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REDEVELOPMENT PLAN FOR THE
ROUGH AND READY ISLAND REDEVELOPMENT PROJECT

Prepared by the
Redevelopment Agency of the City of Stockton

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REDEVELOPMENT PLAN FOR THE ROUGH AND READY ISLAND REDEVELOPMENT PROJECT

PART I. INTRODUCTION

This is the Redevelopment Plan for the Rough and Ready Island Redevelopment Project (the "Plan"). This Plan consists of text (Part I through Part XIII), Boundary Map (Exhibit A), a Legal Description (Exhibit B), a Land Use Map (Exhibit C), and a list of Initially Proposed Actions and Projects (Exhibit D).

This Plan has been prepared by the Redevelopment Agency of the City of Stockton (the "Agency") pursuant to the Constitution of the State of California, the Community Redevelopment Law of the State of California (the "Redevelopment Law"), and all applicable laws and local ordinances.

The proposed redevelopment of the Rough and Ready Island Project Area (the "Project Area") as described in this Plan conforms to the General Plan for the City of Stockton, as applied in accordance with local codes and ordinances. This Plan is based upon the Preliminary Plan formulated and adopted by the Planning Commission of the City of Stockton on February 13, 2003.

This Plan provides the Agency with powers, duties and obligations to implement the program generally formulated in this Plan for the redevelopment, rehabilitation, and revitalization of the Project Area. This Plan does not present a specific plan or establish priorities for specific projects for the redevelopment, rehabilitation, and revitalization of any particular area within the Project Area. Instead, this Plan presents a process and a basic framework within which specific development plans will be presented, priorities for specific projects will be established, and specific solutions will be proposed, and by which tools are provided to the Agency to fashion, develop, and proceed with such specific plans, projects, and solutions.

Many of the requirements contained in this Plan are necessitated by and in accordance with statutory provisions in effect at the time of adoption of this Plan. Such statutory provisions may be changed from time to time. In the event that any such statutory changes affect this Plan's terms, and would be applicable to the Agency, the Project Area, or this Plan, the terms of this Plan that are so affected shall be automatically superseded by such statutory changes, to the extent necessary to be in conformity with such statutory changes (and all other terms of the Plan shall remain in full force and effect).

PART II. GENERAL DEFINITIONS

The definition of general terms contained in the Redevelopment Law shall govern the construction of this Plan, unless more specific terms and definitions therefore are otherwise provided in this Plan. In addition, the following specific definitions are used in this Plan:

- A. "Agency" means the Redevelopment Agency of the City of Stockton.
- B. "Auditor Certification Date" means the date of the certification by the County Auditor to the Director of Finance, pursuant to Health and Safety Code Section 33492.9 to the effect that One Hundred Thousand Dollars (\$100,000) or more of tax increment funds from the Project Area have been paid to the Agency.
- C. "City Council" means the City Council of the City of Stockton, California.
- D. "City" means the City of Stockton, California.
- E. "County" means the County of San Joaquin, California.
- F. "Design Guidelines" means the City of Stockton Design Guidelines, as they may be adopted and amended from time to time.
- G. "Development Code" means the Development Code of the City of Stockton, California, as it now exists or may hereafter be amended.
- H. "General Plan" means the City of Stockton General Plan, as it now exists or may hereafter be amended, and any specific plan(s) applicable to all or portions of the Project Area that may hereafter be in effect from time to time.
- I. "Land Use Map" means the map setting forth the currently permitted land uses and major circulation routes in the Project Area. The Land Use Map is attached to this Plan as Exhibit C.
- J. "Owner" means any person owning fee title to, or a long-term leasehold interest in Real Property (as defined below) within the Project Area.
- K. "Owner Participation Rules" means the Rules for Business Tenant Preference and Owner Participation adopted by the Agency pursuant to the Redevelopment Law, as such Rules now exist or may hereafter be amended.
- L. "Person" means any individual, or any public or private entity.
- M. "Personal Property" means moveable property, chattels and any other property not part of real property.
- N. "Plan" or "Redevelopment Plan" means this Redevelopment Plan for the Rough and Ready Island Redevelopment Project, as it now exists or may hereafter be amended.
- O. "Planning Commission" means the Planning Commission of the City of Stockton, California.
- P. "Port" means the Port of Stockton.

Q. "Project" means the redevelopment activities undertaken in or for the benefit of the Project Area pursuant to this Plan.

R. "Project Area" means the area included within the boundaries of the Rough and Ready Island Redevelopment Project, as shown on the Boundary Map (Exhibit A) and described in the Legal Description (Exhibit B).

S. "Real Property" means land, including land under water and waterfront property; buildings, structures, fixtures and improvements on the land; property appurtenant to or used in connection with the land; and every estate, interest, privilege, easement, franchise and right in land, including but not limited to rights-of-way, terms of years and liens, charges or encumbrances by way of judgment, mortgages or otherwise and the indebtedness secured by such liens.

T. "Redevelopment Law" means the Community Redevelopment Law of the State of California (California Health and Safety Code Section 33000 *et seq.*).

U. "State" means the State of California.

PART III. PROJECT AREA BOUNDARIES

The Project Area consists of all properties within the boundaries shown on the Boundary Maps (Exhibit A) and described in the Legal Description (Exhibit B).

PART IV. REDEVELOPMENT GOALS AND OBJECTIVES

A. OVERVIEW OF GOALS AND OBJECTIVES

The purpose of redevelopment is to eliminate serious physical and economic burdens in the community which cannot reasonably be expected to be reversed or alleviated by private enterprise or government action, or both, without redevelopment. The Project Area exhibits a number of these conditions, including the following:

- Unsafe and unhealthy buildings (Health and Safety Code Section 33492.11(a)(1)).
- Factors that prevent or substantially hinder the economically viable reuse or capacity of buildings or areas such as substandard design, lack of adequate parking, buildings that are too large or too small given present standards and market conditions, age, obsolescence, deterioration, dilapidation, or other physical conditions that could prevent the highest and best uses of the property (Health and Safety Code Section 33492.11(a)(2)).
- Buildings on land that, when subdivided, or when infrastructure is installed, will not comply with community subdivision, zoning, or planning regulations (Health and Safety Code Section 33492.11(a)(4)).

- Properties served by inadequate infrastructure (Health and Safety Code Section 33492.11(a)(5)).
- Buildings that, when built, did not conform to local building, plumbing, mechanical, or electrical codes (Health and Safety Code Section 33492.11(a)(6)).

These conditions are so substantial and prevalent within the Project Area that they have caused a lack of proper utilization of the Project Area to the extent that it constitutes a serious physical and economic burden on the community. Given the complexity and magnitude of problems and lack of other government resources, it is unrealistic to expect that these conditions can be alleviated or reversed by private enterprise or government action, or both, without redevelopment.

The Redevelopment Plan is designed to provide an effective set of legal and financial tools and techniques that will enable the City, the Agency, and the Rough and Ready Island business community to build upon the strengths of the Port area while overcoming its adverse physical and economic conditions, to achieve the fundamental goals of the City of Stockton General Plan.

The legal and financial tools and techniques authorized in this Plan shall be used in a manner that will preserve and capitalize upon the resources of the Port area to the maximum extent possible consistent with revitalization of the Project Area as envisioned in the General Plan.

B. SPECIFIC GOALS AND OBJECTIVES

This Redevelopment Plan will be undertaken to achieve the following specific goals and objectives in furtherance of the purposes of the Redevelopment Law and the General Plan:

1. Elimination and prevention of conditions of physical and economic blight and deterioration in the Project Area.
2. Redevelopment of the Project Area in accordance with the General Plan, future specific or area plans, this Plan, and the Development Code, as they now exist or may hereafter be adopted or amended.
3. The elimination of substandard buildings and those that conflict with uses proposed in the General Plan and the applicable City standards and guidelines, as they now exist or may hereafter be adopted or amended.
4. Creation of a strong industrial incentive program to encourage upgrading of industrial buildings and to attract new industrial uses to the area.
5. Achievement of an environment reflecting a higher level of concern for architectural, landscape, urban design and land use principles appropriate for attainment of the

objectives of this Plan, the General Plan, and the Design Guidelines, as they now exist or may hereafter be adopted or amended.

