required by Code Section 33080.1; and

D. The agency could not provide evidence of having the annual report from the property owner, as required by Code Section 33418.

Among its accomplishments during the year, the agency reported providing a low- and moderate-income down-payment assistance loan.

City of San Mateo Redevelopment Agency — Among its accomplishments during the year, the agency reported assisting families with housing rehabilitation loans and first-time homebuyer loans.

Redevelopment Agency of the City of South San Francisco — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not prepare a written determination showing that planning and administrative expenditures were necessary for the production, improvement, or preservation of low- and moderate-income housing for the year ended June 30, 2006, as required by Code Section 33334.3(d); and

B. The agency did not submit blight progress and loan reports for the year ended June 30,2005, as required by Code Section 33080.4.

Among its accomplishments during the year, the agency reported

A. Completing the Gateway Business Park; and

B. Completing a six-level parking garage at 681 Gateway.

Santa Barbara County

Guadalupe Community Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not perform regular bank-account reconciliations during the year;

B. The agency did not track the 20% tax increment funding throughout the year to ensure compliance with requirement;

C. The agency did not track and follow-up the collection of loans receivable in accordance with contractual agreements; and

D. The agency did not have two individuals' annual disclosure statements on file, as required by the Fair Political Practices Commission.

Among its accomplishments during the year, the agency reported providing facade program grants to seven businesses.

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Santa Barbara County

(Continued)

Lompoc Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing three commercial projects utilizing the Commercial Facade Program and the Commercial Rehabilitation Program;

B. Completing the Infant Child Care Facility and four affordable housing units;

C. Completing rehabilitation of a 35-unit apartment complex;

D. Providing three loans through the CalHFA Help Loan Program; and

E. Providing a loan to Habitat for Humanity.

Redevelopment Agency of the City of Santa Barbara — Among its accomplishments during the year, the agency reported

A. Completing the Granada Garage;

B. Completing the Louise Lowry Davis Center restoration;

C. Completing 61 studio apartment rental units for the homeless, and very-low-income downtown workers;

D. Providing loans for the El Camllo Project;

E. Providing financial assistance for the East Anapamu Street Housing Project; and

F. Completing 20 affordable housing units at South Voluntario Street.

Santa Clara County

Campbell Redevelopment Agency — Among its accomplishments during the year, the agency reported completing a downtown park that includes a plaza, new landscape, seat wall, and public art.

Cupertino Redevelopment Agency — The compliance audit opinion noted that the agency did not adopt its five-year implementation plan on or before August 2005, as required by Code Section 33490.

Redevelopment Agency of the Town of Los Gatos — Among its accomplishments during the year, the agency reported

A. Completing reconstruction of five alleys; and

B. Completing repairs of Parking Lot 5.

Milpitas Redevelopment Agency — The compliance audit opinion noted that the agency did not adopt its five-year implementation plan on or before October 11,2005, as required by Code Section 33490. The plan was adopted on August 1,2006.

Santa Clara County (Continued)

Redevelopment Agency of the City of Morgan Hill — Among its accomplishments during the year, the agency reported completing a 10-unit teacher housing project.

Redevelopment Agency of the City of Santa Clara — Among its accomplishments during the year, the agency reported completing the Youth Soccer Park.

Santa Cruz County

Santa Cruz County Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing construction of a new library on Portola Drive;

B. Completing construction of the Kinsley Street Improvements;

C. Completing construction of the pedestrian pathway on Portola Drive; and

D. Completing sidewalks on the north side of Soquel Drive and on the south side of West Walnut Street;

Redevelopment Agency of the City of Capitola — The compliance audit opinion noted that the agency did not submit the blight progress report and property report to the legislative body and the State Controller's Office within six months for the fiscal year ended June **30,2005,** as required by Code Section 33080.1.

Redevelopment Agency of the City of Santa Cruz — Among its accomplishments during the year, the agency reported:

A. Providing funding to the Storefront Improvement Program; and

B. Providing financial assistance to very-low-income households and the construction of an 11-unit transitional housing development.

Redevelopment Agency of the City of Watsonville — Among its accomplishments during the year, the agency reported:

A. Assisting 17 first-time homebuyers through the Down-Payment Assistance Program, First-Time Homebuyer Program, and Joe Serna, Jr. Farmworker Housing Grants;

B. Completing 74 affordable homes for low- and moderate-income homebuyers;

C. Completing the 40-unit Via Del Mar Apartments and an on-site childcare center; and

D. Completing rehabilitation of five units through the Housing Rehabilitation Program.

Shasta County

Anderson Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing street lighting and other improvements to the downtown area; and

B. Providing funding for a low-income rental project.

Redding Redevelopmenf Agency — Among its accomplishments during the year, the agency reported

A. Providing 13 business loans through the Storefront Improvement Loan Program;

B. Completing the first phase of a public signage "wayfinding" system for Downtown Redding;

C. Completing traffic signals at the intersection of Rancho and Airport Roads;

D. Completing the Dana Drive Streetscape Project, a 13-unit transitional housing project for homeless families with children, a 63-unit senior housing project, five affordable houses, and three single-family homes in the MLK Neighborhood with Habitat for Humanity;

E. Providing funding for the facade program at North Market Street;

F. Providing funding for improvements at the Turtle Bay Exploration Park;

G. Completing the Dana Drive Streetscape Project;

H. Providing funding for the Parkview and Martin Luther King, Jr. Neighborhood Revitalization Project;

I. Providing funding for a storm-drainage retention facility in the eastern section of the City; and

J. Providing funding for drainage improvements and traffic signals at one of the City of Anderson's busiest intersections.

Solano County

Dixon ***Redevelopment Agency*** — The compliance audit opinion noted the following areas of non-compliance:

A. The agency's loans receivable and debt were not correctly recorded in the general ledger throughout the year; and

B. The agency did not file its independent audit report and annual reports with the State Controller's Office, on time, as required by Code Section 33080.1. The reports were filed on February 15,2007.

Solano County (Continued)

Fairfield Redevelopment Agency — Among its accomplishments during the year, the agency reported completing development of approximately 308,900 square feet of building space, creating approximately 1,500jobs.

Rio Vista Redevelopment Agency — The compliance audit opinion noted that the agency did not adopt its five-year implementation plan on or before September 2005, as required by Code Section 33490.

Among its accomplishments during the year, the agency reported

A. Completing a commercial and industrial building space;

B. Continuing Business Improvements and the First–Time Homebuyer Loan Program;

C. Providing building improvements to a fire station; and

D. Providing a loan for a commercial building renovation.

Redevelopment Agency of the City of Vacaville — Among its accomplishments during the year, the agency reported:

A. Completing various constructions at the Nut Tree retail site;

B. Completing improvements to 51 rental units at Meadow Court, 11 rental units at Vacaville Highlands, and construction of ten rental units at Lincoln Comer apartments; and

C. Completing rehabilitation of 11 single-family units and three mobile homes.

Sonoma County

Sonoma County Community Redevelopment Commission — Among its accomplishments during the year, the agency reported:

A. Providing a loan to a local small business;

B. Completing road improvements to West Avenue;

C. Providing funding to rehabilitate the Rio Nido Fire Station;

D. Completing the 80-unit Spring Village Project; and

E. Providing funding for a new sheriffs sub-station

Cloverdale Community Development Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not submit a blight progress report to its legislative body for fiscal year 2004-05, as required by Code Section 33080.1;

B. The agency did not adopt the five-year implementation plan that expired in 2005, as required by Code Section 33490;

Sonoma County (Continued)

C. The agency did not have the annual report from a property owner, as required by Code Section 33418;

D. The agency did not have sufficient affordable housing units available to low- or moderate-income persons and families, as required by Code Section 33413;

E. The agency retained an excess surplus of $215,000 for the fiscal year ended June 30,2006; and

F. The agency has been covering operating charges that should have been incurred by the City's General Fund.

Healdsburg Community Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Assisting the expansion of a major hotel;

B. Completing a job center to enhance economic activity and job creation;

C. Assisting homebuyers through the First-Time Homebuyer Program; and

D. Continuing the Neighborhood Improvement and Renovation Program to clean up blighted neighborhoods and residences to benefit lower income households.

Petaluma Community Development Commission — Among its accomplishments during the year, the agency reported completing reconstruction and revitalization of Downtown by repairing sidewalks, providing street furniture and trees, and installing way-finding signs.

Redevelopment Agency of the City of Santa Rosa — Among its accomplishments during the year, the agency reported

A. Completing construction of a new fire station;

B. Completing the West Avenue Widening and Improvement Project; and

C. Installing new shelters, benches, and trash receptacles at many bus stops.

Sebastopol Redevelopment Agency — Among its accomplishments during the year, the agency reported providing six loans through the Facade Improvement Program.

Sonoma Community Development Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not keep copies of notices posted in the local newspaper stating the dates and times of public hearings;

B. The agency did not include the required information on posted notices, as required by Code Section 33349; and

Sonoma County (Continued)

C. The agency did not encumber its excess surplus, as required by Code Section 33334.12.

Stanislaus County

Redevelopment Agency of the County of Stanislaus — Among its accomplishments during the year, the agency reported:

A. Completing a sanitary sewer collection and distribution system that benefits 400 lower-income households in the Shackelford Sub-Area; and

B. Providing financial assistance to income eligible households through the Sewer Lateral Connection Program.

Ceres Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Providing funding for the Downtown Beautification Project and Streetscape Project;

B. Assisting with graffiti removal;

C. Providing loans through the Commercial Rehabilitation Loan Program;

D. Providing funding for First-Time Homebuyer Programs;

E. Providing assistance to replace the roofs of 54 units within the Ceres Farm Labor Center;

F. Completing construction of the Della Tiara Apartments;

G. Completing construction of the 36-unit multi-family affordable apartment project known as River Crest; and

H. Providing funding to assist low-income households in the purchase of their first homes.

Modesto Redevelopment Agency — Among its accomplishments during the year, the agency reported completing various way-finding signs in the downtown area.

Oakdale Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not file its independent audit report with the State Controller's Office, on time, as required by Code Section 33080.1;

B. The agency calculated the 20% set-aside of **tax** increment based on the net proceeds rather than the gross tax increment; and

Stanislaus County (Continued)

C. The agency did not prepare a written determination showing that planning and administrative expenditures were necessary for the production, improvement, or preservation of low- and moderate-income housing, as required by Code Section 33334.3(d).

Stanislaus/Ceres Redevelopment Commission — Among its accomplishments during the year, the agency reported:

A. Providing down-payment assistance through the First-Time Homebuyer Program;

B. Providing sewer repairs to residents in the Ceres Area; and

C. Providing funding for sidewalk construction on Richland Avenue

Turlock Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Providing funding for the Silver Crest Senior Housing Project, Cherry Tree Project, and Crane Terrace Senior Apartment Project;

B. Providing funding to the Emergency Cold Weather Shelter for installing a wastewater connection to the building;

C. Providing funding for installing storm drain lines on Tegner Road and West Main Street to facilitate business expansion in the Westside Industrial Area; and

D. Providing funding to the Carnegie Arts Center to upgrade facilities and make the building accessible to handicapped people.

Redevelopment Agency of the City of Waterford — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not file the property report, loan report, or blight progress report for the fiscal year ended June 30, 2005, on time, as required by Code Section 33080.1. These reports were filed with the State Controller's Office on December 28,2006;

B. The agency did not file the Statement of Indebtedness within three months of the close of the fiscal year. The statement was filed on November 23,2005;

C. The agency did not adopt the five-year implementation plan on or before June 7, 2004, as required by Code Section 33490. The plan was adopted on February 2, 2006. However, the plan does not include a plan for meeting the project area housing production requirement over a ten-year period; and

D. The agency did not provide the public with notification of the February 2, 2006 public hearing, which approved the five-year implementation plan, as required by Code Section 33349.

Sutter County

Redevelopment Agency of the City of Yuba City — Among its accomplishments during the year, the agency reported

A. Providing funding for rehabilitation and site improvements of the Spencer Arms Apartments, a 64-unit complex occupied by low- and moderate-income families; and

B. Providing funding to Habitat for Humanity for construction of one unit of affordable housing for owner-occupants.

Tulare County

Tulare County Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing 59 multi-family units for very-low-income elderly persons;

B. Completing reconstruction of five homes for very-low- and low-income families;

C. Completing rehabilitation of five homes; and

D. Providing assistance to 30 first-time homehuyers.

Dinuba Redevelopment Agency — The audit opinion noted that the agency has suffered a deficit from operations during the fiscal year and has a net assets balance of $(13,648,376) at June 30, 2006, that raises substantial doubt about the agency's ability to continue as a going concern.

Exeter Redevelopment Agency — The compliance audit opinion noted that the agency did not adopt the five-year implementation plan on time, **as** required by Code Section 33490.

Porterville Redevelopment Agency — Among its accomplishments during the year, the agency reported:

A. Completing the final 30 houses in the Casas Buena Vista sub-division;

B. Assisting three homebuyers with forgivable loans;

C. Assisting homebuyers with the First-Time Low-Income Homebuyers Program; and

D. Completing construction of the Neighborhood Community Center.

Redevelopment Agency of the City of Visalia — The compliance audit opinion noted that the agency's implementation plan did not contain a plan for meeting the project-area housing production requirement over a 10-year period.

Veutura County

Ventura County Redevelopment Agency — The compliance audit opinion noted that the agency did not adopt its five-year implementation plan and did not update the ten-year housing implementation plan, as required by Code Section 33490.

Ventura County (Continued)

Among its accomplishments during the year, the agency reported completing construction of sidewalks along Main and Center Streets.

California State University Channel Islands Site Authority — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not deposit any of the tax increment allocated to the agency into the Housing Fund, as required by Code Section **33334.2;**

B. The agency did not monitor the levels of available housing to low- and moderate-income households, as required by Code Section **33418;**

C. The agency's five-year implementation plan did not include the estimate expenditures for the subsequent five years and the plan did not make reference to blight or how the project will eliminate blight within the project area. Additionally, the agency did not update their five-year implementation plan in fiscal year **2005,** as required by Code Section **33490;** and

D. The agency's plans did not contain a provision setting a time limit on establishing loans, advances, and indebtedness, a time limit on the effectiveness of the plan, a time limit to repay indebtedness, and a time limit for commencement of eminent domain proceedings, as required by Code Section **33333.2.**

Camarillo Community Development Commission — Among its accomplishments during the year, the agency reported providing funding assistance to the Mira Vista Housing Project for low-income senior housing.

Fillmore Redevelopment Agency — Among its accomplishments during the year, the agency reported

A. Providing loans and grants to assist in commercial, industrial, and residential development programs; and

B. Continuing the First-Time Homehuyers Program for low- and moderate-income families.

Redevelopment Agency of the City of Ojai — Among its accomplishments during the year, the agency reported:

A. Assisting seniors and others with physical disabilities by adding safety features to their homes; and

B. Assisting **20** individuals and families through the City's Eviction Prevention Program.

Oxnard Community Development Commission — Among its accomplishments during the year, the agency reported:

A. Completing the new Ruby's Cafe restaurant;

Ventura County (Continued)

B. Providing financial assistance to residents in the Southwinds and HERO project areas;

C. Providing mobile home assistance to very-low-income families;

D. Providing assistance to 30 businesses to remove graffiti from storefront windows;

E. Completing Fry's Electronics at the Market Place Shopping Center; and

F. Completing renovation of 43 medians through the South Oxnard Revitalization Program.

Santa Paula Redevelopment Agency — The compliance audit opinion noted the following areas of non-compliance:

A. The agency did not present its independent auditor's report on financial statements and legal compliance, the annual report, the blight progress report, the property report, and the housing activities report to its Board of Directors for the fiscal year ended June 30,2005, on time, as required by Code Section 33080.1; and

B. The agency did not submit the blight progress report and property report to the State Controller's Office for the fiscal year ended June 30,2005, as required by Code Section 33080.1.

Simi Valley Community Development Agency — Among its accomplishments during the year, the agency reported

A. Providing assistance through the Tapo Street Facade Renovation Program and the Los Angeles Avenue Facade Renovation Program; and

B. Completing expansion of the Simi Valley Senior Citizen's Center.

Thousand Oaks Redevelopment Agency — Among its accomplishments during the year, the agency reported opening The Lake, a retail, restaurant, and public activity center.

Yolo County

Davis Redevelopment Agency — The compliance audit opinion noted that the agency did not present its annual report, housing activities report, property report, loan report, or blight progress report to its legislative body for the fiscal year ended June 30,2005, on time, as required by Code Section 33080.1.

Among its accomplishments during the year, the agency reported opening the Varsity Theater and a restaurant at Historic City Hall.

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Appendix B — Definitions and Terminology

Article XVI, Section 16, of the California Constitution — The constitutional authority for the utilization of tax increment financing by redevelopment agencies.

Available Revenues — **As** used in the statement of indebtedness, available revenues are defined as cash or cash equivalents held by the agency as received from tax increment revenues, or cash or cash equivalents held by an agency that are irrevocably pledged or restricted to payment of a loan, advance, or indebtedness that the agency has listed on a statement of indebtedness. In no case may available revenues include funds held in the Low and Moderate Income Housing Fund.

Base Assessed Valuation — The assessment roll last equalized prior to the effective date of an ordinance approving a redevelopment project area plan. Also referred to as the "frozen base."

Base Year — The fiscal year in which the project area plan is approved

Blight — Physical, social, or economic liabilities in a community that require redevelopment in the interests of the health, safety, and general welfare of the residents.

Business Inventory Tar — The property tax assessed on the value of business inventory.

Capital Projects Fund — **A** fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds, special assessment funds, or trust funds).

Debt Service Fund — **A** fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Increment Assessed Valuation — The assessed valuation of the taxable property in a project area in excess of the base assessed valuation.

Low and Moderate Income Housing Fund — A special fund created pursuant to Section **33334.3** of the Health and Safety Code to account for the 20% set-aside of Tax Increment Funds for low- and moderate-income housing.

Non-Agency Debt — Debt payable from a restricted revenue source for which the issuing agency has no liability. Examples include residential mortgage revenue bonds and industrial development bonds.

Pass-Through Agreement — **An** agreement made within specific guidelines whereby a redevelopment agency may share a portion of its tax increment

revenue with any taxing agency with territory located within a project area (except for the community that has adopted the project). The taxing agency must show that the redevelopment project activities have caused a financial burden or detriment that can be alleviated by such an agreement. Agencies may also "pass through" tax increment revenues that are attributable to either an increase in the tax rate and/or increases in the assessed value due to the application of Revenue and Taxation Code Section 110.1 (2% annual increase).

Project Area — A predominantly blighted area of an urbanized community.

Property Assessments — Assessments made against properties on a non-ad valorem basis. Assessment basis can be per parcel, acre, or other per unit basis.

Statement of Indebtedness — A statement filed with the county auditor on or before October 1 of each year detailing the indebtedness of each project area.

Tar Increment — The portion of the taxes levied that is produced by increment assessed valuation.

Transient Occupancy Tar — A tax levied and collected by the redevelopment agency for the privilege of occupying quarters on a transient basis.

State Controller's Office Publication List

Reports published by the California State Controller's Office on local government financial transactions are available from the offices listed below. These reports are also available at www.sco.ca.gov.

Division of Accounting and Reporting

Assessed Valuation Annual Report

Cities Annual Report

Community Redevelopment Agencies Annual Report

Counties Annual Report

Public Retirement Systems Annual Report

School Districts Annual Report

Special Districts Annual Report

Streets and Roads Annual Report

Transit Operators and Nan-Transit Claimants Annual Report

Transportation Planning Agencies Annual Report

Mail request to: **Division of Accounting and Reporting**
Local Government Reporting Section
P.O. Box 942850
Sacramento, CA 94250
Phone: (916) 445-5153

Division of Audits

Annual Financial Report of California K-12 Schools

Mail request to: **Division of Audits**
Financial Audits Bureau
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Sacramento, CA 94250
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EXHIBIT C

EXECUTIVE SUMMARY
THE IMPACT OF FISCAL 2002-03 COMMUNITY REDEVELOPMENT AGENCY ACTIVITIES ON THE CALIFORNIA ECONOMY

CONDUCTED BY CENTER FOR ECONOMIC DEVELOPMENT AT CALIFORNIA STATE UNIVERSITY, CHICO

Need for an Economic Analysis
For more than five decades, redevelopment has been an effective tool for the financing and development of housing, infrastructure and commercial/industrial facilities in California. Its projects have also been a major source of employment, income, and tax revenue for local communities. Most California cities and many counties have active redevelopment agencies (RDAs) that manage redevelopment programs and make significant economic and social contributions to their communities and the state. Despite the important role of redevelopment in California, little data and information is regularly gathered to provide interested parties with a picture of the comprehensive economic impact of RDA activities statewide.

About the Economic Analysis
In October 2004, the California Redevelopment Association (CRA) contracted with the Center for Economic Development at California State University, Chico (CED) to conduct a follow-up analysis to estimate the economic impact on the state of California of construction activity resulting from residential, commercial, industrial, and public infrastructure projects associated with local redevelopment agency activity.

Using a widely accepted economic computer model (IMPLAN), CED calculated the direct, indirect, and induced effects on economic output of redevelopment agency construction in order to determine the resulting statewide economic impacts. The CED study identifies the economic flows associated with the combination of construction in redevelopment project areas for housing, commercial, industrial, and infrastructure, and construction involving agency funds outside of project areas during FY 2002-03. Below is a summary of some of the key findings of this analysis:

Total State Economic Activity

- In the 2002-03 fiscal year, California redevelopment agencies generated **$31.84 *billion in total economic activity.*** This includes the direct impact of RDA construction activities, as well as the indirect and induced effects that RDA activities have on affected industry sectors.

Employment and Income Gains
(Total income is the sum of wages and salaries, proprietor Income, corporate profits, property income, and indirect business taxes.)

- RDA-associated construction activity was responsible for the creation of **310,000 full *and*** part ***time jobs*** in California in the 2002-03 fiscal year, through its direct, indirect and induced impacts on the state's various industry sectors.

- **State *income*** was ***increased*** **by $16.56 *billion*** because of RDA-associated construction in 2002-03.

State and Local Taxes

- RDA construction activity resulted in an increase of **$1.58** billion in tax revenues for state and local governments for **2002-03.**

Impact on Construction *Industry*

The impact of RDA activities on California's construction sector was most pronounced. In 2002-03:

- RDA activities were responsible for the creation of **158,000** construction sector jobs in 2002-03 (included in total jobs figure above). This represents 14.6% of all construction industry jobs in California in 2003.
- RDA activities resulted in an increase in state construction sector output of **$16.42** billion.
- Agency activities generated **12.6%** of all construction industry income in 2003.

Return on Redevelopment *Agency* Investment

Impacts per dollar of RDA spending are an indicator of the effectiveness of redevelopment programs and policies. While this study was not undertaken with the intention of completing a comprehensive cost-benefit analysis of redevelopment programs, the economic impacts of the programs provide ample justification for current levels of RDA funding and expenditures. The results of this study indicate that:

- Every one dollar of redevelopment agency spending generates nearly $14 in instate sales of goods and services.
- It was also found that the average dollar of RDA spending increases state income by more than $7.

Effects of Reductions in Redevelopment Auencv Funding on State and Local Government Budgets

The State of California has significantly reduced funding to RDAs over the course of the last decade, with pronounced reductions in RDA funding in recent budget years. This **report** sought to calculate the impact of state reductions in RDA funding on the California economy and on state and local government budgets. We found:

- Every dollar taken away from RDA's to balance the state's budget reduces state and local government tax revenues by **$0.69** producing a net positive effect on the general fund balance of only **31** cents.
- Thus, on the whole, every dollar of reduced RDA funding by the state produces relatively little net benefit to the state budget.

EXHIBIT D

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The California Debt and Investment Advisory Committee

The California Debt and Investment Advisory Committee reported tbat redevelopment assistance was essential for most of the 28 transit-oriented, mixed-use developments CDIAC studied in a recent survey. The survey focused on five specific projects and found that "absent redevelopment funding and programming support, these transit-oriented projects could not have proceeded."

