

**ROSELAND REDEVELOPMENT PROJECT
FIVE-YEAR IMPLEMENTATION PLAN
For the Period 2006 – 2011
(Adopted 10/3/06)**

INTRODUCTION

Implementation Plan Purpose for the Five-Year Period from 2006 through 2011

As required by Section 33352(c) of the California Community Redevelopment Law (CRL): Health and Safety Code Section 33000 et seq., the Five-Year Implementation Plan (Plan) describes specific goals and objectives, actions and projects, and expenditures proposed by the Sonoma County Redevelopment Agency (Agency) for the next five years of redevelopment program implementation in the Roseland Redevelopment Project Area (Project Area). As such, it supplements the description of the overall redevelopment program presented in the Roseland Redevelopment Plan (Redevelopment Plan) approved by Ordinance 3327, November 27, 1984.

The primary purpose of this Plan is to provide a reasonably detailed, yet flexible framework for redevelopment program implementation by the Sonoma County Community Development Commission (CDC), in its capacity as the governing body of the Sonoma County Community Redevelopment Agency (Agency). A second purpose of this Plan is to inform affected taxing entities, businesspersons, residents, community organizations, and interested citizens of anticipated actions to be taken and expenditures to be made during the next stage of the redevelopment program.

This Plan was developed under the assumption that the CDC will continue to manage the Roseland Redevelopment Project (Project) for the Plan's full term. However, under the provisions of the 1984 Jurisdiction and Annexation Agreement between the County and the City of Santa Rosa, when annexations result in at least sixty percent (60%) of the Project Area being incorporated into the City, management of the Project will be transferred to the City. Under the provisions of a more recent Memorandum of Understanding (MOU), responsibility for management of the Project may be transferred to the City prior to the annexation of at least 60% of the Project Area upon completion of specified actions as set forth in the MOU. In either event, at the time of transfer to the City, the City would have the options of continuing to use this Plan or revising it. In any event, this Plan will be updated again no later than November 2009.

Making Effective Use of Limited Resources

The Roseland Project Area is relatively small and development and property value increases have been relatively limited during the twenty-two year life of the Project to date. Correspondingly, resources available for implementation activities during the years covered by this Plan are relatively limited. Accordingly, this Plan is based on an estimate of approximately \$ 6.3 million in gross tax increment revenues over the term of this Plan. However, the extension in 2004 of the date beyond which the Project can incur debt has

triggered the requirement to pass-through twenty percent (20%) of the increase in gross tax increment revenues for each of the years covered by this Plan. The amount of the mandated pass-throughs is estimated to exceed \$453,400 during the term of this Plan. Though the State government has consistently required the contribution of redevelopment funds to the Education Revenue Augmentation Fund (ERAF), the State is not expected to require any more ERAF contributions from redevelopment funds within the term of this plan. With these considerations in mind, this Plan is predicated on the intent to give emphasis to infrastructure improvements, affordable housing programs – especially rehabilitation of existing substandard units – and economic development projects to create more jobs in the Project Area.

Potential for Issuance of Tax Allocation Bonds

The preliminary budget included in this Plan conservatively assumes that programs and projects will be funded on a pay-as-you-go basis from annual tax increment revenues. Though CRL permits the issuance of tax allocation bonds by redevelopment agencies, such bonding is not anticipated within the term of this Plan. If the CDC should conclude that it is prudent and appropriate to issue bonds at a later stage of the five-year period of this Plan, this Plan could be updated to reflect expenditure targets and additional programs and/or projects to be funded with the proceeds of such bonds.

GOALS AND OBJECTIVES

Redevelopment Plan Goals and Objectives

The Specific Goals and Objectives set forth below are based upon the statement of goals and objectives in the Redevelopment Plan for the Roseland Redevelopment Project (Project), hereby incorporated in this Plan by reference. The scope of this Plan narrows the focus of priorities for the next five-year period.