6. Control of unplanned growth by guiding revitalization and new development in such a fashion as to meet the needs of the Project, the City and its citizens, and the Port.

7. Elimination or amelioration of constraints to development, including, without limitation, accessibility constraints that interfere with proper development by providing, as may be appropriate, street, bridge, interchange, and extension of rail facilities or other public improvements.

8. Elimination or amelioration of deficient or substandard public infrastructure conditions including insufficient off-street parking; deficient, undersized, or poorly located utilities; inadequate fire protection facilities; or other similar public improvement deficiencies adversely affecting the Project Area.

9. Provision of assistance, as may be appropriate, to property owners, businesses, and investors to facilitate the rehabilitation or construction of buildings suitable for job generating industrial, distribution, port-serving, and commercial service uses.

10. Provision, as may be appropriate, of assistance to public and private development entities in the mitigation of environmental conditions that interfere with property development.

11. Promotion of new and continuing private sector investment within the Project Area to prevent the loss of and to facilitate an increase in industrial, distribution, port-serving and commercial service activity.

12. Creation and development of local job opportunities and preservation of the Project Area's existing employment base consistent with the General Plan.

13. Provision of assistance, as may be appropriate, to ensure the development, by rehabilitation or new construction, of a range of housing types affordable to various segments of the community, elsewhere in the City outside of the Project Area, in a manner consistent with the provisions of the General Plan and the Redevelopment Law, as they now exist or may hereafter be amended.

PART V. LAND USE REGULATIONS

A. OVERVIEW OF REGULATIONS

The City has adopted a General Plan which is in full conformance with the State requirements for general plans.

The permitted land uses, land use standards, development goals, objectives and policies, and other evaluation guidelines of this Redevelopment Plan shall be those set forth in the General Plan, together with the specific redevelopment goals and objectives outlined in Part IV

above (which are consistent with and serve to implement the more general goals and objectives of the General Plan). It is further intended that all provisions of the Development Code, as it now exists or may hereafter be amended, shall be applicable to developments in the Project Area, and that all development in the Project Area shall comply with all applicable state and local laws, codes and ordinances in effect from time to time in the City, in addition to any requirements of the Agency imposed pursuant to this Plan.

Finally, the applicable City zoning and planning processes (including any moratoria or temporary development restrictions imposed by the City) shall continue to have full effect and shall continue to serve as the primary determinant for land use decisions in the Project Area. Without limiting the generality of the foregoing, and subject to the following paragraph, the Planning Commission, the City Council, City departments, and other City boards and commissions shall perform the same functions for consideration and approval or disapproval of development applications, permits and other entitlements for properties within the Project Area that are subject to this Redevelopment Plan, as for properties outside the Project Area that are not subject to this Redevelopment Plan.

The City Council may, in its discretion through appropriate future legislation, amend applicable City planning or building codes and standards to provide for modified or streamlined processing of development applications within redevelopment project areas or other special zones. Any such amendment of City planning and building codes and standards shall thereafter apply to the processing of development applications in the Project Area in accordance with the terms of such amendment.

B. PERMITTED LAND USES

As noted in the overview to this Part, this Redevelopment Plan adopts the land uses set forth in the General Plan as the permitted uses within the Project Area. It is intended that the land uses set forth in the General Plan now, or as they may hereafter be amended, shall be the land uses governing this Plan.

C. LAND USE MAP; PUBLIC RIGHTS OF WAY

1. Land Use Map

The Land Use Map (Exhibit C) shows the current permitted land uses, major circulation routes and street layout, the location of property proposed to be devoted to public purposes within the Project Area. The specific types of uses and activities (including size, height, and number of buildings) permitted or conditionally permitted in each land use category mapped on the Land Use Map are those types of uses and activities (including size, height and number of buildings) described in the General Plan for the relevant land use category. The land uses shown on the Land Use Map are drawn from the Land Use Element of the General Plan and shall be deemed to be automatically modified as the Land Use Element of the General Plan may be revised from time to time in order to maintain conformance of this Redevelopment Plan with the General Plan, as provided in Sections A and B of this Part.

2. Public Streets and Rights-of Way

All streets within the Project Area may be widened, altered, or vacated for purposes of development of the Project. New streets may be created as appropriate, consistent with the General Plan. The anticipated configuration of streets and public rights-of-way within the Project Area (including existing streets to be retained and their relationship to major public facilities) is shown on the Land Use Map (Exhibit C). These public rights-of-way may be used for vehicular and/or pedestrian traffic as well as for public improvements, public and private utilities, and activities typically found in public rights-of-way.

Additional public streets, alleys and easements may be created in the Project Area as appropriate for proper development, consistent with maintaining and enhancing the rustic, informal character of the area, as well as the natural environment. Existing streets, alleys and easements may be abandoned, closed or modified as necessary for proper development of the Project.

Any changes in the existing interior or exterior street layout shall be in accordance with the General Plan, the objectives of this Plan, and the City's design standards, and shall be effectuated in the manner prescribed by state and local law.

D. GENERAL CONTROLS AND LIMITATIONS

All real property in the Project Area is hereby subject to the goals, objectives, policies, controls and requirements of this Plan (which expressly incorporates the goals, objectives, policies, controls and requirements of the General Plan and the Development Code). No real property shall be developed, rehabilitated, or otherwise changed after the date of adoption of the Plan except in conformance with the provisions of this Plan, the General Plan, the Development Code, the Design Guidelines, and all other applicable State and local laws and standards in effect from time to time.

1. New Construction

All new construction shall comply with all applicable State and local laws and standards in effect from time to time. Parking facilities shall be provided in accordance with the criteria set forth in the General Plan and the Development Code, as they now exist or may hereafter be amended, and any additional standards adopted by the Agency pursuant to Section E below. All parking shall be paved and drained so that storm and surface water drainage from parcels will not cross public sidewalks. All parking spaces visible from the street shall be landscaped as required by the Design Guidelines. Off-street loading facilities, trash areas and any outdoor storage of materials approved by the City and/or Agency shall be adequately enclosed or screened by walls, landscaping, or other such enclosure consistent with the applicable City ordinances.

2. Non-Conforming Uses

The existence, continuation, renovation, repair, expansion, and replacement of nonconforming uses in the Project Area shall be governed by the applicable City land use regulations in effect from time to time.

3. Rehabilitation

Any structure within the Project Area which will be retained as part of the Plan shall not be altered, constructed, or rehabilitated unless it is done so in conformance with the General Plan, the Development Code, the Design Guidelines, all applicable codes, and any guidelines which may be adopted by the Agency to assist in the implementation of the Plan.

4. Open Space/Landscaping

Currently, the General Plan does not call for open space in the Project Area. If future versions of the General Plan include open space in the Project Area, the standards for open space to be provided within the Project Area will be set forth in the General Plan and the Development Code, as they now exist and may hereafter be amended, and are included as part of the goals and objectives of this Plan. The precise amount of open space, if any, to be provided in the Project Area will depend on the particular plans for development submitted by developers of property in the Project Area and approved by the City. Landscaping plans for development projects shall be submitted to the City for review and approval, to the extent applicable under then current land use and development plans, guidelines, and regulations.

5. Height and Bulk

The height and bulk of structures shall be regulated as provided in the General Plan and the Development Code, as they now exist or as they may hereafter be amended, and such additional standards as may be adopted by the Agency pursuant to Section E below.

6. Density

The maximum permitted density or floor area ratio of development on any building site shall be regulated as provided in the General Plan and the Development Code, as they now exist or may hereafter be amended, and such additional standards as may be adopted by the Agency pursuant to Section E below.

