



## Strategic Planning Implementation Project Charter

**Project Name:** *As noted on Grid of Major Projects*

Strategic Plan Project #14: Russian River RDA: Initiate Russian River Redevelopment Plan amendment that will incorporate annual cap on General Fund impact.

**Expected Deliverables/Outcomes:** *List of reports, recommendations, policies, processes, services, or other expected products from the project. Remember that deliverables are things, not actions. Number each deliverable.*

Restated and Amended Redevelopment Plan for the Russian River Redevelopment Project

**Project Owner:** *The Project Owner provides or locates funding and resources for the project, approves project work plans, timelines, and budget, guides and directs the project manager, and in concert with the project manager delineates roles and responsibilities of the manager and project team. Overall they ensure successful completion of the project.*

Community Development Commission – Kathleen Kane

**Project Manager(s):** *The project manager is responsible for ensuring that project planning, execution, and reporting occur. For purposes of the project, reports to Project Owner (though may be the same person).*

Community Development Commission – Kathleen Kane

**Other Departments Involved:** *Please list those departments whose participation or support is necessary in order for the project to be completed.*

County Counsel  
Planning Commission & PRMD Staff

Transportation & Public Works, General Services, and Health Services/Environmental Health Division will be asked to provide input about the need for and cost of improvements in the Project Area.

**Start/Finish:** *No sooner than July 2008 for new or future projects*

Start: January 1, 2009

Finish: June 30, 2010

**Background/Summary:** *(Optional)*

Property tax increment that flows to redevelopment projects would otherwise be allocated to the County general fund and to special districts providing services in the redevelopment project areas. Every \$8 million in tax increment that is allocated to the Russian River RDA results in ~\$1 million loss to the County general fund. The Russian River RDA received approximately \$3.5 million in tax increment for FY 07-08. The amount of tax increment revenue allocated to the RDA will increase annually in proportion to the increase in the assessed valuation of all properties within the Project Area, and will continue through the end of the Project's effective life in FY 2029-30, or through FY 2044-45 if needed to repay outstanding debt. Financial projections indicate that the tax increment allocated to the RDA could exceed \$50 million annually and \$900 million cumulatively by FY 2044-45.

On April 1, 2008, the Board of Supervisors, in their capacity as the CDC Board of Commissioners, established a policy to limit the amount of tax increment that may be allocated to the Russian River Redevelopment Project to \$300 million cumulatively, and \$8 million per year, directed staff to incur no more debt than can be supported by tax increment receipts at those levels, and to document this policy directive in all future planning and public information documents for the Russian River Redevelopment Project.

An amendment of the Russian River Redevelopment Plan will formalize caps for the Project. The precise amount of the caps will be determined through a comprehensive identification and analysis of projects needed to improve the project area.

**Resources Required:** *Please note the name of the county department and whether existing and/or new personnel will be required, as well as any external resources. Note role they will play (examples would be Project manager, Subject Matter Experts, IT support, Project team member, etc): check box for existing or new.*

	Role	Existing	New
Community Development Commission	Project Owner & Manager	X	
County Counsel (paid)	Legal support	X	
Planning Commission & PRMD staff (paid)	Consultation/recommendation to Board/CDC as required by CRL	X	
Transportation and Public Works	Information Input	X	
General Services	Information Input	X	
Health Services/Environmental Health Division	Information Input	X	
External staff (paid)			
<ul style="list-style-type: none"> <li>• Redevelopment Legal Counsel</li> </ul>	Legal support	X	
<ul style="list-style-type: none"> <li>• Redevelopment Planning Consultant</li> </ul>			X
<ul style="list-style-type: none"> <li>• CEQA Consultant</li> </ul>			X
<u>Monetary resources</u> – RR RDA Funds (Note: final amount to be determined following determination of legal requirements for plan amendment; see Assumptions/Constraints below)	\$50,000 - \$200,000		

**Policy Review:** *List and briefly describe Board of Supervisors or CAO policies that need to be considered and/or resolved before the project can be completed.*

Sonoma County Policy Guidance for Use of Redevelopment Funds

The priorities and criteria established in the Policy Guidance will be used as a basis for determining the potential projects that will be included in the analysis that leads to determination of the appropriate cumulative and annual tax increment caps for the Project Area.

