

BUCKEYE REDEVELOPMENT PROJECT AREA

**IMPLEMENTATION PLAN
FISCAL YEARS
2010-11 THROUGH 2014-15**

Adopted by the Redding Redevelopment Agency
June 15, 2010, Resolution No. 2010-06

Adopted by the Shasta County Redevelopment Agency
June 15, 2010, Resolution No. 2010-03

THE BUCKEYE REDEVELOPMENT PROJECT AREA
FIVE-YEAR IMPLEMENTATION PLAN 2010-11 THROUGH 2014-15
TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	PROJECT AREA HISTORICAL PERSPECTIVE	2
III.	STATUS OF PROJECTS, PROGRAMS, AND OTHER ACTIVITIES	4
IV.	SUMMARY OF IMPLEMENTATION PLAN DEVELOPMENT PROCESS	5
V.	DESCRIPTION OF PROJECT BLIGHTING CONDITIONS	5
VI.	GOALS AND OBJECTIVES FOR THE PROJECT AREA WHICH WILL ASSIST IN ELIMINATING BLIGHTING CONDITIONS	6
VII.	PROPOSED PROJECTS OR PROGRAMS AND EXPENDITURES PLANNED DURING THE FIVE-YEAR TERM WHICH WILL ASSIST IN ELIMINATING BLIGHTING CONDITIONS	8
VIII.	HOUSING COMPONENT	14

ATTACHMENT A - COMPLETED HOUSING PROJECTS

I. INTRODUCTION

California Community Redevelopment Law (Health and Safety (H & S) Code § 33000 et seq) sets forth the authority under which redevelopment agencies function as an agency, adopt redevelopment plans and undertake redevelopment activities. Pursuant to Section 33352(c) of the Health and Safety Code, as part of the redevelopment plan adoption process, an agency must develop an implementation plan which provides documentation for the link between the elimination of blight and the proposed activities of the agency over the next five years. The initial implementation plan is to be included as part of the Report to the Legislative Body. Thereafter, the implementation plan shall be revised and adopted every five years. In addition, at least once during each five-year period, a public hearing on the implementation plan is required to be held. Amendments to the plan may be made at any time during the five-year period following a public hearing on the proposed amendments.

The City Council of the City of Redding (City) and the Shasta County (County) Board of Supervisors adopted the initial Implementation Plan for the joint Buckeye Redevelopment Project Area (Buckeye) on June 20, 2000, and July 18, 2000, respectively. The initial Implementation Plan covered the period July 2, 2000, to July 1, 2005. The required interim public hearing was conducted by the Redding Redevelopment Agency (RRA) on May 19, 2003. The second Implementation Plan, covering the period from July 2, 2005, to July 1, 2010, was adopted on June 20, 2005, and June 21, 2005, respectfully, by the RRA and the Shasta County Redevelopment Agency (SCRA), and its midterm review was conducted on January 28, 2008. Subsequently, the Implementation Plan was amended on August 18, 2008, by the RRA and on August 19, 2008, by the SCRA.

This document is the third five-year Implementation Plan for Buckeye. It sets priorities for redevelopment activities within Buckeye for the five-year period July 1, 2010, through June 30, 2015. The Implementation Plan is a policy statement rather than an unalterable course of action. It provides a clear and reasonable outline of current activities, as well as proposed activities, and establishes a nexus between these activities and the purpose of redevelopment which is to eliminate blight and to develop, preserve, and rehabilitate affordable housing. The Implementation Plan is not intended to limit future activities to the goals and objectives, projects, programs, and expenditures outlined herein, since conditions, values, expectations, resources, and the needs of Buckeye may change from time to time. Rather, as new issues and opportunities are encountered, the Implementation Plan will be amended, if necessary, to continue to effectuate the purposes of the Redevelopment Plan for Buckeye.

Implementation Plan Objectives

The objectives of the Implementation Plan are to (1) describe the specific goals and objectives of the Buckeye Redevelopment Plan; (2) present the projects, programs, and expenditures that will assist in attaining those goals and objectives; and (3) describe how the goals, objectives, projects, programs, and expenditures will assist in the alleviation of blight.

The Implementation Plan also describes how the RRA and the SCRA will implement both the requirement to increase, improve, and preserve low- and moderate-income housing and the production housing requirements. It contains housing programs and specific plans for the expenditure of monies from the Buckeye Low- and Moderate-Income Housing Fund (LMIHF).

If the Implementation Plan contains a project that will result in the destruction of low- or moderate-income housing, it will identify proposed locations suitable for the replacement dwelling units.

Also incorporated into this Implementation Plan is the Housing Production Plan which sets forth how the replacement and production housing obligations are being met every 10 years [Health and Safety Code §33413(b)(4)].

Buckeye Project Timelines

When a project area is adopted, certain time frames are established for the elimination of blighting conditions within that area. The current time limits associated with Buckeye are as follows:

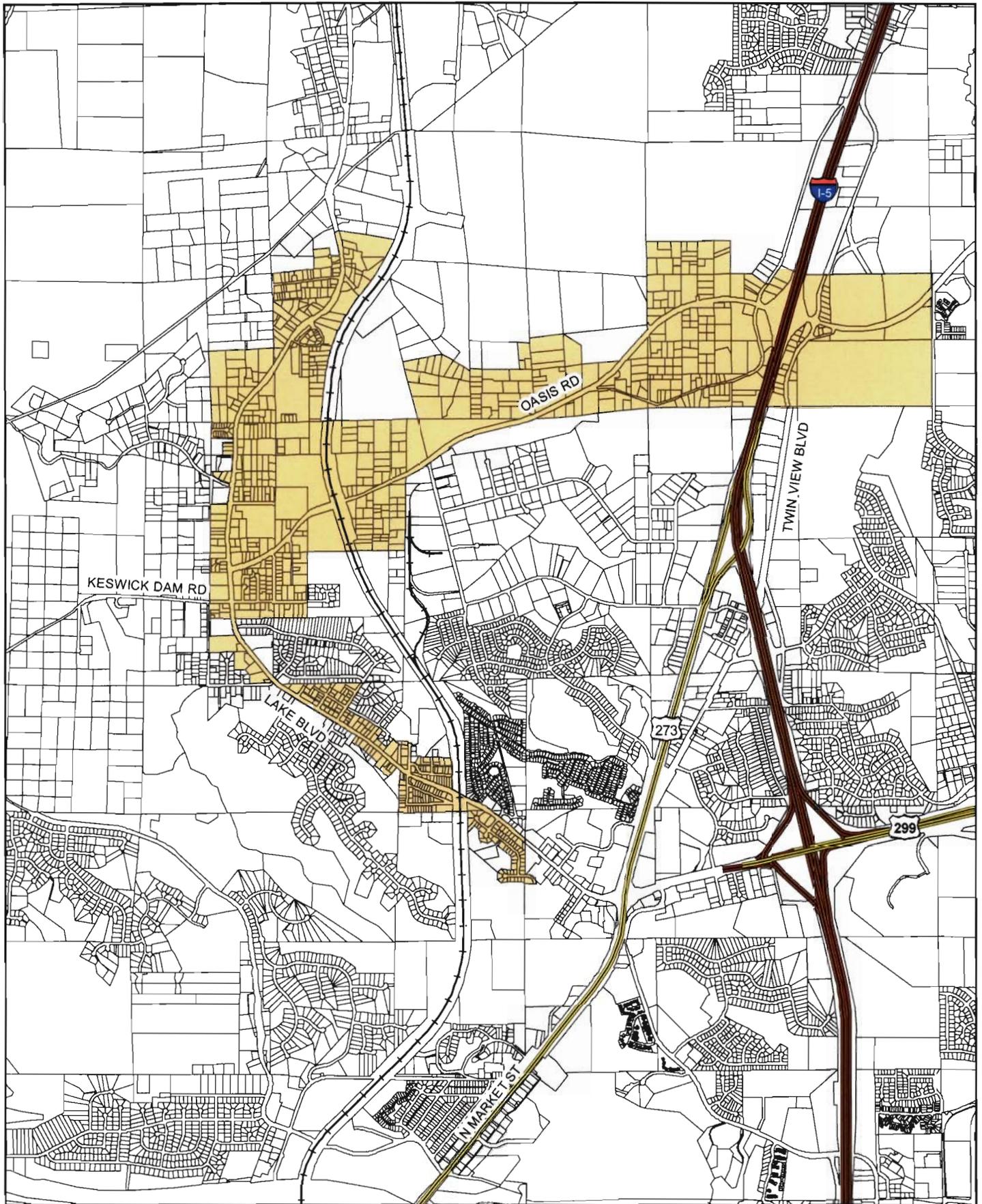
- Commencement of eminent domain proceedings to acquire property: July 18, 2012
- Establishment of loans, advances, and indebtedness: July 18, 2020
- Effectiveness of the Redevelopment Plan: July 18, 2030
- Repayment of indebtedness utilizing tax increment revenue: July 18, 2045

