

CITY COUNCIL/REDEVELOPMENT AGENCY

AGENDA ITEM 9.02

January 26, 2010

TO: Chairperson and Members of the Stockton Redevelopment Agency

FROM: Kevin O'Rourke, Interim Executive Director
Redevelopment Agency of the City of Stockton

SUBJECT: **PUBLIC HEARING: IMPLEMENTATION PLANS FOR THE STOCKTON REDEVELOPMENT PROJECT AREAS**

RECOMMENDATION

It is recommended that the Redevelopment Agency adopt four resolutions:

- 1) Approving an Implementation Plan for the Merged Midtown Redevelopment Project Area for Fiscal Years 2010 - 2014;
- 2) Approving an Implementation Plan for the South Stockton Merged Redevelopment Project Area for Fiscal Years 2010 - 2014;
- 3) Approving an Implementation Plan for the North Stockton Redevelopment Project Area for Fiscal Years 2010 – 2014; and
- 4) Approving an Implementation Plan for the Low and Moderate Income Housing Fund for Fiscal Years 2010 – 2014.

SUMMARY

In accordance with the State of California Health and Safety Code, Section 33490, each redevelopment agency administering a redevelopment plan must prepare and adopt an Implementation Plan (Plan) every five years. The Plan constitutes a statement of the general goals and objectives, a summary of the specific programs, and proposed expenditures to be made by the Agency during the next five years. It also includes an explanation of how the goals and objectives, projects, and expenditures will eliminate blight within the Project Areas. In addition, the affordable housing component of the Plan provides a mechanism for a redevelopment agency to monitor its progress in meeting both its affordable housing obligations under California Redevelopment Law, and the affordable housing needs of the community.

The Stockton Redevelopment Agency is in full compliance with the State of California requirements. Four Plans are included in this report for adoption covering the following three project areas: Merged Midtown, South Stockton Merged, North Stockton, as well as, a plan for the Low and Moderate Income Housing Fund. The Plan for the fourth project area, Waterfront Merger Project Area, was adopted concurrently with the merger on June 23, 2009.

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DISCUSSION

EXHIBIT A: MERGED MIDTOWN IMPLEMENTATION PLAN

Background

The Merged Midtown Redevelopment Project Area (Project Area), which merged the Eastland Project Area with the Midtown Project Area, was adopted on July 2, 2002, and includes approximately 3,398 acres. The Project Area contains a mix of uses including residential, industrial and commercial uses, including the Eastland Plaza Shopping Center.

Project Area Goals and Objectives

The Agency will continue to work to eliminate blight, promote economic revitalization, provide for environmental, social and economic growth to revitalize the area with investments in public facilities and housing, enhance employment opportunities, and expand the tax base.

Programs and Agency Expenditures

It is anticipated that the Project Area will net approximately \$14,400,000 in tax increment revenue during the five-year period covered by this Plan. In addition to the projects identified below, this revenue will be used to implement housing programs, commercial and economic redevelopment programs, and also public infrastructure and facility improvements. Specific projects will include:

- Midtown/Magnolia District Revitalization
- University Park
- Monte Diablo Master Development Area
- Harding Way/California Street Development and Infrastructure Improvements
- California Street Development and Infrastructure Improvements

EXHIBIT B: SOUTH STOCKTON MERGED IMPLEMENTATION PLAN

Background

The South Stockton Merged Redevelopment Plan, which includes the Sharps Lane, McKinley, All Nations Project Areas, and South Stockton Project Areas, was adopted on July 2, 2002, and includes approximately 3,762 acres. The South Stockton Merged

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Project Area is primarily made up of residential, industrial and public uses with a limited number of commercial and recreational uses scattered throughout the Project Area.

Project Area Goals and Objectives

The Agency will continue to work to eliminate urban blight and promote economic revitalization, including strengthening retail and other commercial and industrial activity. The Agency will also work to enhance residential neighborhoods and housing opportunities, and provide for environmental, social, and economic growth to enhance employment opportunities and quality of life, and to expand the tax base.