7. Signs

Exterior signs necessary for the identification of buildings and premises shall be as permitted by the General Plan, the Development Code, and the Design Guidelines, as they now exist or may hereafter be amended.

8. Nondiscrimination and Nonsegregation

As more fully set forth in Part VI below, there shall be no discrimination or segregation based on race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry permitted in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of property in the Project Area.

9. Resubdivision of Parcels

After rehabilitation and development pursuant to this Plan, to the extent applicable under the provisions of the Subdivision Map Act, no parcel in the Project Area, including any parcel retained by a conforming owner or participant shall be subdivided without the approval of the City.

10. Variances

In the event the City grants a variance from applicable City land use regulations for development of a parcel within the Project Area, such grant of variance shall be deemed to constitute a comparable variance from the land use standards of this Plan without additional action by the Agency.

In addition, the Agency is authorized to permit variances from any development standards adopted by the Agency pursuant to Section E below or any affordable housing regulations or policy guidelines adopted by the Agency pursuant to Section H below. In order to permit such a variance the Agency must determine that:

a. The application of one or more of the provisions of such Agency development standards, regulations or policy guidelines would result in unnecessary hardship to the property owner;

b. There are exceptional circumstances or conditions applicable to the property or to the intended development of the property which do not apply generally to other properties having the same standards, restrictions and controls;

c. Permitting a variance from the limits, restrictions, or controls of such Agency development standards, regulations or policy guidelines will not be materially detrimental to the public welfare or injurious to property or improvements in the area;

d. Permitting a variance from the limits, restrictions or controls of such Agency development standards, regulations or policy guidelines will not be contrary to the objectives of this Plan; and

e. The grant of variance by the Agency will not result in development that conflicts with applicable City land use standards.

No such variance shall be granted which changes a basic land use pursuant to this Plan or which permits other than a minor departure from the provisions of this Plan. In permitting any variance, the Agency shall impose such conditions as are necessary to protect the public health, safety, and welfare and to assure compliance with the objectives of the Plan.

E. ADOPTION OF ADDITIONAL STANDARDS FOR DEVELOPMENT

Within the limits, restrictions and controls established in the General Plan, the Development Code, and this Plan, the Agency is authorized to establish and adopt, by

appropriate resolution, specific guidelines and/or standards for building heights, building coverage, design criteria, architectural character, landscaping character, sign character, traffic circulation ingress and egress, parking, and any other development and design control necessary to implement the Plan. Such guidelines and/or standards may relate to both private and public areas within the Project Area. No new development shall be constructed and no existing improvements shall be substantially modified, altered, repaired, or rehabilitated except in accordance with such adopted guidelines and/or standards for development. The Agency shall not approve plans which do not comply with any adopted guidelines and/or standards for development.

F. BUILDING PERMITS

No permit shall be issued for the construction of any new building or for any construction on an existing building in the Project Area from the date of adoption of this Plan until the application for such permit has been made and processed in a manner consistent with all City requirements.

The Agency is authorized to establish permit procedures and approvals in addition to those set forth above where required for the purposes of this Plan. Where such additional procedures and approvals are established, a building permit shall be issued only after the applicant for same has been granted all approvals required by the City and the Agency at the time of application.

G. DWELLING UNITS

In compliance with the Health and Safety Code Section 33333(c), and as provided in Sections B, C.1 and D.6 of this Part V, the maximum number of dwelling units in the Project Area shall be regulated as provided in the General Plan and the Development Code, as they now exist or may hereafter be amended.

H. AFFORDABLE HOUSING

Currently, no residential uses are contemplated in the Project Area. To the extent, and only if new residential development or rehabilitation occurs in the Project Area and if permitted by applicable General Plan and Development Code provisions, the Agency shall ensure compliance with the provisions of Health and Safety Code Section 33413(b) requiring that specified percentages of all new or rehabilitated dwelling units developed in the Project Area (if any) be available at affordable housing cost to households in specified income categories. Such adopted Agency regulations and/or policy guidelines shall be applicable and enforceable by the City and the Agency under this Plan with respect to parcels developed with new or rehabilitated residential structures in the Project Area regardless of whether such parcels are developed with Agency assistance or participation.

I. CEQA

The Agency has determined pursuant to Health and Safety Code Section 33492.18 that the need to adopt this Plan at the soonest possible time in order to use the authority provided

under base closure provisions of the Community Redevelopment Law (Health and Safety Code Section 33492 *et seq.*) requires the Agency to delay application of the provisions of the California Environmental Quality Act ("CEQA") to the Plan.

By a resolution to be adopted within 18 months of the effective date of the ordinance adopting this Plan (the "EIR Resolution") in connection with certification of the Environmental Impact Report for this Plan (the "EIR"), the City Council and the Agency shall adopt specified environmental mitigation measures (the "Mitigation Measures") to be implemented as part of this Plan to minimize potential adverse environmental impacts of the Plan. The Mitigation Measures shall be based, in substantial part, on the mitigation measures identified in the EIR.

Each individual public activity/improvement or private development action within the Project Area and/or in furtherance of this Redevelopment Plan that will require a discretionary approval by the appropriate governmental agency will, at a minimum, be subject to a preliminary CEQA review to determine if the activity, improvement or development action then requires preparation of a negative declaration, a mitigated negative declaration or a subsequent or supplemental environmental impact report in accordance with the applicable standards of CEQA and the CEQA guidelines. Until the Agency certifies an environmental impact report for this Plan, all projects, as defined in CEQA, that implement the Plan shall be subject to CEQA, including, but not limited to, specific plans and rezonings.

PART VI. REDEVELOPMENT TECHNIQUES TO ACHIEVE PLAN OBJECTIVES

The development of the Project will be undertaken in accordance with the provisions of the Redevelopment Law. The Agency proposes to use the redevelopment techniques set forth in this Part VI and the Redevelopment Law to achieve the goals and objectives of the Plan set forth in Part IV above.

Among the programs and projects that may be implemented by the Agency using the techniques set forth in this Part VI and the Redevelopment Law are those described in Exhibit D, the Initially Proposed Actions and Projects. Exhibit D lists redevelopment programs and projects that appear, at the time of Plan adoption, to have significant potential for achieving the goals and objectives of the Plan. As redevelopment needs and opportunities evolve over the life of the Plan, the Agency may determine not to undertake certain programs or projects listed in Exhibit D, and/or to undertake other programs and projects consistent with this Plan and the Redevelopment Law that are not listed in Exhibit D.

A. PUBLIC IMPROVEMENTS

As more fully set forth in Health and Safety Code Sections 33445 and 33679, the Agency is authorized to install and construct or cause to be installed and constructed the public improvements and public utilities (within or outside the Project Area) necessary to carry out this Plan. Such public improvements and public utilities include, but are not limited to, the construction, expansion, rehabilitation or modernization of over-or underpasses, bridges, streets, curbs, gutters, sidewalks, public gateway and signage features, street lights, sewers, sewage treatment facilities, waste water or septic tank disposal areas, storm drains, flood control

facilities, traffic signals, electrical and other energy distribution and generation systems, communication systems, fiber optic systems, fire fighting facilities, police and criminal justice facilities, educational facilities, community and civic centers, natural gas distribution systems, water treatment and distribution systems, other public buildings, parks and open space areas, if any, off-street parking, plazas, landscaped areas, and undergrounding of existing utilities. Anticipated public improvements, facilities and utilities that may be installed or constructed, or caused to be installed or constructed, by the Agency include, but are not limited to, those public improvements, facilities and utilities set forth in the attached Exhibit D, the Initially Proposed Actions and Projects.

Without limiting the generality of the financing techniques available to the Agency under this Plan as set forth in Part VII, Section A below, among the techniques the Agency may employ to cause the financing and construction, expansion, rehabilitation, or modernization of the above-referenced public improvements and public facilities is participation in payments to assessment districts, Mello-Roos community facility districts, or other similar districts established pursuant to applicable law to finance construction, expansion, rehabilitation, or modernization of such public improvements and public facilities.