Goals and Objectives for the Five-Year Period from 2006 through 2011

Goals and Objectives for the five-year period of this Plan include:

- Elimination of conditions that blight the Project Area
- Infrastructure improvements in the Project Area
- Improvement of substandard housing conditions in the Project Area
- Economic development that leads to increased employment opportunities
- Revitalization of the Project Area's businesses and business districts
- Improvement of vehicle and pedestrian safety
- Provision of public improvements, facilities and open space
- Funding of other appropriate redevelopment activities

Although these goals and objectives cover the proposed program for the five-year period of this Plan, funding limitations will allow only their partial accomplishment.

PROGRAMS AND PROJECTS FOR THE FIVE-YEAR PERIOD FROM 2006 THROUGH 2011

Economic Development and Other Non-Housing Programs and Projects

The preliminary projection of the revenues available for non-housing programs is very limited. After accounting for mandatory pass-throughs, projected administrative costs, debt service, and partial use of non-housing fund balance, approximately \$5 million is projected to be available for economic development and other non-housing programs and projects for the five-year term of this Plan. Consequently, it is anticipated that special emphasis will be given to the following implementation programs and projects:

- Streetscape and Infrastructure Improvements: The highest non-housing priority for the Project Area has been the improvement of Sebastopol Road west of Dutton with curbs, gutters, sidewalks, street lighting, and landscaping. Emphasis will be given to Sebastopol Road improvement east of Dutton and other infrastructure improvements such as neighborhood street improvements, pedestrian crossings, street trees and other landscaping, traffic circulation improvements, and other installation and repair of storm drainage systems. Other improvements may be accomplished as opportunities arise and funds are available. Approximately \$2 million is proposed for funding continued streetscape and infrastructure programs and projects.
- Open space, recreation, community and other public facilities: The Agency will explore opportunities for open space, recreation, community and other public facilities to promote the public health, safety and welfare. \$.5 million is proposed for funding open space, recreation, community, and other public facilities.
- Commercial revitalization and economic development: The Agency will seek opportunities to assist economic development and revitalization of the Project Area, especially including the extension of financial support targeted to improvement and expansion of existing businesses and attraction of compatible new businesses. Projects may include assistance to efforts to market the Project Area's attributes and services, assistance with environmental clean-up, if required, facade improvements and commercial rehabilitation, improved signage, public art, and programs and projects to reinforce the Project Area's identity. Approximately \$2.5 million is proposed for funding other redevelopment activities.

Affordable Housing Programs and Projects

CRL requires that this Plan include compliance with Section 33413 regarding production of new and preservation of existing affordable housing in the Project Area. In 2005, the Burbank Housing Development Corporation (BHDC) completed the Timothy Commons Project with Agency financial assistance. The development of these new units that are restricted by affordability covenants exceeds the Agency's housing production

requirements, to date. Currently, the Agency does not intend to serve as a developer but, rather, plans to assist non-profit housing organizations, property owners, and private developers in their developments and place an emphasis on rehabilitation efforts. There is very little vacant, residentially zoned land in the Project Area. However, based on the housing production rate to date, the number of affordable units already produced will be sufficient to cover the Agency's future housing production obligation.

Tax increment revenues available for affordable housing programs over the five-year period from 2006 through 2010 will be at least twenty percent (20%) of gross tax increment revenues for the Project and are projected to total approximately \$1.25 million. However, under the provisions of the previously mentioned 1984 Jurisdiction and Annexation Agreement, the CDC transfers part of each year's housing set-aside funds to the City of Santa Rosa in proportion to the part of the Project Area incorporated into the City. At the beginning of the term of this Plan, that proportion was approximately one-half and this Plan assumes that no additional property will be annexed into the City during the term of the Plan. Therefore, this Plan assumes that one-half of each year's housing set-aside funds, totaling approximately \$630,000 will be available for affordable housing projects under the management of the CDC.