The July report came in response to a Senate Local Government Committee request for CDIAC input on SB 465 (Soto). The bill would allow local governments to establish redevelopment project areas within half a mile of transit stations whetber or not blight existed, and would allow transit village redevelopment project areas to collect tax increment for an extra 15 years. **The** bill stalled in the Senate Appropriations Committee but could return later in **the** two-year legislative session.

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Development

Recent Significant Accomplishments

Town Centre I Project Area

- Adoption of new Property and Business Improvement District in 2001.
- Phase I of Gateway Chula Vista Project complete; Phase II demolition.
- Adoption of Storefront Improvement grant program.
- Successful attraction of several new restaurants and retail venues.
- Completion of Third Avenue District Strategic Plan and Recruitment Strategy.
- Successful holiday decoration program and special event and civic promotions.
- Adoption of Police Headquarters Master Plan as directed by the City Manager's office.
- Initiated the process for amendment of the Town Centre I redevelopment plan.

View Town Center I Photos

Town Centre II P

- Scripps Hospital Expansion: Cooperative venture to upgrade the hospital campus and provide new health care facilities for City residents.
- New Retail Projects: Completion of Walmart and Best-Buy Projects in the South Bay Marketplace.
- Initiated the process for amendment of the Town Centre II redevelopment plan

View Town Center II Photos

Bayfront Project Area

- Streetscape enhancements for "H" Street entry corridor between Bayfront, Interstate 5, and Town Center.
- Developer proposal received for MidBayfront properties.
  - Negotiated Exclusive Negotiating Agreement.
  - Issued Request for Proposals for environmental consultant
  - Established an estimated project entitlement schedule and identified City staff team members.
- The Consultant Team hired by Port to prepare master concept plan.
- Adopted City Council policy on power plant relocation.
- Moving fonvard on MTDB right-of-way abandonment efforts.
- Facilitating Goodrich demolition and relocation efforts.
- Environmental mitigation on the Former Thermo-King site.

View **Bayfront** Project Photos

Otay Valley Project Area

- Completed the Coors Amphitheatre and Knott's Soak City Water Park projects adjacent to the project area.
- Completed Phase I of the Chula Vista Auto Park.
- Clean up of the Shinohara Stockpile
- Pursued and received grant award of ***$361,367*** from the *California* Integrated Waste Management Board for the stockpile clean up
- Completion of improvements for Phase I, Landscaped Median
- Industrial expansions at GCE Engineering and ABF Trucking Co.
- OPA adoption for HerCab, Inc - electronic components manufacturer to be located on Main St.
- Completion of draft for feasibility study on the redevelopment of Energy Way

APPENDIX - 088

- Completion of draft specific plan and mitigated negative declaration for Auto Park Expansion

▶ View Otay Valley Project Photos

Southwest Project Area

- Established the southern boundary of the redevelopment area at its Interface with the Otay Valley Regional Park.
- Initiated the process for the amendment of the Southwest Redevelopment Plan.
- Facilitated the processing of Several private development projects and worked with several property owners and developers to induce and assist redevelopment of their properties.
- Facilitated the property acquisition and development of three public facilities: the Otay Recreation Center on Main Street, the Animal Shelter on Beyer Way, and the South Chula Vista Library.
- Initiated effort wlth H.G. Fenton and the City of San Diego to master plan and redevelop the West Fairfield area.
- Project approved for Main Street Mixed Use Project at northeast corner at Broadway and Main.
- Completed the County Social Services Facility on Oxford Street.

▶ View Southwest Project Photos

Citywide Revitalization Projects

- Broadway Revitalization Project: Completed blight study and draft preliminary report that provides overall revitalization goals, a summary of findlngs, and preliminary revitalizatlon recommendations for the study area.
- El Camino Real Beli Project: Partnership With County to install symbolic ornamental bells that memorialize California's historic mission trail. Three locations have been selected for the installation of three beiis: " E Street Troiiey Station, and Friendship and Memorial Parks.
- Chuia Vista Beautification:
  - Chula Vista Entryway Beautification Project: Completed agreement wlth Estrada Land Planning to create conceptual plans for the beautification of the City's major entryways.
  - New signs and banners were installed along the City's major entryways and corridors that lead into the City's downtown area to guide visitors and shoppers into the downtown business district and civic center area.

▶ View Citywide Revitalization Photos

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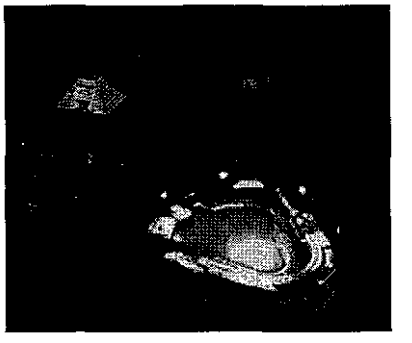
Redevelopment Accomplishments

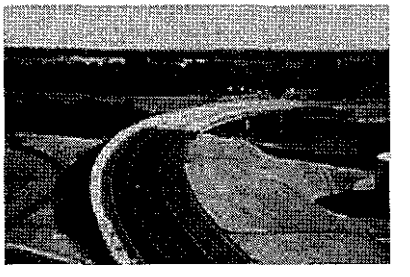
Since its creation in 1987, the West Sacramento RedevelopmentAgency has participated in a wide variety of projects aimed at improving the quality of life for West Sacramento residents by eliminating blight, renovating the housing stock, creating new high quality housing opportunities, upgrading the City's infrastructure and promoting the City as a prestigious office and business address. The projects listed here are some of the Agency's more notable achievements.

Metro Place at Washington Square Models Open
In 2003, the Redevelopment Agency was pleased to announce the completion of one of the most exciting and innovative single family housing developments in the Sacramento region: Metro Place at Washington Square. Located on the formerly RedevelopmentAgency-owned site bounded by 3rd, 4th, "B", and " C streets. Metro Place at Washington Square features 44 single-family small lot homes, 10 live-work lofts, and four rental apartments. Developed at a density of approximately 15 units to the acre, lot sizes average 2,900 square feet and home sizes range from 1,200 to 1,600 square feet. The developer, Regis Homes of Northern California, experienced strong demand for the units and sold the homes in record time. Release prices for the single family units and lofts ranged from $200.000 ($160 per square foot) to $350,000 ($220 per square foot). Recent resale transactions indicate values upwards of $240 per square foot.

Raley Field
Partially financed with RedevelopmentAgency tax increment funds, Raley Field is a 14,500-seat multi-use stadium that is now home to the Sacramento River Cats, Triple A affiliate of the Oakland Athletics. This state-of-the-art facility drew a league-record 865,000 fans in its inaugural season in 2000, and promises to be a linchpin in the development of West Sacramento's Triangle Specific Plan Area.



Daniel C. Palamidessi Bridge
For many years, West Sacramento's Southport Area was unable to develop because the deep water ship channel of the Port of Sacramento limited access to Southport to a single two-lane road. However, in 1997 the City (with RedevelopmentAgency financial assistance) completed the Daniel C. Palamidessi Bridge. This $15 million structure opened the Southport Area to the new residential and commercial development that is now reshaping the area and creating new housing and job opportunities for West Sacramento residents.



The Ziggurat
This 400,000 square foot office building represents the first class-A office space in West Sacramento and has become the most distinguishable building on the Sacramento skyline. Construction of this building was partially financed by the West Sacramento RedevelopmentAgency. The Ziggurat provides a stunning architectural presence on West Sacramento's riverfront and the high-end office uses in this structure provide hundreds of jobs opportunities for

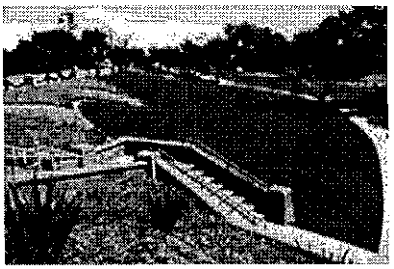
West Sacramento and area residents.

West Capitol Courtyard II

In 1994 the West Sacramento Redevelopment Agency loaned funds to the West Sacramento Housing Development Corporation to complete work on the 50-unit affordable housing and retail development on West Capitol known as Capitol Courtyard I. West Capitol Courtyard II combined this successful development with several adjacent properties to create a single mixed-use development under common management. West Capitol Courtyard II was completed in 1999, and now includes 75 additional residential units affordable to low and very-low income households, along with 5,300 square feet of retail space fronting West Capitol Avenue.

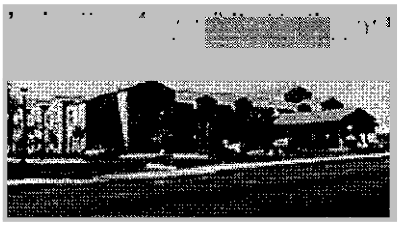
Riverwalk Park

The Redevelopment Agency-financed Riverwalk Park is the first phase of a stunning riverfront promenade that will ultimately stretch from the Lighthouse Marina development to the William Stone Locks at the Port of Sacramento. The first phase of the park, which spans from the Tower Bridge to approximately one block south of the I Street Bridge, was completed in 1999. The Riverwalk park provides West Sacramento residents and the entire region with access to the beautiful Sacramento River.



Margaret McDowell Senior Housing

Financed with federal, state and local redevelopment tax increment funds, the 87-unit Margaret McDowell Manor senior housing complex was completed in 1999. Rents at this development are affordable to very low-income senior households. The project features an attractive courtyard, public dining facilities and meeting space for residents. Margaret McDowell Manor is owned and managed by Margaret McDowell Associates and Christian Church Homes, an experienced non-profit affordable housing develooer.



Other Programs and Activities of the West Sacramento Redevelopment Agency

Regional Access
- US 50/Harbor Blvd. Improvements
- State Route 275 Reconfiguration

Storm Drain Improvements
- Storm Drain Master Plan

Office Development/Hotel Attraction
- Raley's Landing
- Triangle Master Plan

Agency-Owned Property Disposition
- Marketing Program

Waterfront Improvements
- Riverfront Park
- River Otter Taxi
- Broderick Boat Ramp Improvements

Project Area Planning

Retail Attraction
- West Capitol Avenue
- Riverpoint

Industrial Attraction
- Palamidessi Bridge
- Miscellaneous Road Improvements
- Property Acquisition/Disposition

Public Facilities Improvement
- Margaret McDowell Manor
- 5th Street Widening and Extension
- City Hall/Community Center Project

Business Retention/Expansion
- Business Retention and Expansion Program
- Enterprise Zone Implementation

Targeted Industry Marketing

- West Capitol Ave. Action Plan Implementation
- Southport Framework Plan Implementation
- Riverfront Master Plan Implementation
- Washington Specific Plan implementation
- Trade Missions
- Trade Shows
- Business Attraction Efforts
- Regional and National Advertising Campaign

NEWS RELEASE

Date: June ***03,*** 2005
Contact: Derek Oanziger
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PETCO Park Receives Urban Land Institute Smart Growth Award

PETCO PARK WINS URBAN LAND INSTITUTE SMART **GROWTH** AWARD

Redevelopment project recognized for revitalizing East Village

SAN DIEGO, CA—PETCO Park received a Catalyst Project award at the Urban Land Institute (ULI) San Diego/Tijuana chapter's 2005 Smart Growth Awards for Excellence ceremony on June 1, at the Omni Hotel. ULI officials cited the project's positive affect on the surrounding neighborhood and its effective mitigation of contaminated soils.

"This is a tremendous honor from an organization that stands for responsible land-use." said CCDC President Peter Hall. "PETCO Park was the cumulative result of thousands of dedicated professionals who wanted to see the East Village realize its full potential."

Nearly $2 billion of public and private investment has transformed the 26 blocks surrounding the park from one of San Diego's most blighted neighborhoods into a thriving mixed-use, mixed-income community. Projects planned or underway will add more than 4,500 homes, 640,000 square feet of commercial space, 750 hotel rooms and 3,000 public parking spaces, Since 1998, the area has attracted almost one-third of the $6 billion invested in downtown's redevelopment over the past 30 years.

ULI defines smart growth as development that is economically sound, environmentally friendly and supportive of community livability. PETCO Park exemplified these principles. The project resulted in the clean up of approximately 75,000 tons of contaminated soil and waste; the creation of an economic engine that increased tax revenues and attracted a critical mass of people to support hundreds of ancillary businesses; and the implementation of Park at the Park and other neighborhood amenities to bring an engaged residential community back to an area that was scarred by social, physical and economic blight.

Background

In November 1998, San Diego voters overwhelmingly approved the development of a 46,000-seat ballpark. CCDC contracted with Environmental Business Solutions, the San Diego office of SCS Engineers, to perform a historical and regulatory research of 35 blocks, including the ballpark area, documenting the land use history dating back to the late 1800s. The assessment revealed contamination stemming from a history of commercial and industrial uses, including the presence of more than 100 underground storage tanks.
PETCO Park opened in April 2004 and is credited with bringing new homes, jobs and quality-of-life infrastructure into the East Village. The Ballpark neighborhood also includes several important public infrastructure projects, such as the proposed new Main Library, parks, a new fire station, and the Park-to-Bay Link, which fulfills a 100-year old vision of linking Balboa Park to San Diego Bay.

###

2005 marks CCDC's 30th Anniversary. Since its inception, more than $6 billion of investment has occurred in downtown's 1,500 acres, resulting in 9,964 new homes, 6,260 new hotel rooms, 6 million square feet of office space, and more than 50,000 new jobs. To learn more, visit www.ccdc.com.

###

About **CCDC**
Centre City Development Corporation (CCDC) is a public, nonprofit corporation established in 1975 by the City of San Diego to plan and facilitate the redevelopment of downtown's 1,500 acres. To learn more, visit: www.ccdc.com.

Special Notes: CCDC's News Digest can be delivered to your e-mail address. Simply fill out our email alerts form to choose the type of messages you would like to receive. CCDC's regular meetings held at City Hall are televised live on City Access TV channel 24-Time Warner and Cox Cable.

Tools

Grassroots Program

Redevelopment Idea Center

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SB 53 / SB 1809

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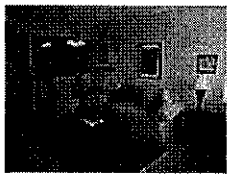
Residential Development New Construction
Heritage Estates - City of Livermore



Description: it Estates is a it senior hc using development consisting of 160 g g c re ts, 90 assisted g s, and communal aciliti on an 8 site at the western end of the City of Livermore red lop n a rea Communal facilities include two di rooms th restaurant style dining, an internet café, library, theater, beauty parlor, game on , spa and fitness center, a billiards room, g p, community living roo ith fi pl , utd ecreation facilities, community gardens, and a regional multi-use trail along the north side f th rty A free shuttle bus service is offered *to residents* providing transportation t di facilities, local shopping, dining, and entertainment destinations.

(75) of the units are dedicated to low-income seniors and 25 of the units are dedicated to very low-income seniors. The rema ning 150 units are market-rate.

The facility is currently managed by I Care and near full occupancy. It has quickly been ep y t n , a it fulfills a need for senior housing, especially affordable senior usi , in the community. Heritage Estates offers an attractive option for seniors who wish to tin e to eside in d th Tri-Valley area.

Objectives: T Herita Est development fulfilled a number of ls and je of th le elopment pla n including the removal of blight, t d of a brownfield sit maximizing investment in new housing construction in the plan area, g as a catalyst for additional development in the area, and enhancing community character through quality design (see discussion below).

Ag y In The was involved in the creation of this project literally from its inception and throughout its The project represents a se collaboration bet th devel h Redevel A d the City of Livermore.

In January 200 me Agency concluded negotiations leading to a fully executed Disposition and Development Agreement and began the process of obtaining California Debt Limit Allocation Committee authority to sell bonds to finance Heritage Estates. In addition to the housing funds, the City of Livermore gave all C $1,980,000 grant to purchase the 8-acre site from the Redevelopment Agency. The Agency provided ValleyCare Hospital with an $800,000 long-term loan to help pay Cit development fees.

In summary the Agency/City involvement in this project included the following:

- A Gene al in the downtown.
- The acquisition of the the developer through the use of $1,980,000 in City In-Lieu housing funds at a price that was significantly below market.
- Financial subsidy of $800,000 to the project.
- Capping the at $20,000,000 allowing for a significant reduction of the project's property tax. Projected cost to the Agency is estimated at $1,350,000.
- Support and issuance the Projects Tax E M ily B d Fi in the Amount of $ 9,)0
- E dit Entitlement Approval Process

- Collaboration on the development of the projects Disposition and Development Agreement, Regulatory Agreement, and Loan Documents.
- Successful joint effort with Developer to remove several old railroad easements on the property

Slight ***Elimination:*** The project site, located at the western gateway into Livermore's downtown district, was an Agency-owned vacant property that was at one time the location of a train switching station. The project was within the Redevelopment Strategy and Urban Design Plan Element Area of the General Plan (superseded by the Downtown Specific Plan after the completion of the project). The area around the project site was redeveloped with commercial uses during the 1960s and 1980s. However, the 8-acre project site remained a vacant weed lot until it was developed for Heritage Estates. The project removed blight and substantially enhanced the character of the neighborhood.

Project Currency: The Certificate of Occupancy for Heritage Estates was issued on May 12,2004.

Community ***Context:*** Since the project was abandoned as a train switching station, it has remained vacant as the surrounding area developed. A community shopping center was developed on the adjacent site to the east. Another shopping center exists to the south on the other side of Stanley Boulevard. An active railroad is located to the north of the project site and a residential neighborhood is located on the north side of the railroad.

The development is integrated with the community and offers the senior residents plenty of opportunities to interact with the rest of the community. Residents of Heritage Estates have easy access to several essential and convenience services including medical and health care facilities, shops, restaurants, local and regional trails, and a mass transit system that provides transportation throughout the region. Two bus lines serve Stanley Boulevard, providing access to the Dublin-Pleasanton BART station, Las Positas College, Stoneridge Mail and several other regional and community destinations.

The ValleyCare Medical Campus, a major component of the Redevelopment Area revitalization program, is located within walking distance of Heritage Estates. The Medical Campus includes a new medical office building, the Lifestyle Rx health and wellness center, and the recently renovated Valley Memorial Hospital, which houses the Chabot/Las Positas College Nursing Program and a 32-bed skilled nursing facility.

All of the Medical Campus uses directly benefit a senior population. Many prospective residents at Heritage Estates are drawn to the community because of its close proximity to comprehensive medical care and wellness programs. The Medical Campus benefits from a large population of potential customers residing nearby.

Heritage Estates residents also have convenient access to retail and personal services across the street within a neighborhood shopping center. The center offers a grocery store, drug store, specialty shops, beauty and hair salons, a dry cleaner, and restaurants. For trips outside the neighborhood, residents can take the Livermore Amador Valley Transit Authority bus lines that run along the street in front of the residence or take a private shuttle provided by Heritage Estates.

Community Participation ***Process:*** The project involved the direct participation of several stakeholders, including ValleyCare Health Systems (a nonprofit organization), the Redevelopment Agency, the City, and private developers. Several public hearings were held in the course of the City's project review process to receive public input.

Community ***Betterment:*** A 130-unit independent-living senior apartment Community is under construction on a neighboring site. The Heritage Estates development was a catalyst for the independent senior apartment development because it is a highly desirable neighboring use. The residents of the independent senior apartments will have access to community facilities within the Heritage Estates development and residents will be drawn to the independent senior community because they will receive a priority for moving into the Heritage Estates community, should they desire the additional services provided at Heritage Estates. The independent-living senior apartments will include 56 affordable units.

The addition of 250 dwelling units in Heritage Estates, as well as the 130 units under development on the adjacent site, has attracted more residents to the City's Redevelopment Plan Area. The new residents contribute to supporting downtown businesses, including stores, restaurants, personal

service providers, and medical professionals. The addition of residential units in and around the downtown core is an integral part of the City's plan to revitalize the downtown. Currently there are several commercial redevelopment projects under way in the City's downtown. Although none can be directly attributed to the development of Heritage Estates, there is no doubt that Heritage Estates will contribute to the success of commercial uses in the downtown.

At a more immediate level, the proximity of Heritage Estates near Valley Memorial Hospital, Lifestyle Rx health and wellness center (operated by ValleyCare), and several medical offices provide a mutually beneficial relationship among the residents and health care providers.

Economic Viability/Fiscal Stability: Financing the development was one of the greatest challenges for the Agency and the developer. Heritage Estates total development costs are approximately $41.5 million. The financing sources include tax exempt bonds allocated by the California Debt Limit Allocation Committee, tax credit equity, owner's equity and a second mortgage from the Livermore Redevelopment Agency. The financing structure aiso involved the purchase of the fee interest in the land by ValleyCare Senior Housing, Inc., a subsidiary of ValleyCare Hospital from the Livermore Redevelopment Agency. The land was in turn leased to the owner's of the Heritage Estates community.

Because of the unique tenant uses and the high percentage of affordable units (40%), the development team had to overcome strong lender resistance to financing senior communities that offer congregate and assisted living selvices. This resistance was compounded because the project relied on the use of tax-exempt bond financing and tax credit equity to help finance the construction and permanent costs of the significant affordable component. The inclusion of these specialized financing tools, coupled with the resistance to lending to senior communities, greatly limited the number of potential construction lenders and permanent lenders interested in providing financing to the community. These financing obstacles were overcome by structuring a custom construction loan period financing program. This program included a construction loan provided by Bank of America. However, Bank of America was concerned about potential risks during the lease up and stabilization periods. To protect Bank of America, the developer structured a standby bond purchase agreement, provided by Newman Financial Selvices, Inc. a subsidiary of General Motors Acceptance Corporation (GMAC). The principals of the Heritage Estates ownership group provided guarantees to Bank of America and Newman Financial Services, Inc.

Legal Context: The project did not involve any extraordinary legal issues or litigation.

Brownfields: The principal environmental issues for this project centered on soil contamination and noise pollution. The site was contaminated with arsenic from a former use, requiring a significant remediation plan and ongoing monitoring from the California Department of Toxic Substances Control. Secondly, noise generated by the neighboring rail line required several mitigating measures, including the construction of a masonry sound wall running the entire northern border of the project site. To further mitigate noise, the construction specifications were enhanced to include the use of enlarged wood studs in the framing of the apartments, using central heat and air condition systems rather than through-the-wall HVAC units, thicker paned window systems, and other insulation strategies. These acoustic requirements greatly increased the construction costs of the development, straining economic feasibility.

Design: The building design and site planning address two major site constraints: a railroad to the north and two major streets to the south and west. The project was designed to provide large courtyard spaces that offer attractive passive and active recreation areas for residents. The courtyards function well in sheltering residents from adjacent streets and railroad by the two-to-three story buildings. An attractive masonry sound wall provides additional buffering from railroad activity.

The architectural design picks up design cues from the existing architectural tradition of Livermore, including the use of Craftsman style details. The building introduces an attractive contemporary look to an area of the city which was primarily developed in the 1960s through the 1980s.

General Agency Profile: The City of Livermore's population is 80,000 and the City is 20 square miles. The Redevelopment Agency was formed in 1982 and its Project Area covers 250 acres. The City Council also selves as the Agency's Board of Directors. The FY 2005-06 tax increment revenue was $3,944,648. The housing set-aside is 20 percent of the tax increment revenue. The Agency will

sunset in 2032.

Contact:
Livermore Redevelopment Agency
Address: 1052 South Livermore Avenue
Livermore, CA 94550-4813
(925) 960-4040
www.ci.livermore.ca.us

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California Redevelopment Association

Redevelopment. Building Better Communities.

California has more than 390 active redevelopment agencies in communities throughout the state. While they are probably the least understood local government entities, redevelopment agencies represent the most important tool a community has *to* help breathe new life into areas *in* need of revitalization and new opportunity. Redevelopment activities, provide affordable housing and homeownership opportunities for families most in need, reduce crime, improve infrastructure, create jobs and expand opportunities for business, and lead cleanup of *environmentally-* threatened and rundown areas. Below are some key facts about redevelopment agencies and their contributions *to* California communities.

