

# Central San Rafael Redevelopment Project

## Five Year Implementation Plan

2010/11 to 2014/15

### PURPOSE

This is the Central San Rafael Redevelopment Project Five Year Implementation Plan for the period of fiscal years 2010/11 to 2014/15. It complies with the California Redevelopment Law (Health and Safety Code Section 33490), which requires redevelopment agencies to maintain an implementation plan describing the steps and expenditures agencies intend to take in achieving their redevelopment plans.

### CONTENTS OF IMPLEMENTATION PLAN

As specified in the Health and Safety Code, Implementation Plans must contain the following items, if appropriate:

- ✓ Specific goals and objectives for the Implementation Plan period;
- ✓ Specific programs, potential projects and estimated expenditures planned for the 5 year period;
- ✓ An explanation of how those goals, objectives, programs and expenditures will eliminate blight;
- ✓ An explanation of the Agency's housing responsibilities, including:
  - ∅ The amount in the Low and Moderate Income Housing Fund and the Plan period annual deposits to the Fund;
  - ∅ A Housing Program estimating the number of new, rehabilitated, and price restricted units to be assisted and the expenditures on the units from the Housing Fund;
  - ∅ A description of how the Housing Program will expend Housing Fund monies over a 10 year period for the income and age groups specified in the most recent regional needs allocation and include:
    - § The number of units needed for the specified income and age groups;
    - § The total community population and the population under 65 years of age;
    - § A schedule of actions to insure the expenditure of Housing Fund in the required proportions;
    - § For the previous Implementation Plan period, a listing of the Housing Fund monies used to assist units affordable to extremely low, very low and low income households; the number, location and affordability of new units constructed with other locally controlled government assistance; and the amount of Housing Fund monies used to assist units available to families with children and the number, location and affordability of the units;

- Ø For Project Areas within 6 years of the time limit on effectiveness of the Plan, the Housing Section must address the ability of the agency to comply with the Section 33413 requirements for replacement dwelling units, project area housing requirements and disposition of remaining moneys in the Low and Moderate Income Housing Fund.
- ✓ Identification of proposed locations for replacement housing units;
- ✓ An Affordable Housing Production Plan if applicable.

This Central San Rafael Redevelopment Project Implementation Plan 2010/11 to 2014/15 includes all required elements. A Housing Production Plan (Section 33413) is not applicable, as project areas adopted prior to 1976 do not require them and San Rafael's Project was adopted in 1972. In addition, this Implementation Plan is consistent with and supportive of the City of San Rafael's efforts to provide a fair share of the regional housing need.

#### **PLAN TIMELINE AND REVIEW PROCESS**

California Redevelopment Law requires the adoption of 5 year implementation plans starting in 1994. San Rafael adopted Implementation Plans for the following periods:

- 1994/95 to 1999/2000 (resolution # 4-34) and amended twice (resolutions #96-1 and #96-83)
- 2000/01 to 2004/05 (resolution #2007-17);
- 2004/05 to 2009/10 (resolution #2005-16)

In addition, California Redevelopment Law requires that between two and three years after an implementation plan is adopted, the agency hold a public hearing to review the progress made towards achieving the Plan. The midterm reviews were held as required in:

- 1998 (resolution #98-31)
- 2004 (no resolution)
- 2007 (resolution #2007-31).

It is anticipated that the required mid-term review for this Implementation Plan will occur in fiscal year 2012/13.

The Agency must hold a noticed public hearing before adoption of the Implementation Plan. Notice of the hearing must be posted in at least four locations in the project area at least 31 days before the hearing. Notice must also be published in an area newspaper of general circulation once a week for at least three weeks, with the first publication occurring at least 31 days before the hearing. Notices of the hearing must be mailed at least three weeks in advance to all persons and agencies that have requested such notice.

## CEQA COMPLIANCE

Adoption of this Implementation Plan does not constitute a project as defined in the California Environmental Quality Act (CEQA, Sections 21000 of the Public Resources Code). The inclusion of a specific program, potential project or expenditure in the Implementation Plan does not eliminate the requirement for environmental analysis and actual implementation of any of the Plan actions are subject to appropriate CEQA review. All actions included in the Implementation Plan are consistent with the Central San Rafael Redevelopment Project Plan, which is in turn consistent with the City's General Plan 2020 and General Plan EIR. The Agency's housing activities shown in this Implementation Plan will assist the City in meeting its housing goals.