Russian River Redevelopment Plan

The Plan adopted by the Board in July 2000, and the accompanying Report to the Board of Supervisors and CEQA documentation, contain the analyses and justifications regarding the existence of blight in the Project Area and the level of tax increment required to eliminate the identified blight. This information must be taken into account as part of the blight analysis and financial justification required for the Amended Plan.

**Assumptions/Constraints:** *List any major assumptions and or constraints important to the project's success.*

The plan amendment will be subject to an extensive citizen participation process, as required by California Community Redevelopment Law (CRL). It is assumed that a majority of residents and property owners in the Russian River Project Area will support a formal tax increment cap; however, it may be difficult to obtain community acceptance of what projects will be prioritized to receive a portion of the newly limited redevelopment funding.

The provisions of CRL do not contemplate plan amendments to impose tax increment caps where none currently exist or to reduce the level of previously established caps. There is apparently no precedent for an amendment of this type in other jurisdictions within the state. However, the County and City of Santa Rosa recently agreed to an MOU that limits both the maximum and annual tax increment cap resulting from the new Gateway Redevelopment Project. It will therefore be necessary for Redevelopment Counsel to determine the legal requirements for such an amendment before we can proceed.

A key assumption is that the plan amendment will not trigger the need for a CEQA EIR. If Redevelopment Counsel determines that the legal requirements do require preparation of an EIR, the timeline and required financial resources for the amendment will be significantly impacted. It could take an additional 6-12 months to complete the work, and the financial resources could increase by \$150,000-\$300,000. Redevelopment funds would be available to pay this increased cost.

**Project Interdependencies and Inputs:** *List by project name any other projects or initiatives upon which this project is dependent. Also note any projects or initiatives dependent upon this project.*

**Risks:** *(Optional)*

Residents and property owners who oppose the Redevelopment Project may use the plan amendment process as an opportunity to work for the repeal of the existing Redevelopment Plan to prevent any further use of tax increment for redevelopment activities in the area.

A Negative Declaration under CEQA could be subject to challenge by redevelopment opponents.

**Exclusions:** Use this section, if necessary, to clarify what **will not** be addressed by the project.

**Milestones:** Note key events marking project progress

Note: The following milestone list will be refined after Redevelopment Counsel is able to determine CRL requirements for a plan amendment to impose a tax increment cap where none currently exists. Some milestones may be eliminated or added based on this determination.

1. Prepare Amended Preliminary Plan.
2. Conduct Planning Commission hearing on Amended Preliminary Plan.
3. Issue RFP and contract with redevelopment planning and CEQA consultants.
4. Complete identification and analysis of projects needed to improve Project Area.
5. Prepare financial projections to determine annual and cumulative levels of tax increment revenue anticipated and needed to complete identified projects.
6. Prepare / disseminate draft Amended RDA Plan.
7. Prepare / disseminate CEQA documentation.
8. Prepare / disseminate Preliminary Report.
9. Consult with affected taxing entities.
10. Prepare / disseminate Final Report
11. Conduct Planning Commission hearing on Amended Plan, Final Report, and CEQA determination.
12. Board / CDC adopt ordinance approving Amended Plan.

### Project Duration Estimates

Project Milestone	Date Estimate (mo/day/year)	Confidence Level (See Comment, below) (high, medium, or low)
Project Start Date	1/1/09	High
Milestone 1: Amended Preliminary Plan	2/1/09	High
Milestone 2: Planning Commission hearing	3/1/09	Medium
Milestone 3: Hire consultants	4/1/09	High
Milestone 4: Project analysis	10/1/09	Medium
Milestone 5: Financial projections	12/1/09	Medium
Milestone 6: Draft Amended Plan	1/1/10	Medium
Milestone 7: CEQA documentation	1/1/10	Medium
Milestone 8: Preliminary Report	1/1/10	Medium
Milestone 9: Taxing entity consultation	4/1/10	High
Milestone 10: Final Report	5/1/10	Medium
Milestone 11: Planning Commission hearing	5/15/10	Medium
Milestone 12: Adopt Amended Plan	6/15/10	Medium
Project End Date:	6/30/10	Medium

**Project Status:** For those projects underway, please note the date and indicate Green (low concern) Yellow (moderate concern) or Red (high concern) that project will exceed timeline, budget or scope.

**Comments:**

Because RDA plan amendments require a significant amount of CDC staff and financial resources, commencement of work on the Russian River RDA Plan amendment may be delayed if it is determined that an anticipated plan amendment for the Roseland RDA needs to move forward during 2009.