B. PROPERTY ACQUISITION

1. Acquisition of Real Property

Except as specifically limited herein (see paragraphs a., b., and c. below regarding limitations on the Agency's eminent domain power), the Agency may, but is not required to, acquire or obtain options to acquire all real property located in the Project Area by gift, devise, exchange, purchase, eminent domain or any other lawful method whatsoever. The Agency may also acquire any other interest in real property less than a fee interest.

Since it is in the public interest and is necessary for the elimination of those conditions requiring redevelopment, the power of eminent domain may be employed by the Agency to acquire real property in the Project Area. The power of eminent domain shall not be exercised, however, when the conditions described in either subdivision a. or b. or c. below exist:

a. The property in question is owned by a public body and that public body has not consented to the exercise of the power of eminent domain by the Agency; or

b. The property in question is improved with a structure and, although not conforming to the Plan, the Agency has determined that the property and the structure can so conform pursuant to an owner participation agreement and that the owner is faithfully performing under the terms of the owner participation agreement; or

c. The property in question is improved with a structure and, in the sole determination of the Agency, all of the following are true:

(1) The property is not needed for those specific activities outlined in the Plan, including for development by a master developer pursuant to Section C.2 below; and

(2) The property is not needed for the development of replacement housing for those displaced by Agency activity, if any; and

(3) The property is not needed for any other public improvement or facility; and

(4) The property is not needed to promote historical or architectural preservation; and

(5) The property is not needed to remove a blighting influence on surrounding properties which prevents achievement of the objectives of this Plan; and

(6) The property is not needed for the elimination of environmental deficiencies including among other things, inadequate circulation, access or street layout, hazardous materials, incompatible and mixed uses, overcrowding and small parcel size; and

(7) The property is not needed for the removal of impediments to land development and disposition through assembly of land into appropriately sized and shaped parcels served by improved circulation and utilities.

Notwithstanding the foregoing limitations, the Agency may, with the prior written consent of the affected property owner, use the power of eminent domain to acquire property within the Project Area that is otherwise excluded from the exercise of the power of eminent domain.

The Agency must commence eminent domain proceedings with respect to any property which it intends to acquire within twelve (12) years after the Auditor Certification Date. This time limit for commencement of eminent domain proceedings may be extended only by amendment of the Plan. The Agency may acquire property by voluntary (e.g., non-eminent domain) means after the expiration of the time limit for eminent domain proceedings and prior to the expiration of the effectiveness of the Plan.

Prior to any acquisition through eminent domain the Agency shall adopt a resolution declaring a need to acquire any specific property and authorizing the acquisition by such method.

2. Acquisition of Personal Property

Generally, personal property shall not be acquired. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Project Area by any lawful means.

C. PARTICIPATION BY OWNERS AND BUSINESS TENANTS

1. Opportunities for Owners and Business Tenants

The Agency shall extend reasonable preferences to persons who own property or are engaged in business in the Project Area, to continue or re-enter in business within the Project

Area if they meet the requirements prescribed in this Plan and the Owner Participation Rules which have been adopted by the Agency and are available for public inspection.

It is the intention of the Agency that owners of fee title to, or a long term leasehold interest in, parcels of real property within the Project Area, where consistent with this Plan and the Owner Participation Rules, be allowed to participate in this redevelopment by: retaining all or a portion of their properties; acquiring adjacent or other properties in the Project Area; selling their properties to the Agency and purchasing other properties in the Project Area; and upgrading and developing their properties in conformance with this Plan and Owner Participation Rules.

The Agency may determine either on its own direction or pursuant to a request of a property owner that certain property within the Project Area does not conform to this Plan, and the owner of such property shall be required to enter into an owner participation agreement with the Agency as more fully described in Section C.3 below. Criteria for an Agency determination of property non-conformance with this Plan may include, without limitation, persistent vacancy or lack of use of the property for uses authorized under this Plan, uses on the property that are inconsistent with the goals and objectives of this Plan or with the permitted land uses under this Plan, or existence of improvements or conditions on the property that do not meet the general controls and limitations set forth in Part V of this Plan and/or the standards of any local, state or federal code or regulation (including, without limitation, the building code(s) of the City). Each property in the Project Area shall be considered to conform to this Plan, until and unless the Agency has determined by resolution that such property does not conform to this Plan.

The Agency may determine, either on its own direction or pursuant to a request of a property owner, that certain real property within the Project Area conforms or substantially conforms to the requirements of this Plan and that the owner of such property will, thereafter, be permitted to remain a conforming owner without a participation agreement with the Agency, provided, such owner continues to operate and use the real property within the requirements of this Plan.

In the event a conforming owner desires to (a) construct any additional improvements or substantially alter or modify existing structures on any of the real property described above as conforming, or (b) acquire additional real property within the Project Area, then the Agency may require such conforming owner to enter into a participation agreement with the Agency in the same manner as required for owners of non-conforming properties.

Any real property owned by a conforming owner outside of the designated conforming parcels and within the Project Area shall be considered and treated in the same manner as real property owned by other owners, i.e., may be subject to a participation agreement with the Agency.

All of the provisions of this Section C.1 are subject to the provisions of Section C.2 below for the selection of a master developer or developers to develop parcels within the Project Area.

2. Rules for Participation Opportunities, Priorities and Preferences; Selection of Master Developers

As more fully set forth in the Agency's adopted Owner Participation Rules (as such rules may be amended from time to time), in the event the Agency determines either on its own direction or pursuant to a request of a property owner that it is in the best interest of the Project that several parcels within the Project Area be assembled and developed by a single property owner or other entity under a master developer plan, the Agency may select and designate a master developer for the parcels based on the proposed master developer's financial and technical ability to successfully undertake and complete the development program.

Any individual or other entity may apply to be selected as a master developer of two or more parcels in the Project Area. Upon such application, the Agency shall determine whether it is desirable to designate a master developer for such parcels and whether the applicant or another individual or entity meets the qualification to serve as the master developer.

The rights of particular property owners and business tenants to participate in the redevelopment of their respective properties shall be subject to or limited by or eliminated by the inclusion of their property within a master development plan to be developed by another entity.

If the Agency determines that a particular parcel in the Project Area shall not be included in a master development plan, then the owner of the parcel and business tenants may participate in the redevelopment of property in accordance with the Owner Participation Rules adopted by the Agency. In general, the Owner Participation Rules provide that existing owners and business tenants within the Project Area be given non-financial preference, as more fully described in the Owner Participation Rules, for re-entry into business within the redeveloped Project Area. Owners will be required to submit proof to the Agency of their technical qualifications and financial ability to carry out their agreement with the Agency.

3. Participation Agreements

In the event the property owner is otherwise eligible pursuant to Section C.2 above to participate in the redevelopment of the property, a property owner whose property is determined by the Agency to be a non-conforming property pursuant to Section C.1 above shall enter into a binding agreement with the Agency under which the property owner shall agree to rehabilitate, develop, or use the property in conformance with the Plan and to be subject to the provisions hereof. Such agreement shall be prepared by the Agency after consultation with the property owner. Agreements will contain a list of minimum improvements to be made for the specific property to which it applies.

In such agreements, participating property owners who retain real property shall be required to join in the recordation of such documents as are necessary in the determination of the Agency to make the provisions of this Plan applicable to their properties.

If an owner who is required to enter into an owner participation agreement fails or refuses to enter into such agreement, or if such owner fails to perform any of the owner's obligations under an owner participation agreement, the Agency is authorized, subject to the limitations on

the exercise of the power of eminent domain set forth in Section B.1 above, to acquire the real property or any interest therein which, if acquired, may be sold or leased for rehabilitation or development in accordance with this Plan.

D. COOPERATION WITH PUBLIC BODIES

Certain public bodies are authorized by state law to aid and cooperate, with or without consideration, in the planning, undertaking, construction, or operation of this Project. The Agency shall seek the aid and cooperation of such public bodies and shall attempt to coordinate this Plan with the activities of such public bodies in order to accomplish the purposes of redevelopment and the highest public good.