Redevelopment. Without it, important community projects don't get done.

An abandoned gas station doesn't turn into a small business overnight and affordable housing doesn't build itself. Revitalization of deteriorated areas doesn't just happen – someone has to make it happen. The core function of redevelopment agencies is to serve as the catalyst for community revitalization projects.

Reflecting the community's needs:

Redevelopment agencies are local government entities usually controlled by the city council, county board of supervisors or a separate appointed board (all accountable to the public). Because they are locally-governed, redevelopment agencies are in the best position to identify exactly what a community needs and to work with private investors on local projects to meet those needs.

How it works:

When redevelopment agencies make improvements to deteriorated areas, property values within those areas rise, resulting in an increase in property tax revenues. State law allows redevelopment agencies to use a portion of this increase to repay debt they must incur in order to rehabilitate an area. Redevelopment agencies use these funds to buy property, build public improvements and infrastructure, clean-up contaminated soil and do other things necessary to improve the conditions of the property. This in turn attracts private investment and creates a chain reaction where the ultimate economic output and benefits to the community are larger than the original public investment.

In Your Community, Redevelopment is:

- ✓ Affordable housing and homeownership opportunities
- ✓ Revived business districts and downtowns
- ✓ Revitalization of rundown neighborhoods
- ✓ Crime reduction
- ✓ Improvements to streets, lighting, sewers and water lines
- ✓ Clean-up of contaminated property
- ✓ Community centers
- ✓ Parks
- ✓ Libraries
- ✓ Fire stations, police stations and other public facilities
- ✓ Neighborhood beautification such as upgrading facades and sidewalks

Redevelopment By the Numbers:

$31.84 billion. Redevelopment's economic contribution to California in 2003.

$14. Every $1 of redevelopment agency spending generates nearly $14 in total economic activity.

310,000. Full and part time jobs created in just one year (2002-2003).

82,437 units of affordable housing built or rehabilitated since 1994 by redevelopment agencies.

18,387 units of low and moderate income housing expected to be built or refurbished over the next two years.

$1.58 billion. State and local taxes generated through redevelopment construction activities in 2003.

20% of property tax revenues generated from redevelopment activities must be used to increase supply of affordable housing.

2nd largest funder of affordable housing in California after the federal government.

Without the initial investment from redevelopment agencies, many important community projects simply would not happen -- leaving communities still plagued by deterioration, crime and poor economic and social conditions.

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Community Revitalization
City of Petaluma

The City of Petaluma has a long history and tradition as a working river town. From its earliest days, the City has supported a broad mix of uses, including industry, navigation, shipping trade and supplying the Bay Region as well as local commercial stores with harvests from its fertile river alley. In the last 150 years, its Victorian iron-front buildings have seen the transition from an agricultural and shipping center to thriving Downtown and boutique destination

In 1996, the City of Petaluma initiated a planning process for the central portion of the city extending along th i . This Central Petaluma Specific Plan envisions a invigorate l central district that ac r no l t s a greater diversity of uses and includes the traditional, older residential areas that give the area identity and interest as well as new environments for living and working in the Downtown area. Major planning goals and objectives of the Specific Plan include:

- t Gr vth into Central Petaluma by encouraging mixed-use and i si l development including public facilities, theatres, recrea r u e s and rl ;
- Reconnect the City to and along the River by creating a k of d d bi l sil l o p lin k ges;
- Encourage Diversity in Transportation Modes by minimizing streets;
- Reinforce Working Character of Petaluma's Waterfront by respecting existing industrial uses;
- Enhance Physical Structure and Identity by rehabilitating older shopping centers;
- Promote Sustainable Development.

Central Petaluma's identity is closely tied with the origins of the city. The Specific Plan encourages the protection, enhancement, rehabilitation and adaptive reuse of architecturally significant and interesting structures F , the Petaluma Train Depot has been renovated for use by the Petaluma Visitor's C d in the near future Sonoma Marin Area ail Trail (SMART) hopes to use it for the Downtown Petaluma station.

From the goals outlined in the Central Petaluma Specific Plan, a Central Business District Master Plan (CBD) was conceived. The Master Plan set out to enhance the distinct historic cn t of the Downtown b g ligh i c promoting historic design l ts The Master Plan design spanned a p l f ig b f re ir g approved as a $22M Central Business District Redevelopment Project "Five-Year Implementation Plan" funded by the Petaluma Community Development Commission (PCDC). This series of projects was adopted June 4, 2001 and is the result of many years of research, design, public review and redesign in cooperation with the Site Plan Architectural Review Committee (SPARC), His i d Cultural Preservation Committee (HCPC) and the community of Petaluma.

Following are discussions of the projects that were designed to improve, beautify and restore Downtown economic vitality. The f k is bordered in the North by Washington Street, in the South by B Street, in F We by H w l St and in the East by Water Street. The most recent of these projects was completed in August 2006

DOWNTOWN

The Downtown Improvements Phase I project focused on the areas known as the Historic Downtown and Historic Downtown Riverfront. The historic buildings of Petaluma are on the National Register of Historic Places and are very important to the community of Petaluma. The City Government policy-makers realize that

a certain focus must stay on th s sp cifi area of the city to continue to bring revenue to the building owners, business managers and tax district to continue the economic vitality of the Historic Downtown.

Specific appendices have n writt n to supplement the Central Petaluma Specific Plan as "Smart Code" and Architectural Guidelines to reinforce the existing architectural character of the Historic D v tow Furthermore, City C d f t adopted to manage the renovation of or addition to any building within the Historic Downtown.

The Downtown Improvements project consisted of the replacement of the ubiquitous galvanized streetlights with historically-styled ones, sidewalk cut outs for trees with cast iron grates, street resurfacing on Petaluma Bo l l, x fig i o f th s, sidewalk bulb outs, the installation of two flashing crosswalks and sewer upgrades. These improvements unified the ancillary characteristics of the Historic Downtown while adding streetlights, wider sidewalks and safer street i for .

The water infrastructure in the Downtown area was enhanced by the addition o a ater main and laterals for future fire sprinkler connections as there are many older buildings that were not required to have sprinkler systems installed during original construction. The new water lines will also provide a better distribution main grid to serve further Downtown redevelopment in the Central Petaluma Specific Plan area.

WATER S T

Two blocks of Water Street were identified in the Master Plan for revitalization and blight removal. Two successive projects were scoped and approved: Phase I Underground Utilities and Phase II At-Gr Improvements. B il lizi ng th t wo l l , an p pl a area l p d i p d were established and simultaneously, a portion of the "Petaluma River Access and Enhancement Plan" (aka Rivertrail) was completed. This waterfront area was eventually extended by an adjacent development, now referred to as the "Theatre District"

The existing waterfront in this area was a back-lot alley-way defined by the delivery entrances of the 100 year-old brick buildings on one side and the galvanized chain-link fence protecting the drop-off to the Petaluma River on the other s . The street was uneven asphalt and businesses stored their motley assembly of g ge and recy g bi s he ever suited them best. The alley-way provided reserved parking and a c place for vandals to set garbage cans on fire, "tag" private property and throw a variety of objects into the river, limited only by what wasn't chained down or too heavy to lift

The business services in this area were utilized mostly by the business people to do work day errands c lunches or by the nearby resident for a w end brunch. This special area of Petaluma was not sought as a destination within the larger city.

e /a St p jec n d property o sp ific a g and traffic thoroughfare to provide an open gathering space along the shores of the Petaluma River. D t pl lt was d a d pla c d with an interesting brick and cobble stone pattern hearkening to the early days of Petaluma's establishment. Garbage can enclosures were built of materials congruous with the historic setting to p ide aesthetically pleasing g e c f th Downtown businesses. P p t vne p ticip at in discussions with the Public Works p oj anager to coordinate the size and placement of the new enclosures Plans are in design to build kiosks to bring vendors to the area to cater to the visitor population which has the adoibonal benefit of increasing plaza activity and further reducing blight.

The train tracks that follow the western bank of the Petaluma River into the Historic Downtown area created an t t d t Pr I f th is p ject. The City of Petaluma negotiated with Northwestern Pacific Railway Company to carefully underground the utilities crossing the existing railroad tracks. The t a ks e p served to retain the historic value of this special area as well as to maintain the right-of-way for possible future use of passenger trains.

STREETSCAPE

A goal of the PCDC is to design and construct projects that will facilitate and enhance the vitality of the Central Business District environment at the pedestria l l. In addition to adhering to the planning concepts in the Central Petaluma Master Plan, the Streetscape project is consistent with many goals within the Petaluma General Plan: strengthening Petaluma's que identity; a n g and enhancing Petaluma's physical diversity, unique image, and small town atmosphere; enhancing the Do own as a n r l po t and the City's major commercial center in order to encourage economic growth while retaining v n wn's hist ri l it g Monthly meetings convened with a t ty-fi t r advisory committee appointed by City Council to discuss the specific objectives of the Streetscape project and to listen to community views and perspectives regarding th p oje t intent

The CBD Master Plan enhances the pedestrian environment in the Historic Downtown by programming historic-style metal street furnishings to complement the iron-front buildings. Selective street resurfacing s performed to extend functional life and enhance aesthetics. In the interest of minimizing impact to the businesses and to promote sustainability, the Master Plan does not use a "total tear out and replace"

approach, but rather removes only what is necessary. All of these elements contribute to creating an environment to stimulate commerce.

After approval by SPARC and City Council, the Public Works project manager canvassed the business district to confirm the planned streetscape locations and discuss the upcoming project installation with the property owners. The City's Pedestrian and Bicycle Advisory Committee were consulted in the field to locate bike bollards in popular bicyclist locations. During the construction phase, the project manager neqotiated the final details of the streetscape item placement with property owners and merchants.

All of the metal streetscape furniture pieces are fabricated locally. Petaiuma High School was consulted for the manufacture and supply of three of the Downtown Streetscape furnishings: the metal strap ("plaza") bench, the cast iron and wood slat ("chicken") bench and the custom bicycle bollards. The success of this contract has now evolved into a model program for other technical high schools to follow. Teachers and students alike were excited to participate in a project that had so much impact in revitalizing their local community.

The black painted, traditionally-styled light posts and sign posts as well as the "plaza" and "chicken" benches were selected to evoke the historic cast iron fixtures used at the time of the original Downtown of 1858. The 'chicken" bench is based on an antique, cast iron and wood plank bench found in Petaiuma. In keeping with Petaluma's agricultural history and as a nod to the twenty-seven year tradition of the "Butter and Eggs Day Parade", the finials for the bike bollards and medallions on the street lights feature a chicken and egg motif as designed by local artists and selected by the Petaluma Art's Council.

The early-20th century styled, under sidewalk basements precluded the installation of an automatic watering system for the new planters. Shortly after the project completion, the project manager negotiated with individual merchants and The Rose Club of Petaluma to assume responsibility of care for the new planters in the Downtown area.

The Petaluma Downtown Association meets regularly to discuss merchant and property owner's issues in the area. A frequent topic of discussion is the overaii cleanliness of the Historic Downtown realizing that the daily appearance has an impact on a visitor's experience. The merchants and property owners invest their personal and professional time to keep storefronts and sidewalks tidy. This redeveloped area does require additional maintenance and operations effort, but it is the City's commitment to spend time and effort in the newly revitalized area.

A comprehensive wayfinding project was designed and executed as part of the overaii CBD Master Pian. This signage project installed a combination of driving and pedestrian signs in fifty-eight locations along the four main approaches into the Petaiuma Central Business District.

RIVERTRAIL AND TRANSIT MALL

Other related projects add to the revitalization effort as they dovetail into the CBD Master Plan projects. The 'Petaluma River Access and Enhancement Plan" (aka Rivertrail) will provide a continuous pedestrian and bicycle pathway along the banks of the Petaluma River. The various destinations along the Rivertrail will include the revitalized Historic Downtown, Water Street, and 'Theatre District", in addition to other commercial, transportation, residential and riparian destinations. The completed portion of the Rivertrail in the Historic Downtown area now connects the Water Street Plaza to the recently completed "Theatre District".

Furthermore, Sonoma County has begun construction of a "Transit Mall" on a large, formerly undeveloped parcel immediately across the river from the Historic Downtown. This area is intended to operate as a transit hub connecting the cities of Sonoma County and possibly further connecting the North Bay counties to San Francisco and the East Bay. Currently, the Balshaw Bridge provides pedestrians and bicyclists a convenient crossing of the Petaluma River from the "Transit Mall" site to the Downtown area.

THEATRE DISTRICT

This project was executed under an Owner Participation Agreement (OPA) between the City of Petaluma and the private developer. PCDC provided funding for the improvements of supporting infrastructure and the undergrounding of overhead services. The City supported the development of this adjacent area because this project in turn supported the City's vision to revitalize the Historic Downtown area. The Theatre District project expanded the area and number of Downtown commercial and office spaces, thereby increasing the number of people and variety of services in the area.

The private developer worked with the City and SPARC to design a new series of buildings adjacent to the Historic Downtown area. The architect took into consideration the charm and characteristics of the Historic Downtown buildings and extended the installation of the Downtown furnishings to make the area bike and pedestrian friendly. The total Theatre District project includes:

- a twelve-screen cinema complex (complete);
- a mixed use project consisting of ground floor commercial space and residential units grouped around an interior courtyard (in construction);

- a four level of parking garage containing ground floor commercial space (complete);
- related landscaping and site improvements (complete);

Specific resident and property owner needs, such as reserving public street parking for residents and adjusting the schedule around private community events, were addressed on a continual basis throughout the construction of these projects.

In addition to the aforementioned projects, the Downtown Streetscape Phase II project, which is in design, will extend the area of street furnishings to two additional blocks of the Downtown area. Private adaptive re-use projects have been completed within historical buildings adjacent to the Downtown area and other developments are underway to extend the mixed-use planning concept to the south of Downtown along the river.

The six projects discussed herein represent great steps forward in an overall effort to revitalize the Central Business District. These projects would not have been successfully completed without the consensus of the myriad advisory committees and continued community support.

The individual project descriptions demonstrate the support of the Central Petaiuma Specific Plan goals and objectives by encouraging mixed-use development, redirecting growth into Central Petaluma, encouraging diverse transportation modes and reconnecting the city to the river. Repeat visitors and long-term residents often remark at the increased pedestrian activities and overall improvements of the Downtown area.

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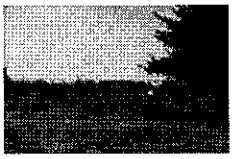
Commercial/Industrial Development
Anlin Industries



Market condition driving the need for the project and how the agency became involved
Anlin Industries incorporated in 1990, s a vinyl windows and door manufacturer, with an emphasis on the l i d r rk t In 1991, Anlin began its operation in Fresno with four employees and no sales. The facility was located on one acre consisting of a 15,500-squared foot building, of which 9,000 ft. was occupied for manufacturing. As the business grew, 15,000 sq. ft. of tent space was added to the Fresno site. A steady stream of sales and workforce development challenged Anlin Industries to expand its facility.

In 1996, the City of Clovis and Clovis Community D v p nt Ag r (CCD 's redevelopment Agency) staff beg discussions with Tom Vidmar, Owner to find a suitable location in order to keep Anlin in the Fresno/Clovis metropolitan area. Anlin had considered several other locations in the Fresno/Clovis metropolitan area and outside the state of California. In 1997, the CCDA Board approved the sale of 6.34 acres of real property, located at 1665 Tollhouse Road, to Anlin Industries, for $1 (a $350,000 value). In return, Anlin built an 85,000-square foot facility on the property with ancillary public improvements valued at $4.5 million. As part of the original Agreement, the Agency also granted Anlin a Right of First Refusal for an dditi n l 6. property (Pl 2) l t l dj t t l ri i l property for their future expansion which they exe sed in 2001

Stimulating new private investment in the project area
Since the relocation and expansion of Anlin Industries to the corner of Fowler Avenue and Tollhouse Road, th has been tremendous growth in both the residential and commercial sectors. The Anlin development was an infill development project located in the center of the City. The City & CCDA had l e o ging infill projects as a means to reduce s a l and develop property previously over looked by the market. Withi two years of completion of the Anlin project, two il c mercial shop ing centers totaling over 400,00 S were constructed with half a mile of Anlin. T se retail centers included grocery stores, several varieties of restaurants and numerous in-line retail o The developers of these projects selected these sites because of day time employment and increased residential. The residential subdivisions sprang up to the east of the Anlin site almost immediately. The Anlin infill project eliminated l e new development in th area, d d the City/CCDA tax base and created new employment.

e ti g g f e g y
Anlin has exceeded all the projections p d t the City/Agency when they purchased the p p in 1997. They have grown much faster and much quicker than expected and needed to expand their facility. In February 2001, Anlin purchased the adjacent Phase 2 property from the Agency for $290,000, and an d liti l 6 of adjacent property from a private party. Anlin worked with the City to develop plans for an expansion of their facility that included a 101,000 sq. ft. building, a 300 space p kin g l t fc e pl y and delivery trucks, and decorative fencing for the ar r and landscape. In 1998, Anlin came to Cl with 92 l T i th l ly 200,0 ft. of building, annual sales of $45 million and 325 employees

Removing blight, creating revenues and employment opp t
Over the past five years, Anlin g fi n 212 to 325 employees. Sales have doubled from $15.6 o t e $ i illi Below are the employment and sales projections provided in 1997 and Anlin's current status:

Year	1997 EMPLOYEES (Projection)	EMPLOYEES (Actual)*
1996	90	

1997	92	
1998	108	140
1999	174	192
2000	212	230
2001	250	266
2002	288	300
2003	300	320
2004	320	325

Year	Total Sales
1995	$ 5,466,409
1996	$ 8,600,000
1997	$12,029,000
1998	$15,157,000
1999	$19,750,000
2000	$24,000,000
2001	$28,400,000
2002	$35,600,000
2003	$40,000,000
2004	$45,000,000

Architectural design and compatibility with surrounding land use

The area where Aniin Industries developed its facility used to be an abandoned stable and large open field with nothing but dead shrubbery during the summer and overpopulated vegetation during the spring. When the facility was completed however, the company trucks and the work area could still be seen from Highway 168 and near by streets. As this was noticed by the owner, a large sound-proof brick wall was built in the perimeter of the property. The Northeast corner included a water fountain with landscaping surrounding the property. Prior to Anlin's expansion, the City received calls about the unkempt state of the vacant corner next to the Anlin facility (Phase I). The first action taken by Anlin after purchasing the site from a private owner was to build a decorative wall along the street frontages and a fountain at the corner. The calls to the City increased after the construction of the wall and fountain, as did letters to the editor of the local paper. The only difference was that the calls and letters were compliments and thanks instead of complaints.

Obstacles and creative solutions, including development team expertise, financing, project costs, ongoing ownershiplmanagement, and community acceptance.

Unfortunateiy, some of the assistance provided by the City/CCDA would be more difficult to provide after the adoption of SB 975. Most notably, land write-down would have been cause for implementation of prevailing wages for the construction of the project. This may have caused Anlin to consider another site outside of the Fresno/Clovis metropolitan area, and possibly the state. Aniin did request interpretation of SB 975 from the Department of Industrial Relations (DIR) prior to accepting off-site assistance for the expansion project. The DIR ruled that the assistance did not trigger prevailing wages. Anlin's expansion project was delayed one year, waiting for that ruling. We believe that this ruling was the first by the DIR after passage of SB975. It was important in that it provided some guidance for redevelopment agencies state wide regarding providing assistance off-site improvements and not triggering prevailing wage requirements,

The owner of Anlin Industries has meticulousiy kept the property in excellent condition. He decorates the facility for every holiday. He treats the facility like it is his residence and takes pride in demonstrating his community and national pride. The residents in the area think of him as their neighbor and not a giant industry. The owner also offers English classes to all his employees for free, and on the clock. He realizes that he may lose some employees as a result of this benefit but he believes in the American dream. Anlin employees are family. Now, this may sound exaggerated to the reader, but it is not. If you don't believe me go see for yourself. He will give you a tour and call each of his 325 employees by their first name and greet them with a hug.

Indicators established to evaluate the effectiveness and benefit of the project

The main purpose of the project was to retain a business in the Fresno/Clovis Metro area and provide an opportunity for that business to expand. Since 1998, Anlin built the original 87,000 sq. ft. facility and expanded by an additional 110,000 sq. ft. Employment has more than tripled and sales have increased by 260%. Anlin and the Agency/City are now working to identify land for future growth. The total investment by the Agency was $634,000, which included land write down ($300,000) and off-site improvements ($334,000). Anlin has invested in excess of $10 million on building and site improvements. It has also been the exemplary committed neighbor. They give generously to many local charities and have provided $100,000 per vear to Clovis Unified School Foundation.

Summarize the project financing elements

Anlin Industries moved to Clovis as a result of a mutual agreement with the Clovis Community Development Agency (CCDA) and Tom Vidmar, owner of Anlin Industries. The 1997 board approved sale of 6.34 acres of

real property to Aniin Industries produced an 85,000 facility valued at $4.5 million. In 2001, Anlin purchased the adjacent phase 2 property from CCDA for $290,000 and an additional 6 acres of adjacent property from a private party. The new Phase 2 expansion included 101,000 sq. ft. building and a new employee 300-stall parking lot.

Since 1998, Aniin has expanded by an additional 110,000 sq. ft. In the past five years, Aniin has grown from 92 employees to 325 now. Sales have more than doubled from $15.6 miiiion to over $45 million. Anlin is now among the top manufacturers and sales tax generators in Clovis

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20 years of redevelopment improve life in Manteca

MUCH IS SAID and written about California redevelopment, but what exactly is redevelopment?

In the 1950s, the state Legislature enacted the California Redevelopment Law. The idea was to encourage development of land that is either run down or under utilized, and to increase the amount of affordable housing in California.

Blighted land can be defined as property that is neglected, dilapidated or under-utilized. Redevelopment funds can then be used to spur development of that land so that it is better used and more financially productive for the community. In addition, at least 20 percent of redevelopment funds must be used fur the benefit of affordable housing. Manteca enacted its first redevelopment plan and adopted the first project area in 1986. Over these past 20 years, the funds have been used as an economic development tool to:

- Convert the abandoned Spreckels Sugar factory to a successful commercial/industrial park.

- Encourage facade improvements in the downtown area.

- Convert a burned-out movie theatre into a successful micro- brewery and restaurant.

-Provide infrastructure (streets and utilities) to the new Stadium Shopping Center (housing Kohls department store and others).

- Contribute to the development of the Big League Dreams baseball park.

In the area of affordable housing, Redevelopment funds have been used to:

-Renovate the Union Court apartments at Union and Wawona.

- Develop the Almond Terrace senior housing project on Union Road, just south of Lathrop Road.

-Develop the Cedar Glen affordable housing project on East Yosemite Avenue.

- Provide funding assistance for senior citizens to make health- and-safety repairs to their homes.

-Provide down-payment assistance for low-income, first-time homebuyers.

These projects would likely not have been possible without redevelopment funding. But how is this funding made possible?

Property taxes that are collected twice each year are distributed to a number of taxing entities, including the city of Manteca, County of San Joaquin, Manteca Unified School District, county library system, San Joaquin Delta College, and the San Joaquin County School Service, among others.

Property taxes collected on property located within a Redevelopment Project Area are still allocated to those entities at the funding level they received when the Project Area was formed. But any growth in the property values is paid, for the most part,

to the Redevelopment Agency.

Thus, the taxing entities are held whole, though they do not receive increases in property tax revenue **as** property values rise. Instead, that growth in property tax revenue is allocated to the Redevelopment Agency. Although increased growth in property tax revenue cannot go directly to the citys general fuud for property located within **a** project area, it does provide financing opportunities to spur economic development growth that provides even greater revenue to the general fund.

The citys general fund, which pays primarily for police, fire and parks staffing, comes from sales tax, property tax and building fees. By adding new commercial development, sales tax revenue increases, thus providing more funding for police, fire and parks than would have been realized without Redevelopment.