## PROJECT AREA PLAN LONG TERM GOALS

As stated in the Central San Rafael Redevelopment Area Plan, the Agency's long term goals are:

- ✓ **To guide and foster revitalization**, rehabilitation and new development that meets City needs and provides a stable, diversified and strong economic base.
- ✓ **To enhance the visual characteristics** of the Project Area and to protect the unique natural environmental resources.
- ✓ **To provide for increased sales**, business and associated revenues and benefits to the City.
- ✓ **To promote new and continuing private sector investment** within the Project Area which enhances existing business activities and facilitates the growth of commercial activity.
- ✓ **To retain existing businesses** by enhancing and promoting their activities and by assisting the cooperation and participation of owners, businesses and public agencies in the growth and development of the Project Area.
- ✓ **To create local job opportunities** and preserve the Project Area's existing employment base.
- ✓ **To protect the Project Area's position** as a commercial center serving the City and surrounding area.
- ✓ **To eliminate deficiencies in the Project Area** including an inefficient circulation system, inadequate storm drains, insufficient and inefficient off-street parking, and other similar deficiencies adversely affecting the Project Area.
- ✓ **To improve and increase the City's supply of affordable housing** consistent with the Housing Element of the General Plan and the policies of California Redevelopment Law.
- ✓ **To accomplish these goals with a minimum of displacement** of any property owner, resident or businessperson that wish to remain within the Project Area.

## DEFINITION OF BLIGHT

Redevelopment law identifies the specific physical and economic conditions associated with blight as:

- § Buildings that are unsafe or unhealthy to live or work in resulting from code violations, dilapidation and deterioration, defective design or physical construction, faulty or inadequate utilities;
- § Factors that hinder the economically viable use or capacity of buildings or lots which may be caused by substandard design, inadequate size given market conditions, lack of parking and the like;
- § Adjacent or nearby uses that are incompatible and prevent economic development;
- § Irregular form and shape of lots in multiple ownerships;
- § Depreciated or stagnant property values or impaired investments which may include hazardous materials;
- § Abnormally high vacancies, low lease rates, high turnover, abandoned buildings or excessive vacant lots;
- § Lack of commercial facilities normally found in neighborhoods;
- § Residential overcrowding that has led to reduced public safety and welfare;
- § High crime rate constituting a serious threat to public safety and welfare.

#### IMPLEMENTATION PLAN FIVE YEAR GOALS

For the five year period of 2010/11 to 2014/15, the Agency will:

1. **Pursue economic development activities** which increase City revenues, attract new businesses, retain existing businesses and create jobs;
2. **Support Downtown San Rafael** as a healthy economic center with housing, shopping and employment;
3. **Target housing funds to low and very low-income household projects** to address the Project Area's proportional share of the unmet housing need.

#### RELATIONSHIP OF ACTIVITIES TO THE ELIMINATION OF BLIGHT

This section demonstrates how Agency activities and expenditures will address blight during the Implementation Plan term through a series of goals, objectives, programs and specific projects. Each Plan goal is directed at a blighting condition and has objectives with intended outcomes for evaluation in the midterm Plan review. Programs, with specific projects if appropriate, have been devised for each goal.

As opportunities arise over the term of the Plan, new programs and projects will be identified. New programs that support a goal will be added at the mid-term Plan review or through the Plan amendment process. New projects supporting identified programs will be considered and funded at any time.

***Goal: Pursue economic development activities which increase City revenues, attract new businesses, retain existing businesses and create jobs.***

The blighting factor of a lack of proper property utilization is evidenced in the Project Area by the number of under developed sites, vacant buildings and inappropriate tenants. This results in an economic burden on the City as it reduces sales and property tax revenues and limits job generation.

## Objectives:

- Assist in the reuse of major economic development sites;
- Participate in public/private efforts of business attraction and retention and job development;
- Coordinate economic development efforts with other organizations;
- Recognize the limits to Agency funding and focus on projects that can be implemented through the expenditure of staff time.

## Program: Economic Development Sites

The Project Area contains vacant and under developed land with significant development potential that is hindered by development barriers. Agency staff will support private development efforts for these sites.

### Projects:

- (a) Fact Sheets.** Technical information (Zoning, General Plan policies, maps) on major development sites will be compiled and distributed to brokers and developers.
- (b) PG&E Brook Street Site.** The Agency will pursue the development of this property with a project that complements Downtown.
- (c) Francisco Boulevard West Sites.** The Agency has been involved in the transition this area into new uses including the Home Center, Toys R Us, RAB Motors and Sonnen Auto Sales. Agency assistance will continue with the remaining vacant parcels.
- (d) Francisco Boulevard West Lot Reconfigurations.** Remnant lots from the Highway 101 Gap Closure Project and City/Agency owned lots will be combined into new parcels and marketed for development that utilizes the freeway visible location.
- (e) Shoreline Center Development.** The Agency will pursue the construction of limited traffic impact and high community value projects on the remaining undeveloped land in this planned development center.
- (f) Opportunity Sites.** The Agency will assist and encourage the development of new sites for development as they are identified over the term of the Implementation Plan.

## Program: Business and Job Development

The Agency will work to improve existing businesses and attract new businesses that generate high tax revenues, provide needed services and create jobs.