II. PROJECT AREA HISTORICAL PERSPECTIVE

Buckeye is a cooperative redevelopment project adopted by the City on June 20, 2000, and by the County on July 18, 2000. The Project Area consists of 1,063 acres within the City's and County's existing urban infrastructure network. The Project Area encompasses a linear layout formed by the Oasis Road corridor, with Gold Hills Drive as its eastern boundary, and the Lake Boulevard corridor with the first series of parcels contiguous to and fronting Lake Boulevard as its western boundary. The Project Area runs along Lake Boulevard from Buckeye Terrace in the south to the vicinity of Meraz Lane in the north. The map on the following page illustrates the boundaries of the Project Area.

The stated reason for the establishment of Buckeye was to assist in the elimination of physical and economic blighting conditions that were identified as preventing the Project Area from reaching its full economic potential. Historically, low levels of private investment in the Project Area had led to stagnation of property values and a steady physical decline of the area. Existing parcelization patterns were inefficient and unlikely to be appropriate for modern development needs. Aging infrastructure also was identified as inadequate and obsolete in both function and design to accommodate future growth in the area.

Elimination of the identified blight conditions and revitalization of the Project Area is to be accomplished through a comprehensive set of programs, activities, and projects including: 1) selective land assembly and disposition; 2) site preparation, including remediation of toxic waste; 3) relocation assistance, as necessary; 4) commercial and industrial rehabilitation; 5) creation of development partnerships; 6) affordable housing activities; and 7) reconstruction, replacement, and improvement of public infrastructure serving the Project Area.



P:\REDEVELOPESR\BUCKEYE_LAKE_AREAS.MXD



BUCKEYE REDEVELOPMENT PROJECT AREA

III. STATUS OF PROJECTS, PROGRAMS, AND OTHER ACTIVITIES

Accomplishments FY 2005 - FY 2009

As with most new project areas, there was not sufficient tax increment revenue in the first five years (FY 1999 - FY 2004) to undertake any major project. Receipt of tax increment did not begin until the second year after adoption of the Project Area. Prior to the beginning of the second five-year planning period (FY 2005 - FY 2009), tax increment revenue was used for administration purposes, to repay the costs incurred during establishment of the Project Area, and to contribute a pre-determined amount of tax increment revenue to the Education Revenue Augmentation Fund (ERAF). Starting in FY 2005, tax increment revenue began to be allocated for specific blight reducing activities, including the following:



Safe Routes to Schools Project: This project consisted of the design and construction of approximately 1,100 linear feet of curb, gutter, sidewalk and drainage improvements along Lake Boulevard between Oasis Road and Hiatt Drive. The project provided safe pedestrian access to Buckeye School of the Arts, formerly Buckeye Elementary School, along the Lake Boulevard four-lane arterial. Previously, children and other pedestrians along this route were forced to walk outside the road or along the road's paved shoulder. The total project cost was approximately \$363,568, of which \$36,357 in tax increment funds were contributed from Buckeye.

Water Service Improvements: The Bow Lane Waterline Project and the Oasis Road Bridge Water Main Project were completed during FY 2006 - 07. Tax increment funds in the amount of \$96,114 provided for the design and installation of a six-inch water main and a new fire hydrant along Bow Lane and an eight-inch waterline and new fire hydrant along the Oasis Road Bridge that crosses over Churn Creek. Completion of the two water projects assisted in eliminating blight by addressing a fire-safety issue, reducing the fire hazard risk to existing private property, and encouraging future investments in the area.

Bridge Improvements: Starting in FY 2007-08, tax increment funds assisted with the design of several bridge improvement projects anticipated to be constructed during the next five-year planning period. The bridge projects include replacing the existing one-lane bridge over Churn Creek at Old Oasis Road; replacing the existing two-lane bridge over Churn Creek at Twin View Boulevard; and replacement of an aging, narrow bridge at Dean Road over Buckeye Creek with a two-lane bridge. Tax increment funds from the Buckeye Project Area will be utilized to assist

with both the design and construction phases of these projects. The combined total cost of all three bridge improvement projects is anticipated to be approximately \$6,780,000, only a portion of which will be paid for with tax increment resources.

Street Improvements: Starting in FY 2007-08, tax increment funds assisted with the design of traffic signal improvements and related right-of-way acquisition for signalization of the intersection of Lake Boulevard and Keswick Dam Road. Upon completion of design and right-of-way acquisition activities, additional funding sources will be sought for the construction of the improvements, if sufficient tax increment resources are not available.

IV. SUMMARY OF IMPLEMENTATION PLAN DEVELOPMENT PROCESS

The FY 2010 - FY 2014 Buckeye Implementation Plan was developed pursuant to requirements contained in H & S Code §33490. It uses as its basis the goals, objectives, findings of blight, and proposed projects contained within the original "Report to the Legislative Bodies" and the Redevelopment Plan for Buckeye adopted in 2000. Also, any additional goals and objectives which may have been developed since that time due to changing market forces and community needs have been incorporated into the Implementation Plan.

As required by current regulations, the draft FY 2010 - FY 2014 Implementation Plan will be made available for public review starting May 14, 2010, and concluding with formal public hearings on the Plan conducted by the RRA and the SCRA on June 15, 2010.

V. DESCRIPTION OF PROJECT BLIGHTING CONDITIONS

Blighting conditions identified at the time of adoption of a project area form the basis of the proposed programs and activities set forth by an agency during the project's life to alleviate or eliminate the identified blight. In 2000, blighting conditions within the Project Area were identified in each of two broad blight categories, that is, physical blight and economic blight.

There are six primary physical and five economic blighting conditions in the Project Area that are prevalent and substantial. These blighting conditions result in substandard conditions for persons who live or work in the Project Area and/or create a major obstacle for investment in the area, thereby causing barriers to full utilization of the Project Area. These conditions are so severe that they cannot be alleviated by either the private or public sectors acting alone, or in combination, without redevelopment.

Physical blighting conditions in the Project Area include: (1) dilapidated and deteriorating structures with obsolete or defective physical construction; (2) faulty or inadequate utilities; (3) noise exposure; (4) substandard design; (5) irregularly-shaped and inadequately-sized parcels; and (6) incompatible land uses.

Economic blighting conditions in the Project Area include: (1) depreciated or stagnant property values; (2) impaired investments; (3) abnormally high-vacancy rates and low-lease rates; (4) lack of neighborhood supporting commercial facilities; and (5) overcrowded conditions.

Redevelopment activities over the past five-year planning period have been directed to eliminating the identified conditions of blight within the Project Area, however, due to the limited resources available and the significant levels of blight existing in the Project Area, blight reduction has been slow.