The Agency, by law, is not authorized to acquire real property owned by public bodies without the consent of such public bodies. The Agency, however, will seek the cooperation of all public bodies which own or intend to acquire property in the Project Area. The Agency shall have the right to impose on all public bodies the planning and design controls contained in the Plan to ensure that present uses and any future development by public bodies conform to the requirements of this Plan.

E. PROPERTY MANAGEMENT

During such time as property in the Project Area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition.

The Agency shall comply with, and is authorized to exercise the rights and duties contained in, Health and Safety Code Section 33401, which states:

"The agency may, in any year during which it owns property in a redevelopment project that is tax exempt, pay directly to any city, county, city and county, district, including, but not limited to, a school district, or other public corporation for whose benefit a tax would have been levied upon the property had it not been exempt, an amount of money in lieu of taxes that may not exceed the amount of money the public entity would have received if the property had not been tax exempt."

F. RELOCATION OF DISPLACED PERSONS AND BUSINESSES

As required by the California Relocation Assistance Act (Government Code Section 7260 et seq.), any relocation of persons and businesses as part of the Project will be subject to the following standards:

1. Assistance in Finding Other Locations

Currently, there are no residences in the Project Area and consequently the Agency does not expect to displace any residents in the Project Area. To the extent the Agency does displace any residents, businesses or others, the Agency shall assist persons (households, business entities

and others) in finding other locations and facilities. There are areas of the City, other than the Project Area, 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 families and persons that may potentially be displaced and available to such displaced families and persons and reasonably accessible to their places of employment.

In order to carry out the Project with a minimum of hardship on persons displaced from their homes by Agency actions pursuant to this Plan, the Agency shall assist such individuals and families in finding housing that is decent, safe, sanitary, within their financial means, in reasonable and convenient locations, and otherwise suitable to their needs. The Agency is also authorized to provide housing outside the Project Area for displaced persons.

2. Relocation Payments

The Agency may pay reasonable moving expenses to persons (including families, businesses and others) displaced by Agency actions pursuant to this Plan. This provision is not intended to provide incentives for commercial and industrial businesses to move out of the Project Area. The Agency may make such relocation payments for moving expenses where the Agency determines it is in the best interest of the Project and not to do so would create a hardship on the persons involved. The Agency may make such other payments as may be in the best interest of the Project and for which funds are available. The Agency shall make all relocation payments required by applicable law.

G. DEMOLITION, CLEARANCE, AND SITE PREPARATION

1. Demolition and Clearance

The Agency is authorized to demolish, clear, or move buildings, structures, and other improvements as necessary to carry out the purposes of this Plan.

2. Preparation of Building and Development Sites

The Agency is authorized to prepare or cause to be prepared as development sites any real property in the Project Area owned or acquired by the Agency.

3. Hazardous Waste Remediation and Removal

The Agency may take any actions which it determines are necessary and which are consistent with other state and federal laws to remedy or remove hazardous waste on, under or from property in the Project Area in accordance with the requirements of Health and Safety Code Section 33459 – 33459.8, or any successor legislation.

H. REHABILITATION AND MOVING OF STRUCTURES; ASSISTANCE FOR CERTAIN PRIVATE IMPROVEMENTS

1. To the extent appropriate in carrying out the Plan, the Agency is authorized to: (a) rehabilitate or cause to be rehabilitated any building or structure in the Project Area acquired by the Agency; and (b) move or cause to be moved any building or other structure to a location within or outside the Project Area.

2. For any rehabilitation project, the Agency may take any action it determines necessary and consistent with local, state and federal law to provide for seismic retrofits as provided in Health and Safety Code Section 33420.1 and any successor statute.

3. The Agency may take such actions as it determines are necessary to remove graffiti from public and private property in the Project Area pursuant to Health and Safety Code Section 33420.2 and any successor statute.

4. The Agency may establish a program under which it lends funds to owners or tenants for the purpose of rehabilitating commercial buildings or structures within the Project Area pursuant to Health and Safety Code Section 33444.5 and any successor statute.

5. The Agency may assist in financing of facilities or capital equipment, including, but not necessarily limited to pollution control devices, for properties being developed or rehabilitated for industrial or manufacturing uses within the Project Area pursuant to Health and Safety Code Section 33444.6 and any successor statute.

I. REPLACEMENT DWELLING UNITS

Although there are no housing units within the Project Area at the time of initial Plan consideration, if any dwelling units housing persons and families of low or moderate income are destroyed or removed from the housing market as part of the Project, the Agency shall, within four years of such destruction or removal, rehabilitate, develop, or construct, or cause to be rehabilitated, developed, or constructed, for rental or sale to persons and families of low or moderate income an equal number of replacement dwelling units at affordable housing costs as defined by Health & Safety Code Section 50052.5, within the territorial jurisdiction of the Agency, in accordance with all the provisions of the Redevelopment Law (Health & Safety Code Sections 33413 and 33413.5).

J. PROPERTY DISPOSITION AND DEVELOPMENT

1. General

For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property.

To the extent permitted by law and upon compliance with the notice and hearing requirements of the Redevelopment Law, the Agency is authorized to dispose of real property by negotiated leases or sales without public bidding.

All real property acquired by the Agency in the Project Area shall be sold or leased for development for the uses permitted in the Plan. Real property may be conveyed by the Agency to the City or any other public body without charge. Property containing buildings or structures rehabilitated by the Agency shall be offered for resale within one year after completion of rehabilitation or an annual report concerning such property shall be published by the Agency as required by law.

The Agency shall reserve such powers and controls in the disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to insure that development is carried out pursuant to this Plan.

2. Purchase and Development by Participants

Pursuant to the provisions of this Plan and the Owner Participation Rules adopted by the Agency, the Agency may offer real property in the Project Area for purchase and development by owner and business-tenant participants prior to or at the same time that real property is made available for purchase and development by persons who are not owners or business tenants in the Project Area.

3. Purchase and Development Documents

To provide adequate safeguards, to insure that the provisions of this Plan will be carried out, and to prevent the recurrence of blight, all real property sold, leased, or conveyed by the Agency, as well as all property subject to participation agreements, shall be made subject to the provisions of this Plan by leases, deeds, contracts, agreements, declarations of restrictions, provisions of the Development Code, as it now exists or hereafter be amended, conditional use permits, or other means. Where appropriate, as determined by the Agency, such documents or portions thereof shall be recorded in the office of the Recorder of the County.

The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitude, or any other provisions necessary to carry out this Plan.

During the period of redevelopment in the Project Area, the Agency shall ensure that the provisions of this Plan and of other documents formulated pursuant to this Plan are being observed, and that development in the Project Area proceeds in accordance with development documents.

The Agency may require that development plans be submitted to it for review and approval. All development must conform to this Plan and all applicable Federal, State and local laws.

4. Obligations to be Imposed on Redevelopers

Purchasers of property from the Agency shall be required to develop such property in accordance with the provisions of this Plan. The Agency shall have the right to withhold transfer of title to the acquirer, user or developer of property in order to ensure fulfillment of this requirement. No building, sign or structure shall be constructed upon any part of such property unless architectural plans and specifications showing, among other things, the nature of such construction, parking, loading, surface treatment and landscaping, the location and orientation of the structure(s) on the building site and the grading plans for the building site to be built upon, shall be submitted to, reviewed, and approved in writing by the Agency, or unless the Agency has waived the requirements of this sentence. The Agency shall have the right to refuse to approve any such plans or specifications when in the opinion of the Agency such plans or specifications do not conform with the conditions and objectives of the Plan, or to the design standards established by the Agency.

Acquirers, users or developers of property within the Project Area must commence the erection of any building, prosecute diligently the work thereon and complete it within such reasonable period of time as agreed upon with the Agency.