In fact, without redevelopment, the Spreckels property and the El Rey Theatre would likely have continued to lay fallow, resulting in **a** significant loss of revenue to the General Fund.

Bob Adams is city manager of Manteca.

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REDEVELOPMENT ACCOMPLISHMENTS IN THE CITY OF PLEASANT HILL

Redevelopment in California is carried out by local governments under the state Community Redevelopment Law. Redevelopment is a powerful tool that permits local governments to act for the common good by assembling and redeveloping private and public property pursuant to an adopted plan. The Redevelopment Agency may help finance those activities by using the property taxes generated by new development in the redevelopment project areas. In the City of Pleasant Hill, Redevelopment has:

- Helped strengthen and diversify the City's tax base, by developing a wide range of new commercial, office and residential projects, worth more than $340 million, in the City's two redevelopment Project Areas;

- Increased City revenues from redevelopment projects in the form of sales taxes, transient occupancy (hotel) taxes and state subventions, thereby allowing increased City expenditures for police services, street maintenance and paving, maintenance of storm drainage facilities, traffic signalization, roadway beautification, code enforcement, and general community services;

- Improved the physical appearance of the community by removing outmoded and dilapidated structures and inappropriate land uses;

- Loaned nearly ***$2.6*** million to low-income homeowners throughout the community for needed housing improvements;

- Helped create over 380 units of affordable housing, at Hookston Senior Housing, Gallery Walk Townhomes, Chateau III Congregate Care Facility, Grayson Creek Apartments and Pleasant Hill Village Apartments;

- Created over 1,500 net new jobs in the community, at Pleasant Hill Plaza shopping center, the Terraces office building, Chateau III, Courtyard shopping center, Marriott Courtyard Hotel, Two Worlds, Summerfield Suites Hotel, Pleasant Hill Downtown; and the Crossroads Shopping Center;

- Improved the image of Pleasant Hill as a stable, attractive community, able to attract and manage a desirable level of growth.

All of the above has been accomplished by the expenditure of less than $30 million in property tax revenues received over twenty-four years by the Redevelopment Agency from its two Project Areas. Without Redevelopment, the City would have received less than $5 million in property taxes from the two redevelopment Project Areas, based on projecting assessed value growth and resulting property taxes at the same rate as that of the entire city over the same period of time, and could not have accomplished a fraction of the achievements described above.

Redevelopment is locally funded, by the property taxes generated by the new development in the redevelopment Project Areas; locally administered, by City staff; and locally controlled, by the City Council/Redevelopment Agency Board of Directors who are elected by Pleasant Hill voters.

The Pleasant Hill Redevelopment Agency is currently pursuing new projects that will further improve the appearance and vitality of Pleasant Hill. These include continuing redevelopment of the Crossroads Shopping Center as a community and regional serving commercial shopping center and the potential redevelopment of the DVC Plaza/Kmart Shopping Center and the Hookston Station area of Pleasant Hill.

Redevelopment is the most successful public/private partnership program for economic development and community improvement in the history of California. It encourages private sector investment in areas that would otherwise be passed over due to high costs to assemble property, correct infrastructure deficiencies, and provide affordable housing. Pleasant Hill has certainly benefited from this cooperation between the public and private sectors in taking on tough challenges and producing top class results. **We** hope to continue on that path, and in so doing to continue to improve the economic health, physical appearance and overall image of the entire community.

* * *

Bob/Redevelopment **Accomplishments**

EXHIBIT E

04/01/2007

California Redevelopment Agencies - Fiscal Year 200512006
Housing Activity: New Construction
Project Areas: Both Inside and Outside

County Agency Project Area Project	VERY LOW	LOW	MOD	ABOVE MOO	TOTAL**	IN ELIGBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR' OBLIG.
ALAMEDA COUNTY												
ALAMEDA CITY CIC												
BUSINESS AND WATERFRONT												
Bayport - Warmington	0	0	10	0	10	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Breakers at Bayport Apartments	32	20	0	0	52	0	Other Provided with LMIHF	Non-Agency	Rental	Nan-Elderly	Inside	
Breakers at Bayport Townhomes	0	0	10	0	10	0	Inclusionary	Non-Agency	Owner	Nan-Elderly	Inside	
Agency Totals:	32	20	20	0	72	0						
EMERYVILLE RDA												
EMERYVILLE PROJECT												
Andante Phase I	0	2	9	0	11	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Elevation 22	0	I	0	0	I	0	Inclusionary	Nan-Agency	Owner	Non-Elderly	Inside	
SHELLMOUND PROJECT												
CITY LIMITS	0	4	5	0	9	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	0	7	14	0	21	0						
HAYWARD RDA												
DOWNTOWN HAYWARD PROJECT												
Sara Conner court	40	16	1	0	57	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	40	16	1	0	57	0						
LIVERMORE RDA												
DOWNTOWN PROJECT												
General Inclusionary Program	I	9	7	0	17	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Heritage Estates	22	33	0	0	55	0	Inclusionary	Agency	Rental	Elderly	Inside	
Station Square	0	11	0	0	11	0	Replacement	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	23	53	7	0	83	0						
OAKLAND RDA												
ACORN PROJECT												
2006 Palm Court	0	12	0	0	12	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
COLISEUM												
2006 coliseum Gardesn Phase I	14	22	0	0	36	0	Inclusionary	Nan-Agency	Rental	Non-Elderly	Inside	
2006 coliseum Gardesn Phase I	78	0	0	0	78	I	Replacement	Non-Agency	Rental	Non-Elderly	Inside	
WEST OAKLAND												
1311 Campbell Street	0	1	0	0	I	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	92	35	0	0	127	1						
UNION CITY RDA												
UNION CITY COMMUNITY PROJ												
Mission Gateway	85	35	0	0	I20	0	Inclusionary	Agency	Rental	Non-Elderly	Inside	

* Ineligible: Affordable units occupied by persons whose status has subsequently changed (income. number of eligible persons, etc.) to prevent the household from currently qualifying for the same dwelling unit

** Total: sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGIBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONARY OBLIG.
Mission Gateway	23	7	1	0	31	0	Replacement	Agency	Rental	Non-Elderly	Inside	
Senior Village/Alma Via	7	16	5	0	28	0	Inclusionary	Agency	Rental	Elderly	Inside	
Agency Totals:	**115**	**98**	**6**	**0**	**179**	**0**						
County Totals by Income Group:	502	189	**48**	**0**	559	**1**						
BUTTE COUNTY												
OROVILLE RDA												
PROJECT AREA 1												
First Time Homebuyer Infill Construction Program	0	0	3	0	3	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	**0**	**0**	**3**	**0**	**3**	**0**						
County Totals by Income Group:	**0**	**0**	**3**	**0**	**3**	**0**						
CONTRA COSTA COUNTY												
BRENTWOOD RDA												
MRGD BRENTWOOD & NO BRENTW												
Coppergate Townhomes	0	0	15	0	15	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
First Street 8-Plex	1	1	0	0	2	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
KB Arbor Village	3	2	0	0	5	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Sycamore Place II	40	0	0	0	40	0	Inclusionary	Non-Agency	Rental	Elderly	Inside	
Sycamore Square	0	0	1	0	1	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
OUTSIDE PROJECT AREA												
Arbor Ridge Apartments	36	0	0	0	36	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Outside	Two
California Orchard	0	0	3	0	3	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Outside	Two
Meritage	1	1	0	0	2	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Outside	Two
Agency Totals:	**81**	**4**	**19**	**0**	**104**	**0**						
CONCORD RDA												
OUTSIDE PROJECT AREA												
First Time Homebuyer Program	0	0	11	0	11	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Outside	Two
Agency Totals:	**0**	**0**	**11**	**0**	**11**	**0**						
PITTSBURG RDA												
LOS MEDANOS PROJECT												
1st Time Home Buyer Program	0	0	2	0	2	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
1st Time Home Buyer Program	0	0	2	0	2	0	Other Provided with LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
Market Rate Housing	0	0	0	154	154	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
Terra Nova	0	0	2	0	2	0	Other Provided with LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
Terra Nova	0	0	0	8	8	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
Willow Brook	0	0	0	8	8	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Inside	

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** Total: sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE'	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR' OBLIG.
Agency Totals:	0	0	6	170	176	0						
PLEASANT HILL RDA												
OUTSIDE PROJECT AREA												
Housing Rehabilitation Loan Program	0	4	0	0	4	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Outside	One
Agency Totals:	0	4	0	0	4	0						
SAN RAMON RDA												
ALCOSTA/CROW CANYON PRJCT A												
Muirlands	69	281	0	0	350	0	Other Provided without LMIHF	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	69	281	0	0	350	0						
County Totals by Income Group:	150	289	36	170	645	0						
EL DORADO COUNTY												
SOUTH LAKE TAHOE RDA												
OUTSIDE PROJECT AREA												
2006 1st Time Homebuyer	0	I	0	0	I	0	Replacement	Agency	Owner	Non-Elderly	Outside	
2006 Illegal Unit Conversion Prg	0	I	0	0	1	0	Replacement	Agency	Owner	Non-Elderly	Outside	
Agency Totals:	0	2	0	0	2	0						
County Totals by Income Group:	0	2	0	0	2	0						
Fresno COUNTY												
CLOVJS CDA												
HERNDON PROJECT												
College Project 2005-06	0	1	0	0	1	0	Inclusionary	Agency	Owner	Non-Elderly	Inside	
OUTSIDE PROJECT AREA												
Coventry Cove Apartments	0	28	0	0	28	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Outside	Two
PROJECT 1												
Hotchkiss Terrace	0	75	0	0	75	0	Inclusionary	Agency	Rental	Elderly	Inside	
Agency Totals:	0	104	0	0	104	0						
ORANGE COVE RDA												
ORANGE COVE PROJECT												
INDIVIDUAL OWNERS	16	40	24	0	80	0	Replacement	Agency	Owner	Elderly	Inside	
INDIVIDUAL OWNERS	16	40	24	0	80	0	Replacement	Agency	Owner	Non-Elderly	Inside	
LOS ARBOLES APTMS	16	40	25	0	81	0	Replacement	Agency	Rental	Non-Elderly	Inside	
SENIOR CITIZENS-ZENINOVICH VILLAGE	16	40	25	0	81	0	Replacement	Agency	Rental	Elderly	Inside	
Agency Totals:	64	160	98	0	322	0						
County Totals by Income Group:	64	264	98	0	426	0						
HUMBOLDT COUNTY												

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** Total: sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

04/01/2007

California Redevelopment Agencies -Fiscal Year 2005/2006
Housing Activity: New Construction
Project Areas: Bath Inside and Outside

Exhibit El

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR` OBLIG.
EUREKA RDA												
EUREKA TOMORROW PROJECT												
First Time Hombuyer Program (LMIHF)	0	1	0	0	1	0	Other Provided with LMIHF	Agency	Owner	Elderly	Inside	
First Time Hombuyer Program (LMIHF)	0	2	3	0	5	0	Other Provided with LMIHF	Agency	Owner	Non-Elderly	Inside	
Privately Developed	0	0	4	0	4	0	Other Provided without LMIHF	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	**0**	**3**	**7**	**0**	**10**	**0**						
County Totals by Income Group:	**0**	**3**	**7**	**0**	**10**	**0**						
KERN COUNTY												
BAKERSFIELD RDA												
OLD TOWN KERN - PIONEER												
Teen Challenge	0	0	2	0	2	0	Inclusionary	Agency	Rental	Non-Elderly	Inside	
The Cottages (74 units at build out)	0	4	9	0	13	0	Inclusionary	Agency	Owner	Nan-Elderly	Inside	
SOUTHEAST BAKERSFIELD												
Bakersfield *College* CASA	0	0	1	0	1	0	Inclusionary	Agency	Owner	Nan-Elderly	Inside	
Agency Totals:	**0**	**4**	**12**	**0**	**16**	**0**						
DELANO RDA												
OUTSIDE PROJECT AREA												
2006 Hawing Rehab	0	2	0	0	2	0	Other Provided with LMIHF	Non-Agency	Owner	Nan-Elderly	Outside	
Housing Rehabilitation	0	2	0	0	2	0	Other Provided with LMIHF	Non-Agency	Owner	Non-Elderly	Outside	
Agency Totals:	**0**	**4**	**0**	**0**	**4**	**0**						
TAFT COMMUNITY DA												
OUTSIDE PROJECT AREA												
FTHB w/or w/o Rehab	2	0	0	0	2	0	Inclusionary	Agency	Owner	Non-Elderly	Outside	**One**
FTHB w/or w/o Rehab	4	0	0	0	4	0	Other Provided with LMIHF	Non-Agency	**Owner**	Non-Elderly	Outside	
Agency Totals:	**6**	**0**	**0**	**0**	**6**	**0**						
County Totals by Income Group:	**6**	**8**	**12**	**0**	**26**	**0**						
KINGS COUNTY												
LEMOORE RDA												
OUTSIDE PROJECT AREA												
2006First Time Homebuyer	0	0	1	0	1	0	Inclusionary	Nan-Agency	Owner	Non-Elderly	Outside	**Two**
Agency Totals:	**0**	**0**	**1**	**0**	**1**	**0**						
County Totals by Income Group:	**0**	**0**	**1**	**0**	**1**	**0**						
Lor Angeles COUNTY												
BURBANK RDA												
CITY CENTRE PROJECT												

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** Total: sum of each of the following income groups (based on area median): Very Low (<50%), Lon (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

04/01/2007

California Redevelopment Agencies - Fiscal Year 200512006
Housing Activity: New Construction
Project Areas: Both Inside and Outside

Exhibit E-1

County Agency Project Area Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*		AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR OBLIG.
Burbank Village Walk	0	0	0	126	126	0	Other Provided without LMIHF	Nan-Agency	Owner	Non-Elderly	Inside	
Burbank Village Walk	0	0	14	0	14	0	Replacement	Non-Agency	Owner	Nan-Elderly	Inside	
SOUTH SAN FERNANDO												
Burbank Accessible Apartments	0	0	0	I	I	0	Other Provided without LMIHF	Nan-Agency	Rental	Non-Elderly	Inside	
Burbank Accessible Apartments	17	0	0	0	17	0	Replacement	Nan-Agency	Rental	Nan-Elderly	Inside	
Agency Totals:	17	**0**	**14**	127	**158**	**0**						
CLAREMONT RDA												
CONSOLIDATED PROJECT AREA												
Habitat for Humanity	6	0	0	0	6	0	Other Provided with LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	**6**	**0**	**0**	**0**	**6**	**0**						
GLENDALE RDA												
OUTSIDE PROJECT AREA												
415-417 E Elk Ave Town Homes	0	0	4	0	4	0	Other Provided with L M I W	Nan-Agency	Owner	Non-Elderly	Outside	
Habitat- Vine 4 Pacific	0	**4**	0	0	**4**	0	Other Provided with LMIHF	Non-Agency	Owner	Nan-Elderly	Outside	
Agency Totals:	**0**	**4**	**4**	**0**	**8**	**0**						
IRWINDALE CRDA												
OUTSIDE PROJECT AREA												
2006 Irwindale Walk-Phase I	3	**3**	**3**	0	9	0	Other Provided with LMIHF	Agency	Owner	Nan-Elderly	Outside	
Agency Totals:	**3**	**3**	**3**	**0**	**9**	**0**						
LANCASTER RDA												
AMARGOSA PROJECT												
2006 - Aurora Village II	42	**98**	0	0	140	0	Inclusionary	Non-Agency	Rental	Elderly	Inside	
PROJECT AREA 5												
2006- Skyview	0	2	5	0	7	0	Inclusionary	Non-Agency	Owner	Elderly	Inside	
Agency Totals:	**42**	**100**	**5**	**0**	**147**	**0**						
LOS ANGELES CITY CRA												
CENTRAL BUS.DIST. PROJECT												
Gas Company Lofts	27	26	0	0	53	0	Replacement	Agency	Rental	Non-Elderly	Inside	
COUNCIL DIST. 9 CORRIDORS												
Main Street Vistas	2	3	19	0	24	0	Inclusionary	Agency	Rental	Non-Elderly	Inside	
Main Street Vistas	2	3	19	0	24	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
Main Street Vistas	0	0	0	25	2s	0	Other Provided without LMIHF	Agency	Rental	Elderly	Inside	
Main Street Vistas	0	0	0	25	**25**	0	Other Provided without LMIHF	Non-Agency	Rental	Nan-Elderly	Inside	
Agency **Totals:**	**31**	32	**38**	**50**	**151**	**0**						
MONROVIA RDA												
CENTRAL REDEV. PROJECT 1												

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04/01/2007

California Redevelopment Agencies - Fiscal Year 2005/2006
Housing Activity New Construction
Project Areas: Both Inside and Outside

Exhibit E-1

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGIBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONARY OBLIG.
415 Royal Oaks Blvd- Housingl 01 Program	0	0	1	0	I	0	Other Provided with LMIHF	Agency	Owner	Nan-Elderly	Inside	
Agency Totals;	**0**	**0**	**1**	**0**	**1**	**0**						
PALMDALE CRA												
OUTSIDE PROJECT AREA												
Infill Housing Construction/First Time Homebuyer Program	**0**	**2**	0	0	**2**	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Outride	Two
Agency Totals;	**0**	**2**	**0**	**0**	**2**	**0**						
PARAMOUNT RDA												
OUTSIDE PROJECT AREA												
I5116 Hayter - CHODO	0	**1**	0	0	I	0	Replacement	Non-Agency	Owner	Non-Elderly	Outride	
Agency **Totals:**	**0**	**1**	0	**0**	**1**	**0**						
POMONA RDA												
MRGD REDEVELOP PRJECT AREAS												
Telacu **Senior** Housing	**79**	0	**0**	0	**19**	0	Inclusionary	Agency	Owner	Elderly	Inside	
Mortgage Assistance Program	1	1	**1**	0	**3**	0	Other Provided with LMIHF	Agency	Owner	Non-Elderly	Inside	
OUTSIDE PROJECT AREA												
Mortgage Assistance Program	0	0	**2**	0	**2**	0	Other Provided with LMIHF	Agency	Owner	Non-Elderly	Outside	
Willliam Fox Homes/Chelsea **Square** Partners	0	0	**1**	0	1	0	Inclusionary	Agency	Owner	Non-Elderly	Outside	**One**
Agency Totals;	**80**	**1**	**4**	**0**	**85**	**0**						
***SAN* FERNANDO RDA**												
PROJECT AREA 1												
Senior Housing-Rental **Units**	**39**	6	I	0	46	0	Other Provided with LMIHF	Non-Agency	Rental	Elderly	Inside	
Senior Housing-Rental Units	0	0	1	0	1	0	Replacement	Non-Agency	Owner	Non-Elderly	Inside	
PROJECT AREA **3**												
Senior Housing-Rental **Units**	11	40	I	0	52	0	Other Provided with LMIHF	Nan-Agency	Rental	Elderly	Inside	
Agency Totals:	50	**46**	**3**	**0**	**99**	**0**						
SANTA **MONICA RDA**												
OUTSIDE PROJECT AREA												
2006 - 212 Marine St	**0**	0	**2**	0	**2**	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Outside	**Two**
Agency Totals:	**0**	**0**	**2**	**0**	**2**	**0**						
SOUTH EL MONTE RDA												
IMPROVEMENT DISTRICT #2												
Mayans Development	5	5	5	0	15	0	Other Provided with LMIHF	Agency	Owner	Nan-Elderly	Inside	
Mayans Development	0	0	0	15	15	0	Other Provided **without LMIHF**	Non-Agency	**Owner**	Nan-Elderly	Inside	
Agency **Totals:**	5	5	**5**	**15**	**30**	**0**						
County Totals by Income Group:	**234**	**194**	**79**	**192**	**699**	**0**						

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04/01/2007

California Redevelopment Agencies - Fiscal Year 200512006
Housing Activity: New Construction
Project Areas: Both Inside and Outside

Exhibit E-1

County / Agency / Project Area / Project	VERY LOW	LOW	MOO	ABOVE MOD	TOTAL**	IN ELIGBLE*		AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR' OBLIG.
MADERA COUNTY												
MMERA RDA												
MADERA PROJECT AREA												
Downpayment Assistance Program	1	0	0	0	I	0	Inclusionary	Agency	Owner	Non-Elderly	Inside	
Replacement Housing Units	0	0	I	0	I	0	Replacement	Agency	Owner	Non-Elderly	Inside	
Southeast Madera New Construction Project	2	0	0	0	2	0	Inclusianary	Agency	Owner	Non-Elderly	Inside	
The Crossings at Madera	20	44	0	0	64	0	Inclusionary	Agency	Rental	Non-Elderly	Inside	
Agency Totals:	23	44	1	0	68	0						
County Totals by Income Group:	23	44	1	0	68	0						
MARIN COUNTY												
NOVATO RDA												
PRJCT AREA 2/HAMILTON FIELD RE												
Bay Vista/Affordable Rental	111	109	0	0	220	0	Other Provided with LMIHF	Non-Agency	Rental	Non-Elderly	Inside	
Meadow Park-Affordable far sale housing	0	64	65	0	129	0	Other Provided with LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	111	173	65	0	349	0						
County Totals by Income Group:	111	173	65	0	349	0						
MERCED COUNTY												
MERCED CITY RDA												
GATEWAYS												
Habitat/Fairview	0	0	I	0	I	0	Inclusionary	Agency	Owner	Non-Elderly	Inside	
Agency Totals:	0	0	1	0	1	0						
County Total. by Income Group:	0	0	1	0	1	0						
MONTEREY COUNTY												
MONTEREY COUNTY CDA												
BORONDA PROJECT												
Sammut Boronda Subdivision	0	0	I	0	I	0	Inclusianary	Non-Agency	Owner	Nan–Elderly	Inside	
Sammut Boronda Subdivision	0	0	0	4	4	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	0	0	1	4	5	0						
SALINAS RDA												
CENTRAL CITY PROJECT												
Lupine Gardens	20	0	0	0	20	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
Lupine Gardens	1	0	0	0	I	0	Replacement	Non-Agency	Rental	Non-Elderly	Inside	
SUNSET AVE MERGED PROJECT												
Los Abuelitos	16	9	0	0	25	0	Inclusianary	Nan-Agency	Rental	Elderly	Inside	

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** Total: sum of each of the following income groups (based on area median): Very Law (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

04/01/2007

California Redevelopment Agencies - Fiscal Year 2005/2006
Housing Activity: New Construction
Project Areas: Both Inside and Outside

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONARY OBLIG.
Agency Totals:	37	0	0	0	46	0						
County Totals by Income Group:	37	9	1	4	51	0						
ORANGE COUNTY												
ANAHEIM RDA												
ANAHEIM MERGED PROJECT AREA												
Cantada Lane	0	2	0	0	2	0	Inclusionary	Agency	Owner	Non-Elderly	Inside	
Cantada Lane	0	0	0	6	6	0	Other Provided without LMIHF	Agency	Owner	Non-Elderly	Inside	
Cantada Square	1	8	16	0	25	0	Inclusionary	Agency	Owner	Non-Elderly	Inside	
Cantada Square	0	0	0	12	12	0	Other Provided without LMIHF	Agency	Owner	Non-Elderly	Inside	
The Boulevard	2	9	25	0	36	0	Inclusionary	Agency	Owner	Non-Elderly	Inside	
The Boulevard	0	0	0	20	20	0	Other Provided without LMIHF	Agency	Owner	Non-Elderly	Inside	
OUTSIDE PROJECT AREA												
Picadilly/Ventura (CalTrans remnant parcels)	0	0	0	17	17	0	Other Provided without LMIHF	Agency	Owner	Non-Elderly	Outside	
Agency Totals:	3	19	41	55	118	0						
BREA RDA												
OUTSIDE PROJECT AREA												
2006 HOMEBUYER ASSIST	0	2	3	0	5	0	Replacement	Non-Agency	Owner	Non-Elderly	Outside	
PROJECT AREA AB												
2006 HOMEBUYER ASSIST	0	0	2	0	2	0	Replacement	Agency	Owner	Elderly	Inside	
Agency Totals:	0	2	5	0	7	0						
BUENA PARK RDA												
BUENA PARK CONSOL REDEV PJCT												
Utah Avenue Housing	0	3	5	0	8	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	0	3	5	0	8	0						
HUNTINGTON BEACH RDA												
OUTSIDE PROJECT AREA												
Beachview Villa	47	59	0	0	106	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Outside	Two
Agency Totals:	47	59	0	0	106	0						
ORANGE COUNTY RDA												
OUTSIDE PROJECT AREA												
Stratford Place & Windsor Court	9	0	0	0	9	0	Inclusionary	Agency	Rental	Elderly	Outside	Two
Stratford Place & Windsor Court	0	76	1	0	77	0	Inclusionary	Agency	Rental	Non-Elderly	Outside	Two
Agency Totals:	9	76	1	0	86	0						
PLACENTIA RDA												
OUTSIDE PROJECT AREA												