The Project Area, similar to the entire community, has been impacted by the severely depressed national and statewide economy of the past 18 months. Within the Project Area, economic growth slowed significantly over the most recent three fiscal years (FY 2006 - FY 2008). Property valuations for FY 2009-10 actually dropped 3.68% below the previous period. It is anticipated that property values will continue to decline for at least the beginning of the next five-year planning period.

VI. GOALS AND OBJECTIVES FOR THE PROJECT AREA WHICH WILL ASSIST IN ELIMINATING BLIGHTING CONDITIONS

As stated in Section II, the overall purpose of the Project Area is the elimination of the above-noted physical and economic blight conditions and influences of blight that currently exist. This will be achieved by incorporating the following major goals contained in the Redevelopment Plan for the Buckeye Project Area:

- 1) The elimination of blighting influences and the correction of environmental deficiencies in the Project Area, including, among others: small and irregular lots under multiple ownership; faulty exterior spacing; deteriorated, obsolete and aged building types; mixed character of buildings; incompatible and uneconomic land uses; and inadequate or deteriorated public improvements, facilities and utilities.
- 2) The assembly of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area.
- 3) The replanning, redesign and further development of underdeveloped areas which are economically stagnant, physically constrained, and/or under utilized.
- 4) The providing of opportunities for participation by owners and tenants in the revitalization of their properties.
- 5) The strengthening of industrial, retail, and other commercial functions in the Project Area.
- 6) The strengthening of the economic base of the Project Area and the community by the installation of needed site improvements to stimulate revitalization, new commercial/light industrial expansion, employment and economic growth.
- 7) The provision of adequate land for parking and open spaces.
- 8) The establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project.

- 9) The expansion and improvement of the community's supply of low- and moderate-income housing.

In support of the major goals, the partner agencies, the RRA and the SCRA, have identified the following Project Area objectives contained in the Redevelopment Plan:

- 1) Provide for the expansion and improvement of the existing Project Area circulation system.
- 2) Support needed bridge improvements to existing Project Area creek crossings.
- 3) Support the development of a regional planning approach to develop and implement solutions in the Project Area.
- 4) Support the improvement of water, storm drainage, and other community facilities located within the Project Area consistent with current policies of the City of Redding and County of Shasta, through replacement, expansion, or upgrading.
- 5) Support the design and implementation of a regional stormwater control system that aids in the elimination of blight in the Project Area caused by or exacerbated by the present inadequate stormwater controls.
- 6) Provide adequate traffic control at key intersections, including safe pedestrian crossing zones, improved lighting, and traffic control signals that allow for safe and efficient vehicle and pedestrian circulation.
- 7) Provide safe school bus and mass transit bus stops that do not conflict with dangerous road conditions.
- 8) Assist as needed in the provision of adequate fire protection facilities for the Project Area.
- 9) Identify appropriate areas for neighborhood- and community-serving commercial development within the Project Area.
- 10) Encourage the design and further development of underdeveloped areas which are economically stagnant, underutilized and/or are physically constrained.
- 11) Encourage the development of the most intensive commercial land uses along the Lake Boulevard and Oasis Road corridors.
- 12) Assist in the development of community-based recreational facilities that will provide residents with the means to participate in activities that contribute to the overall quality of life.
- 13) Assist in the development of neighborhood parks for local residents, including playgrounds for children.
- 14) Encourage the aggregation of existing parcels into larger units that reflect current market needs.

VII. PROPOSED PROJECTS OR PROGRAMS AND EXPENDITURES PLANNED DURING THE FIVE-YEAR TERM WHICH WILL ASSIST IN ELIMINATING BLIGHTING CONDITIONS

The RRA and the SCRA, on an ongoing basis, revisit the goals and objectives of the Project Area and the status of certain projects and programs in relationship to the elimination of blighting conditions. As part of this process, staff anticipates starting work on obtaining an estimated \$4 million bond issue for capital projects. It is also expected that the Project Area's Six-Year Capital Improvement Program, adopted in June 2008, will need to be updated at a later date to reflect the projects and programs anticipated to be undertaken as a result of the bond issue, which is anticipated to net approximately \$3.5 million in proceeds.

Over the five-year planning period covered by this Implementation Plan, in addition to the bond proceeds, approximately \$2 million in net tax increment revenues will be received after LMIHF deductions. Of this amount, approximately \$1.3 million will be available for the Project Area's debt and for capital projects. The estimated level of redevelopment funding for capital projects and programs was determined through an analysis of financial resources anticipated to be available over the next five years. The proceeds of the proposed bond issue, in addition to unencumbered tax increment, will provide the redevelopment portion of the financing necessary for the capital projects. Actual accomplishment of the projects will be subject to an assortment of variables. Important factors include the availability of State and/or Federal funds for several of the projects and continued private sector support for the proposed projects. Another factor that could impact funding is the possibility of additional demands at the State level for increased school augmentation payments, thereby reducing estimates of available Buckeye revenues. The projects are also subject to individual review and approval by the RRA and SCRA and a determination that the project(s) meet the findings set forth in H & S Code § 33445.

Table 1 identifies anticipated Project Area revenues and expenditures over the next five-year planning period, FY 2010-11 through FY 2014-15. It anticipates \$3.5 million in bond proceeds being available during FY 2010-11. Net tax increment amounts generated from the Project Area are projected at a - 2.5% rate for FY 2010, 0% for FY 2011, and 2% for the remaining years.

Table 2 identifies programs and projects currently underway and those anticipated to be undertaken during the five-year period covered by the Implementation Plan. The general activity category is listed along with an estimate of the tax increment resources anticipated to be utilized for the activity during this time period, a brief description of the proposed activity, and the specific blighting condition the activity is intended to address. The total costs of the projects and programs far exceed the available redevelopment funds. As previously noted, each project's likelihood of coming to fruition is dependent on the continued availability of other funding source(s) as well as receipt of both bond proceeds and tax increment revenues at the level indicated in Table 1.

Following is a brief summary of the proposed capital activities for the next five years.

Storm Drain & Water Utilities Improvements. The presence of ailing or inadequate water service facilities has been identified as an infrastructure deficiency exacerbating blight conditions within the Project Area. A project proposed to be undertaken in the next five years is the 24-inch

waterline extension along Oasis Road from Lake Boulevard to Beltline Road. The waterline extension route lies within the Project Area. There are also smaller lines within the Project Area that are hindering development and need to be upgraded. These waterlines are needed to improve water service to residences and businesses, to meet fire-flow requirements, and to enable the installation of fire hydrants.

Similar to water service facilities, the storm drainage facilities have also been cited in the Buckeye Redevelopment Plan as being deficient and a blight inducing condition. Projects to be undertaken will assist in improving existing undersized and/or inefficient storm drain systems in the Project Area, thereby providing more efficient capture and conveyance of storm-water run-off and minimizing the risk of flooding. It is anticipated that during the next five-year period storm drainage improvements in the vicinity of Old Oasis Road may be undertaken.

Bridge Improvements. The Buckeye Redevelopment Plan identifies the need for bridge improvements to existing Project Area creek crossings. Many of the existing crossings are substandard in design and inadequate to safely accommodate current traffic usage. As mentioned earlier, it is anticipated that three bridge improvement projects currently being designed will be constructed over the next five-year planning period. These include: (1) a two-lane bridge to replace an aging, one-lane bridge over Churn Creek at Old Oasis Road; (2) a four-lane bridge to replace a two-lane bridge over Churn Creek at Twin View Boulevard; and (3) a two-lane bridge to replace an aging, narrow bridge at Dean Road over Buckeye Creek. In addition, improvement of existing railings at the Oasis Road Bridge over Newtown Creek has been proposed in order to increase public safety along this bridge.