Programs and Agency Expenditures

It is anticipated that the Project Area will net approximately \$26,800,000 in tax increment revenue during the five-year period covered by this Plan. This revenue will be used to preserve, strengthen, and revitalize existing residential and commercial areas, and stimulate development of viable neighborhood-serving commercial centers.

Future specific projects will include:

- Gleason Park Housing Projects
- Airport Way Master Development Area
- Community of All Nations
- Mariposa Housing Project
- Replacement of Fire Station Number 3
- Infrastructure and public facility improvements
- Commercial corridor revitalization

EXHIBIT C: NORTH STOCKTON IMPLEMENTATION PLAN

Background

The North Stockton Redevelopment Plan was adopted on July 13, 2004, and includes approximately 3,687 acres. The Project Area is primarily made up of older residential areas, but also takes in portions of a number of commercial corridors and industrial uses scattered throughout the Project Area.

Project Area Goals and Objectives

The Agency will work to eliminate blight and continue to improve residential neighborhoods and commercial corridors, encourage economic growth, and enhance

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public infrastructure and facilities. The Agency will also work to enhance employment opportunities and expand the tax base.

Programs and Agency Expenditures

It is anticipated that the Project Area will net approximately \$12,900,000 in tax increment revenue during the five-year period covered by this Plan.

Future projects and programs will focus on:

- Commercial corridor enhancement and economic redevelopment opportunities
- Public infrastructure and facility improvements
- Housing assistance
- Increasing housing opportunities and improving the existing housing stock

EXHIBIT D: LOW AND MODERATE INCOME HOUSING IMPLEMENTATION PLAN

This particular Plan addresses affordable housing activities, including an analysis of expenditures from the Low and Moderate Income Housing Fund, Housing Production Requirements and Replacement Housing Requirements that cover all four Project Areas. Redevelopment agencies are expressly required to undertake activities that will assist in "increasing, improving, and preserving the community's supply of low and moderate income housing." As such, California Redevelopment Law specifies that the housing component of the Implementation Plan must generally include the following requirements, goals and objectives, and expenditures:

Housing Fund Requirement

The California Redevelopment Law requires an agency to set aside in a separate Low and Moderate Income Housing Fund at least 20% of all tax increment revenue generated from its project areas. This fund can only be used for the purpose of increasing, improving, and preserving the community's supply of low and moderate income housing.

Housing Production Requirement

Stockton's Housing Element sets out the affordable housing need for the City as identified by the San Joaquin County Council of Governments in its regional "fair share" allocation. The "fair share" allocation that is currently applicable to the Agency for units produced or rehabilitated out of the Low and Moderate Income Housing Fund are 44% for very low income, 27% for low income, and 29% for moderate income.

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The City and Agency have identified more than 1,000 housing units produced and assisted to date, and restricted by income level for low and moderate households. These units are assisted out of the Low and Moderate Income Housing Fund monies and other resources, often from affordable housing developers and the Agency is currently meeting its targeted objectives for low- and very-low income families.

Replacement Housing Requirement

When residential housing units housing for low and moderate income persons are destroyed or removed from the available housing stock as part of a redevelopment project, the Agency must replace those units within a specified time in accordance with specific housing replacement plans adopted and approved for each respective project.

Over the past several years, the Agency has removed approximately 261 affordable housing units as part of redevelopment efforts for the following projects; Gleason Park Apartments, Alex G. Spanos School, and Phoenix House. However, the Agency has sufficiently replaced, or is in the process of replacing all of these units.

While future, unidentified projects could generate additional replacement housing requirements, the Agency is aware of only approximately 75 affordable housing units that will be destroyed as part of the Community of All Nations Project in the South Stockton Redevelopment Project Area. The 75 demolished units will be replaced and an additional 66 units will be developed as part of this project.