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** Total: sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

0410112007

California Redevelopment Agencies · Fiscal Year 200512006
Housing Activity New Construction
Project Areas: Both Inside and Outside

Exhibit E-1

County Agency Project Area Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*		AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR' OBLIG.
2006 Habitat for Humanitv	2	0	0	0	2	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Outride	Two
Agency Totals:	2	0	0	0	2	0						
TUSTIN COMMUNITY RDA												
MCAS TUSTIN												
2006 Tustin Fields II	I	0	0	0	1	0	Inclusionary	Nan-Agency	Owner	Elderly	Inside	
2006 Tustin Fields II	10	11	18	0	39	0	Inclusionary	Nan-Agency	Owner	Non-Elderly	INide	
OUTSIDE PROJECT AREA												
2006 The Arbors	4	0	6	0	10	0	Inclusionary	Non-Agency	Owner	Nan-Elderly	Outride	Two
Agency Totals:	15	11	24	0	50	0						
WESTMINSTER RDA												
WESTMINSTER PROJECT 1												
2006 New Const of 3-Bedroom Rental Units	0	3	0	0	3	0	Inclusionary	Non-Agency	Rental	Nan-Elderly	Inside	
Agency Totals:	0	3	0	0	3	0						
County Totals by Income Group:	76	173	76	55	380	0						
RIVERSIDE COUNTY												
CATHEDRAL CITY RDA												
PROJECT AREA 3												
Building Horizons	0	I	0	0	I	0	Inclusionary	Non-Agency	Owner	Non-Elderly	INide	
Habitat for Humanity	0	I	1	0	2	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	0	2	1	0	3	0						
COACHELLA RDA												
PROJECT2												
RANCHO Senior Housing	6	6	0	0	12	0	Inclusionary	Nan-Agency	Rental	Elderly	Inside	
PROJECT3												
Building Horizons	0	I	0	0	1	0	Inclusionary	Nan-Agency	Owner	Non-Elderly	Inside	
Rancho De La Fe	0	15	0	0	15	0	Other Provided without LMIHF	Non-Agency	Owner	Elderly	INide	
Agency Totals:	6	22	0	0	28	0						
DESERT HOT SPRINGS RDA												
OUTSIDE PROJECT AREA												
2006 Arroyo de Paz - MF	10	6	18	0	34	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Outride	Two
PROJECT AREA 1												
2006 Self Help Group 6	10	0	0	0	10	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
2006 Self Help Group 7	10	0	0	0	10	0	Inclusionary	Nan-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	30	6	18	0	54	0						
INDIAN WELLS RDA												

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** Total: sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (420%). and Above Moderate (>120%) where applicable

04/01/2007

California Redevelopment Agencies · Fiscal Year 2005/2006
Housing Activity: New Construction
Project Areas: Both Inside and Outside

Exhibit El

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONARY OBLIG.
CONSOL.WHITEWATER PROJECT												
Mountain View Villas Phase I	57	44	27	0	128	0	Inclusionary	Agency	Rental	Elderly	Inside	
Agency Totals:	57	44	27	0	128	0						
LA QUINTA RDA												
PROJECT AREA #1												
2006 La Quinto HP - Home Purchase Loan Prog 2	0	2	0	0	2	0	Replacement	Non-Agency	Owner	Nan-Elderly	Inside	
PROJECT AREA #2												
2006 La Quinta HP - Home Purchase Loan Prog 2	0	1	12	0	13	0	Replacement	Non-Agency	Owner	Elderly	Inside	
Agency Totals:	0	3	12	0	15	n						
MORENO VALLEY RDA												
OUTSIDE PROJECT AREA												
COTTON WOOD III	44	13	0	0	57	0	Other Provided without LMlHF	Non-Agency	Owner	Nan-Elderly	Outside	
Agency Totals:	44	13	0	0	57	0						
PALM SPRINGS RDA												
MERGED 1												
Desert Highland Infill	0	0	1	0	I	0	Other Provided without LMlHF	Non-Agency	Owner	Nan-Elderly	Inside	
OUTSIDE PROJECT AREA												
Coyote Run II Apartments	16	16	0	0	32	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Outside	Two
Agency Totals:	16	16	1	0	33	0						
RIVERSIDE COUNTY RDA												
DESERT COMMUN PRJCT AREA (DC												
Mobile Home Tenant Loan Program (MHTL)	3	0	0	0	3	0	Inclusionary	Agency	Owner	Nan-Elderly	Inside	
OUTSIDE PROJECT AREA												
Mecca Apartments III	0	57	0	0	57	1	Inclusionary	Agency	Rental	Non-Elderly	Outside	Two
Mobile Home Tenant Loan Program (MHTL)	31	0	0	0	31	0	Inclusionary	Agency	Owner	Non-Elderly	Outside	Two
Agency Totals:	34	57	0	0	91	1						
RIVERSIDE RDA												
CASABLANCA PROJECT												
Habitat for Humanity 05/06	1	0	0	0	I	0	Other Provided with LMIW	Agency	Owner	Non-Elderly	Inside	
UNVRSTY CORRIDOR/SYCAMORE												
Mary Erickson Single Family 05/06	0	I	0	0	I	0	Other Provided without LMlHF	Agency	Owner	Non-Elderly	Inside	
Agency Totals:	1	1	0	0	2	0						
County Totals by Income Group:	188	164	59	0	411	1						
SACRAMENTO COUNTY												
SACRAMENTO CITY RDA												

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** Total; sum of each of the following income groups (based on area median): Very Law (<50%), Low 1410%). Moderate (<120%), and Above Moderate (>120%) where applicable

04/01/2007

California Redevelopment Agencies - Fiscal Year 2005/2006
Housing Activity: New Construction
Project Areas: Both Inside and Outside

Exhibit E-1

County / Agency / Project Area	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGIBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONARY OBLIG.
MERGED DOWNTOWN												
Fremont Mews	24	25	0	0	49	0	Other Provided with LMIHF	Non-Agency	Rental	Non-Elderly	Inside	
OUTSIDE PROJECT AREA												
Fremont Mews	24	25	0	0	49	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Outside	Two
Agency Totals:	**48**	**50**	**0**	**0**	**98**	**0**						
SACRAMENTO COUNTY RDA												
OUTSIDE PROJECT AREA												
Sunnyslope Apartments	9	22	0	0	31	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Outside	Two
Agency Totals:	**9**	**22**	**0**	**0**	**31**	**0**						
County Totals by Income Group:	**57**	**72**	**0**	**0**	**129**	**0**						
SAN BERNARDINO COUNTY												
SAN BERNARDINO RDA												
OUTSIDE PROJECT AREA												
Mortgage Assistance Program	0	0	5	0	5	0	Replacement	Non-Agency	Owner	Non-Elderly	Outside	
Agency Totals:	**0**	**0**	**5**	**0**	**5**	**0**						
VICTORVILLE RDA												
BEAR VALLEY ROAD PROJECT												
Bear Valley Private Development	67	27	0	0	94	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
OUTSIDE PROJECT AREA												
Victorville VVEDA MAP outside	1	0	0	0	1	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Outside	Two
VICTORVILLES PORTION OF VVED												
Newporter Apartments	0	40	0	0	40	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
Northgate Village Apartments	28	110	0	0	138	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
Victorville VVEDA Mortgage Assistance Program	0	0	1	0	1	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	**96**	**177**	**1**	**0**	**274**	**0**						
County Totals by Income Group:	**96**	**177**	**6**	**0**	**279**	**0**						
SAN DIEGO COUNTY												
CARLSBAD RDA												
VILLAGE PROJECT												
Laguna Point	0	3	0	0	3	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	**0**	**3**	**0**	**0**	**3**	**0**						
CHULA VISTA RDA												
MERGED PROJECT AREA												
Main Plaza	10	41	55	0	106	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	**10**	**41**	**55**	**0**	**106**	**0**						

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** Total: sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

04/01/2007

California Redevelopment Agencies - Fiscal Year 2005/2006
Housing Activity: New Construction
Project Areas: Both Inside and Outside

County Agency Project Area Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*		AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONARY OBLIG.
ESCONDIDO CDC												
OUTSIDE PROJECT AREA												
Milane Lane	0	3	0	0	3	0	Inclusionary	Non-Agency	Owner	Nan-Elderly	Outside	Two
Agency Totals:	0	3	0	0	3	0						
OCEANSIDE RDA												
OUTSIDE PROJECT AREA												
La Mision Village	0	80	0	0	80	0	Other Provided with LMIHF	Non-Agency	Rental	Non-Elderly	Outside	
Agency Totals:	0	80	0	0	80	0						
SAN DIEGO CITY RDA												
CITY HEIGHTS PROJECT												
Talmadge Senior Housing	45	0	0	0	45	0	Inclusionary	Non-Agency	Rental	Elderly	Inside	
SOUTHCREST PROJECT												
Legacy Walk	0	0	49	0	49	0	Inclusionary	Nan-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	45	0	49	0	94	0						
SANTEE RDA												
SANTEE COMM REDEVEL PRJCT AR												
Jaymor construction- Our way	0	0	0	I	I	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
Morningside - Western Pacific	0	0	0	78	78	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
Prospect Glen - Priest Development	0	0	0	11	11	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	0	0	0	90	90	0						
County Totals by Income Group:	55	127	104	90	376	0						
SAN FRANCISCO COUNTY												
S.F. CITY & COUNTY RDA												
MISSION BAY NORTH (MBN)												
Mission Creek Senior Community	138	0	0	0	138	0	Other Provided with LMIHF	Non-Agency	Rental	Elderly	Inside	
The Beacon	0	14	13	0	27	0	Inclusionary	Nan-Agency	Owner	Non-Elderly	Inside	
RINCON POINT/SOUTH BEACH (RP-												
200 Brannan Street	0	17	34	0	51	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
SOUTH OF MARKET (SOM)												
Plaza Apartments	106	0	0	0	106	0	Replacement	Agency	Rental	Non-Elderly	Inside	
WESTERN ADDITION TWO (WA-2)												
1600 Webster Street	0	0	2	0	2	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
The Avenue (Assisted Living)	0	25	0	0	25	0	Inclusionary	Nan-Agency	Rental	Elderly	Inside	
YERBA BUENA CENTER (YBC)												
EUGENE COLEMAN SENIOR HOUSING	85	0	0	0	85	0	Other Provided without LMIHF	Non-Agency	Rental	Elderly	Inside	

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04/01/2007

California Redevelopment Agencies - Fiscal Year 2005/2006
Housing Activity: New Construction
Project Areas: Bath Inside and Outside

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR' OBLIG
Agency Totals:	329	56	49	0	434	0						
County Totals by Income Group:	329	56	49	0	434	0						
SAN JOAQUIN COUNTY												
RIPON RDA												
OUTSIDE PROJECT AREA												
2006 Shadow Glenn	0	0	2	0	2	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Outside	Two
BROOKLINE	0	2	0	0	2	0	Inclusionary	Non-Agency	Owner	Elderly	Outside	Two
Agency Totals:	0	2	2	0	4	0						
STOCKTON RDA												
NORTH STOCKTON PRJ AREA												
Agency Assisted Diamond Cove- 2006	15	5	0	0	20	0	Inclusionary	Non-Agency	Rental	Nan-Elderly	Inside	
Agency Assisted Diamond Cove- 2006	15	5	0	0	20	0	Replacement	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	30	10	0	0	40	0						
County Totals by Income Group:	30	12	2	0	44	0						
SAN MATEO COUNTY												
DALY CITY RDA												
OUTSIDE PROJECT AREA												
2006 - Habitat / 3rd Ave.	7	0	0	0	7	0	Other Provided with LMIHF	Non-Agency	Owner	Non-Elderly	Outside	
2006 - Habitat / De Long	4	0	0	0	4	0	Other Provided with LMIHF	Non-Agency	Owner	Non-Elderly	Outside	
Agency Totals:	11	0	0	0	11	0						
SAN BRUNO RDA												
SAN BRUNO REDEVELOPMENT ARE												
Meridian Apartments	60	0	0	0	60	0	Inclusionary	Non-Agency	Rental	Nan-Elderly	Inside	
Agency Totals:	60	0	0	0	60	0						
SAN MATEO CITY RDA												
OUTSIDE PROJECT AREA												
Rotary Floritas	24	0	25	0	49	0	Other Provided with LMIHF	Non-Agency	Rental	Elderly	Outside	
Agency Totals:	24	0	25	0	49	0						
County Totals by Income Group:	95	0	25	0	120	0						
SANTA BARBARA COUNTY												
LOMPOC RDA												
OLD TOWN LOMPOC REDEVELOPMI												
328-330 North K Street	2	0	0	0	2	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
Triplex-123 North N Street	0	0	0	3	3	0	Other Provided without LMIHF	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	2	0	0	3	5	0						

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** Total; sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGIBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR' OBLIG.
SANTA BARBARA RDA												
OUTSIDE PROJECT AREA												
Victoria Cottages Expansion	2	2	2	0	6	0	Inclusionary	Non-Agency	Rental	Nan-Elderly	Outside	Two
Agency Total.:	2	2	2	0	6	0						
County Totals by Income Group:	4	2	2	3	11	0						
SANTA CLARA COUNTY												
MILPITAS RDA												
PROJECT AREA 1												
PARC METRO NORTH	18	6	34	0	58	0	Inclusianary	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	18	6	34	0	58	0						
MORGAN HILL RDA												
OJO DE AGUA PROJECT												
Vide	0	4	6	0	10	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Vide	0	4	6	0	10	0	Replacement	Agency	Owner	Nan-Elderly	Inside	
OUTSIDE PROJECT AREA												
BMR	0	16	0	0	16	0	Inclusionary	Non-Agency	Owner	Nan-Elderly	Outside	Two
Agency Total.:	0	24	12	0	36	0						
MOUNTAIN VIEW RA												
OUTSIDE PROJECT AREA												
2006 - San Antonio Pl - Efficiency Studios	6	0	0	0	6	0	Inclusionary	Non-Agency	Rental	Elderly	Outside	Two
2006 - San Antonio Pl - Efficiency Studios	112	0	0	0	112	0	Inclusionary	Nan-Agency	Rental	Non-Elderly	Outside	Two
Agency Total.:	118	0	0	0	118	0						
SAN JOSE RDA												
MERGED PROJECT AREA												
Autumn Terrace@ College	0	0	9	0	9	0	Inclusionary	Non-Agency	Owner	Nan-Elderly	Inside	
Las Mariposas	0	0	15	0	15	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Las Mariposas	0	51	0	0	51	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
Northpark Redwoods	0	27	39	0	66	0	Inclusianary	Non-Agency	Rental	Nan-Elderly	Inside	
Willow Street	1	0	0	0	1	0	Inclusionary	Non-Agency	Owner	Nan-Elderly	Inside	
OUTSIDE PROJECT AREA												
Cinnabar Commons	49	196	0	0	245	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Outside	Two
Las Ventanas	72	165	0	0	237	0	Inclusionary	Nan-Agency	Rental	Non-Elderly	Outside	Two
Oak Tree Village	53	122	0	0	175	0	Inclusionary	Nan-Agency	Rental	Non-Elderly	Outside	Two
Agency Totals:	175	561	63	0	799	0						
SANTA CLARA CITY RDA												

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04/01/2007

California Redevelopment Agencies - Fiscal Year 2005/2006
Housing Activity New Construction
Project Areas: Both Inside and Outside

Exhibit E-1

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONARY OBLIG.
OUTSIDE PROJECT AREA												
2006 Diamond Properties (9173)	0	0	4	0	4	0	Other Provided with LMIHF	Non-Agency	Owner	Elderly	Outside	
2006 Prometheus Rivermark(9170)	0	0	14	0	14	0	Other Provided with LMIHF	Non-Agency	Rental	Elderly	Outside	
2006 SC Lumber BMP(9174)	0	0	2	0	2	0	Other Provided with LMIHF	Non-Agency	Owner	Elderly	Outside	
Agency Totals:	**0**	**0**	**20**	**0**	**20**	**0**						
County Totals by Income Group:	**311**	**591**	**129**	**0**	**1,031**	**0**						
SANTA CRUZ COUNTY												
CAPITOLA RDA												
CAPITOLA PROJECT												
Heritage Lane subdivision	0	0	2	0	2	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
OUTSIDE PROJECT AREA												
Wharf Rd MHP Acquisition/Rehab	0	2	0	0	2	0	Inclusionary	Agency	Owner	Non-Elderly	Outside	One
Agency Totals:	**0**	**2**	**2**	**0**	**4**	**0**						
SANTA CRUZ COUNTY RDA												
LIVE OAK/SOQUEL PROJECT												
MEASURE J	0	0	3	0	3	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
SECOND UNIT PROGRAM2	0	0	1	0	I	0	Other Provided without LMIHF	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	**0**	**0**	**4**	**0**	**4**	**0**						
SCOTTS VALLEY RDA												
SCOTTS VALLEY PROJECT												
Oak Lane Apartments	0	0	1	0	1	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
Pitter Fox / 4 Lot Project	0	0	1	0	1	0	Inclusionary	Non-Agency	Owner	Nan-Elderly	Inside	
Agency Totals:	**0**	**0**	**2**	**0**	**2**	**0**						
WATSONVILLE RDA												
OUTSIDE PROJECT AREA												
Hacienda Walk Condos - 2006	0	8	6	0	14	0	Inclusionary	Agency	Owner	Non-Elderly	Outside	Two
Privately Dev. Afford Homes Outside P.A - 2006	0	3	8	0	11	0	Inclusionary	Non-Agency	Owner	Elderly	Outside	Two
Privately Dev. Afford Homes Outside P.A. - 2006	0	5	21	0	26	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Outside	Two
WATSONVILLE 2000 REDEVELOP A												
Via del Mar Apartments	0	34	0	0	34	0	Inclusionary	Agency	Rental	Non-Elderly	Inside	
Via del Mar Apartments	0	6	0	0	6	0	Replacement	Agency	Rental	Non-Elderly	Inside	
Agency Totals:	**0**	**56**	**35**	**0**	**91**	**0**						
County Totals by Income Group:	**0**	**58**	**43**	**0**	**101**	**0**						
SHASTA COUNTY												
ANDERSON												

* Ineligible: Affordable units occupied by persons whose status has subsequently changed (income, number of eligible persons, etc.) to prevent the household from currently qualifying for the same dwelling unit

** Total: sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

04/01/2007

California Redevelopment Agencies - Fiscal Year 200512006
Housing Activity: New Construction
Project Areas: Both Inside and Outside

Exhibit E-1

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE'	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR' OBLIG.
SOUTHWEST												
SEASONS at Los Robles	7	13	0	0	20	0	Inclusionary	Non-Agency	Rental	Elderly	Inside	
Agency Totals:	7	13	0	0	20	0						
REDDING RDA												
OUTSIDE PROJECT AREA												
Habitat for Humanity	0	0	3	0	3	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Outside	Two
SOUTHMARKET												
Acquistion/New Construction	0	0	2	0	2	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
cmc III	0	4	0	0	4	0	Inclusionary	Agency	Rental	Non-Elderly	Inside	
cmc III	2	0	0	0	2	0	Replacement	Agency	Rental	Non-Elderly	Inside	
New Futures 1	0	0	1	0	1	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
New Futures 2	0	1	0	0	1	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
New Futures 3	0	0	1	0	1	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
New Futures 4	0	0	1	0	1	0	Inclusionary	Non-Agency	Owner	Nan-Elderly	Inside	
New Futures 5	0	0	1	0	1	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Transitional Housing	9	0	0	0	9	0	Inclusionary	Agency	Rental	Non-Elderly	Inside	
Transitional Housing	0	0	1	0	1	0	Other Provided with LMIW	Agency	Rental	Non-Elderly	Inside	
Transitional Housing	3	0	0	0	3	0	Replacement	Agency	Rental	Non-Elderly	Inside	
Agency Totals:	14	5	10	0	29	0						
County Totals by Income Group:	21	18	10	0	49	0						
SOLANO COUNTY												
DIXON RDA												
CENTRAL DIXON PROJECT												
North Second Street Senior Apartments	5	20	0	0	25	0	Replacement	Non-Agency	Rental	Elderly	Inside	
Agency Totals:	5	20	0	0	25	0						
FAIRFIELD RDA												
CITY CENTER PROJECT												
Providence Walk	0	0	16	0	16	0	Other Provided with LMIW	Non-Agency	Owner	Elderly	Inside	
CORDELIA PROJECT												
Parkview BMR (w/ diff rest. date)	0	0	I	0	1	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Parkview BMRs	0	0	5	0	5	0	Inclusionary	Non-Agency	Owner	Elderly	Inside	
Southbrook BMR	0	0	2	0	2	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
NORTH TEXAS STREET												
Laurel Gardens	29	0	0	0	29	0	Inclusionary	Non-Agency	Rental	Nan-Elderly	Inside	
OUTSIDE PROJECT AREA												

* Ineligible: Affordable units occupied by persons whore status has subsequently changed (income, number of eligible persons, etc.) to prevent the household from currently qualifying for the same dwelling unit

** Total: rum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

California Redevelopment Agencies - Fiscal Year 2005/2006
Housing Activity: New Construction
Project Areas: Both Inside and Outside

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONARY OBLIG.
Hidden Meadow	14	10	3	0	27	0	Inclusionary	Nan-Agency	Rental	Non-Elderly	Outside	Two
Siena BMR- Helfenstein	0	1	0	0	1	0	Inclusionary	Nan-Agency	Owner	Nan-Elderly	Outside	Two
Siena BMR- Porter	0	0	I	0	1	0	Inclusionary	Nan-Agency	Owner	Non-Elderly	Outside	Two
Siena BMR- Skillman	0	1	0	0	1	0	Inclusionary	Non-Agency	Owner	Nan-Elderly	Outside	Two
Siena BMR- Vo	0	0	1	0	1	0	Inclusionary	Nan-Agency	Owner	Non-Elderly	Outside	Two
Siena BMR -Dwilliams	0	0	1	0	I	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Outside	Two
Agency Totals:	**43**	**12**	**30**	**0**	**85**	**0**						
VACAVILLE RDA												
VACAVILLE PROJECT												
Owner Investor Loan Program	0	2	0	0	2	0	Inclusionary	Nan-Agency	Rental	Non-Elderly	Inside	
Owner Investor Loan Program	0	2	0	0	2	0	Replacement	Nan-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	**0**	**4**	**0**	**0**	**4**	**0**						
County Totals by Income Group:	**48**	**36**	**30**	**0**	**114**	**0**						
Sonoma COUNTY												
CLOVERDALE RDA												
CLOVERDALE COMM DEVELOP PR												
Caledonian Court	0	1	0	0	1	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
OUTSIDE PROJECT AREA												
Oak Meadows	0	1	0	0	1	0	Inclusionary	Nan-Agency	Rental	Non-Elderly	Outside	One
Agency Totals:	**0**	**2**	**0**	**0**	**2**	**0**						
COTATI RDA												
PROJECT AREA 1												
COTATI STATION	0	0	16	0	16	0	Inclusionary	Nan-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	**0**	**0**	**16**	**0**	**16**	**0**						
HEALDSBURG RDA												
SOTOYOME PROJECT												
I" fill Development	0	5	0	0	5	0	Replacement	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	**0**	**5**	**0**	**0**	**5**	**0**						
PETALUMA CDC												
CENTRAL BUS.DIST. PROJECT												
Downtown River Apartments	35	45	0	0	80	I	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
PETALUMA COMM DEV. PRJCT												
Boulevard Apts (Buckelew Project)	14	0	0	0	14	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
Richards. Leib Senior Apart	23	0	0	0	23	0	Inclusionary	Non-Agency	Rental	Elderly	Inside	
Agency Totab:	**72**	**45**	**0**	**0**	**117**	**1**						