Street Improvements. The Buckeye Redevelopment Plan identifies the need for traffic control at key intersections, including pedestrian crossing zones, improved lighting, and traffic control signals that allow for safe and efficient vehicular and pedestrian circulation. As mentioned earlier, design and right-of-way acquisition for the signalization of the Lake Boulevard at Keswick Dam Road intersection is currently underway. Construction of the improvements is dependent upon adequate tax increment and/or other funding sources being available. In addition, it is anticipated that selected streets within the Project Area (portions of Randolph and Old Oasis Roads) may be widened to meet Minor Local Urban Standards, as well as possibly adding a median lane on Oasis Road to accommodate current traffic volumes and enhance public safety.

Oasis Road Specific Plan Area Infrastructure. Deficiencies in the existing public infrastructure systems serving the Buckeye Project Area were identified in the Buckeye Project's adoption documents as contributing significantly to the Project Area's economic stagnation. Improvements to these systems, including the circulation network, storm drainage facilities, and water facilities, were determined necessary in order to attract and encourage private investment and economic growth throughout the Project Area, resulting in the elimination of both physical and economic blight conditions. Future development of properties in and around the Oasis Road portion of the Project area is dependent upon replacement and/or expansion of the existing inadequate infrastructure. The City of Redding has undertaken steps to facilitate this process including the adoption of the Oasis Road Specific Plan and a companion Development Impact Fee Program. While the necessary improvements to the public infrastructure systems are warranted now, adequate redevelopment funds are not currently available for this purpose.

Neighborhood Improvements. Throughout the Buckeye Project Area, the lack of traffic signals, street lighting, sidewalks, bike lanes, and other pedestrian-access provisions have hampered pedestrian safety within the Project Area neighborhoods. Many areas lack basic urban amenities found within modern well-designed healthy neighborhoods. As funding allows, it is anticipated that these types of deficiencies may be addressed during the five-year planning period in conjunction with both public and private development projects.

TABLE 1

PROJECTED REVENUES FY 2010 - FY 2014					
Buckeye Redevelopment Project Area					
	2010-11	2011-12	2012-13	2013-14	2014-15
<i>Resources:</i>					
- Starting Balance	\$ 39,480	\$ 3,607,230	\$ 2,319,360	\$ 1,224,200	\$ 552,560
- Tax Increment Deposits ¹	389,980	389,980	407,990	426,350	442,820
- Interest & Other Income ²	3,515,500	12,000	10,000	9,000	9,000
- Balance Available	\$ 3,944,960	\$ 4,009,210	\$ 2,737,350	\$ 1,659,550	\$ 1,004,380
<i>Funds to be Spent or Committed:</i>					
- For Debt Service	0	260,000	260,000	260,000	260,000
- For Projects	175,000	1,300,000	1,115,000	700,000	500,000
- For Administration ³	31,580	32,350	33,150	33,990	34,880
- For Other Taxing Entities ⁴	131,150	97,500	105,000	113,000	121,000
- To Be Accrued for Specific Future Year Projects	\$ 3,607,230	\$ 2,319,360	\$ 1,224,200	\$ 552,560	\$ 88,500

Notes:

- ¹ Represents net tax increment revenues after deducting housing set-aside.
- ² Anticipates \$3.5 million net bond proceeds.
- ³ Includes County administration fee.
- ⁴ Assumes Supplemental Educational Revenue Augmentation Fund payment in 2010-11 totaling \$33,650.

TABLE 2

BUCKEYE REDEVELOPMENT PROJECT AREA FIVE-YEAR IMPLEMENTATION PLAN (FY 2010-2011 through FY 2014-2015) POTENTIAL PROGRAMS/PROJECTS - BLIGHTING CONDITION MATRIX		
PROGRAM/PROJECT (ESTIMATED EXPENDITURES)	DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
Storm Drain & Water Utilities Improvements (est. \$2.5 million)	Improvements to various underground utilities to accommodate growth and that will address inadequate, obsolete, or failing utility infrastructure serving all or portions of the Project Area. Activities may include existing conditions analysis, design, right-of-way acquisition, environmental studies or mitigation, and construction. Design and construction of storm-drain facilities may include storm drains, detention basins, open channels, culverts, dikes, levees, bridges, and spillways, as needed. Design and construction of water line improvements may include extension of existing lines, improvement of capacity of existing systems, and other infrastructure improvements as needed.	Individual projects will assist in the alleviation of physical and economic blight stemming from inefficient and substandard utility systems serving the Project Area. Storm Drain system improvements will provide for safe and efficient capture and conveyance of storm water runoff and minimize risks of flooding in the Project Area, thereby improving public safety and encouraging private investment. The potential for flood damage to existing private and public infrastructure will be reduced. Project Area property values will be stabilized and enhanced. Improved waterlines will provide increased fire-flow capacity and will enable the installation of fire hydrants, thereby protecting existing private investments in the Project Area. Additionally, improved public infrastructure will also act as incentive to private developers to invest further in the Project Area.

**BUCKEYE REDEVELOPMENT PROJECT AREA
 FIVE-YEAR IMPLEMENTATION PLAN (FY 2010-2011 through FY 2014-2015)
 POTENTIAL PROGRAMS/PROJECTS - BLIGHTING CONDITION MATRIX**

<p>Bridge Improvements (est. \$1,180,000)</p>	<p>Design and construction of bridge improvement, replacement and/or widening projects to replace inadequate infrastructure and increase public safety. Projects include, but are not limited to: Churn Creek at Old Oasis Road; Churn Creek at Twin View Boulevard; and Buckeye Creek at Dean Road.</p>	<p>Replacement of inadequate public infrastructure serving both residential and commercial neighborhoods. Will improve public safety, encourage economic development, and help preserve Plan Area neighborhoods.</p>
<p>Street Improvements (est. \$1 million)</p>	<p>Activities include the removal and replacement of inadequate infrastructure; the redesign of streets; property acquisition for right-of-way purposes; the construction of new and/or realigned streets; installation of traffic calming measures; installation of curb, gutter and sidewalk; streetscape and beautification projects along major retail corridors which are exhibiting physical and economic blight; and the design and installation of traffic control projects at key intersections.</p>	<p>Existing circulation patterns will be improved and inadequate infrastructure replaced which will assist in the elimination of physical blight. Additionally, activities may secondarily improve the attractiveness of the area and stimulate additional investment of private resources. Some activities may be done in partnership with private development as an incentive to undertake new development and/or the rehabilitation of existing structures in the Project Area.</p>
<p>Neighborhood Improvements (est. \$150,000)</p>	<p>Design and construct a variety of public improvements in residential and commercial areas. Improvements include, but are not limited to, street lighting, vehicle and pedestrian-control mechanisms, bike lanes, paving, and landscaping.</p>	<p>Improvements will assist in the elimination of both physical and economic blight in Project Area neighborhoods. Existing areas with substandard public infrastructure will be improved leading to stabilization of property values, additional private development, and enhanced property maintenance in these same areas.</p>

**BUCKEYE REDEVELOPMENT PROJECT AREA
 FIVE-YEAR IMPLEMENTATION PLAN (FY 2010-2011 through FY 2014-2015)
 POTENTIAL PROGRAMS/PROJECTS - BLIGHTING CONDITION MATRIX**

PROGRAM/PROJECT (ESTIMATED EXPENDITURES)	DESCRIPTION	CONTRIBUTION TO BLIGHT REMOVAL
Oasis Road Specific Plan Area Infrastructure (est. \$5 million)	Upgrade and expand public infrastructure systems as necessary to facilitate new development.	Improvement of the public infrastructure systems serving this portion of the Project will contribute to the removal of economic blight within the Project Area by stimulating the investment of private capital in the vicinity. Currently declining and stagnant property values will stabilize and improve as a major barrier to development is removed.
Aesthetic Enhancement Projects (est. \$100,000)	Signage and beautification projects welcoming both residents and visitor to the community. Projects include, but are not limited to, entry features, signs, landscaping, monuments, and works of art.	These projects will provide incentives for additional private development in the Project Area and encourage enhanced property maintenance to occur on neighboring properties, thereby assisting in the elimination of both physical and economic blight within the Project Area.
Development Partnerships (est. \$100,000)	This activity is designed to promote new development, support creative reuse and preservation of existing structures, and stabilize existing development. Specific activities include, but are not limited to, land acquisition and relocation; assistance with on- and off-site public improvements; loans and grants to businesses, including possible assistance under the Facade Preservation Program; and toxic remediation.	Increase and develop economic viability by attracting new business and assisting existing business, thereby revitalizing stagnant retail and commercial areas suffering from incompatible and uneconomic land uses. Provide avenues for owner participation that will result in the expansion of employment opportunities within the Project Area.