The Agency proposes to use affordable housing funding as follows:

- **Rehabilitation** of units occupied by persons of low- and very low-income, especially elderly homeowners and renters in single-family homes and mobilehome parks. Such work is anticipated to include but not necessarily be limited to roofing repairs, removal of termite infestation and dry rot, installation/improvement of insulation and thermal efficiency, access improvements, and plumbing and electrical improvements, earthquake bracing and other assistance to mobilehomes, and public information and other outreach programs to increase participation in and effectiveness of the rehabilitation programs.
- **Development** of new multifamily units, especially in conjunction with efforts to increase the number of units available to agricultural workers. Activities may include but would not necessarily be limited to the acquisition and disposition of land for the development of affordable housing units, and participation with other lenders in financing affordable housing development projects.

These programs are anticipated to be provided through low-cost, low-interest loans and, where appropriate, small grants, in combination with other programs as appropriate and available. Housing Set-Aside funds will be distributed between these programs as opportunities arise. Revenues received during the five-year term of this Plan may be added to the funding levels projected above through the annual budgeting process.

PRELIMINARY IMPLEMENTATION BUDGET FOR THE FIVE-YEAR PERIOD FROM 2006 THROUGH 2011

The Preliminary Budget for the five-year period of implementation of the Plan, as described above, is presented as Table 1. It should be noted that this five-year budget sets general guidelines and targets for Agency expenditures and that the actual allocation and appropriation of funds will be set through the CDC’s adoption of annual budgets for the Agency. Allocations for various activities in the adopted annual budgets may vary from the Preliminary Budget presented in this Plan to reflect the judgment of the CDC about changing redevelopment needs and opportunities.

ALLEVIATION OF BLIGHT

Adverse physical and economic conditions in the Project Area have been described in Part II of the Report on the Plan for the Roseland Redevelopment Project, included with the Redevelopment Plan. Adverse conditions anticipated to be partially or fully alleviated during the five-year period of this Plan are summarized in the Table 2.

Table 1

PRELIMINARY IMPLEMENTATION BUDGET
(figures in thousand of dollars)

FY	2006/07	2007/08	2008/09	2009/10	2010/11	Total
Program						
Streetscapes and Infrastructure	400	400	400	400	400	2,000
Other public facilities/open space, and recreation	100	100	100	100	100	500
Commercial revitalization	500	500	500	500	500	2,500
Affordable housing	200	200	200	200	200	1,000
Total	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$6,000

Table 2

**ALLEVIATION OF ADVERSE CONDITIONS
FIVE-YEAR IMPLEMENTATION PERIOD 2006 – 2010
ROSELAND REDEVELOPMENT PROJECT**

Documented Adverse Physical and Economic Conditions	Proposed Redevelopment Actions and Projects Designed to Alleviate Conditions
<p>Deficient or Deteriorated Buildings</p> <ul style="list-style-type: none"> • Structurally unsound residences • Physically damaged residences • Residences with leaking roofs • Deteriorated residences • Buildings that fail to provide adequate access for the disabled <p>Blighting Conditions</p> <ul style="list-style-type: none"> • Abandoned, fire damaged and dilapidated buildings • Abandoned vehicles • Trash and debris accumulations <p>Adverse Economic Conditions</p> <ul style="list-style-type: none"> • Declining tax revenues • Underutilized properties • Limited job opportunities • Limited purchasing power <p>Substandard Public Improvements</p> <ul style="list-style-type: none"> • Inadequate and substandard park and recreational facilities • Substandard, deteriorated and hazardous roads 	<p>Deficient or Deteriorated Buildings</p> <ul style="list-style-type: none"> • Stabilization of residences • Residential rehabilitation • Provision of accessibility improvements for the disabled <p>Blighting Conditions</p> <ul style="list-style-type: none"> • Assistance in the removal of abandoned, fire damaged and dilapidated buildings • Removal of abandoned vehicles • Clean-up of trash and debris <p>Adverse Economic Conditions</p> <ul style="list-style-type: none"> • Economic development funding • Assistance with business districts revitalization • Economic assistance programs <p>Substandard Public Improvements</p> <ul style="list-style-type: none"> • Clean-up and rehabilitation of existing park and recreational facilities • Repair and improvement of substandard, deteriorated and hazardous roads