Goals and Objectives

The Agency proposes to assist in the City's overall Housing Element program by focusing on the following housing goals and objectives:

1. Improve, increase and preserve the community's supply of affordable housing; and
2. Strengthen the community's residential areas, and promote a safe and quality living environment.

Programs and Agency Expenditures

Deposits to the Low/Moderate Income Housing Fund over the next five years are estimated to total approximately \$23,900,000.

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The Agency proposes utilizing Low and Moderate Income Housing Funds for home-ownership and rehabilitation assistance, new affordable housing production, and rental housing rehabilitation assistance. Over the next few years, the City and Agency will focus its housing efforts on the following projects; Gleason Park Apartments, Vintage Town Homes, Zettie Miller's Haven, and the Community of All Nations project.

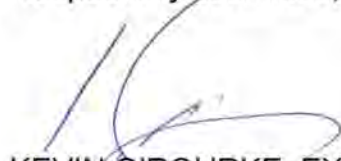
Publication

Notice of this Public Hearing was published in The Record on December 29, 2009, and January 5, 12, 19, 2010, as well as posted in four locations within each of the Redevelopment Project Areas. Copies of the Draft Implementation Plans were made available at the Revitalization Department.

FINANCIAL SUMMARY

There is no specific financial impact associated with adopting these Plans, although they help guide future Agency investments. Specific projects will be brought forward to the Agency Board for approval when they require financial assistance from the Agency. Adoption of these Plans does not allocate funds or authorize expenditures.

Respectfully submitted,



KEVIN O'ROURKE, EXECUTIVE DIRECTOR
REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON

KO:GD:EM:slw

Resolution No. _____

STOCKTON REDEVELOPMENT AGENCY

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON APPROVING AN IMPLEMENTATION PLAN FOR THE MERGED MIDTOWN REDEVELOPMENT PROJECT AREA

The City Council of the City of Stockton adopted the Amended and Restated Redevelopment Plan for the Midtown Merged Redevelopment Project by Ordinance No. 034-02 on July 2, 2002, as amended by Ordinance No. 013-07, adopted on June 5, 2007 (collectively the "Redevelopment Plan"), governing the Midtown Merged Redevelopment Project Area (formerly known as the Midtown and Eastland Redevelopment Project Areas) (the "Project Area"); and

Pursuant to Health and Safety Code section 33490, the Redevelopment Agency of the City of Stockton (the "Agency") is required to conduct a noticed public hearing on, and to adopt, an implementation plan for the Project Area (the "Implementation Plan"); and

Agency staff has prepared and presented to the Agency a proposed Implementation Plan, a copy of which is on file with the Agency Secretary; and

On the date of this resolution, the Agency has conducted and concluded a duly noticed public hearing on the Implementation Plan in accordance with Health and Safety Code section 33490; and

The Agency finds that the Implementation Plan, with any modifications as considered and approved in connection with the public hearing, constitutes a statement of the Agency's goals and objectives for the Project Area, a summary of the specific programs and proposed expenditures proposed to be made by the Agency during the next five years, and an explanation of how the goals and objectives, projects, and expenditures will eliminate blight within the Project Area and implement the affordable housing regulations of the Community Redevelopment Law; and

Pursuant to Health and Safety Code section 33490, approval of the Implementation Plan does not constitute a project for purposes of the California Environmental Quality Act ("CEQA"), and therefore no environmental documentation is required pursuant to CEQA; and

By staff report accompanying this Resolution and incorporated into this Resolution by this reference (the "Staff Report"), the Agency has been provided with additional information upon which the findings and actions set forth in this Resolution are based; now, therefore,

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The Agency hereby approves and adopts the Implementation Plan for the Merged Midtown Redevelopment Project Area.
2. The Agency hereby authorizes the Agency Executive Director to take such other actions as are appropriate to effectuate the intent of the Implementation Plan.
3. This Resolution shall take immediate effect from and after its passage.