VIII. HOUSING COMPONENT OF THE IMPLEMENTATION PLAN FOR THE BUCKEYE REDEVELOPMENT PROJECT AREA

REDEVELOPMENT HOUSING REGULATIONS

California Community Redevelopment Law, H & S Code § 33000 et seq., states that one of the fundamental purposes of redevelopment is to increase and improve the community's supply of low- and moderate-income housing. This is accomplished in part through three different, but interrelated, requirements imposed on redevelopment agencies. These three requirements provide for the production, improvement, and preservation of housing for low- and moderate-income persons. These requirements are:

- 20 percent of tax increment revenue must be set aside in a housing fund [the Low- and Moderate-Income Housing Fund (LMIHF)] to be expended on increasing, improving, and preserving the supply of low- and moderate-income housing in the community (H & S Code § 33334.2 & 33334.3); and
- a fixed percentage of all housing constructed in a redevelopment project area must be affordable to low- and moderate-income persons and families [H & S Code § 33334.4 & 33413(b)]; and
- low- and moderate-income housing that is removed as a result of a redevelopment project must be replaced [H & S Code § 33413(a)].

At the time of Project Area formation, the RRA and SCRA agreed that LMIHF resources would be allocated through the budget process to each jurisdiction for use on eligible housing activities in the same proportion as the jurisdiction's share of land within the Project Area. As adopted, land within the City of Redding comprises 50.71% and Shasta County 49.29% of the Project. For reporting purposes, all expenditures, activities, and regulatory obligations related to the LMIHF are contained within this Housing Component of the Buckeye Implementation Plan.

As stated previously, Redevelopment Law, H & S Code § 33490, requires every redevelopment agency to adopt a five-year implementation plan for each of its redevelopment project areas. The purpose of the implementation plan is to provide documentation linking the elimination of blight with the proposed capital activities of the redevelopment agency and to provide information on the proposed use of the LMIHF. The housing component of the implementation plan must describe how the agency's stated housing goals and objectives, programs and expenditures will implement the requirements of Redevelopment Law pertaining to affordable housing. The housing portion of the Implementation Plan incorporates a longer 10-year planning period during which the anticipated affordable housing programs and activities will take place. As required by H & S Code § 33490(a)(1)(A), progress toward meeting stated housing goals and objectives is reviewed and updated, if necessary, at least every five years in conjunction with either the update of the implementation plan or as part of the update of the community's housing element.

When Buckeye was established in 2000, goals and objectives relative to the use of the Buckeye LMIHF were included within the initial Implementation Plan. In addition, a Housing Production Plan covering the ten-year period July 2000 through June 2010 was adopted by both the RRA and the SCRA as required by regulations in place at that time. Initial progress towards meeting stated

housing goals and objectives was reviewed and updated in 2005 as part of the mandatory review and update of the Implementation Plan for Buckeye. In addition, at that time, an updated analysis of the Project's likely housing production obligations over the remaining five years of the Housing Production Plan planning period was conducted. Actual residential construction figures over the initial five years (FY 2000 - FY 2004) indicated that a significantly smaller number of residential units had been constructed by the private sector within the Project boundaries than initial projections made in 2000 had anticipated. For that reason, projections of residential development within the Project Area for the remaining five years of the planning period (FY 2005 - FY 2009) were adjusted to be more reflective of actual conditions, as were projections of residential development through the remaining life of the Project. In 2008, as part of the mandatory midterm review of the Implementation Plan, progress toward meeting goals and objectives stated within the housing component was again reviewed. No further modification to this section was made at that time. With the current document, the first 10-year housing planning period has concluded. A complete review of the progress made towards meeting regulatory housing obligations relative to the use of the Buckeye LMIHF during this period is included as part of this report.

It is important to note that several significant regulatory changes have occurred since the housing component was last modified in 2005. In order to meet the current requirements, the format of the new 10-year housing plan for the second planning period, FY 2010 - FY 2019 has been modified to specifically include all required elements and narratives. At this time, the Buckeye Implementation Plan housing component must incorporate all of the information listed below. In order to make the report easier to understand, the report has been formatted to follow in order and by topic the specific regulations contained in the pertinent section of the Health and Safety Code.

1) **LMIHF** - The housing report is required to contain specific information relative to the LMIHF for Buckeye as follows:

- The amount available in the LMIHF and the estimated amounts which will be deposited in the LMIHF during each of the next five years [H & S Code § 33490(a)(2)(A)(i)] including the following narratives relative to the LMIHF:
 - A description of a program of housing activities with estimates of the number of new, rehabilitated or price restricted units to be assisted during each of the five years and estimates of expenditures of moneys from the LMIHF during each of the five years. [H & S Code § 33490(a)(2)(A)(ii)]; and
 - A description of how the housing program will implement the requirement contained in H & S Code § 33334.4 for proportional expenditure of moneys in the LMIHF over a 10-year period for various groups, including very-low, low, and moderate-income households, senior households, and non-senior households [H & S Code § 33490(a)(2)(A)(iii) & (C)(iii)]. The narrative must include the following information:
 - The number of housing units needed for very-low income persons, low-income persons, and moderate-income persons as each of those needs has been identified in the most recent Regional Housing Needs Allocation Plan (RHNAP), and the proposed amount of LMIHF expenditures for each income group during each year of the implementation plan [H & S Code § 33490(a)(2)(C)(i)]; and

- The total population of the community and the population under 65 years of age as reported in the most recent U.S. Census [H & S Code § 33490(a)(2)(C)(ii)].
- For the previous implementation plan period, information on the following [H & S Code § 33490(a)(2)(C)(iii)]:
 - The amounts of LMIHF moneys utilized to assist units affordable to, and occupied by, extremely low-income, very-low income, and low-income households;
 - The number, the location, and level of affordability (extremely-low income, very-low income or low-income only) of units newly constructed with other locally controlled government assistance and without agency assistance and that have affordability restrictions for a minimum of 55 years for rental housing or 45 years for homeownership housing; and
 - The amount of LMIHF moneys utilized to assist housing units available to families with children and the number, location, and level of affordability of those units.

2) Housing Production Obligations - The housing report is required to contain specific information relative to the development of housing units within Buckeye as follows:

- A detailed description of housing units anticipated to be developed by the agency and others within the project area over the life of the plan and during the 10-year housing plan period [H & S Code § 33490(a)(2)(B)] including:
 - Estimates of the number of new, substantially rehabilitated or price-restricted residential units to be developed or purchased within one or more project areas, both over the life of the plan and the 10-year housing plan period. [H & S Code § 33490(a)(2)(B)(i)];
 - Estimates of the number of units affordable to very-low, low-, and moderate-income households required to be developed to meet agency inclusionary requirements, both over the life of the plan and the 10-year housing plan period. [H & S Code § 33490(a)(2)(B)(ii)];
 - The actual number of units affordable to very-low, low-, and moderate-income households that have been developed to date to meet agency inclusionary requirements. [H & S Code § 33490(a)(2)(B)(iii)]; and
 - Estimates of the number of agency-developed residential units which will be developed during the next five years, if any, and, of those, the number that will be affordable to very-low, low-, and moderate-income households. [H & S Code § 33490(a)(2)(B)(iv) & (v)].