### Projects:

- (a) Completion of the San Rafael Corporate Center.** The Agency supports efforts to complete the tenanting of this office complex with new businesses and new employment opportunities.
- (b) Auto Dealer Relocation and/or Retention.** Auto dealers are a major revenue source for San Rafael, and the Agency will assist in the retention of existing dealers by site upgrading, relocation of dealers to other appropriate sites in the Area, and the recruitment of new dealerships and product lines.

- (c) **High Tax Generating Uses.** High tax generating uses are important to the economic health of the project Area and the Agency will assist in the attraction and locating of these businesses in the Redevelopment Area.
- (d) **Green Jobs.** Green businesses are a component in the City's Climate Change Action Plan, and the Agency will assist in the attraction and location of these businesses to the Redevelopment Area.
- (e) **Workforce Investment Board.** The Agency coordinates with this organization in its efforts to provide job and skill training for the local workforce.

**Program: Economic Development Organization Coordination**

Economic development activities are provided by a variety of organizations. Mutual support and coordination will insure that maximum benefits are achieved.

**Projects:**

- (a) **Chamber of Commerce.** The Agency supports the Chamber's efforts in business recruitment and retention, job development and business education.
- (b) **Downtown Business Improvement District.** The Agency is an active partner in the Business Improvement District efforts to improve Downtown and further its revitalization.
- (c) **Marin Convention and Visitor Bureau.** The Agency cooperates with this organization to insure that the interests of the Project area are reflected in countywide tourism efforts.
- (d) **Marin Economic Forum.** The Agency cooperates with this organization to insure that the interests of the Project area are reflected in countywide economic efforts.

**Program: Circulation Improvements**

As the City developed, local road network alterations became necessary. Recent freeway expansions and the inauguration of a regional transportation system must be integrated into the existing circulation system. The City's General Plan includes required improvements and participants in the improvements include the private sector, City, Agency, CalTrans and regional organizations.

**Projects:**

- (a) **Gary Place/Marin Square.** The Agency will participate in efforts to incorporate Caltrans remnant sites into an improvement to the access to Gary Place and Marin Square.
- (b) **SMART.** The Agency will assist in the coordination of the SMART (Sonoma Marin Area Rapid Transit) line and Andersen Drive, West Francisco Blvd., and the intersections around the Downtown Station.

***Goal: Support Downtown San Rafael as a healthy economic center with housing, shopping and employment opportunities***

Downtown is marked with the blighting factor of substandard design, incompatible uses, depreciated values, high vacancies, low lease rates and high business turnover.

## Objectives:

- Diversify the retail base by the addition of entertainment, arts, evening and recreational uses and activities;
- Promote new and continuing private sector investment which enhances the existing business activities;
- Improve the visual appearance of Downtown;
- Provide public off-street parking.

**Program: Downtown Promotions and Events.** Events and promotions bring people Downtown and familiarizes them with the area and merchants. The Agency supports and encourages a full schedule of promotions and events.

**Program: Downtown Beautification.** The Agency provides beautification items such as signs, twinkle lights, street furniture and landscaping to improve the appearance of Downtown. These items are installed where possible and as funding permits.

**Program: Infill Development.** The Agency will assist and encourage the development of infill sites as they are identified.

**(a) Transit Oriented Development Around Transit Center.** Recent City interest in transit oriented development and advances in the regional rail transit effort have emphasized the under utilized character of the area around the C. Paul Bettini Transit Center. The Agency will pursue reductions of the barriers to development in this area.

**(b) St. Vincent de Paul.** The Agency will continue to assist with the improvements and /or relocation of this social service facility.

## Program: Parking and Street Improvements

Lack of Downtown parking and inadequate circulation has hindered the ability of property owners to redevelop properties in response to current retail trends. The Agency continues to address this problem through the parking and street Improvements.

### Projects:

**(a) Parking Improvements.** The Agency will continue to participate in cooperative Departmental efforts to insure that parking best serves the revitalization of Downtown.

**(b) Street Improvements.** The Agency will pursue improvements to the streets in the project Area as they are identified.

## Program: Education

The Agency is working with other organizations to upgrade existing public education facilities. Adequate schools are a major consideration in housing development as the quality of schools impact decisions on where families live.

## ESTIMATED EXPENDITURES

Chart 1 displays the programs, projects and estimated expenditures proposed for the next five years to address specific instances of blight. The funds proposed to be expended are exclusive of the Housing Fund, discussed in the housing section.