PASSED, APPROVED and ADOPTED _____

ANN JOHNSTON, Chairperson
Redevelopment Agency of the
City of Stockton

ATTEST:

KATHERINE GONG MEISSNER
Secretary, Redevelopment Agency
of the City of Stockton

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Resolution No. _____

STOCKTON REDEVELOPMENT AGENCY

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RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON APPROVING AN IMPLEMENTATION PLAN FOR THE SOUTH STOCKTON MERGED REDEVELOPMENT PROJECT AREA

The City Council of the City of Stockton adopted the Amended and Restated Redevelopment Plan for the South Stockton Merged Redevelopment Project by Ordinance No. 036-02 on July 2, 2002, as amended by Ordinance No. 013-07, adopted on June 5, 2007 (collectively the "Redevelopment Plan"), governing the South Stockton Merged Redevelopment Project Area (formerly known as the All Nations, McKinley, Sharps Lane and South Stockton Redevelopment Project Areas) (the "Project Area"); and

Pursuant to Health and Safety Code section 33490, the Redevelopment Agency of the City of Stockton (the "Agency") is required to conduct a noticed public hearing on, and to adopt, an implementation plan for the Project Area (the "Implementation Plan"); and

Agency staff has prepared and presented to the Agency a proposed Implementation Plan, a copy of which is on file with the Agency Secretary; and

On the date of this resolution, the Agency has conducted and concluded a duly noticed public hearing on the Implementation Plan in accordance with Health and Safety Code section 33490; and

The Agency finds that the Implementation Plan, with any modifications as considered and approved in connection with the public hearing, constitutes a statement of the Agency's goals and objectives for the Project Area, a summary of the specific programs and proposed expenditures proposed to be made by the Agency during the next five years, and an explanation of how the goals and objectives, projects, and expenditures will eliminate blight within the Project Area and implement the affordable housing regulations of the Community Redevelopment Law; and

Pursuant to Health and Safety Code section 33490, approval of the Implementation Plan does not constitute a project for purposes of the California Environmental Quality Act ("CEQA"), and therefore no environmental documentation is required pursuant to CEQA; and

By staff report accompanying this Resolution and incorporated into this Resolution by this reference (the "Staff Report"), the Agency has been provided with

additional information upon which the findings and actions set forth in this Resolution are based; now, therefore,

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON, AS FOLLOWS:

1. That the Agency hereby approves and adopts the Implementation Plan for the South Stockton Merged Redevelopment Project Area.
2. That the Agency hereby authorizes the Agency Executive Director to take such other actions as are appropriate to effectuate the intent of the Implementation Plan.
3. That this Resolution shall take immediate effect from and after its passage.

PASSED, APPROVED and ADOPTED _____

ANN JOHNSTON, Chairperson
Redevelopment Agency of the
City of Stockton

ATTEST:

KATHERINE GONG MEISSNER
Secretary, Redevelopment Agency
of the City of Stockton

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STOCKTON REDEVELOPMENT AGENCY

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RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF
STOCKTON APPROVING AN IMPLEMENTATION PLAN FOR THE LOW
AND MODERATE INCOME HOUSING FUND

The City Council of the City of Stockton has approved and adopted Redevelopment Plans for the following Redevelopment Project Areas: Merged Midtown Redevelopment Project Area; Merged South Stockton Redevelopment Project Area; and North Stockton Redevelopment Project (collectively referred to in this resolution as the "Project Areas"); and

Pursuant to Health and Safety Code section 33490, the Redevelopment Agency of the City of Stockton (the "Agency") is required to conduct a noticed public hearing on, and to adopt, an implementation plan for the Project Areas (the "Implementation Plan"); and

Agency staff has prepared and presented to the Agency a proposed Implementation Plan, a copy of which is on file with the Agency Secretary; and

On the date of this resolution, the Agency has conducted and concluded a duly noticed public hearing on the Implementation Plan in accordance with Health and Safety Code section 33490; and