* **Ineligible: Affordable units occupied by** persons whose **status** has subsequently changed **(income, number** of eligible **persons, etc.) to prevent the household from currently qualifying for the same dwelling unit**

** **Total:** sum of each of the following **income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and** Above Moderate **(>120%)** where applicable

California Redevelopment Agencies - Fiscal Year 2005/2006
Housing Activity: New Construction
Project Areas: Both Inside and Outside

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGIBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR' OBLIG.
ROHNERT PARK RDA												
RORNERTPARKPROJECT												
Marchesiello	0	0	10	0	10	3	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
Redwood Creek Apartments	0	35	117	0	152	117	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	0	35	127	0	162	120						
SANTAROSA												
OUTSIDE PROJECT AREA												
Brown Street Permanent Supportive Housing	12	3	0	0	15	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Outside	
Brown Street Permanent Supportive Housing	12	0	0	3	15	0	Other Provided without LMIHF	Non-Agency	Rental	Non-Elderly	Outside	
Agency Totals:	24	3	0	3	30	0						
SONOMA CDA												
SONOMA COMMUNITY PROJECT												
WILDFLOWER SUBDIVISION	0	0	4	0	4	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	0	0	4	0	4	0						
SONOMA COUNTY CDC												
OUTSIDE PROJECT AREA												
Springs Village	33	46	0	0	79	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Outside	Two
Springs Village	16	26	0	0	42	0	Other Provided with LMIHF	Non-Agency	Rental	Non-Elderly	Outside	
SONOMA VALLEY PROJECT												
Bonfini Housing Development	0	4	0	0	4	0	Inclusionary	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	49	76	0	0	125	0						
County Totals by Income Group:	145	166	147	3	461	121						
STANISLAUS COUNTY												
CERES RDA												
CERES PROJECT												
Della Tiara Apartments	6	19	0	0	25	0	Other Provided with LMIHF	Non-Agency	Rental	Elderly	Inside	
River Crest Apartments	22	13	0	0	35	0	Other Provided with LMIHF	Non-Agency	Rental	Nan-Elderly	Inside	
Agency Totals:	28	32	0	0	60	0						
County Totals by Income Group:	28	32	0	0	60	0						
TULARE COUNTY												
PORTERVILLE RDA												
PROJECT AREA 1												
Casas Buena Vista Homebuyer Assistance	0	31	0	0	31	0	Inclusionary	Non-Agency	Owner	Nan-Elderly	Inside	
Agency Totals:	0	31	0	0	31	0						
TULARE RDA												

* Ineligible: Affordable units occupied by persons whose status has subsequently changed (income, number of eligible persons, etc.) to prevent the household from currently qualifying for the same dwelling unit

** Total: sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

04/01/2007

California Redevelopment Agencies - Fiscal Year 2005/2006
Housing Activity: New Construction
***Project Areas: Both* Inside and Outside**

Exhibit El

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR' OBLIG.
WEST TULARE PROJECT												
Rehabilitation Assistance Program	3	1	1	0	5	0	Replacement	Agency	Owner	Non-Elderly	Inside	
Agency Totals:	**3**	**1**	**1**	**0**	**5**	**0**						
Count).Totals by Income Group:	**3**	**32**	**1**	**0**	**36**	**0**						
VENTURA COUNTY												
OXNARD RDA												
HERO												
2006 Villa Cesar chavez	16	35	I	0	52	0	Other Provided with LMIHF	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	**16**	**35**	**1**	**0**	**52**	**0**						
SAN BUENAVENTURA RDA												
MERGED DOWNTOWN PROJECT												
Mayfair Lofts	I	I	1	0	3	0	Inclusionary	Non-Agency	Owner	Nan-Elderly	Inside	
Agency Totals:	**1**	**1**	**1**	**0**	**3**	**0**						
SANTA PAULA RDA												
SANTA PAULA PROJECT												
Harvard Place Apartments	39	1	0	0	40	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	**39**	**1**	**0**	**0**	**40**	**0**						
Count).Totals by Income Group:	**56**	**37**	**2**	**0**	**95**	**0**						
YOLO COUNTY												
DAVIS RDA												
DAVIS REDEV. PROJECT												
DaVinci Court Apartments	5	13	0	0	18	0	Inclusionary	Non-Agency	Rental	Non-Elderly	Inside	
OUTSIDE PROJECT AREA												
Moore Village Apartments	15	43	I	0	59	0	Inclusionary	Agency	Rental	Non-Elderly	Outride	Two
Agency Totals:	**20**	**56**	**1**	**0**	**77**	**0**						
WEST SACRAMENTO RDA												
PROJECT AREA 1												
Westwood Vistas Apartments	35	15	0	0	50	0	Inclusionary	Non-Agency	Rental	Nan-Elderly	Inside	
Westwood Vistas Apartments	0	0	0	1	1	0	Other Provided without LMIHF	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	**35**	**15**	**0**	**1**	**51**	**0**						
Count).Totals by Income Group:	**55**	**71**	**1**	**1**	**128**	**0**						
Statewide Totals:	**2,524**	**2.999**	**1.038**	**518**	**7,079**	**123**						

Total Agencies Contributing to this Report **103**

* **Ineligible: Affordable units occupied by persons whose status has subsequently changed (income, number of eligible persons, etc.) to prevent the household from currently qualifying for the same dwelling unit**

** **Total: sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable**

04/01/2007

California Redevelopment Agencies - Fiscal Year 2005/2006
Housing Activity: New Construction
Project Areas: Both Inside and Outside

County
Agency
Project Area
Project

VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONARY OBLIG.

*** * * Statewide Totals for New Construction * * ***

	Agency	Non-Agency	Total
Inclusionary	347	1,141	1,488
	498	1,425	1,923
	114	621	735
	0	0	0
	959	3,187	4,146
	1	121	122
Other Provided with LMIW	10	460	470
	12	445	457
	16	137	153
	0	0	0
	38	1,042	1,080
	0	0	0
Other Provided without LMIW	0	222	222
	1	363	364
	0	6	6
	80	438	518
	81	1,029	1,110
	0	0	0
Replacement	228	116	344
	206	49	255
	109	35	144
	0	0	0
	543	200	743
	0	1	1
Very Low	585	1,939	2,524
	717	2,282	2,999
Moderate	239	799	1,038
Above Mod.	80	438	518
****Total**	1,621	5,458	7,079
Ineligible	1	122	123

ow, Moderate, ve Moderate, *Total and Ineligible.

* Ineligible: Affordable units occupied by persons whose status has subsequently changed (income, number of eligible persons, etc.) to prevent the household from currently qualifying for the same dwelling unit

** Total: sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

05/01/2007

California Redevelopment Agencies -Fiscal Year 2005/2006
Housing Activity: Substantial Rehabilitation
Project Areas: Bath Inside and Outside

Exhibit E-5

Pare 1 "f6

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*		AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR' OBLIG.
CONTRA COSTA COUNTY												
CONCORD **RDA**												
OUTSIDE PROJECT AREA												
MF RENTAL REHAB LOAN PRG	0	100	0	0	100	0	Other Provided with LMIHF	Non-Agency	Rental	Non-Elderly	Outside	
Single-Family Housing Rehabilitation Loan **Program**	0	3	0	0	3	0	Other Provided with LMIHF	Non-Agency	Owner	Elderly	Outside	
Single-Family Homing Rehabilitation ***Loan* Program**	0	12	0	0	12	0	Other Provided with LMIW	Non-Agency	Owner	Non-Elderly	Outside	
Agency **Totals:**	**0**	**115**	**0**	**0**	**115**	**0**						
County Totals by Income Group:	***0***	**115**	***0***	***0***	**115**	***0***						
HUMBOLDT COUNTY												
EUREKA RDA												
OUTSIDE PROJECT AREA												
CDBG Program Income - owner occupied	0	1	***0***	0	1	0	Other Provided without LMIHF	Agency	Owner	Elderly	Outside	
HOME Program **Owner** Occupied Rehab	0	1	0	0	1	0	Other Provided without LMIHF	Agency	Owner	Non-Elderly	Outside	
Agency Totals:	**0**	**2**	**0**	**0**	**2**	**0**						
County Totals by Income Group:	**0**	**2**	**0**	**0**	**2**	**0**						
Kern COUNTY												
DELANO RDA												
OUTSIDE PROJECT AREA												
2006 *Housing* Rehab	2	**3**	0	0	***5***	0	Other Provided with *LMIHF*	Nan-Agency	*Owner*	Non-Elderly	**Outside**	
Housing Rehabilitation	**2**	**3**	0	0	5	0	Other Provided with LMIHF	Non-Agency	Owner	Nan-Elderly	Outside	
Agency Totals:	**4**	***6***	**0**	**0**	**10**	**0**						
TAFT COMMUNITY **DA**												
OUTSIDE PROJECT **AREA**												
FTHB w/or w/o Rehab	**2**	0	***0***	0	2	0	Other Provided with LMIHF	Nan-Agency	Owner	Non-Elderly	Outside	
Agency Totals:	**2**	**0**	**0**	**0**	**2**	**0**						
County Totals by Income Group:	***6***	***6***	**0**	**0**	**12**	**0**						
KINGS COUNTY												
CORCORAN **RDA**												
CORCORAN **INDUS.** PROJECT												
Lepe	1	0	0	0	1	0	Other Provided without LMIW	Non-Agency	Owner	Non-Elderly	Inside	
Marquez	I	0	0	0	1	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	**2**	**0**	**0**	**0**	**2**	**0**						
HANFORD RDA												

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** Total: **sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable**

05/01/2007

California Redevelopment Agencies - Fiscal Year 2005/2006
Housing Activity: Substantial Rehabilitation
Project Areas: Both Inside and Outside

Exhibit E-5

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	INELIGIBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLUSIONARY OBLIG.
OUTSIDE PROJECT AREA												
2006 HOUSING REHAB PROGRAM	2	1	0	0	3	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Outside	
Agency Totals:	**2**	**1**	**0**	**0**	**3**	**0**						
LEMOORE RDA												
OUTSIDE PROJECT AREA												
2006First Time Homebuyer	0	0	2	0	2	0	Other Provided with LMIHF	Non-Agency	Owner	Non-Elderly	Outside	
2006Housing Rehab	0	1	0	0	1	0	Other Provided without LMIHF	Agency	Owner	Non-Elderly	Outside	
PROJECT 1												
2006HouseRehab-Reconstruct	0	1	0	0	1	0	Other Provided without LMIHF	Agency	Owner	Non-Elderly	Inside	
Agency Totals:	**0**	2	**2**	**0**	**4**	**0**						
County Totals by Income Group:	**4**	**3**	**2**	**0**	**9**	**0**						
LOS ANGELES COUNTY												
ALHAMBRA RDA												
OUTSIDE PROJECT AREA												
Homing Rehabilitation	0	0	1	0	1	0	Other Provided with LMIHF	Agency	Owner	Non-Elderly	Outside	
Housing Rehabilitation	0	0	1	0	1	0	Other Provided without LMIHF	Agency	Owner	Non-Elderly	Outside	
Housing Rehabilitation	0	2	0	0	2	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Outside	
Agency Totals:	**0**	**2**	2	**0**	**4**	**0**						
IRWINDALE CRDA												
INDUSTRIAL PROJECT												
2006 Home Improvement Loan Prg	0	0	2	0	2	0	Other Provided with LMIHF	Agency	Owner	Elderly	Inside	
NORA FRAIJO PROJECT												
2006 Home Improvement Loan Prg	0	1	2	0	3	0	Other Provided with LMIHF	Agency	Owner	Elderly	Inside	
OUTSIDE PROJECT AREA												
2006 Home Improvement Loan Prg	1	2	0	0	3	0	Other Provided with LMIHF	Agency	Owner	Elderly	Outside	
2006 Home Improvement Loan Prg	1	1	1	0	3	0	Other Provided with LMIHF	Agency	Owner	Non-Elderly	Outside	
Agency Totals:	**2**	**4**	**5**	**0**	**11**	**0**						
POMONA RDA												
MRGD REDEVELOP PRJECT AREAS												
Single Family Rehabilitation Program	1	0	1	0	2	0	Other Provided with LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
OUTSIDE PROJECT AREA												
CalHome Manufactured Home Rehabilitation/Replacement Program	9	1	0	0	10	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Outside	
HOME Funded Single Family Rehabilitation Program	4	2	0	0	6	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Outside	
Single Family Rehabilitation Program	8	6	3	0	17	0	Other Provided with LMIHF	Non-Agency	Owner	Non-Elderly	Outside	

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** Total: sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

05/01/2007

California Redevelopment Agencies - Fiscal Year 200512006
Housing Activity: Substantial Rehabilitation
Project Areas: Both Inside and Outside

Exhibit E-5

Pare 3 of 6

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONARY OBLIG.
Agency Totals:			4									
County Totals by Income Group:	24	15	11	0	50	0						
MADERA COUNTY												
MADERA RDA												
MADERA **PROJECT AREA**												
HOME Rehab	1	1	0	0	2	0	Other Provided without LMIHF	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	1	1	0	0	2	0						
County Total. by Income Group:	1	1	0	0	2	0						
MERCED COUNTY												
ATWATERRDA												
ATWATER DOWNTOWN **PROJECT A**												
2006 Housing Rehab	2	2	0	0	4	0	Other Provided with LMIHF	Agency	Owner	Non-Elderly	Inside	
OUTSIDE PROJECT AREA												
2006 Housing Rehab	0	1	0	0	1	0	Other Provided with **LMIHF**	**Agency**	Owner	Non-Elderly	Outside	
Agency Totals:	2	3	0	0	5	0						
County Totals by Income Group:	2	3	0	0	5	0						
NEVADA COUNTY												
GRASS VALLEY RDA												
PROJECT#1												
Housing Rehabilitation	0	I	0	0	1	0	Other Provided without **LMIHF**	Non-Agency	Owner	Non-Elderly	Inside	
Agency Totals:	0	1	0	0	1	0						
County Totals **by Income Group:**	0	1	0	0	1	0						
PLACER COUNTY												
PLACER COUNTY RDA												
NORTH TAHOE												
Kings Beach Rehabilitation Program	0	I	0	0	1	0	Other Provided without **LMIHF**	Non-Agency	*Owner*	Non-Elderly	Inside	
Agency Total.:	0	1	0	0	1	0						
County **Totals by Income Group:**	0	1	0	0	1	0						
RIVERSIDE COUNTY												
PALM DESERT RDA												
PROJECT AREA NO. 4												
Country **Village** Apartments	66	0	0	0	66	0	Other Provided with LMIHF	Agency	Rental	Non-Elderly	Inside	
Agency **Totals:**	66	0	0	0	66	0						
RIVERSIDE RDA												

* Ineligible: Affordable units **occupied by** persons whore status has subsequently changed (income, number of eligible **persons,** etc.) to prevent the household from currently qualifying for the same dwelling unit

** Total: **sum** of each of the following income **groups (based on area median): Very Low (<50%), Low (<80%),** Moderate **(<120%),** and Above Moderate **(>120%)** where applicable

05/01/2007

California Redevelopment Agencies - Fiscal Year 2005/2006
Housing Activity: Substantial Rehabilitation
Proiect Areas: Both Inside and Outside

Exhibit E-5

Pare 4 nf 6

County / Agency / Project Area / Proiect	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR OBLIG.
ARLINGTONCENTERPROJECT												
8871 Indiana Ave 4-plex	0	2	2	0	4	0	Other Provided with LMIHF	Agency	Rental	Elderly	Inside	
Agency Totals:	**0**	**2**	**2**	**0**	**4**	**0**						
County Totals by Income Group:	**66**	**2**	**2**	**0**	**70**	**0**						
SACRAMENTO COUNTY												
SACRAMENTO CITY RDA												
ALKALI FLAT												
502-504 10th Street	1	0	6	0	7	0	Other Provided with LMIW	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	**1**	**0**	**6**	**0**	**7**	**0**						
County Totals by Income Group:	**1**	**0**	**6**	**0**	**7**	**0**						
SAN FRANCISCO COUNTY												
S.F. CITY & COUNTY RDA												
OUTSIDE PROJECT AREA												
Alexander Residence	0	178	0	0	178	0	Other Provided with LMIW	Non-Agency	Rental	Elderly	Outside	
Ambassador Hotel	50	83	0	1	134	0	Other Provided without LMIHF	Non-Agency	Rental	Nan-Elderly	Outside	
Antonia Manor Apartments	0	132	0	0	132	0	Other Provided with LMIW	Non-Agency	Rental	Elderly	Outside	
Leland Polk Hotel	0	72	0	0	72	0	Other Provided with LMIHF	Non-Agency	Rental	Elderly	Outside	
Maria Manor Apartments	0	118	0	0	118	0	Other Provided with LMIHF	Non-Agency	Rental	Elderly	Outside	
Mariposa Gardens	0	63	0	0	63	0	Other Provided with LMIHF	Non-Agency	Rental	Non-Elderly	Outside	
Mary Elizabeth Inn	0	88	0	0	88	0	Other Provided with LMIW	Nan-Agency	Rental	Non-Elderly	Outside	
Notre Dame Apartments	0	202	0	0	202	0	Other Provided with LMIHF	Non-Agency	Rental	Elderly	Outside	
The Senator Residence	86	0	0	0	86	0	Other Provided with LMIHF	Non-Agency	Rental	Non-Elderly	Ouaide	
West Hotel	51	53	0	1	105	0	Other Provided without LMIHF	Non-Agency	Rental	Non-Elderly	Outside	
WESTERN ADDITION TWO (WA-2)												
Golden Gate Apartments	0	72	0	0	72	0	Other Provided with LMIHF	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	**187**	**1.061**	**0**	**2**	**1,250**	**0**						
County Totals by Income Group:	**187**	**1.061**	**0**	**2**	**1,250**	**0**						
SANTA BARBARA COUNTY												
LOMPOC RDA												
OLD TOWN LOMPOC REDEVELOPMI												
521-537 N T Street Apartments	35	0	0	0	35	0	Other Provided without LMIW	Non-Agency	Rental	Non-Elderly	Inside	
Agency Totals:	**35**	**0**	**0**	**0**	**35**	**0**						
County Totals by Income Group:	**35**	**0**	**0**	**0**	**35**	**0**						
SANTA CLARA COUNTY												

* Ineligible: Affordable units occupied by persons whose status has subsequently changed (income, number of eligible persons, etc.) to prevent the household from currently qualifying for the same dwelling unit

** Total: sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

05/01/2007

California Redevelopment Agencies - Fiscal Year 200512006
Housing Activity: Substantial Rehabilitation
Project Areas: Both Inside and Outside

County / Agency / Project Area / Project	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR' OBLIG.
MILPITAS RDA												
OUTSIDE PROJECT AREA												
Edsel Court Apartments	0	4	0	0	4	0	Other Provided with LMIHF	Nun-Agency	Rental	Non-Elderly	Outside	
Edsel Court Apartments	0	4	0	0	4	0	Other Provided without LMIHF	Agency	Rental	Non-Elderly	Outside	
Agency Totals:	0	8	0	0	8	0						
SANTA CLARA CITY RDA												
OUTSIDE PROJECT AREA												
2006 Palm BMP(9176)	0	0	5	0	5	0	Other Provided with LMIHF	Non-Agency	Owner	Elderly	Outside	
Agency Totals:	0	0	5	0	5	0						
County Totals by Income Group:	0	8	5	0	13	0						
TULARE COUNTY												
TULARE COUNTY RDA												
CUTLER/OROSI PROJECT												
Substantial O/O Housing Rehab Program 06 - LMIHF	1	0	0	0	I	0	Other Provided with LMIHF	Agency	Owner	Non-Elderly	Inside	
GOSHEN PROJECT												
Substantial O/O Housing Rehabilitation 06	0	1	0	0	I	0	Other Provided without LMIHF	Agency	Owner	Non-Elderly	Inside	
Substantial O/O Housing Rehabilitation 06-LMIHF	1	0	0	0	I	0	Other Provided with LMIW	Agency	Owner	Non-Elderly	Inside	
IVANHOE												
Substantial O/O Housing Rehabilitation06	1	0	0	0	I	0	Other Provided without LMIHF	Agency	Owner	Elderly	Inside	
Substantial O/O Housing Rehabilitation 06	1	I	0	0	2	0	Other Provided without LMIW	Agency	Owner	Non-Elderly	Inside	
OUTSIDE PROJECT AREA												
Substantial O/O Housing Rehab 06	2	2	0	0	4	0	Other Provided without LMIHF	Agency	Owner	Elderly	Outside	
Substantial O/O Housing Rehab 06	0	I	0	0	I	0	Other Provided without LMIW	Agency	Owner	Non-Elderly	Outside	
PIXLEY												
Substantial O/O Housing Rehabilitation 06	2	0	0	0	2	0	Other Provided without LMIHF	Agency	Owner	Elderly	Inside	
POPLAR-COTTON CENTER												
Substantial O/O Housing Rehabilitation 06	1	2	0	0	3	0	Other Provided without LMIW	Agency	Owner	Non-Elderly	Inside	
RICHGROVE PROJECT												
Substantial010 Housing Rehabilitation 06	0	I	0	0	1	0	Other Provided without LMIHF	Agency	Owner	Non-Elderly	Inside	
Agency Totals:	9	8	0	0	17	0						
County Totak by Income Group:	9	8	0	0	17	0						
YOLOCOUNTV												
WOODLAND RDA												
OUTSIDE PROJECT AREA												

* Ineligible: Affordable units occupied by persons whose status has subsequently changed (income, number of eligible persons, etc.) to prevent the household from currently qualifying far tbc same dwelling unit

** Total; sum of each of tba following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable

05/01/2007

California Redevelopment Agencies - Fiscal Year 2005/2006
Housing Activity: Substantial Rehabilitation
Project Areas: Both Inside and Outside

County Agency Project Area Proiect	VERY LOW	LOW	MOD	ABOVE MOD	TOTAL**	IN ELIGBLE*	CATEGORY	AGENCY NON_AGENCY	RENTAL/ OWNER	HOUSEHOLD TYPE	LOCATION	INCLU-SIONAR' OBLIG.
HERITAGE OAKS APTS ACQUISITION/REHAB	12	108	0	0	120	0	Other Provided without LMIHF	Non-Agency	Rental	Non-Elderly	Outside	
Agency Totals:	12	108	0	0	120	0						
County Total. by Income Group:	12	108	0	0	120	0						
Statewide Totals:	347	1.334	26	2	1,709	0						

Total Agencies Contributing to this Report 23

*** * * Statewide Totals for Substantial Rehabilitation * * ***

	Agency	Non-Agency	Total
Other Provided with LMIHF	72	102	174
	9	1,056	1,065
	8	17	25
	0	0	0
	89	1,175	1,264
	0	0	0
Other Provided without LMIHF	7	166	173
	16	253	269
	1	0	1
	0	2	2
	24	421	445
	0	0	0
Very LOW	79	268	347
LOW	25	1,309	1,334
Moderate	9	17	26
Above Mod.	0	2	2
**Total	113	1,596	1,709
Ineligible	0	0	0

***** Cross Tab summarized fields are project units by Income Group. From top to bottom they are: Very Low, Low, Moderate, ıve Moderate** Total and Ineligible.