### CHART 1 PROGRAMS, PROJECTS AND ESTIMATED EXPENDITURES 2010/11 TO 2014/15

<u>Programs and Projects</u>	<u>Estimate</u>
<b>Program: Economic Development Potential Sites</b>	
(a) Opportunity Sites	\$589,000
<b>Program: Business and Job Development</b>	
(a) Completion of San Rafael Corporate Center	\$250,000
<b>Program: Economic Development Coordination</b>	
(a) Chamber of Commerce	\$72,000
(b) Downtown Business Improvement District	\$26,000
<b>Program: Circulation Improvements</b>	
(a) SMART	\$60,000
<b>Program: Promotions and Events</b>	\$550,000
<b>Program: Downtown Beautification</b>	\$60,000
<b>Program: Parking and Street Improvements</b>	\$540,000
<b>Program: Education</b>	\$895,000
<b>Implementation Plan Non-Housing TOTAL</b>	<b>\$3,042,000</b>

## PROVIDING AFFORDABLE HOUSING CONTENTS

The San Rafael Redevelopment Agency is required to comply with affordable housing requirements set forth the California Health and Safety Code ("HSC"). The affordable housing mandates include the requirement to set aside 20% of annual tax increment revenue for affordable housing (HSC 33333.8) and to target expenditures to meet the affordable housing needs of the community (HSC 33334.4).

This section of the Central San Rafael Redevelopment Project Implementation Plan provides an explanation of how the Agency's housing goal, objectives, programs,

potential projects and estimated expenditures will implement the low and moderate-income housing set-aside and housing production requirements as stated in Health and Safety Code Sections 33334.2, 33334.4, 33334.6, 33413 and 33490, and includes a housing program for each of the five years in enough detail to measure performance. An Affordable Housing Production Plan (HSC 3490 (B)) is not included because the requirement for such a Plan does not apply to project areas adopted prior to 1976 and the Central San Rafael Redevelopment Project was adopted in 1972.

To provide further detail, this section contains discussions of:

- What housing is needed - Housing Fund Targeted to meet the community need (HSC 33490 (B) (2) (iii), HSC 33490 (C) (2) (ii-iii));
- What housing monies are available - Annual Deposits to Housing Fund (HSC 33490 (B) (2) (i); Estimated Housing Fund expenditures and balances (HSC 33490 (B) (2) (iii), HSC 33490 (C) (2) (ii-iii));
- What the Agency wants to achieve in the next five years - Five Year Affordable Housing Goal, Objectives, Programs and Potential Projects (HSC 33490 (B) (2) (iii), HSC 33490 (C) (2) (ii-iii));
- What impact that will have on the Housing Fund - The future impact of these activities and expenditures (HSC 33490 (C) (iv), HSC 33490 (C) (4), HSC 33333.8 (1) (A-F));
- What the Agency has achieved in the previous five years-housing fund expenditures and numbers of units (HSC 33490 (C) (iv));
- The ability of the Agency to complete its housing obligations within the remaining time limits on the effectiveness of the Redevelopment Plan (HSC 33490(C) (iv) 4.

## **HOUSING FUND TARGET**

San Rafael's housing need as a whole is stated in the Housing Element of the General Plan and is based upon the Association of Bay Area Governments (ABAG) projections. The unmet need is shown in the City of San Rafael's regional fair share allocation. The General Plan contains a schedule of actions to implement adopted policies and achieve the objectives of the Housing Element through the administration of land use and development controls, provision of regulatory concessions, and the utilization of available State and Federal financing and subsidy programs. Utilization of the Redevelopment Agency Housing Fund is included in these actions, and the Housing Element identifies redevelopment funds and the Housing Fund as available sources of funds for assisting housing developments. The entire City's housing need in number of units and percentage by income category is summarized in Chart 2.

**Chart 2**  
**City Wide Housing Need By Income & Senior Category**  
**2007 - 2014**

Housing Need	Very Low Income	Low Income	Moderate Income	Total Low and Moderate	Above Moderate Income	Total Projected Need
Units City Wide	262	207	288	757	646	1,403
% Total Need	19%	15%	21%	55%	45%	100%
% Low / Moderate Need	35%	27%	38%	100%	n/a	n/a

As shown in Chart 2 above, the Agency's Income Targeting Requirement is to have the Agency's housing fund revenues expended to assist housing that is affordable to very low-income persons (35% of housing fund expenditures), and to low-income persons (27% of housing fund expenditures). These percentages are overall, not on a project-by-project basis.

Chart 2 also shows that the total City-wide housing need exceeds 1,400 units including 469 very low and low-income units. Projects assisted with Agency affordable housing funds will be able to meet some of the need for very low and low income units but the Agency cannot be expected to address the full City needs solely within the Project Area.

Section 33334.4 of the Health and Safety Code requires the Agency to expend the Housing Fund in such a manner as to produce units affordable to lower income households and very low-income households at least in proportion to the community's unmet need for units affordable to lower and very low-income categories.

The Agency is also required to target housing fund expenditures to non-senior restricted housing in the same proportion as the non-senior population of the City. The 2000 U.S. Census showed the senior population of San Rafael to be 8,055 persons or 14.4% of the total city population. San Rafael had 48,008 residents under the age of 65 or 85.6% of the total City population. Therefore, no more than 14% of the Agency's housing resources should be spent on affordable housing that is restricted to seniors.