No acquirer, user, owner participant or developer shall resell, lease, sublease or otherwise dispose of property in the Project Area until the construction approved by the Agency has been completed, except with the prior written consent of the Agency.

Persons who are engaged in business in the Project Area shall be granted non-financial preference by the Agency to re-enter in business within the Project Area after redevelopment if they otherwise meet the requirements prescribed by the Plan and the Agency's adopted Owner Participation Rules.

The acquirer, user, or owner shall be responsible for complying with all applicable State and local laws, ordinances and codes, in effect from time to time.

5. Personal Property Disposition

For the purpose of this Plan the Agency is authorized to sell, lease, exchange, transfer, assign, pledge, encumber, or otherwise dispose of personal property.

K. PREVENTION OF DISCRIMINATION

1. General

Property owners and developers shall comply with all State and local laws, in effect from time to time prohibiting discrimination or segregation by reason of race, color, religion, creed, marital status, sex, sexual orientation, national origin or ancestry, in the sale, lease or occupancy of the property.

2. Conveyances by the Agency

Pursuant to the Redevelopment Law (Health & Safety Code Sections 33337 and 33435-33436), contracts entered into by the Agency relating to the sale, transfer or leasing of land, or any interest herein acquired by the Agency within the Project Area shall contain the provisions of those Redevelopment Law sections in substantially the form set forth therein. Such contracts shall further provide that the provisions of the applicable Redevelopment Law sections shall be binding upon and shall obligate the contracting party or parties and any subcontracting party or parties and all other transferees under the instrument.

3. Other Contracts, Deeds and Leases for Conveyance of Project Area Property

All deeds, leases or contracts for the sale, lease, sublease or other transfer of any land in the Project Area shall contain the following nondiscrimination clauses as prescribed by the Redevelopment Law (Health & Safety Code Section 33435 and 33436):

In deeds, the following language shall appear:

"The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against, or segregation of, any persons or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed, nor shall the grantee himself or herself or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

In leases, the following language shall appear:

"The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased, nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or number, use, or occupancy of tenants, sublessees, subtenants, or vendees in the premises herein leased."

4. Duration

The covenants in deeds, leases, and contracts from or with the Agency, with respect to prevention of discrimination, shall remain in effect in perpetuity.

PART VII. METHODS FOR FINANCING THE PROJECT

A. GENERAL PROVISIONS

The Agency is authorized to finance the Project with financial assistance from the City, the State of California, the Federal Government, property tax increments, interest income, Agency notes and bonds, assessment district or special tax district revenues, or any other available source. Advances for survey and planning and operating capital for administration of the Project may come through loans from the City or other entities. The City may also supply additional assistance through City loans and grants for various public facilities and other redevelopment activities. As available, gas tax funds from the State of California and the City and County transportation taxes and assessments may be used toward the cost of the street system and related improvements. It is anticipated that there may also be some revenue accruing to the Project from interest earned on investments of Agency funds.

The Agency is hereby authorized to borrow funds, obtain advances, and create contractual indebtedness and other obligations in carrying out this Plan, pursuant to applicable law. The principal and interest on such borrowed funds, advances and other obligations may be paid from tax increments or any other funds available to the Agency.

B. AFFORDABLE HOUSING FINANCING

Pursuant to the Redevelopment Law (Health and Safety Code Section 33334.2), a minimum of twenty percent of all tax increments allocated to the Agency shall be used for the purposes of improving and increasing the community's supply of quality affordable housing unless the Agency makes one or more of the findings specified in Health and Safety Code Section 33334.2(a) (the "Housing Fund Requirement"). However, notwithstanding the provisions of Section 33334.2 or any other provision of law, pursuant to Health and Safety Code Section 33492.16, the Agency may annually defer the Housing Fund Requirement for a period of up to five years after the date of adoption of the Plan, based upon an annual finding that the funds are necessary for effective redevelopment of base property and long-term tax generation, and that the vacancy rate for housing affordable to lower income households within the jurisdiction of the Agency is greater than 4 percent.

Tax increment revenues allocated to the Agency and earmarked for housing purposes will be used to fund existing and new programs for housing development and rehabilitation in a manner consistent with the Housing Element of the City's General Plan, and/or other applicable City housing policies, as they now exist or may hereafter be amended. The General Plan permits no residential uses within the Project Area, which is intended to be an industrial area. Therefore, provision of the low- and moderate-income housing outside the Project Area will be of benefit to the Project Area.

C. TAX INCREMENTS

All taxes levied upon taxable property within the Project Area each year by or for the benefit of the State of California, the City, any district, or other public corporation (hereinafter sometimes called "taxing agencies") after the effective date of the ordinance approving this Plan, shall be divided as follows:

1. That portion of the taxes which would be provided by the rate upon which the tax is levied each year by, or for, each of the taxing agencies upon the total sum of the assessed value of the taxable property in the Project as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency, last equalized prior to the effective date of such ordinance, shall be allocated to and when collected shall be paid to the respective taxing agencies as taxes by, or for, said taxing agencies on all other property are paid. For the purpose of allocating taxes levied by, or for, any taxing agency or agencies which did not include the territory of the Project on the effective date of such ordinance but to which such territory has been annexed or otherwise included after such effective date, the assessment roll of the City last equalized on the effective date of said ordinance shall be used in determining the assessed valuation of the taxable property in the Project on the effective date; and

2. Except as provided in Health and Safety Code Section 33670(e), that portion of the levied taxes each year in excess of such amount shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on loans, monies advanced to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the Project. Unless and until the total assessed valuation of the taxable property in the Project exceeds the total assessed value of the taxable properties in such Project as shown by the last equalized assessment roll referred to in subdivision 1 above, all of the taxes levied and collected upon the taxable property in the Project shall be paid into the funds of the respective taxing agencies. When said loans, advances, and indebtedness, if any, and interest thereon, have been paid, all moneys thereafter received from taxes upon the taxable property in the Project shall be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

The portion of taxes described in subdivision 2 above may be irrevocably pledged by the Agency for the payment of the principal and the interest on money loaned, advanced, or any indebtedness (whether funded, refunded, assumed or otherwise) by the Agency to finance or refinance in whole or in part, the Project.

The Agency is authorized to make such pledges as to specific advances, indebtedness, and other obligations as appropriate, in carrying out the Project.

No more than \$750,000,000 of tax increments may be divided and allocated to the Agency without further amendment of this Plan.

D. BONDS

The Agency may issue its bonds for any corporate purpose or for the purpose of refunding bonds it has previously issued. The principal and interest payable on such bonds may be paid from:

1. the income and revenues of the Project;
2. the tax increment funds allocated to the Agency;
3. the Agency's revenues generally;
4. any contributions or other financial assistance from the state or local government;
5. repayment of loans or other form of indebtedness to the Agency;
6. private parties;
7. any other source permitted by law; or
8. any combination of the above sources.

E. OTHER LOANS, GRANTS AND ADVANCES

Any other available loans, grants, or financial assistance from any other public or private source may be utilized by the Agency for purposes of the Project.

Among other financing techniques that may be employed to encourage private sector financial support for Project Area redevelopment, the Agency may, consistent with the Redevelopment Law, facilitate the formation and financing of, and may cooperate with, community development financing institutions and land trusts involved in Project Area redevelopment activities.

PART VIII. ACTIONS BY THE CITY

The City shall aid and cooperate with the Agency in carrying out this Plan and shall take all actions necessary to ensure the continued fulfillment of the purposes of the Plan to prevent the recurrence or spread in the area of conditions causing blight. Action by the City may include, but shall not be limited to, the following:

A. Acquisition of any real and personal property inside or outside the Project Area required for public use; demolition and removal of structures on such acquired property; and preparation of such property for construction. The costs to the City of such acquisition, demolition and site preparation may be reimbursed by the Agency from Project revenues.

B. Construction of any public improvements serving the purposes of this Plan. The costs to the City of such construction may be reimbursed by the Agency from Project revenues.