3) Replacement Housing Obligations

If the implementation plan contains a project that will result in the destruction or removal of dwelling units that are required to be replaced by the agency pursuant to H & S Code § 33413(a), the implementation plan must identify proposed locations suitable for those replacement dwelling units.

AFFORDABLE HOUSING PRIORITIES AND GOALS

As a joint project area, the Buckeye Redevelopment Project supports and is consistent with stated goals and objectives contained within the adopted General Plans of both jurisdictions. The City's Housing Element of the General Plan states eight general goals relative to the maintenance, improvement, and development of housing:

- *Preserve and improve the community's existing housing stock.*
- *Facilitate the creation of new affordable housing opportunities.*
- *Support creative reuse of existing facilities and land.*
- *Enhance the quality of life within residential neighborhoods.*
- *Act as a catalyst for increased private investment in the community.*
- *Identify and address the housing needs of special population groups within the community.*
- *Promote achievement of economic self-sufficiency for all program participants.*
- *Provide opportunities for energy conservation in new and existing residences.*

The Housing Element of the Shasta County General Plan provides similar goals including:

- *Establish and implement policies and programs that will contribute to the provision of an adequate supply and diversity of safe, healthy, and affordable housing for all income levels to meet the needs of residents in the unincorporated areas of Shasta County.*
- *Conserve, improve, and expand the inventory of existing affordable housing stock in the unincorporated areas of the County.*
- *Continue to remove all County constraints, as is practical and legal, which have the potential to hinder or impede the development of affordable housing projects.*
- *Continue to work collectively with local agencies to enhance and expand the outreach of programs designed to provide accessible and affordable housing, including supportive services, for those persons with special needs.*
- *Explore, implement, and promote energy conservation practices in all eligible existing and new housing projects.*
- *Continue to utilize all feasible means to promote, expand, and ensure equal access to available safe, decent, affordable housing opportunities in the unincorporated area without bias or prejudice for any reason for all economic segments of the County.*

Both respective Housing Elements contain action plans that identify specific housing activities anticipated to utilize the LMIHF over each Housing Element's respective planning period. Those narratives are comprehensive and specific and will, in conjunction with the Housing Component of the Buckeye Implementation Plan assist in achieving the stated priorities, goals, and objectives.

It is the intention of both the RRA and SCRA to create and implement a plan utilizing fiscally sound housing activities and programs that will address community identified housing needs as well as meet all of its regulatory housing obligations in a timely and efficient manner. The following report meets the criteria set forth in H & S Code § 33413(b)(4) and § 33490.

LOW AND MODERATE INCOME HOUSING FUND

Actual LMIHF Expenditures FY 2005 - FY 2009

Regulations contained at H & S Code § 33490(a)(2)(C)(iii) require that information be provided on the use of LMIHF resources over the previous implementation plan period, FY 2005 - FY 2009. The information provided must describe the amount of LMIHF money used to assist units affordable to and occupied by extremely-low-income, very-low-income, and low-income households. Table H-1 describes the LMIHF expenditures for the past five year implementation period by income level. (Data specific to the final year, FY 2009-10, is based on actual expenditures made through March 31, 2010.)

TABLE H-1

<p align="center">LOW AND MODERATE INCOME HOUSING FUND BUCKEYE REDEVELOPMENT PROJECT ACTUAL EXPENDITURES FY 2005 - FY 2009* BY INCOME LEVEL</p>						
Income Level	2005-06	2006-07	2007-08	2008-09	2009-10*	Total
- Extremely Low Income	-0-	-0-	-0-	-0-	-0-	-0-
- Very-Low Income	-0-	-0-	-0-	\$ 50,000	\$ 74,368	\$ 124,368
- Low-Income	-0-	-0-	-0-	\$ 50,000	-0-	\$ 50,000
- Moderate-Income	-0-	-0-	-0-	-0-	-0-	-0-

* Through March 31, 2010

Source: Redding Redevelopment Agency

In addition, if applicable, information regarding all new construction projects not funded with LMIHF resources but containing units restricted for the same income levels as listed above and with long-term affordability restrictions must be provided. For the reporting period, no units with long-term affordability restrictions were developed within the Project Area except those utilizing LMIHF assistance.

Finally, the report must contain information regarding the amount of LMIHF assistance provided to projects with units available to families with children. Table H-2 provides a listing of all projects assisted during the past five year period that were available to families with children, including the amount of LMIHF assistance, the name and location of the project, the number of units, and the level of affordability.

TABLE H-2

LOW AND MODERATE INCOME HOUSING FUND BUCKEYE REDEVELOPMENT PROJECT ACTUAL EXPENDITURES FY 2005 - FY 2009* UNITS AVAILABLE TO FAMILIES WITH CHILDREN						
Program/Activity	LMIHF EXPENDITURES					
	Very Low		Low		Moderate	
	Amount	# Units	Amount	# Units	Amount	# Units
Substantial Rehabilitation - MF						
441 - 451 Buckeye Terr.	\$ 50,000	3	\$ 50,000	3	-0-	0
475 Buckeye Terr.	\$ 74,368	2	-0-	0	-0-	0
Total:	\$ 124,368	5	\$ 50,000	3	-0-	0

*Through March 31, 2010

Source: Redding Redevelopment Agency

Current Status of Targeting Requirements

Current regulations at H & S Code § 33334.4 require proportionate expenditure of LMIHF funds by income and age (referred to as the “Targeting Requirements”). Further detail specific to the requirement is provided on Tables H-6 and H-7 and in the following section on anticipated LMIHF expenditures. Simply, agencies are required to target LMIHF expenditures to specific income levels and to comply with restrictions relative to the amount of LMIHF assistance provided to projects that contain units that are age-restricted. Agencies are required to meet the required proportionality of expenditures by income and age over each 10-year planning period. Table H-3 depicts the LMIHF expenditures made over the first 10-year period, FY 2000 - FY 2009, by household income level. As can be seen from Table H-3, expenditures for projects targeting very-low households during the initial planning period totaled 71.33 percent (71.33%) of all LMIHF expenditures, 28.67 percent (28.67%) of the LMIHF expenditures were for projects targeting low-income households, with no LMIHF expenditures targeting moderate-income households. Clearly, income level targeting requirements contained at H & S Code § 33334.4 were met during the most recent 10-year period.

TABLE H-3

LOW AND MODERATE INCOME HOUSING FUND BUCKEYE REDEVELOPMENT PROJECT EXPENDITURES BY HOUSEHOLD INCOME LEVEL FY 2000 - FY 2009*						
	LMIHF EXPENDITURES					
Fiscal Year	Very Low		Low		Moderate	
	Amount	Percent	Amount	Percent	Amount	Percent
2000-01	\$ 0	0%	\$ 0	0%	\$ 0	0%
2001-02	\$ 0	0%	\$ 0	0%	\$ 0	0%
2002-03	\$ 0	0%	\$ 0	0%	\$ 0	0%
2003-04	\$ 0	0%	\$ 0	0%	\$ 0	0%
2004-05	\$ 0	0%	\$ 0	0%	\$ 0	0%
2005-06	\$ 0	0%	\$ 0	0%	\$ 0	0%
2006-07	\$ 0	0%	\$ 0	0%	\$ 0	0%
2007-08	\$ 0	0%	\$ 0	0%	\$ 0	0%
2008-09	\$ 50,000	50%	\$ 50,000	50%	\$ 0	0%
2009-10*	\$ 74,368	100%	\$ 0	0%	\$ 0	0%
TOTAL:	\$ 124,368	71.33%	\$ 50,000	28.67%	\$ 0	0%

* Through March 31, 2010

Source: Redding Redevelopment Agency

Table H-4 identifies the expenditures from the LMIHF since July 1, 2000, on both age restricted and non-age restricted activities. As of March 31, 2010, LMIHF expenditures in support of non-age restricted housing were 100 percent (100%) of the combined LMIHF expenditures for all housing activities, approximately 32 percent (32%) more than required by the targeting thresholds.