The Agency's Implementation Plan is required to describe how the Agency has met the income targeting requirements during the period of the previous Implementation Plan and to outline a strategy to meet the income and senior targeting requirements during the period covered by this Implementation Plan. Chart 3 shows the Agency affordable

housing units that received Agency financial assistance from 2005/06 to 2009/10, the period covered by the previous Implementation Plan.

**Chart 3**  
**Redevelopment Assisted Units and Needs By Income Category Citywide**  
**2005/06 to 2009/10**

	Very Low Income	Low Income	Moderate Income	Total Low/Moderate
Housing unit need	445	207	562	1,214
RDA Assisted	132	6	0	138
RDA assisted as % Citywide need by income category	30%	3%	0%	11%

Source: City of San Rafael General Plan 2020 for unit-count needs and Agency for housing fund expenditures.

Between 2005/06 and 2009/10, the Agency spent about \$1,200,000 on direct assistance to housing developments. Additional housing funds were utilized for non project specific affordable housing programs and actions. Information on housing expenditures is contained in the Agency’s annual filing with the State Department of Housing and Community Development and on file in the City Clerk’s office.

**Chart 4**  
**Redevelopment Housing Expenditures By Income Category**  
**2005/06 to 2009/10**

	Very Low Income	Low Income	Moderate Income (1)	Total Low and Moderate
Expenditures	\$231,346	\$560,523	\$171,093	\$962,961
Expenditure % by income category	24%	58%	18%	100%
Low / Moderate Need Citywide General Plan 2020	35%	27%	38%	n/a

(1) All expenditures in the moderate income category are for half the administrative expenses of Below Market Rate Ownership program, which serves both low and moderate income households.

The targeting requirements specify that no more than 14% of the Agency funds be spent on units restricted to seniors. Between 2005/06 and 2009/10, the Agency provided \$100,000 in assistance to Martinelli House, a 66 unit senior project (in 2008) with long term affordability restrictions in exchange for issuing bonds. This represents

48% of the total units assisted during this time period and 10.38% of the Agency's project expenditures.

**ANNUAL DEPOSITS TO HOUSING FUND**

Chart 5 shows the annual deposits to the Housing Fund for 2005/06 to 2009/10. Deposits consist of the 20% Housing Set-Aside, payments from income property, interest from loans and investments, and other sources.

**Chart 5**  
**Housing Fund Deposits, Estimated Expenditures and Balances**  
**2005/06-2009/10**

DEPOSITS	FY 05/06 Audited	FY 06/07 Audited	FY 07/08 Audited	FY 08/09 Audited	FY 09/10 (Est.)
Housing Set Aside	984,314	974,408	964,526	973,704	925,000
Lease/Rental Income	9,744	0	60,628	0	0
Interest Income	256	0	0	29,496	15,000
Investment	0	83,563	0	0	0
Interest/Lease Income	144,663	0	0	0	0
Misc Income	<u>15,788</u>	<u>0</u>	<u>11,522</u>	<u>18,851</u>	<u>0</u>
<b>TOTAL</b>	<b>1,154,765</b>	<b>1,057,971</b>	<b>1,036,676</b>	<b>1,022,051</b>	<b>940,000</b>

**ESTIMATED HOUSING FUND BALANCE**

Chart 6 shows the anticipated Agency revenues 2010/11 to 2014/15. The housing set-aside is currently estimated to be \$925,000 for each year in the five-year period. The City of San Rafael has instituted in lieu fees for new small residential developments and new commercial developments. These fees are not included in Chart 6. It is anticipated that these fees will provide additional financial resources for affordable housing. The estimated balance in the Housing Fund after the program expenditures are deducted is shown at the bottom of Chart 6. Programs and projects are scheduled to expend the majority of the annual deposits each year.