*** Ineligible: Affordable units occupied by persons whose status has subsequently changed (income, number of eligible persons, etc.) to prevent the household from currently qualifying for the same dwelling unit**

**** Total: sum of each of the following income groups (based on area median): Very Low (<50%), Low (<80%), Moderate (<120%), and Above Moderate (>120%) where applicable**

EXHIBIT F

Lodi plans to vote on redevelopment

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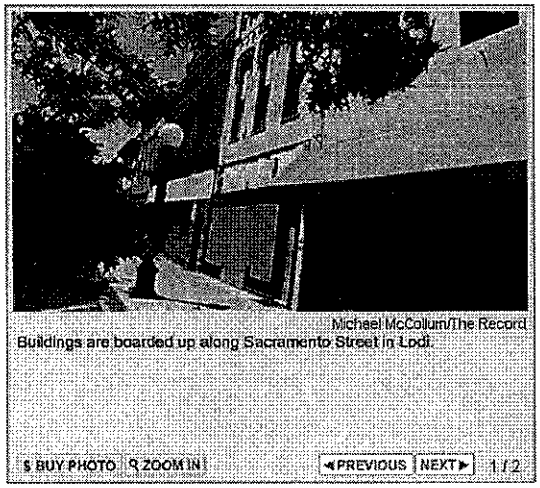
Michael McCollum/The Record
Buildings are boarded up along Sacramento Street in Lodi.

$ BUY PHOTO ZOOM IN PREVIOUS NEXT 1 / 2

By *Daniel Thigpen*
Record Staff Writer
May 26, 2008 6:00 AM

LODI - Take two.

Six years after Lodi abandoned plans for its first redevelopment area amid intense public pressure, city leaders on Wednesday will try their hand again.

City leaders t t des'gnate more tl ?,(acres of Lodi's older East Side neighborhoods and commercial districts for future redevelopment projects.

If you go

What: Lodi City Council vote to authorize redevelopment

When: 7 p.m. Wednesday

Where: Carnegie Forum, 305 W. Pine St.

More info: www.lodi.gov/Redevelopment.html

The City Council is scheduled to take a ke vote to make that happen.

City planners have worked on the proposal for the past year and are heavily pitching it to residents and business owners. Here's a brief overview of what's at stake:

QUESTION: What is redevelopment and what is the City Council authorizing?

ANSWER By designating a redevelopment zone, cities in California can keep a greater portion of property tax dollars that otherwise would go to outside government agencies. Typically, cities borrow against those tax dollars to finance public improvements and

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- Man found dead after party
- Crime Stoppers -- Published June 9, 2008
- Teen lured into car, sexually assaulted
- Father, son die in fight

THIS WEEK'S MOST VIEWED
- Farm labor sweep uncovers boy, 12, working in S.J. orchard
- Johnston and Lee in runoff
- 21 men arrested in prostitution sweep (940 a.m.)
- Lodi dentist arrested; meth found in office

THIS MONTH'S MOST VIEWED
- The king of Stockton
- Lincoln Football Standout Stuckey jailed in beating
- Crime Stoppers – Published May 12, 2008
- Escape 'out of a movie'

PHOTO GALLERIES MORE GALLERIES
Cesar Chavez High graduation
Benjamin Holt Prep graduation

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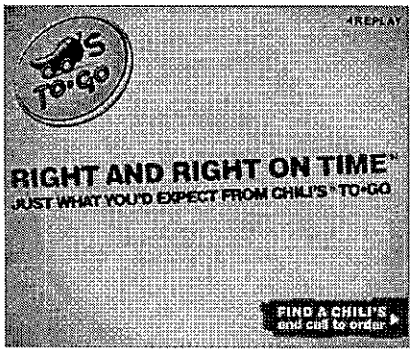

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pay back the debt with redevelopment money.

City planners have identified Lodi's entire East Side as physically and economically blighted, meaning it is eligible for redevelopment.

The City Council on Wednesday will have the final say on that.

Q: Why do city planners support redevelopment?

A: Supporters say redevelopment will enable them to rehabilitate deteriorating neighborhoods and dormant business districts that the city otherwise wouldn't be able to address with typical city funding. There's not enough city money to go around, they argue, to fix the streets, sidewalks, water and sewer systems and entice business development.

Q: Does anyone oppose redevelopment?

A A small group of Lodi residents and activists, called Smart Lodi. is among the detractors. Few people have attended public meetings to speak out against the plans, but Smart Lodi members say they may organize a grass roots petition drive to put redevelopment on the ballot.

Opponents are wary of redevelopment for many reasons, primarily the threat of increased government and that the city will take on massive debt.

A Will redevelopment cost me more money?

Q Redevelopment doesn't raise taxes. It allows cities to keep a greater share of the increased property taxes generated from public improvements and rising property values.

Q Will redevelopment mean the city can take my home?

A City leaders promise eminent domain will not be used in any redevelopment plans. Opponents fear the city will reverse course down the road, a claim city leaders deny.

Contact reporter Daniel Thigpen at (209) 367-7427 or dthigpen@recordnet.com.

VISIT HIS BLOG

By the numbers

- **2,159:** Acres proposed to be designated for redevelopment
- **$225.5** million: Estimated net redevelopment funds generated over **45** years, not adjusted for inflation
- 20 Percentage of redevelopment proceeds that must go toward affordable housing

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Why a redevelopment agency makes good dollars and sense

Did you know that of the 7.75 percent that we pay in sales tax in Lodi that Lodi only receives 1 percent?

That's right. When you pay that tax of nearly 8 cents on every dollar, Lodi only gets one penny. Most of it, 6.25 percent goes to Sacramento and another .5 percent goes to fund San Joaquin County's Measure K.

Did you also know that of your property taxes only 17 cents of every dollar goes to Lodi's general fund and that the Lodi Unified School District gets about 27 cents of every dollar? Is that the way you thought it was?

If these allocations of your tax dollars don't seem quite fair, what would you say if I told you that more of your property tax dollars could stay right here in Lodi? And, to make things better —NO NEW TAXES! That's right, you will not pay a penny more than you would otherwise. In essence, that is what will happen if Lodi's Redevelopment Agency (RDA) happens.

The way the RDA works is that Lodi, instead of getting only about 17 percent of each property tax dollar, will get the original piece plus 80 piece of any NEW property taxes. I highlight NEW because the rules for property taxes will not change. If you do not buy a new property, your property taxes will not change because of the RDA. In addition, if you buy a property, your taxes will not be higher because of the RDA. Property taxes will still be 1 percent of the assessed value and they cannot increase more than 2 percent per year. In other words, Proposition 13 will still govern the taxes that you pay and Lodi's RDA cannot change that.

Here are some other things about the planned RDA that you should know.

• Neither the RDA nor the City of Lodi will be able to take your property from you. Eminent domain will not be used.

• Just because your property is in the RDA does not mean it is bad. For the RDA, blight can mean many things other than ugly. Blight can come from bad pipes underground, which our Eastside has, to high crime areas to building vacancies.

• The Lodi Unified School District supports the RDA.

• 80 percent of the money from the RDA must be spent to benefit the project area. The other 20 percent must be spent on affordable housing. This 20 percent can be in the form of rehabilitation, homeowner assistance, senior housing or even paint and fix-up.

• An RDA does not necessarily mean more debt. For RDA to spend money, there must be an obligation. Now, that may mean debt as some projects are best done with financing but the debt will be repaid by the funds from the RDA and not Lodi's general fund.

• As designed, the RDA will accumulate funds into 2038 and it may raise as much as $332 million dollars over that period. We can have that money or we can get a fraction of it.

• The RDA will mean local control of more of your tax dollars. If you don't like what a city council member does with your dollars, you can call them and talk to them or go to their meeting and tell them

face-to-face. Can you say the same about President Bush?

I know that the term Redevelopment Agency sounds like some government group is going to start tearing things down and taking things but that is not how it will happen. What it means in Lodi is that we will have more control of our money. It also means that we will have to watch our city council and elect good people but we should do that now.

If you like the idea of more dollars staying in Lodi with more local control, then you should support the RDA. If, however, you want to continue to send most of your local tax dollars to Sacramento where they get redistributed and Lodi gets a very small share, then the RDA is not for you.

John Johnson, CFA, is a Lodi-based business appraiser. You can reach him at john@johnejohnson.com or at (209) 369-1451.

CALIFORNIA ENVIRONMENTAL, PROTECTION AGENCY

NEWS RELEASE

Department of Toxic Substances Control

T -18- 03
For Immediate Release
June 3,2003

Contact: Lisa Gray
916.324-0936
Ron Baker
916.324.3142

DTSC Issues Order for Clean Up of City of Lodi Central Plume Area

Sacramento ---Citing the need to move forward with the investigation and cleanup of groundwater in the City of Lodi, Department of Toxic Substances Control (DTSC) Director Ed Lowry today announced the issuance of an Imminent and Substantial Endangerment Order to eight responsible parties. The order was issued to address five properties believed to be source areas for groundwater contamination in what has been designated as the Lodi Central Plume Area (the Central Plume).

The Central Plume covers an area of approximately seventy acres which is centered on the intersection of Church and Walnut Streets. The groundwater is contaminated with tetrachloroethylene (PCE) and trichloroethylene (TCE), solvents associated with dry cleaning and industrial operations.

"DTSC is taking this action due to significant groundwater contamination associated with dry cleaning, Lowry said. "The costs associated with cleaning the groundwater must be borne by either the taxpayer or the polluters. For that reason we are issuing this order to the responsible parties."

In 1997, DTSC entered into a cooperative agreement with the City of Lodi to address the City's regional groundwater contamination. Under the agreement, the City was designated as the lead enforcement agency to compel responsible parties to conduct cleanup activities, with DTSC providing technical oversight. Due *to* delays the City has encountered in compelling responsible parties to act, DTSC is proceeding with this additional enforcement action.

The order requires that the following information be submitted within 60 days.

- A detailed report that includes the history of ownership, operators, operations, hazardous materials usage and hazardous waste management practices at each of the properties believed to be source areas. The report is to identify all potential contaminants of concern, which currently appear to be predominantly volatile organic compounds discharged to the city sewer systems.

---MORE---

- An initial site investigation work plan for each property that includes sampling for all contaminants of concern on the source properties, and identifies methods for investigating the integrity of the sewer laterals leading to the municipal sewer systems.
- A work plan for a pilot soil vapor extraction system in the vicinity of 212 W. Pine Street and 218 W. Pine Street. DTSC and the Regional Water Quality Control Board have already approved a work plan for a pilot soil vapor extraction system at 17 S. Church Street.

The order, issued on May 30, 2003, also requires the responsible parties to:

- Develop an overall site investigation strategy which will identify immediate or potential health risks to the public and the environment
- Complete a Remedial Investigation and Feasibility Study
- Implement interim remedial measures where necessary
- Complete a Remedial Action Plan and
- Implement final cleanup actions.

The eight responsible parties include past and present business owners, and property owners. Included in the order were Guild Cleaners, Inc., Odd Fellows Hall Association of Lodi, the Estate of Dwight Alquist, Beckman Capitol Corporation, Beckman and Company, Lodi News Sentinel, Farmers and Merchants Bank, and Mrs. Angelina Comporato.

###

The Department of Toxic Substances Control's mission is to restore, protect, and enhance the environment and ensure public health, environmental quality and economic vitality by regulating hazardous waste, conducting and overseeing cleanups, and developing and promoting pollution prevention.

###

"The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our Web-site at www.dtsc.ca.gov."

DEPARTMENT OF TOXIC SUBSTANCES CONTROL
NOTICE OF PROPOSED SETTLEMENT
LODI GROUNDWATER SITE
LODI, SAN JOAQUIN COUNTY, CALIFORNIA

Public Comment Period: May 20 *to* June 20,2005

The Department of Toxic Substances Control (DTSC) pursuant to the authority vested in DTSC under chapters 6.5 and 6.8, division 20 of the Health and Safety Code, and under its inherent governmental authority to resolve claims within its jurisdiction, proposes to enter into a settlement with the City of Lodi, a municipal corporation (the City), regarding the area of the City located within the County of San Joaquin, California bordered approximately by the Mokelumne River to the north, Beckman Road to the east, Harney Lane to the south, and Mills Avenue to the west and the surrounding commercial and residential area composed of five areas of groundwater contamination that have been referred to as the Central Plume Area, the Northern Plume Area, the Western Plume Area, the Southern Plume Area and the Busy Bee Area from which Hazardous Substances have been, or are threatened to be, released or where Hazardous Substances have or may come to be located (the Site).

Notice is hereby given that DTSC proposes to enter into a Settlement Agreement and Mutual Covenants Not to Sue (Settlement Agreement) with the City of Lodi regarding the Site.

Under the proposed Settlement Agreement, DTSC and the City will resolve disputed claims concerning the Site, and the parties' respective obligations under the Comprehensive Joint Cooperative Agreement (JCA) entered into by DTSC and the City in 1997. If, as a result of a judicially approved settlement of the City's claims against a defendant in the action entitled *City of Lodi v. M&P Investments, et al.*, Case No. CIV-S-00-2441 FCD JFM, United States District Court, Eastern District of California ("City Action"), the City receives any cash settlement payments from or on behalf of a defendant, then the City shall make certain monetary payments to DTSC as reimbursement for DTSC response costs relating to the Site. The City will also waive any defense it may have arising out of the JCA or the Settlement Agreement to the jurisdiction of the Regional Water Quality Control Board, Central Valley Region or any successor lead agency for the Site.

In return, the parties will covenant not to sue each other each other for claims relating to the Site, subject to certain conditions and reservations. In addition, the Settlement Agreement will recognize that the City is entitled to contribution protection for matters addressed in the Settlement Agreement.

DTSC is holding a 30-day comment period on the Settlement Agreement. Written comments on the proposed Settlement Agreement must be submitted on or before 5:00 p.m. June 20, 2005. DTSC may withhold its consent to the Settlement Agreement if such comments disclose facts or considerations that indicate the proposed Settlement Agreement is inappropriate, improper or inadequate.

Comments should be addressed to:

Steve Koyasako (skoyasak@dtsc.ca.gov)
Department of Toxic Substances Control
Office of Legal Counsel
P.O. Box 806
Sacramento, California 95812-0806

Steve Schwabauer (sschwabauer@lodi.gov)
City Attorney
City of Lodi
P.O. Box 3006
Lodi, CA 95240

Any comments sent electronically should also be sent by mail. Comments should refer to the City of Lodi Groundwater Site.

The Settlement Agreement may be examined at the DTSC headquarters office at 1001 I Street, Sacramento, California 95812-0806. Please contact Ms. Mary Anderson at (916) 324-1667 (phone) or (916) 323-5542 (fax) for an appointment.

During the public comment period, the Settlement Agreement may also be examined on the DTSC Internet Web site at:

http://www.dtsc.ca.gov/SiteCleanup/Lodi_Central_Plume/index.html

A copy of the Settlement Agreement may also be obtained by mail from the DTSC Office of Legal Counsel at P.O. Box 806, Sacramento, California 95812-0806, or by faxing or e-mailing a request to Steve Koyasako (skoyasak@dtsc.ca.gov), fax no. (916) 323-5542, phone confirmation number (916) 322-6996. If requesting a copy from DTSC, the cost for reproductions is $0.15 (15 cents) per page. Please make your check or money order payable to the Department of Toxic Substances Control.

Lodi contamination settlement near end; cleanup moves ahead

By Matt Brown
News-Sentinel Staff Writer

As litigation from Lodi's groundwater contamination case comes to a close, cleanup has already begun.

News-Sentinel reporter Matt Brown recently discussed the status of the remaining litigation and the cleanup with City Attorney Stephen Schwabauer.

In 1989, officials discovered that the groundwater in some areas of Downtown was contaminated with the chemicals PCE and TCE, which are used as industrial solvents and in dry cleaning. The chemicals spread out to five different plumes in the city's groundwater.

In the mid-1990s, the city's outside attorney, Michael Donovan, crafted a plan to sue insurance companies of local businesses, including the News-Sentinel, for their role in the contamination. After a number of negative court rulings, the City Council in 2004 fired Donovan and City Attorney Randy Hays.

The city has since sued Donovan for fraud and malpractice, and Donovan has countersued, claiming the city owes him millions in legal fees.

The city has sought to settle out of court with the parties responsible for the contamination.

Q: How many parties have settled in the case so far?

A: Everybody but United Dry Cleaners, which is a group of eight parties, Connie Dewalt Scott and Harmon Investors. They are all part of the south central western plume, one of five distinct contaminated plumes. All the other plumes are settled.

Q: So how many have settled, then?

A: Many of the settlements encompass more than just one person, so it's hard to put a number on it. The case has been resolved with regard to something close to 100 parties.

Q: How much has the city collected in settlements?

A The easiest way to do that is to go plume by plume. In the central plume, we recovered $7.4 million. In the northern plume, we recovered around $5 million. In the Busy Bee plume, we didn't recover cash. They funded 100 percent of the cost to pay a contractor to clean up the plume to the satisfaction of the (state) Regional (Water Quality Control) Board. The southern plume was $1.5 million. That leaves the south central westem, which is roughly $700,000. (Five plume total: $14.6 million)

Q: How much longer do you expect the mediation to last?

A If they're going to settle, they are going to settle in the next four to six weeks or they are just not going to settle. They'd be fools not to.

Q: What is the total cost of the cleanup?

A: Roughly $48 million. That is our part of the cleanup.

Q: What is the estimated time frame of the cleanup?

A: It's still 30 years.

Q: What work has been done on the cleanup so far?

A: The cleanup is already moving forward in the central plume. We have a soil vapor extraction system running right now in the central plume. We also have a dual phase extraction system running on a pilot basis. There is cleanup over at Busy Bee under that contract. The other settlements, we don't get paid until a court signs off on them, which we expect to happen in the next couple of months. The (cleanup in those plumes) will begin when we get the money.

Q: What is the status of the Donovan case?

A The case is going to trial. The only way Mr. Donovan is going to get paid is if we lose the trial, we lose on appeal ... and the sheriff comes to execute the judgment. That's the only way. It's going to be at the point of a sheriffs gun that the check is going to be written, after every last option for appeal has been exhausted.

Contact reporter Matt Brown at mattb@lodinews.com.

News

LODI EYES REDEVELOPMENT AREA

By *Daniel Thigpen*
October 24, 2007
Record Staff Writer

LODI - City officials believe Lodi would have 5131 million more tax revenue at its disposal over the next 30 years to help pave roads, fix sidewalks, provide affordable homes and resuscitate commerce if they designated nearly all of Lodi's older, poorer East Side as a redevelopment project.

That's according to a study released Tuesday, commissioned to examine the possibility of redevelopment in Lodi - the process by which local agencies tap into property tax money to rehabilitate decaying neighborhoods and business districts.

The study gives the public its first glimpse of the neighborhoods and business districts Lodi wants to revitalize five years after city leaders abandoned a similar effort amid public outcry.

City planners and elected officials will evaluate the study in the coming weeks and draw more concrete boundaries for a project area. Lodi is taking baby steps with redevelopment this time around to allow for more public input, City Manager Blair King said.

"We're just going about this is a workmanlike manner," he said.

The study offers city leaders two options to evaluate before making the next move: One map shows nearly ail of the East Side in a redevelopment zone, while a smaller alternative excludes most of the area's residential neighborhoods.

King said the options give elected officials and the public a chance to decide whether redevelopment dollars should strictly target depressed business sectors or also include improvements to residential areas.

Consultants who authored the study recommend city leaders choose the larger redevelopment area, in part because it will generate more tax dollars.

Redevelopment is the term used when a local agency that is separate from the city - but whose board usually is made up of City Council members -typically borrows money to help finance improvements to blighted portions of town. New tax dollars from increased property values that result from those improvements help pay back the debt and finance other redevelopment projects.

Residents fought off redevelopment with a petition drive five years ago over fears the government would take private property for economic development through eminent domain. City leaders have since prohibited the use of eminent domain for private enterprise.

The City Council, acting as the city's Redevelopment Agency, in July voted to further explore redevelopment.

Mayor Pro Tem JoAnne Mounce, a critic of redevelopment but who voted to support it in July, said she was initially disappointed by the study released Tuesday because its proposed project areas did not cast a wide enough net over Lodi.

She said she hopes redevelopment dollars can be used to help improve infrastructure for residents, and concentrating efforts on one end of town is not enough.

"Don't you think there's problems in more than just the East Side?" she said

Contact reporter Daniel Thigpen at (209) 367-7427 or dthigpen@recordnet.com.

What's next

To view the full report, see www.lodi.gov/Redevelopment.html.

What happens next:

• Afler a city subcommittee makes its recommendation next week, the City Council on Nov. 7 is scheduled to pick one of the options.

• City planning commissioners then will refine the area's boundaries on Nov. **14.**

• Afler that, it's more studies and public meetings before redevelopment can go into effect

EXHIBIT G

ORDINANCE NO. 1675

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI AMENDING TITLE 2 – ADMINISTRATION AND PERSONNEL OF THE LODI MUNICIPAL CODE BY ADDING CHAPTER 2.52 DECLARING THE NEED FOR A REDEVELOPMENT AGENCY TO FUNCTION IN THE CITY OF LODI AND DECLARING THE CITY COUNCIL TO BE THE REDEVELOPMENT AGENCY FOR THE CITY OF LODI

WHEREAS, the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.) in Section 33100 creates in the City of Lodi a public body, corporate and politic, known as the redevelopment agency, for the purposes of exercising the powers granted by the Community Redevelopment Law; and

WHEREAS, Section 33200 of the Community Redevelopment Law provides that as an alternative to the appointment of five *(5)* members of the redevelopment agency, the City Council may declare itself to be said agency, in which case all rights, powers, duties, privileges and immunities of the redevelopment agency shall be vested in the City Council;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LODI DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. It is hereby found, determined and declared that there is a need for a redevelopment agency to function in the City of Lodi in accordance with the provisions of the Community Redevelopment Law.

Section 2. Said redevelopment agency is hereby established pursuant to Section 33101 *of* the Community Redevelopment Law, to be known as the Redevelopment Agency of the city of Lodi. Said redevelopment agency is hereto authorized to transact business and exercise its powers under the provisions of the Community Redevelopment Law.

Section 3. Pursuant to the provisions of Section 33200 of the Community Redevelopment Law, this City Council hereby declares itself to be the Redevelopment Agency of the City *of* Lodi.

Section 4. The City Council hereby finds and determines that the designation *of* the City Council as the Redevelopment Agency of the City of Lodi will serve the public interest and promote the public health, safety and welfare in an effective manner in that this public body is best able to serve the needs of the community to implement the purposes of the Community Redevelopment Law.

Section 5. The City Clerk is hereby directed to cause a certified copy of this ordinance *to* be filed in !he office of the County Clerk.

Section 6. This ordinance shall become effective thirty (30) days after its final passage and adoption.

Section 7 - No Mandatory Duty of Cafe. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any of or employee thereof, a mandatory duty of care towards persons or property within the City or outside *of* the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 8 - Severability. If any provision of this ordinance or the application fhereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the

provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

Section 9. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

Section 10. This ordinance shall be published one time in the "Lodi News Sentinel", a daily newspaper of general circulation printed and published in the City of Lodi and shall be in force and take effect thirty days from and afler its passage and approval.