TABLE H-4

LOW AND MODERATE INCOME HOUSING FUND BUCKEYE REDEVELOPMENT PROJECT EXPENDITURES BY HOUSEHOLD TYPE FY 2000 - FY 2009*				
	LMIHF EXPENDITURES			
Fiscal Year	Age-Restricted		Non Age-Restricted	
	Amount	Percent	Amount	Percent
2000-01	\$ 0	0%	\$ 0	0%
2001-02	\$ 0	0%	\$ 0	0%
2002-03	\$ 0	0%	\$ 0	0%
2003-04	\$ 0	0%	\$ 0	0%
2004-05	\$ 0	0%	\$ 0	0%
2005-06	\$ 0	0%	\$ 0	0%
2006-07	\$ 0	0%	\$ 0	0%
2007-08	\$ 0	0%	\$ 0	0%
2008-09	\$ 0	0%	\$ 100,000	100%
2009-10*	\$ 0	0%	\$ 74,368	100%
TOTAL:	\$ 0	0%	\$ 174,368	100%

* Through March 31, 2010

Source: Redding Redevelopment Agency

Anticipated LMIHF Expenditures FY 2010 - FY 2014

Regulations contained at H & S Code § 33490(a)(2)(A)(i) require the housing report to identify the amount of money currently available in the Buckeye Project's LMIHF and the estimated amounts to be deposited in the LMIHF during each of the next five years. Table H-5 reflects the amount currently available in the Buckeye LMIHF as well as anticipated future revenues by fiscal year through the fiscal year beginning July 1, 2014.

TABLE H-5

LOW AND MODERATE INCOME HOUSING FUND BUCKEYE REDEVELOPMENT PROJECT ANTICIPATED RESOURCES FY 2009 - FY 2014						
	2009-10*	2010-11	2011-12	2012-13	2013-14	2014-15
<i>Resources:</i>						
- Estimated Starting Balance	\$ 375,980	\$ 399,240	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
- 20% Tax Increment Deposits	\$ 103,260	\$ 97,500	\$ 97,500	\$ 102,000	\$ 106,590	\$ 110,700
- Interest & Other Income	\$ 5,000	\$ 3,000	\$ 2,500	\$ 2,000	\$ 1,500	\$ 500
- Balance Available for Housing	\$ 484,240	\$ 499,740	\$ 120,000	\$ 124,000	\$ 128,090	\$ 131,200
<i>Funds to be Spent or Committed:</i>						
- For Housing Debt Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
- For Affordable Housing Activities	\$ 80,000	\$ 474,740	\$ 95,000	\$ 99,000	\$ 102,990	\$ 106,000
- For Program Administration ¹	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
- To be Accrued for Specific Future Year Projects	\$ 399,240	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000

* FY 2009 reflects actual Starting Balance

¹ Program Administration includes a portion of the tax administration fees charged by Shasta County for the collection of tax increment revenue.

Source: Redding Redevelopment Agency

Targeting Requirements Expenditures Analysis

Current regulations at H & S Code § 33334.4 require proportionate expenditures of LMIHF housing funds by income and age. Relative to expenditures by income categories, over each 10-year period of the Housing Component, monies from the LMIHF must be spent to assist housing for persons of very-low and low income in at least the same proportion as the total number of dwelling units needed for those two groups bears to the total units needed for very-low, low-, and moderate-income households. To determine the specific ratios, agencies must utilize data contained within the Regional Housing Needs Allocation Plan (RHNAP) of the community's Housing Element pursuant to Government Code § 65584.

Table H-6 shows the regional housing needs per income level as reflected in the RHNAP for the period January 1, 2007 to June 30, 2014, for the City of Redding. Table H-7 reflects the same information for the unincorporated areas of Shasta County. As can be seen in the tables, the RHNAP data is slightly different for the City of Redding and Shasta County. Within the City of Redding, the

combined number of housing units needed for very-low- and low-income households (1,785 + 1,242 = 3,027) divided by the total number of housing units needed for all households (3,027 ÷ 4,426) concludes that 68.39 percent of the expenditures on housing activities must be applied to very-low- and low-income households. Specifically, no less than 40.33 percent of LMIHF expenditures must be for housing activities affordable to very-low-income households, with the combined total expenditures for very-low and low-income households not less than the 68.39 percent cited above. While LMIHF expenditures for housing activities affordable to moderate-income households are allowable, the total expended for this category cannot exceed 31.61 percent.

TABLE H-6

CITY OF REDDING REGIONAL HOUSING NEEDS ALLOCATION BY INCOME GROUP JANUARY 2007 - JUNE 30, 2014		
Income Level	Needed Housing Units	Percent
Very Low (≤ 50% AMI)	1,785	40.33%
Low (51% - 80% AMI)	1,242	28.06%
Lower Income (≤80% AMI) Total	3027	68.39%
Moderate (81% - 120% AMI)	1,399	31.61%
All Income Total	4,426	100.00%

Source: 2007 HCD Regional Housing Needs Allocation Plan, Shasta County

TABLE H-7

SHASTA COUNTY REGIONAL HOUSING NEEDS ALLOCATION BY INCOME GROUP JANUARY 2007 - JUNE 30, 2014		
Income Level	Needed Housing Units	Percent
Very Low (≤ 50% AMI)	970	41.01%
Low (51% - 80% AMI)	666	28.16%
Lower Income (≤80% AMI) Total	1636	69.18%
Moderate (81% - 120% AMI)	729	30.82%
All Income Total	2,365	100.00%

Source: 2007 HCD Regional Housing Needs Allocation Plan, Shasta County

Within Shasta County, the combined number of housing units needed for very-low- and low-income households (970 + 666 = 1636) divided by the total number of housing units needed for all households (1636 ÷ 2365) concludes that 69.18 percent of the LMIHF expenditures must be applied to very-low- and low-income households. Specifically, no less than 41.01 percent of LMIHF expenditures need to be for housing activities affordable to very-low income households, with the combined total expenditures for very-low- and low-income households not less than the 69.18 percent cited above. Again, while LMIHF expenditures for housing activities affordable to moderate-income households are allowable, the total expended for this category cannot exceed 30.82 percent.

Relative to meeting regulatory obligations, the Buckeye Redevelopment Project is considered one area, regardless of jurisdictional boundaries. For that reason, the more restrictive of the two RHNA calculations described above, that is, Shasta County's, will be used to determine maximum LMIHF expenditures in each income category.

As stated earlier, the second category of LMIHF expenditures required to utilize a proportionality test are expenditures in support of housing where occupancy is restricted by age. Agencies must ensure, over each 10-year period, that LMIHF expenditures to assist housing that is available to all persons, regardless of age, are in at least the same proportion as the low-income population under age 65 years bears to the total low-income population as reported in the most recent U.S. Census. Table H-8 shows data from the 2000 U.S. Census for Shasta County, including the City of Redding, relative to the total number of low-income households, senior households, and non-senior households. To meet regulatory requirements for LMIHF expenditures, no more than 32.33 percent of Buckeye's LMIHF expenditures should be for assistance to age-restricted units.