The Agency finds that the Implementation Plan, with any modifications as considered and approved in connection with the public hearing, constitutes a statement of the Agency's goals and objectives for the Project Areas, a summary of the specific programs and proposed expenditures proposed to be made by the Agency during the next five years, and an explanation of how the goals and objectives, projects, and expenditures will eliminate blight within the Project Areas and implement the affordable housing regulations of the Community Redevelopment Law; and

Pursuant to Health and Safety Code section 33490, approval of the Implementation Plan does not constitute a project for purposes of the California Environmental Quality Act ("CEQA"), and therefore no environmental documentation is required pursuant to CEQA; and

By staff report accompanying this Resolution and incorporated into this Resolution by this reference (the "Staff Report"), the Agency has been provided with additional information upon which the findings and actions set forth in this Resolution are based; now, therefore,

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON, AS FOLLOWS:

1. That the Agency hereby approves and adopts the Implementation Plan for the Low and Moderate Income Housing Fund.

2. That the Agency hereby authorizes the Agency Executive Director to take such other actions as are appropriate to effectuate the intent of the Implementation Plan.

3. That this Resolution shall take immediate effect from and after its passage.

PASSED, APPROVED and ADOPTED _____.

ANN JOHNSTON, Chairperson
Redevelopment Agency of the
City of Stockton

ATTEST:

KATHERINE GONG MEISSNER
Secretary, Redevelopment Agency
of the City of Stockton

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STOCKTON REDEVELOPMENT AGENCY

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RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF
STOCKTON APPROVING AN IMPLEMENTATION PLAN FOR THE
NORTH STOCKTON REDEVELOPMENT PROJECT AREA

The City Council of the City of Stockton adopted the Amended and Restated Redevelopment Plan for the North Stockton Redevelopment Project by Ordinance No. 017-05 on November 15, 2005, as amended by Ordinance No. 013-07, adopted on June 5, 2007 (collectively the "Redevelopment Plan"), governing the North Stockton Redevelopment Project Area (the "Project Area"); and

Pursuant to Health and Safety Code section 33490, the Redevelopment Agency of the City of Stockton (the "Agency") is required to conduct a noticed public hearing on, and to adopt, an implementation plan for the Project Area (the "Implementation Plan"); and

Agency staff has prepared and presented to the Agency a proposed Implementation Plan, a copy of which is on file with the Agency Secretary; and

On the date of this resolution, the Agency has conducted and concluded a duly noticed public hearing on the Implementation Plan in accordance with Health and Safety Code section 33490; and

The Agency finds that the Implementation Plan, with any modifications as considered and approved in connection with the public hearing, constitutes a statement of the Agency's goals and objectives for the Project Area, a summary of the specific programs and proposed expenditures proposed to be made by the Agency during the next five years, and an explanation of how the goals and objectives, projects, and expenditures will eliminate blight within the Project Area and implement the affordable housing regulations of the Community Redevelopment Law; and

Pursuant to Health and Safety Code section 33490, approval of the Implementation Plan does not constitute a project for purposes of the California Environmental Quality Act ("CEQA"), and therefore no environmental documentation is required pursuant to CEQA; and

By staff report accompanying this Resolution and incorporated into this Resolution by this reference (the "Staff Report"), the Agency has been provided with additional information upon which the findings and actions set forth in this Resolution are based; now, therefore,

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON, AS FOLLOWS:

1. That the Agency hereby approves and adopts the Implementation Plan for the North Stockton Redevelopment Project Area.
2. That the Agency hereby authorizes the Agency Executive Director to take such other actions as are appropriate to effectuate the intent of the Implementation Plan.
3. That this Resolution shall take immediate effect from and after its passage.

PASSED, APPROVED and ADOPTED _____

ANN JOHNSTON, Chairperson
Redevelopment Agency of the
City of Stockton

ATTEST:

KATHERINE GONG MEISSNER
Secretary, Redevelopment Agency
of the City of Stockton

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