Approved this 7th day of July, 1999

Keith Land

KEITH LAND
Mayor

Attest:

Alice M. Reimche

ALICE M. REIMCHE
City Clerk

State of California
County of San Joaquin, ss

I, Alice M. Reimche. City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1675 was introduced at a regular meeting of the City Council of the City of Lodi held June 16, 1999 and was thereafter passed, adopted and ordered to print at a regular meeting of said City Council held July 7, 1999 by the following vote:

AYES:	COUNCIL MEMBERS - Hitchcock. Mann, Pennino and Land (Mayor)
NOES:	COUNCIL MEMBERS - Nakanishi
ABSENT:	COUNCIL MEMBERS - None
ABSTAIN:	COUNCIL MEMBERS - None

I further certify that Ordinance No. 1675 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

Alice M. Reimche

ALICE M. REIMCHE
City Clerk

Approved as to Form:

Randall A. Hays

RANDALL A. HAYS
City Attorney

EXHIBIT H

CARNEGIE FORUM 305 WEST PINE STREET LODI, CALIFORNIA	**AGENDA** **LODI** **PLANNING COMMISSION**	REGULAR SESSION WEDNESDAY, APRIL 23, 2008 @ 7:00 PM

For information regarding this agenda please contact:
Kari Chadwick @ (209) 333-6711
Community Development Secretary

NOTE: All staff reports or other written documentation relating to each item of business referred to on the agenda are on file in the Office of the Community Development Department, located at 221 W. Pine Street, Lodi, and are available for public inspection. If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof To make a request for disability-related modification or accommodation contact the Community Development Department as soon as possible and at least 24 hours prior to the meeting date.

1. ROLLCALL
2. MINUTES – "April 9,2008"
3. PUBLIC HEARINGS -None
4. PLANNING MATTERS/FOLLOW-UP ITEMS
   a. Find the Lodi Community Improvement Project consistent with the General Plan, approve reduced territory, and review the Draft Program Environmental Impact Report.
5. ANNOUNCEMENTS AND CORRESPONDENCE
6. ACTIONS OF THE CITY COUNCIL
   a. Summary Memo Attached
7. GENERAL PLAN UPDATE/DEVELOPMENT CODE UPDATE
   a. Development code Update Summary Report.
8. ACTIONS OF THE SITE PLAN AND ARCHITECTURAL REVIEW COMMITTEE
   a. 4-21-08 -Major remodel of an existing restaurant at 514 West Kettleman Lane. (Applicant, Lance Crannell on behalf of McDonald's USA, LLC; File # 08-SP-01).
9. UPDATE ON COMMUNITY SEPARATOR/GREENBELT TASK FORCE
10. ART IN PUBLIC PLACES
11. COMMENTS BY THE PUBLIC
12. COMMENTS BY THE PLANNING COMMISSIONERS & STAFF
13. ADJOURNMENT

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

***NOTICE: Pursuant to Government Code §54954.3(a), public comments may be directed to the legislative body concerning any item contained on the agenda for this meeting before (in the case of a Closed Session item) or during consideration of the item.*

Right of Appeal:

If you disagree with the decision of the commission, you have a right of appeal. Only persons who participated in the review process by submitting written or oral testimony, or by attending the public hearing, may appeal.

Pursuant to Lodi Municipal Code Section 17.72.1 10, actions of the Planning Commission may he appealed to the City Council by filing, within ten (10) business days, a written appeal with the City Clerk and payment of $300.00 appeal fee. The appeal shall he processed in accordance with Chapter 17.88, Appeals, of the Lodi Municipal Code. Contact: City Clerk, City Hall 2nd Floor, 221 West Pine Street, Lodi, California 95240 – Phone: (209) 333-6702.

Item 4a.

CITY OF LODI
PLANNING COMMISSION
Staff Report

MEETING DATE: April 23, 2008

REQUEST: The Redevelopment Agency for the City of Lodi ("Agency") requests that the Lodi Planning Commission adopt a Resolution finding that the Plan for the Lodi Community Improvement Project is consistent with the Lodi General Plan, that proposed projects area consistent with the General Plan, that certain territory be removed from the proposed project area, and that the City Council and the Agency approve the Lodi Community Improvement Project.

LOCATION: City of Lodi.
County of San Joaquin, CA.

APPLICANT: City of Lodi
221 West Pine Street
Lodi, CA 95241-1910

RECOMMENDATION :
Adopt Planning Commission Resolution 08-09, which: 1) finds that the Lodi Community Improvement Project is consistent with the Lodi General Plan, 2) finds that proposed projects are consistent with the General Plan, 3) recommends that certain territory be removed from the proposed project area, and 4), recommends that the City Council and the Agency approve the Lodi Community Improvement Project

BACKGROUNDIANALYSIS:

The Agency has initiated the preparation and adoption of the Lodi Community Improvement Project. A draft Redevelopment Plan has been prepared according to the requirements of California Community Redevelopment Law and distributed to various local governmental agencies. Before the City Council can consider adopting the Redevelopment Plan, it must first be submitted to the Planning Commission for two actions:

1. A finding that the Amended and Restated Redevelopment Plan is in conformance with the General Plan.

   Redevelopment Law requires that the Plan be in conformance with the General Plan. The Plan is not a specific plan for the development of the project area. Rather, the Plan is an authorizing document, which allows the Agency to **use** a variety of financing and implementation tools to promote new development and redevelopment in a manner consistent with the General Plan.

   To assist the Planning Commission in its finding of General Plan conformity, Subsection 210 of the Plan is drafted so that future development projects must be in conformance with the General Plan, as it now exists or may be amended in the future. This will help ensure that the Plan remains consistent with the General Plan if the General Plan is amended in the future, Additional sections of the Plan which also require conformity with the General Plan: 252,253,255. and 257.

2. A recommendation on the adoption of the Redevelopment Plan

Redevelopment Law provides the Planning Commission the opportunity to make a recommendation to the City Council regarding the adoption of the Lodi Community Improvement Project. The City Council will then consider the Plan at a public hearing currently scheduled for late May.

A Redevelopment Plan functions as a basic long-term document. It sets out broad goals and can place certain limitations on the authority of the agency (such as no eminent domain). The Redevelopment Plan is typically a very general document, providing the agency with maximum flexibility. This document proposes to set the maximum time limits under the law, prevents the use of eminent domain by the agency for any use, and gives as much flexibility as possible in spending tax increment money on as many uses as possible. Consequently, allowing future city council's the opportunity to use funds for the greatest good at that time.

Detailed studies were performed on every parcel of land in the Project. These studies revealed that the Project Area is a predominantly "blighted area" pursuant to the requirements set forth in the California Community Redevelopment Law ("CRL") and that it qualifies for inclusion in a redevelopment area. Therefore, it is recommended that the Planning Commission recommend adoption of the proposed Lodi Community Improvement Project by the City Council.

3. A recommendation that certain territory be removed from the proposed Lodi Community Improvement Project.

Furthermore, Agency staff recommends that certain territory be removed from the proposed Lodi Community Improvement Project. Under the Community Redevelopment Law, the Planning Commission makes a recommendation to the City Council regarding the removal of the territory.

Exhibit A, which is part of the attached resolution, shows the territory recommended for removal. This includes parcels north of Turner Road and along the river, various residential neighborhoods that do not show significant conditions of blight, and parcels presently in agricultural use.

Finally, the Planning Commission was provided with a Draft Program Environmental Impact Report for the Lodi Community Improvement Project. This document will be certified by the Agency and City Council prior to voting on the proposed project. As a program EIR the document is generalized in nature, and focuses mostly on cumulative impacts. Subsequent environmental documents will consider development project-specific impacts. Commissioners may comment on the Draft Program EIR, and responses to these comments will be prepared and included in the Final Program EIR.

Respectfully Submitted,	Concur,
Peter Pirnejad Planning Manger	Blair King City Manager

ATTACHMENTS:

1. Draft Resolution

RESOLUTION NO. P.C. 08-09

RESOLUTION OF THE LODI PLANNING COMMISSION FINDING THE REDEVELOPMENT PLAN FOR THE LODI COMMUNITY IMPROVEMENT PROJECT IS IN CONFORMANCE WITH THE LODI GENERAL PLAN; APPROVING REVISED BOUNDARIES OF THE PROPOSED PROJECT AREA; AND MAKING ITS RECOMMENDATION TO THE LODI CITY COUNCIL AND REDEVELOPMENT AGENCY FOR THE CITY OF LODI

WHEREAS, the Planning Commission of the City of Lodi has heretofore held a duly noticed public hearing, as required by law, on the requested Use Permit in accordance with the Government Code and Lodi Municipal Code Chapter 17.72, Adjustments and Use Permits; and

WHEREAS, the Lodi City Council and the Redevelopment Agency for the City of Lodi (the "Agency") are in the process of creating a Redevelopment Plan for the Lodi Community Improvement Project (the "Project"); and,

WHEREAS, the Agency has prepared a Draft Redevelopment Plan for the Project; and,

WHEREAS, the Planning Commission has reviewed said Draft Redevelopment Plan for conformance with the Lodi General Plan; and,

WHEREAS, in accordance with redevelopment law, the Planning Commission may make a recommendation to the City Council and the Agency regarding the Draft Redevelopment Plan; and,

WHEREAS, Agency staff is requesting the Planning Commission remove various parcels of land from the proposed Project Area as shown on Exhibit " A attached hereto and by this reference made a part hereof.

NOW, THEREFORE, BE IT RESOLVED by the Lodi Planning Commission:

SECTION 1: The Planning Commission hereby finds and determines that the Draft Redevelopment Plan is in conformance with, and consistent with, the Lodi General Plan.

SECTION 2: The Planning Commission hereby finds and determines that the location, purpose and extent of any acquisition or disposition of real property for street, square, park or other public purpose by the Agency for the purposes of carrying out the Redevelopment Plan conforms to the General Plan.

SECTION 3: The Planning Commission hereby removes parcels of land from the proposed Project Area, as shown in Exhibit "A."

SECTION *4:* The Planning Commission hereby recommends to the City Council and the Agency that the Draft Redevelopment Plan be approved.

SECTION 5: The Secretary of the Planning Commission is hereby authorized and directed to transmit a copy of this Resolution to the City Council and to the Agency as prescribed in Sections 33347 and 33453 of the Health and Safety Code.

Dated: April 23,2008

I hereby certify that Resolution No. 08-09 was passed and adopted by the Planning Commission of the City of Lodi at a regular meeting held on April 23, 2008, by the following vote:

AYES: Commissioners:

NOES: Commissioners:

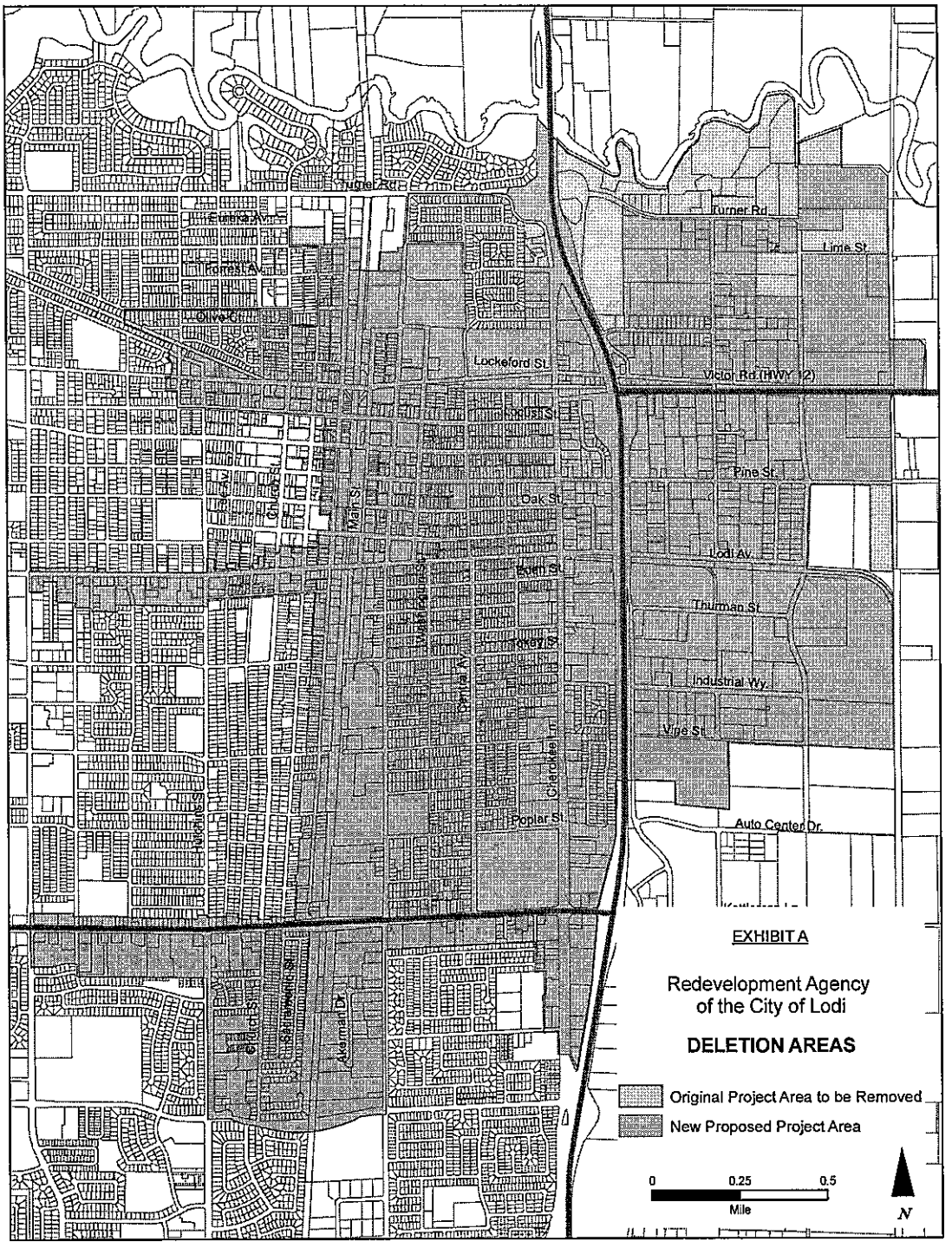
ABSENT: Commissioners:

ATTEST:

_____

Secretary, Planning Commission

EXHIBIT A


Turner Rd.
Lime St.
Lockeford St.
Victor Rd. (HWY 12)
Pine St.
Oak St.
Lodi Av.
Elm St.
Thurman St.
Industrial Wy.
Vine St.
Poplar St.
Auto Center Dr.
Main St.
Ackerman Dr.
EXHIBIT A
Redevelopment Agency
of the City of Lodi
DELETION AREAS
Original Project Area to be Removed
New Proposed Project Area
0
0.25
0.5
Mile
N

April 18, 2008

DRAFT
Plan for the Lodi Community Improvement Proiect

REDEVELOPMENTAGENCY OF THE CITY OF LODI

A copy of the Draft Plan for the Lodi Community Improvement Project was provided to the Lodi Planning Commission.

EXHIBIT I

HEALTH AND SAFETY CODE
SECTION 33030 AND 33031

33030. (a) It is found and declared that there exist in many communities blighted areas that constitute physical and economic liabilities, requiring redevelopment in the interest of the health, safety, and general welfare of the people of these communities and of the state.

(b) **A** blighted area is one that contains both of the following:

(1) An area that is predominantly urbanized, as that term is defined in Section 33320.1, and is an area in which the combination of conditions set forth in Section 33031 is so prevalent and so substantial that it causes a reduction of, or lack of, proper utilization of the area to such an extent that it constitutes a serious physical and economic burden on the community that cannot reasonably be expected to be reversed or alleviated by private enterprise or governmental action, or both, without redevelopment.

(2) An area that is characterized by one or more conditions set forth in any paragraph of subdivision (a) of Section 33031 and one or more conditions set forth in any paragraph of subdivision (b) of Section 33031.

(c) A blighted area that contains the conditions described in subdivision (b) may also be characterized by the existence of inadequate public improvements or inadequate water or sewer utilities.

33031. (a) This subdivision describes physical conditions that cause blight:

(1) Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions may be caused by serious building code violations, serious dilapidation and deterioration caused by long-term neglect, construction that is vulnerable to serious damage from seismic or geologic hazards, and faulty or inadequate water or sewer utilities.

(2) Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots. These conditions may be caused by buildings of substandard, defective, or obsolete design or construction given the present general plan, zoning, or other development standards.

(3) Adjacent or nearby incompatible land uses that prevent the development of those parcels or other portions of the project area.

(4) The existence of subdivided lots that are in multiple ownership and whose physical development has been impaired by their irregular shapes and inadequate sizes, given present general plan and zoning standards and present market conditions.

(b) This subdivision describes economic conditions that cause blight:

(1) Depreciated or stagnant property values.

(2) Impaired property values, due in significant part, to hazardous wastes on property where the agency may be eligible to use its authority as specified in Article 12.5 (commencing with Section 33459).

(3) Abnormally high business vacancies, abnormally low lease rates, or an abnormally high number of abandoned buildings.

(4) A serious lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.

(5) Serious residential overcrowding that has resulted in significant public health or safety problems. As used in this paragraph, "overcrowding" means exceeding the standard referenced in Article 5 (commencing with Section 32) of Chapter 1 of Title 25 of the California Code of Regulations.

(6) An excess of bars, liquor stores, or adult-oriented businesses that has resulted in significant public health, safety, or welfare problems.

(7) A high crime rate that constitutes a serious threat to the public safety and welfare.

CALIFORNIA CODES
HEALTH AND SAFETY CODE
SECTION 33363,33364, AND 33367

33363. At the hour set in the notice required by Section 33361 for hearing objections, the legislative body shall proceed to hear all written and oral objections. Before adopting the redevelopment plan the legislative body shall evaluate the report of the agency, the report and recommendation of the project area committee, and all evidence and testimony for and against the adoption of the plan and shall make written findings in response to each written objection of an affected property owner or taxing entity. The legislative body shall respond in writing to the written objections received before or at the noticed hearing, including any extensions thereof, and may additionally respond to written objections that are received after the hearing. The written responses shall describe the disposition of the issues raised. The legislative body shall address the written objections in detail, giving reasons for not accepting specified objections and suggestions. The legislative body shall include a good-faith, reasoned analysis in its response and, for this purpose, conclusionary statements unsupported by factual information shall not suffice.

33364. If no objections in writing have been delivered to the clerk of the legislative body prior to the hour set for the hearing thereon, and if no written objections are presented during the hearing thereon, the legislative body may proceed to adopt the plan at the time set for hearing thereon. If any written objections are delivered or presented, as specified in this article, the legislative body may adopt the plan only after consideration of the objections, and adoption of written findings in response thereto, pursuant to Section 33363 at a subsequent date not less than one week after the time the hearing on objections is commenced pursuant to Section 33363.

33367. The ordinance shall contain all of the following:

(a) The purposes and intent of the legislative body with respect to the project area.

(b) The plan incorporated by reference.

(c) A designation of the approved plan as **the** official redevelopment plan of the project area.

(d) The findings and determinations of the legislative body, which shall be based on clearly articulated and documented evidence, that:

(1) The project area is a blighted area, the redevelopment of which is necessary to effectuate the public purposes declared in this part.

(2) The redevelopment plan would redevelop the area in conformity with this part and in the interests of the public peace, health, safety, and welfare.

(3) The adoption and carrying out of the redevelopment plan is economically sound and feasible.

(4) The redevelopment plan is consistent with the general plan of the community, including, but not limited to, the community's housing element, which substantially complies with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

(5) The carrying out of the redevelopment plan would promote the public peace, health, safety, and welfare of the community and would effectuate the purposes and policy of this part.

(6) The condemnation of real property, if provided for in the redevelopment plan, is necessary to the execution of the redevelopment plan and adequate provisions have been made for payment for property to be acquired as provided by law.

(7) The agency has a feasible method or plan for the relocation of families and persons displaced from the project area, if the redevelopment plan may result in the temporary or permanent displacement of any occupants of housing facilities in the project area.

(8) (A) **There** are, or shall be provided, in the project area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and persons displaced from the project area, decent, safe, and sanitary dwellings equal in number to the number of and available to the displaced families and persons and reasonably accessible to their places of employment.

(B) Families and persons shall not be displaced prior to the adoption of a relocation plan pursuant to Sections 33411 and 33411.1. Dwelling units housing persons and families of low or moderate income shall not be removed or destroyed prior to the adoption of a replacement housing plan pursuant to Sections 33334.5, 33413, and 33413.5.

(9) All noncontiguous areas of a project area are either blighted or necessary for effective redevelopment and are not included for the purpose of obtaining the allocation of taxes from the area pursuant to Section 33670 without other substantial justification for their inclusion.

(10) Inclusion of any lands, buildings, or improvements which are not detrimental to the public health, safety, or welfare is necessary for the effective redevelopment of the area of which they are a part; that any area included is necessary for effective redevelopment and is not included for the purpose of obtaining the allocation of

tax increment revenues from the area pursuant to Section 33670 without other substantial justification for its inclusion.

(11) The elimination of blight and the redevelopment of the project area could not be reasonably expected to be accomplished by private enterprise acting alone without the aid and assistance of the agency.

(12) The project area is predominantly urbanized, as defined by subdivision (b) of Section 33320.1.

(13) The time limitation and, if applicable, the limitation on the number of dollars to be allocated to the agency that are contained in the plan are reasonably related to the proposed projects to be implemented in the project area and to the ability of the agency to eliminate blight within the project area.

(14) The implementation of the redevelopment plan will improve or alleviate the physical and economic conditions of blight in the project area, as described in the report prepared pursuant to Section 33352.

(e) **A** statement that the legislative body is satisfied that permanent housing facilities will be available within three years from the time occupants of the project area are displaced and that, pending the development of the facilities, there will be available to the displaced occupants adequate temporary housing facilities at rents comparable to those in the community at the time of their displacement.

The current capacity/connection fees are identified in the following table:

Table 5
Capacity/Connection Fees
(as of July 1, 2007)

Description	Fees[1]
Moderate Strength Users	
Per Sewage Service Unit (SSU)	$5,356.00
High Strength Users	
Flow (per million gallons (MG), annual basis)	$40,825.00
BOD (per 1,000 lbs., annual basis)	10,573.00
SS (per 1,000 lbs., annual basis)	5,655.00

(1) Includes 1% public art fee. Subject to annual adjustment on July 1 based on the past annual change in the Engineering News Record 20 Cities Construction Cost Index.
Source: City of Lodi.

New residential development in the City is subject to a growth control ordinance that limits new residential development based on an increase in population of 2% per year.

Collections. The City bills for water, wastewater, solid waste and electricity on the same bill. If a bill is unpaid, the City will terminate electric service to a customer within 90 days of nonpayment after 48 hours notice. The annual delinquency rate has been less than 1% for the preceding 10 fiscal years.

Comparison of Monthly Wastewafer Service Charges of Selected Agencies. A comparison of wastewater service charges of selected agencies located in San Joaquin County for an average single-family home is set forth below.

Table 6
Comparison of Monthly Wastewater Service Charges
(as of October 1, 2007)[1]

Agency	Service Charge[2]
City of Galt	$49.89
City of Manteca	33.06
City of Tracy	31.00
City of Lodi	**26.71**
City of Stockton	21.10
Average	*$32.35*

(1) Rates shown are as of October 1, 2007.
(2) For all agencies other than the City, based upon flat monthly rate charged to all single family residential customers. Rate for City reflects rate for three-bedroom single family residence.
Source: City of Lodi.

CITY COUNCIL
JOANNE MOUNCE, Mayor
LARRY D. HANSEN,
Mayor Pro Tempore
SUSAN HITCHCOCK
BOB JOHNSON
PHIL KATZAKIAN

CITY OF LODI

CITY HALL, 221 WEST PINE STREET
P.O. BOX 3006
LODI. CALIFORNIA 95241-1910
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BLAIR KING, City Manager
RANDI JOHL, City Clerk
D. STEPHEN SCHWABAUER
City Attorney

June 18,2008

D. Stephen Schwabauer
City Attorney

Randi Johl
City Clerk

RE: REFERENDUM FOR REDEVELOPMENT AGENCY WITHIN THE CITY OF LODI

As previously verbally requested, I would like a written determination regarding the City's requirements on the proper manner in which to conduct a referendum for a Redevelopment Agency within the City of Lodi. Within this advice, I request all accurate requirements by the San Joaquin County Registrar of Voters as well.

Sincerely,

JoAnne Mounce

JoAnne Mounce
Mayor

JM/jmp

N:\Administration\CLERK\Council\CORRESP\LETTERS\lreferendum.doc