**Chart 6**  
**Housing Fund Deposits, Estimated Expenditures and Balances**  
**2010/11 to 2014/15**

	FY10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15
<b>FUND BEGINNING BALANCE</b>	2,172,648	1,948,628	1,573,095	370,317	185,561
Housing Set Aside	925,000	925,000	925,000	925,000	925,000
Interest Income	15,000	15,000	15,000	15,000	15,000
Sale of Capri Unit	225,000	0	0	0	0
<b>Deposits Subtotal</b>	<b>1,165,000</b>	<b>940,000</b>	<b>940,000</b>	<b>940,000</b>	<b>940,000</b>
Personnel Services	457,448	466,597	485,929	485,448	495,157
Code Enforcement	106,070	106,070	106,070	106,070	106,070
Contractual Services	25,000	25,000	25,000	25,000	25,000
Internal Charges	6,530	6,530	6,530	6,530	6,530
Travel/Training	500	500	1,000	1,000	1,000
<b>Program Admin. Subtotal</b>	<b>595,548</b>	<b>604,697</b>	<b>624,529</b>	<b>624,048</b>	<b>633,757</b>
Marin Housing Renter Rebate	35,000	0	0	0	0
Housing Support Programs-Ritter	40,000	40,000	40,000	40,000	40,000
Rebuilding Together	5,000	5,000	5,000	0	0
Down Payment Assistance	30,000	20,000	15,000	15,000	0
Marin Housing BMR Administration	83,232	84,897	86,595	88,326	90,093
Marin Housing BMR Legal	20,000	20,000	20,000	20,000	20,000
Price Reductions - Ownership Units	50,000	30,000	25,000	0	0
General Grant Support	75,000	75,000	0	0	0
"B" Street Redevelopment Area	0	0	1,000,000	0	0
CAHIP Remaining	150,000	100,000	0	0	0
Habitat for Humanity	5,000	0	0	0	0
<b>Housing Related Subtotal</b>	<b>493,232</b>	<b>374,897</b>	<b>1,191,595</b>	<b>163,326</b>	<b>150,093</b>
<b>Expenditures Subtotal</b>	<b>1,088,780</b>	<b>979,594</b>	<b>1,816,124</b>	<b>787,374</b>	<b>783,850</b>
Bond Debt Service	300,240	300,240	300,240	300,240	300,240
<b>TOTAL EXPENDITURES</b>	<b>1,389,020</b>	<b>1,315,533</b>	<b>2,142,777</b>	<b>1,124,756</b>	<b>1,121,974</b>
<b>FUND ENDING BALANCE</b>	<b>1,948,628</b>	<b>1,573,095</b>	<b>370,318</b>	<b>185,561</b>	<b>3,587</b>

**FIVE-YEAR AFFORDABLE HOUSING GOAL, OBJECTIVES, PROJECTS**

The Redevelopment Agency has housing goals and objectives for the next five years that will be addressed through specific programs and activities. Following are the goals and objectives and a description of each program and its attendant activities, in as much detail as is currently known. Programs and activities may be added as opportunities or funding (Agency or other) arises.

***Goal: Target Housing Funds to Projects of Low and Very Low-Income Households to Address the Project Area's Proportional Share of the Unmet Housing Need.***

**Objectives:**

- Provide all Agency housing in the categories of very low-income, low-income and moderate-income with the percentage of each category overall, not on a project-by-project basis, to be 35% very low, 27% low and 38% moderate-income units to meet or exceed housing needs for the five-year period;
- Provide at least 86% of Agency housing projects and programs for ages 1-64;
- Assist in rental housing to upgrade and improve existing housing stock that is unsafe or unsound and to secure housing at affordable rental prices;
- Assist in the acquisition and rehabilitation of existing housing by non-profits with restrictions requiring the rents to remain affordable to very low and low-income persons;
- Assist for-profit and with non-profit developers construct new housing;
- Provide Ownership Assistance for low-income persons;
- Assure that any low and moderate income units destroyed by Agency sponsored housing activities are replaced.

**Program: Rental Assistance.** Ongoing rental assistance programs are performed by a variety of county and non-profit agencies that insure a supply of affordable rental units and provide information and other services to tenants. The Agency contributes to the efforts and programs of these other organizations.

**Projects:**

- (a) Marin Housing Rental Program.** The Agency contributes funds to the Marin County Housing Authority to implement Section 8 and other rental assistance programs.
- (b) Renters Assistance.** The Agency contributes to the administration of the voluntary "Fair Rental Practices Owner" program. The Agency has also paid security deposits for tenants who were displaced due to code enforcement actions.
- (c) Housing Support Programs.** The Agency contributes funds to a Ritter House program educating tenant and prospective tenants on how to secure and retain housing and to Rebuilding Together that provides home repairs for low-income homeowners.

**Program: Housing Conservation.** The Agency provides assistance to organizations that rehabilitate existing units and/or provide long term rental restrictions that keep affordable units in the housing stock.

**Projects:**

- (a) Rehabilitation Projects by Non-Profit Organizations.** The Agency contributes rehabilitation funds in exchange for long-term rental restrictions to insure that the units remain affordable to very low and low-income persons.

- (b) Acquisition and Rehabilitation of Existing Units by Non-Profit Organizations with Long Term Rental Restrictions.** Through this program, the Agency provides financial assistance for non-profit organizations to acquire, rehabilitate and manage rental units. The Agency records rental restrictions on all or a portion of the units and maintenance and operation standards on the whole property. The rental and operating restrictions generally have a fifty-year term.
- (c) Code Enforcement.** The Agency provides funding for one code enforcement officer assigned to inspect housing units occupied by lower income households.