C. Establishment of an assessment district mechanism, to the extent permitted by applicable law including receipt of any required voter or property owner approval, to collect assessments, fees or other charges from property owners and developers within the Project Area for purposes of Project financing.

D. Initiation and completion of proceedings for opening, closing, vacating, widening, or changing the grades of streets, alleys, and other public right-of-ways, as appropriate to carry out this Plan.

E. Initiation and completion of proceedings necessary for changes and improvements in publicly-owned public utilities within or affecting the Project Area.

F. Imposition wherever necessary (by subdivision approval, conditional use permits or other means) of appropriate controls, within the limits of this Plan, upon parcels in the Project Area to ensure their proper development and use.

G. Provision for administrative enforcement of this Plan.

H. Imposition of conditions or other requirements upon parcels in the Project Area to implement the regulations or policy guidelines adopted by the Agency pursuant to Part V.F of this Plan in satisfaction of the requirements of Health and Safety Code Section 33413(b).

I. Performance of the above, and of all other functions and services relating to public health, safety, and physical development normally rendered by the City, in accordance with a schedule that will permit the development of the Project Area to be commenced and carried to completion without unnecessary delay.

PART IX. ENFORCEMENT

The administrative enforcement of this Plan or other documents implementing this Plan shall be performed by the City or the Agency.

The provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by court litigation instituted by either the Agency or the City. Such remedies may include, but are not limited to, specific performance, damages, reentry, injunctions, or any other remedies appropriate to the purposes of this Plan. In addition, any recorded provisions which are expressly for the benefit of owners of property in the Project Area may be enforced by such owners.

The provisions of the Plan do not in any way limit or restrict the City's authority or power to enforce any local land use regulations or any provisions of the municipal code.

PART X. DURATION OF THIS PLAN AND RELATED TIME LIMITS

Except for any other authority in excess of the following limits that may from time to time be granted by the Redevelopment Law (which authority shall be deemed to be incorporated into the provisions of the Plan by this reference and shall supersede the following limits):

A. The Agency shall not establish or incur loans, advances, or indebtedness to finance in whole or in part the Project beyond twenty (20) years after the Auditor Certification Date. Loans, advances, or indebtedness may be repaid over a period of time beyond this time limit, subject to the further provisions of Section C below. The limit set forth in this Section A may be extended only by amendment of this Plan. The limit set forth in this Section A shall not prevent the Agency from incurring debt to be paid from the Housing Fund established pursuant to Health and Safety Code Section 33334.2 and 33334.3 or from establishing more debt in order to fulfill the Agency's housing obligations under Health and Safety Code Section 33413.

B. The effectiveness of this Plan (including, without limitation, the effectiveness of the Agency's land use controls for the Project Area under this Plan) shall terminate on the date which is thirty (30) years after the Auditor Certification Date. After expiration of this time limit on effectiveness of the Plan, the Agency shall have no authority to act pursuant to the Plan, except to pay previously incurred indebtedness, to enforce existing covenants, contracts and other obligations, and to complete any unfulfilled obligations under Health and Safety Code Section 33413.

C. The Agency shall not pay indebtedness or receive property taxes pursuant to Health and Safety Code Section 33670 beyond forty-five (45) years from the Auditor Certification Date.

D. Notwithstanding any other time limitations set forth in this Part X, the nondiscrimination and nonsegregation provisions of this Plan shall run in perpetuity, and the affordable housing covenants imposed by the Agency with respect to development, rehabilitation, and/or preservation of Project-related affordable housing (whether inside or outside the Project Area) shall continue in effect for such period as may be determined and specified by the Agency.

PART XI. SEVERABILITY

If any provision, section, subsection, subdivision, sentence, clause or phrase of the Plan is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portion or portions of the Plan. In the event that any portion of the Project Area shall be determined to have been invalidly or incorrectly included in the Project Area that is the subject of this Plan, such portion of the Project Area shall be deemed severable from the remainder of the Project Area and the remainder of the Project Area shall remain fully subject to the provisions of this Plan.

PART XII. PROCEDURE FOR AMENDMENT

This Plan may be amended by means of the procedure established in the Redevelopment Law or by any other procedure hereafter established by law.

PART XIII. AUTHORITY OF THE AGENCY

To the extent legally permissible, the Agency is hereby authorized to undertake any redevelopment activity or exercise any power not already included herein, provided such action is not inconsistent with this Plan.

EXHIBIT A
BOUNDARY MAP

EXHIBIT B

LEGAL DESCRIPTION

DESCRIPTION

CITY OF STOCKTON ROUGH AND READY ISLAND REVISED REDEVELOPMENT AREA

All that certain area for redevelopment purposes lying within the City of Stockton, County of San Joaquin, State of California, being more particularly described as follows:

PARCEL ONE

Beginning at a point marking the intersection of the Stockton Deep Water Channel with the centerline of the San Joaquin River, said point also being a point in the boundary of the City of Stockton Port Industrial Redevelopment area, said point having the coordinates of 2,170,204.1 North and 6,320,131.5 East; thence along the center line of the San Joaquin River and the westerly line of the said Port Industrial Redevelopment area the following six (6) courses:

- 1) South 38° 24' 18" East 808.62 feet;
- 2) South 12° 17' 40" West 570.81 feet;
- 3) South 33° 51' 35" West 750.00 feet;
- 4) South 70° 53' 14" West 850.00 feet;
- 5) South 30° 17' 03" West 1,200.00 feet and
- 6) South 70° 18' 24" West 1,050.00 feet to intersection with the centerline of Burns Cutoff;

thence along the centerline of Burns Cutoff the following twelve (12) courses:

- 1) South 29° 24' 48" West 318.79 feet;
- 2) South 28° 56' 32" West 572.27 feet;
- 3) South 48° 56' 58" West 246.93 feet;
- 4) WEST 248.29 feet;
- 5) North 71° 22' 38" West 418.20 feet;
- 6) North 84° 17' 44" West 143.96 feet;
- 7) South 65° 24' 01" West 252.07 feet;
- 8) South 53° 21' 21" West 279.69 feet;
- 9) South 88° 05' 01" West 160.98 feet;
- 10) North 66° 57' 58" West 1,011.75 feet;
- 11) North 49° 58' 53" West 430.20 feet and
- 12) South 87° 47' 41" West 162.58 feet to intersection with the northerly projection of the easterly line of Daggett Road and the City limits line of the City of Stockton, said point having the coordinates of 2,166,317.8 North and 6,314,252.5 East;

thence continuing along the centerline of said Burns Cutoff and the City limits line of the City of Stockton the following sixty nine (69) courses:

- 1) South 64° 43' 28" West 327.89 feet;