**Program: Opportunity Development for Re-use and Infill Residential Development in Downtown and East San Rafael.** The Agency is a funding source for both profit and non-profit developers. By assisting in project funding, the Agency causes the inclusion of more affordable units or changes the mix of affordable units.

**Projects:**

- (a) "B" Street Project.** This is mixed-use project on B Street, which could include housing conservation and new housing units.
- (b) SMART (Sonoma Marin Area Rapid Transit).** The Agency provided a portion of the local matching funds for the MTC Station Area planning grants. The Agency funds will be used to develop information on the potential housing sites in the areas surrounding the SMART stations.

**Program: Canal Area Housing.** The Canal area contains a large number of affordable units, many of which need repair. The Agency will be seeking a variety of funding sources and assistance from non-profit housing organizations to retain the level of affordability and improve the physical condition of the units and the public improvements in the area. This will be coordinated with other City efforts.

**Projects:**

- (a) Canal Area Housing Improvement Project.** The Agency will continue to work with non-profit developers and organizations to acquire and rehabilitate multifamily properties in the Canal Area to implement better management and reduce code violations and public safety service calls and to insure long-term affordability for very low and low-income persons.
- (b) Canal Affordable, Safe and Healthy Housing Project (CASH):** The Agency will provide low interest rate loans to property owners to rehabilitate their properties. The Agency will record rental restrictions on all or a portion of the units and maintenance and operation standards on the whole property.

**Program: Ownership Assistance for Low-Income Persons.** The Agency will continue to provide assistance to low-income persons who are purchasing a unit through the City's Below Market Rate housing program. Currently, the grants are limited to \$7,500 per household.

**Program: New construction.** Provide technical assistance to non-profit and for-profit developers desiring to construct new housing in the city, including assistance with Agency programs and City inclusionary housing requirements and State density bonus implementation activities.

**Program: Replacement Housing.** Replacement units are required to be provided for any unit the Agency causes to be removed. The replacement units must be new or newly rehabilitated low and moderate-income units and provided within four years of the destruction or removal. The replacement units can be anywhere in the City of San Rafael, and are not limited to the Central San Rafael Project Area. All the replacement units must be affordable to persons and households of low and moderate-income. All of the units must be available at affordable housing cost to the same level of households (very low, low, or moderate-income) as the persons who were displaced from the destroyed or removed units. All affordability controls must be made enforceable by recorded covenants.

From 1995-96 to 2009/10 there were no Agency assisted projects that destroyed units. There is a potential that one or more of the projects considered in this Implementation Plan could include the removal of housing units, although this cannot be determined until the specific projects are undertaken. If any units are destroyed by future Agency assisted projects, the Agency will strive to replace those units on-site however, if onsite replacement is not feasible other locations do exist for the replacement of low and moderate units if any are removed.

**Projects:**

- (a) **Impact Identification.** As non-housing related projects are established, the impact on housing contained in the project will be identified, both in terms of the number of units and the level of affordability. A Replacement Housing Plan will be prepared for development agreements, if needed.
- (b) **Initiate Replacement Activities.** There are several options for replacement units, from new construction to contributions to increase the number of affordable units in a private development.
- (c) **Complete Replacement Activities.** The replacement units must be provided within four years of the removal of units. Depending upon the removal timing, replacement activities could conclude past the term of this Plan.

**Program: Housing Administration Assistance.** Administration activities include monitoring the City's Below Market Rate Housing Program, the Fair Rental Practices Initiative and Agency loans and grants.

## TIMELINE FOR PROGRAMS AND PROJECTS

The programs and projects explained in the Five-Year Goals, Objectives, and Projects section are estimated to occur as shown in Chart 7, Timeline for Programs and Activities. This demonstrates the actions that must occur in each program and estimates when each will occur.

**Chart 7**  
**Timeline for Housing Programs and Activities**

Program	2010/11	2011/12	2012/13	2013/14	2014/2015
Rental Assistance	Marin Housing Rental Program	Marin Housing Rental Program	Marin Housing Rental Program	Marin Housing Rental Program	Marin Housing Rental Program
Housing Support	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
Rehabilitation Projects by Non Profit Owners	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
Acquisition and Rehabilitation by Non Profit Housing Organizations	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
Code Enforcement	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
Opportunity Development Projects	Contribute to opportunity developments	Contribute to opportunity developments	Contribute to opportunity developments	Contribute to opportunity developments	Contribute to opportunity developments
B Street Redevelopment Project			Provide technical assistance in support of a mixed use development with affordable housing	Provide technical assistance in support of a mixed use development with affordable housing	Provide financial assistance in support of a mixed use development with affordable housing
SMART Station Area Plans	Planning activities to maximize housing potential on sites surrounding stations	Planning activities to maximize housing potential on sites surrounding stations	Planning activities to maximize housing potential on sites surrounding stations	Implementation actions to maximize housing potential on sites surrounding stations	Implementation actions to maximize housing potential on sites surrounding stations

Chart 7 Continued

Program	2010/11	2011/12	2012/13	2013/14	2014/2015
<b>Canal Area Housing Improvement Project</b>	Contribute to acquisition opportunities	Contribute to acquisition opportunities	Contribute to acquisition opportunities	Contribute to acquisition opportunities	Contribute to acquisition opportunities
<b>CAHIP</b>	Provide loans to properties meeting program criteria	Provide loans to properties meeting program criteria	Provide loans to properties meeting program criteria	Provide loans to properties meeting program criteria	Provide loans to properties meeting program criteria
<b>Ownership Assistance for Low Income Households</b>	BMR units are provided by City's inclusionary program	BMR units are provided by City's inclusionary program	BMR units are provided by City's inclusionary program	BMR units are provided by City's inclusionary program	BMR units are provided by City's inclusionary program
<b>New Construction</b>	Technical assistance to non profit & market rate developers	Technical assistance to non profit & market rate developers	Technical assistance to non profit & market rate developers	Technical assistance to non profit & market rate developers	Technical assistance to non profit & market rate developers
<b>Replacement Housing</b>	For units destroyed by Agency action, identify impacts & initiate replacement activities	For units destroyed by Agency action, identify impacts & initiate replacement activities	For units destroyed by Agency action, identify impacts & initiate replacement activities	For units destroyed by Agency action, identify impacts & initiate replacement activities	For units destroyed by Agency action, identify impacts & initiate replacement activities
<b>Housing Administration</b>	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing

## FUTURE AGENCY ACTIVITIES

Every California Redevelopment Agency Plan includes time limits for the effectiveness of the Plan, time limits for the receipt of tax increment funds and a limitation on the amount of tax increment funds. The limits for the Central San Rafael Project Area are as follows:

Effectiveness of the Plan	November 2015
Last date for receipt of tax increment	November 2025

The Agency is within six years of the date of the effectiveness of the Redevelopment Plan and is therefore required to address its ability to complete its housing responsibilities. Chart 8 below shows the requirements and the Agency's compliance.

**Chart 8  
Agency Housing Compliance**

Requirement	Current Compliance	Future Compliance
Deposit to the Housing Fund equal to 20% of Agency tax increment receipt	Complied for all years required.	Will comply for remainder of Agency life.
Eliminate any deficits in affordable housing fund	No deficits	No deficits
Expend or transfer surplus housing funds as defined in HSC 33334.12	No surplus	As shown in Chart 4, no anticipated surplus
Relocation Assistance	To date, no units destroyed by Agency assisted projects.	See above program description for relocation assistance.
Replacement housing	No units destroyed by Agency assisted projects; replacement housing not required.	See above program description for replacement units.

## ANNUAL EVALUATION PROGRAM

The Implementation Plan is required to show an annual plan in enough detail to evaluate performance. Performance should be assessed in the number and type of units that are generated and the steps that lead up to unit production. The Agency prepares an Annual Report on Housing, which is approved by the Agency Board and City Council and filed with the State Controller's Office and the Department of Housing and Community Development. This Annual Report includes a review of:

- Expenditure of housing funds;
- Number of units constructed, rehabilitated, assisted by the Agency or its partners;
- Actions taken on programs and projects.

The Annual Report on Housing is available in the City Clerk's office.

## HOUSING ACTIVITIES AND ACHIEVEMENTS IN THE LAST REPORTING PERIOD

**Number of Units Constructed, Rehabilitated, Assisted.** The estimated number of units constructed, rehabilitated, and assisted in the Project Area during the period of the previous Implementation Plan 2005/06 to 2009/10 are shown on Chart 3. All units assisted with Agency funds were income, price and/or rent restricted.

**Number of Affordable Units Destroyed by Agency Assisted Projects.** From 2005/06 to 2009/10 there were no Agency assisted projects that destroyed units.

**Expenditure of Funds.** Chart 5 shows the actual expenditure of funds over the term of the previous Implementation Plan.

Charts 3 and 4 show how the Agency's expenditures from the low and moderate-income housing fund met the targeting objectives between 2005/06 to 2009/10. As the chart indicates, 62% of the low/moderate housing need was in the very low-income and low income category. To address this need, over 82% of Agency housing expenditures were for projects serving very low and low income households during this time period.

**Chart 9**  
**Number of Units in Project Area by Type Per Year of Implementation Plan**  
**(Includes Market Rate and Restricted Affordable Units)**  
**2005/06-2009/10**

Unit Type	2005/06	2006/07	2007/08	2008/09	2009/10	Total
Rehab		28	40	0		68
New						
Assisted		1		1	2	4
Destroyed (1)						
Senior Restricted		0	66	0	0	66
Total		29	106	1	2	138

(1) Potential exists for unit removal, but number not known or planned for at this time.