- 2) South 88° 43' 53" West 214.55 feet;
- 3) North 62° 21' 35" West 107.24 feet;
- 4) North 45° 55' 29" West 208.08 feet;
- 5) North 76° 47' 16" West 202.36 feet;
- 6) South 74° 15' 00" West 332.48 feet;
- 7) South 82° 59' 50" West 174.30 feet;
- 8) South 78° 03' 21" West 332.19 feet;
- 9) North 86° 17' 32" West 367.27 feet;
- 10) North 78° 52' 37" West 300.65 feet;
- 11) North 49° 01' 09" West 249.69 feet;
- 12) North 33° 59' 33" West 210.16 feet;
- 13) North 69° 39' 28" West 470.33 feet;
- 14) North 33° 10' 30" West 262.25 feet;
- 15) North 23° 05' 43" West 127.47 feet;
- 16) North 55° 54' 31" West 247.54 feet;
- 17) North 64° 46' 44" West 381.35 feet;
- 18) North 59° 03' 09" West 152.16 feet;
- 19) North 44° 33' 57" West 93.34 feet;
- 20) North 06° 40' 05" West 120.57 feet;
- 21) North 04° 24' 27" East 123.62 feet;
- 22) North 23° 05' 00" East 244.85 feet;
- 23) North 15° 37' 20" East 109.55 feet;
- 24) North 05° 24' 50" East 153.69 feet;
- 25) North 06° 14' 21" West 78.21 feet;
- 26) North 07° 21' 09" West 46.89 feet;
- 27) North 28° 48' 01" West 120.39 feet;
- 28) North 47° 33' 30" West 281.18 feet;
- 29) North 62° 48' 12" West 466.58 feet;
- 30) North 70° 21' 18" West 437.99 feet;
- 31) North 74° 17' 13" West 397.87 feet;
- 32) North 58° 56' 42" West 188.52 feet;
- 33) North 32° 05' 20" West 109.18 feet;
- 34) NORTH 124.50 feet;
- 35) North 16° 06' 51" East 466.58 feet;
- 36) North 14° 23' 52" East 518.79 feet;
- 37) North 02° 21' 28" East 255.22 feet;
- 38) North 07° 28' 38" West 161.37 feet;
- 39) North 20° 05' 30" West 180.48 feet;
- 40) North 26° 58' 25" West 141.10 feet;
- 41) North 32° 27' 25" West 243.11 feet;
- 42) North 25° 13' 48" West 63.41 feet;
- 43) North 18° 12' 07" West 136.06 feet;
- 44) North 04° 53' 22" West 170.12 feet;
- 45) North 08° 23' 22" East 195.34 feet;
- 46) North 03° 13' 34" East 257.66 feet;
- 47) North 27° 10' 13" West 190.52 feet;

- 48) North 50° 10' 14" West 349.32 feet;
- 49) North 41° 53' 11" West 479.40 feet;
- 50) North 08° 39' 43" East 345.97 feet;
- 51) North 50° 18' 12" East 568.12 feet;
- 52) North 20° 09' 29" East 326.73 feet;
- 53) North 28° 46' 15" East 156.86 feet;
- 54) North 63° 37' 46" East 197.56 feet;
- 55) EAST 220.50 feet;
- 56) South 80° 57' 54" East 286.56 feet;
- 57) South 84° 46' 40" East 233.47 feet;
- 58) North 75° 33' 46" East 242.66 feet;
- 59) North 48° 23' 50" East 155.13 feet;
- 60) North 26° 01' 55" East 132.16 feet;
- 61) North 19° 17' 02" East 112.04 feet;
- 62) North 12° 26' 06" East 132.35 feet;
- 63) North 07° 44' 30" East 219.00 feet;
- 64) North 14° 39' 24" East 235.15 feet;
- 65) North 44° 16' 42" East 210.56 feet;
- 66) North 58° 21' 04" East 272.53 feet;
- 67) North 45° 16' 27" East 147.79 feet;
- 68) North 31° 59' 08" East 153.86 feet and
- 69) North 48° 43' 47" East 127.73 feet;

thence leaving said City limits line, along the northeasterly extension of the centerline of Burns Cutoff, North 48° 43' 47" East 348.48 feet to intersection with the centerline of the Stockton Deep Water Channel said point having the coordinates of 2,175,925.9 North and 6,310,911.9 East; thence along said centerline of the Stockton Deep Water Channel South 34° 37' 00" East 125.85 feet to intersection with the City limits line of the City of Stockton; thence continuing along said centerline and the said City limits line the following eleven (11) courses:

- 1) South 34° 37' 00" East 603.05 feet;
- 2) South 44° 55' 33" East 683.24 feet;
- 3) South 47° 52' 10" East 653.30 feet;
- 4) South 49° 10' 02" East 503.55 feet;
- 5) South 43° 44' 47" East 420.12 feet;
- 6) South 39° 26' 23" East 395.90 feet;
- 7) South 41° 39' 53" East 227.90 feet;
- 8) South 42° 14' 44" East 614.30 feet;
- 9) South 57° 10' 56" East 437.29 feet;
- 10) South 66° 23' 27" East 485.65 feet and
- 11) South 64° 36' 02" East 492.31 feet;

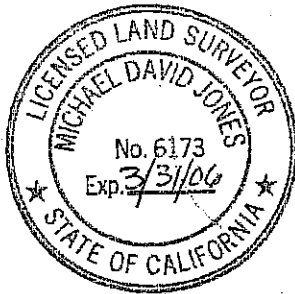
thence leaving the City limits line of the City of Stockton and continuing along the centerline of the Stockton Deep Water Channel South 68° 37' 29" East 5,470.06 feet to the point of beginning.

EXCEPT THEREFROM the following described parcel of land:

Beginning at point marking the intersection of the Stockton Deep Water Channel with the northeasterly projection of the easterly line of the 8.735 acre parcel as shown on the Map, filed in Book 32 of Surveys, at Page 119, San Joaquin County Records; thence along said easterly line and the easterly line of the Parcel shown on the Map filed in Book 4 of Surveys, at Page 259, San Joaquin County Records South 22° 19' 17" West 1,398.81 feet to a point in the northeasterly line of Industrial Road; thence along said northeasterly line North 67° 40' 43" West 1,000.00 feet to the southwesterly corner of the Parcel shown on the Map filed in Book 5 in Survey's, at Page 89, San Joaquin County Records; thence along the westerly line of last said Parcel North 22° 19' 71" East 1,382.29 feet to a point in the centerline of the Stockton Deep Water Channel; thence along said centerline South 68° 37' 29" East 1,014.00 feet to the point of beginning.

The basis of this description and accompanying map is the "City of Stockton G.I.S. System Base Map" which is based upon the California Coordinate System 83, Zone 3.

AREA - PARCEL ONE: 1,561 acres, more or less.



#03327
10/09/03

Michael David Jones
Michael David Jones, P.L.S. #6173
Dated: 10/09/03

EXHIBIT C

LAND USE MAP

Note: This Land Use Map is intended to reflect, for all property in the Project Area, the land use designations of the Land Use Element of the General Plan in effect as of the date of adoption of the Redevelopment Plan. In addition, as stated in Part V.C of the Redevelopment Plan, the land uses shown on this Land Use Map shall be deemed to be automatically modified as the Land Use Element of the General Plan may be revised from time to time in order to maintain conformance of the Redevelopment Plan with the General Plan.

EXHIBIT D

INITIALLY PROPOSED ACTIONS AND PROJECTS

PROPOSED PROJECTS AND PROGRAMS

The following actions and projects are an initial compilation of proposed programs and projects that the Agency may undertake to achieve the goals and objectives of the Redevelopment Plan. These programs and projects are not listed in order of priority and may change from time to time.

Elimination of Blight

- Removal of substandard buildings
- Rehabilitation and modernization of structures

Public Improvements and Facilities

- Fund and install sewer, water, storm drainage system and other public improvements
- Improve the circulation system and roadways – this may include, but not be limited to, the realigning, closing, widening, installing or other modifications to some roadways; constructing new roads; improving traffic control systems; and installing turning lanes
- Install street lights; landscaping, including median and edge landscaping; signs and signals; and parking facilities
- Install transit improvements
- Construct curbs, gutters, and sidewalks in appropriate areas
- Provide capital improvements and equipment for public safety needs

Revitalization of Industrial Development

- Provide financial incentives to industrial uses locating in the area
- Assist in assembling sites that will meet the needs of industrial and appropriate commercial uses
- Assist in site preparation
- Assist in the relocation of non-conforming or incompatible uses

- Provide funds for rehabilitation and facade improvements
- Collaborate with the Port of Stockton to facilitate needed improvements
- Facilitate the clean-up of hazardous materials in those cases where it has been determined that it is infeasible for the private sector to accomplish it in a timely fashion
- Extend rail facilities

Improved Housing Conditions

- Provide opportunities for single-family and multi-family residential development outside Project Area
- Provide funding for housing rehabilitation programs to assist low-income homeowners and renters outside Project Area
- Provide funding for down payment assistance programs available to low-income households outside Project Area
- Provide funds to assist in the construction of new housing opportunities for low- and moderate-income households outside Project Area