TABLE H-8

BUCKEYE REDEVELOPMENT PROJECT LOW AND MODERATE INCOME HOUSING FUND EXPENDITURES BY HOUSEHOLD TYPE					
Jurisdiction	Total Low-Income Households	Total Low-Income Non-Senior Households	%	Total Low-Income Senior Households	%
Shasta County, including COR	25,877	17,510	67.67%	8,367	32.33%

Source: 2000 U.S. Census; HUD CHAS Data Tables; <http://soeds.huduser.org/chas/index.htm>

LMIHF HOUSING PROGRAMS AND ACTIVITIES

Both the City of Redding and Shasta County have developed a multifaceted program of housing activities to address identified housing needs within each jurisdiction. During the 10-year planning period, it is anticipated that LMIHF resources will be utilized to support these efforts. These activities and programs include facilitating the acquisition of existing single family and multi-family housing units, rehabilitation of existing units, development of new single-family and multi-family units, direct loan assistance to homebuyers, housing counseling, and development of transitional facilities for homeless populations. Attachment A provides specific information on significant housing projects completed in the past five years.

The following is a narrative description of the types of programs and activities the RRA and the SCRA anticipate supporting over the next five years. It is important to note that many activities are and will be dependent on not only the availability of the LMIHF resources at the level anticipated in Table H-5, but also the availability of additional local, state, and federal resources for affordable housing. It is also important to note that in addition to identified community goals and objectives, one of the primary factors that will determine the level of LMIHF funding to be expended for each housing activity and/or program is the effect that the proposed expenditure will have on the Project Area's ability to meet its targeting obligations.

Table H-9 provides an estimate of the possible LMIHF expenditures for each category of activity over the second 10-year planning period, by income level. The LMIHF amounts shown on Table H-9 include all anticipated LMIHF deposits as shown on Table H-5 and LMIHF amounts that have been encumbered under approved projects, but not spent as of March 31, 2010. Depending on availability of resources, developer interest and participation, community priorities, and unforeseen opportunities that might arise during the five-year planning period, the actual level of funding budgeted for specific activity category may be adjusted. Table H-10 provides an estimate of LMIHF expenditures over the second 10-year planning period by household type and income level. It is anticipated that as economic conditions change or unforeseen opportunities present themselves, additional programs and activities may be considered and developed over the time period which may take the place of or be added to those presented here.

Affordable Housing New Construction

Within its other redevelopment areas, the RRA has participated with both nonprofit and for-profit housing developers to construct affordable housing throughout the City of Redding. It is anticipated that over the planning period, Buckeye LMIHF resources may be used for this activity also. Development may consist of single-family ownership and rental units, multifamily rental units, or transitional units targeting specific homeless populations. All of past projects have utilized a variety of funding sources, including LMIHF resources. It is anticipated that all development projects undertaken over the next planning period will also require significant leveraging of non-LMIHF resources. Affordability levels for the completed units are anticipated to range from extremely-low income to moderate income. Long-term affordability covenants (45 years for ownership units and 55 years for rental units) will be recorded against all developed units assisted with LMIHF resources. Proposed expenditures from the LMIHF will be monitored as project proposals are considered to insure continued compliance with targeting requirements. It is anticipated that over the 10-year planning period, approximately 7 new affordable units will be developed, with a minimum of 41 percent affordable to very-low-income households.

Multiple Family Residential Acquisition/Rehabilitation

Current regulations allow redevelopment agencies to meet a portion of the affordable housing obligations through the recordation of affordability covenants restricting rents for 55 years on existing rental units. It is anticipated that a portion of the LMIHF will be utilized for activities that include acquisition (with or without rehabilitation) and rehabilitation (with or without acquisition) of existing multi-family units located primarily within the boundaries of the Buckeye Project Area. All properties assisted with LMIHF resources will be subject to the recordation of appropriate long-term affordability covenants. It is not anticipated that either the RRA or the SCRA will be the owner of the affordable units, but will use LMIHF financing as an incentive for the private sector to acquire and operate the facilities as affordable housing. For the 10 years of the planning period, it is anticipated that approximately 14 units will be assisted. Very-low-income and low-income affordability levels will be the primary focus.

Rehabilitation of Single-Family Ownership Units

It is anticipated that LMIHF resources may be used to assist with the rehabilitation of existing owner-occupied single-family units, primarily within the Project Area boundaries. In all projects where the level of needed rehabilitation meets the statutory definition of “substantial rehabilitation,” long-term affordability covenants will be required to be recorded against the property. It is anticipated that a small number of less-than substantial rehabilitation activities will take place within specified target neighborhoods, such as Lake Boulevard, lying within or adjacent to the Project Area. For example, LMIHF resources may be used to provide small paint grants to income-eligible homeowners residing within the Lake Boulevard designated target neighborhood. This existing City of Redding program provides for paint and supplies necessary for painting the exterior of units in support of neighborhood revitalization and blight removal.

Direct Assistance to Home Buyers

If sufficient LMIHF resources are available to meet all existing regulatory obligations relative to production of affordable units, then a portion of the LMIHF may be utilized to assist income-eligible home buyers purchase existing homes in the community. Similar to a program available throughout the City of Redding, the assistance is likely to be in the form of a second mortgage offered at a below-market interest and not requiring monthly payments. This financing, in effect, acts as an additional source of downpayment money for the home purchaser.

TABLE H-9

LOW- AND MODERATE-INCOME HOUSING FUND BUCKEYE REDEVELOPMENT PROJECT ANTICIPATED EXPENDITURES AND # UNITS FY 2010 - FY 2019 BY ACTIVITY TYPE AND INCOME LEVEL													
Type of Activity	Affordability(# Units)	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Total	%
NEW CONSTRUCTION (Est. \$738,621) (Total 7 Units)	Very Low (3 Units)	\$ 97,369	\$ 19,485	\$ 20,305	\$ 21,123	\$ 21,741	\$ 22,598	\$ 23,574	\$ 24,571	\$ 25,589	\$ 26,626	\$ 302,981	
	Low (2 Units)	\$ 66,844	\$ 13,376	\$ 13,939	\$ 14,501	\$ 14,925	\$ 15,514	\$ 16,184	\$ 16,868	\$ 17,566	\$ 18,279	\$ 207,996	
	Moderate (2 Units)	\$ 73,157	\$ 14,640	\$ 15,256	\$ 15,871	\$ 16,335	\$ 16,979	\$ 17,713	\$ 18,461	\$ 19,225	\$ 20,006	\$ 227,644	
REHABILITATION (Est. \$738,609) (Total 14 Units)	Very Low (6 Units)	\$ 97,369	\$ 19,484	\$ 20,305	\$ 21,123	\$ 21,740	\$ 22,598	\$ 23,574	\$ 24,571	\$ 25,588	\$ 26,626	\$ 302,978	
	Low (4 Units)	\$ 66,843	\$ 13,376	\$ 13,939	\$ 14,501	\$ 14,925	\$ 15,513	\$ 16,183	\$ 16,868	\$ 17,566	\$ 18,278	\$ 207,992	
	Moderate (4 Units)	\$ 73,158	\$ 14,639	\$ 15,256	\$ 15,871	\$ 16,334	\$ 16,978	\$ 17,712	\$ 18,461	\$ 19,225	\$ 20,005	\$ 227,639	
Total:	Very Low (9 Units)	\$ 194,738	\$ 38,969	\$ 40,610	\$ 42,246	\$ 43,481	\$ 45,196	\$ 47,148	\$ 49,142	\$ 51,177	\$ 53,252	\$ 605,959	41.02%
	Low (6 Units)	\$ 133,687	\$ 26,752	\$ 27,878	\$ 29,002	\$ 29,850	\$ 31,027	\$ 32,367	\$ 33,736	\$ 35,132	\$ 36,557	\$ 415,988	28.16%
	Moderate (6 Units)	\$ 146,315	\$ 29,279	\$ 30,512	\$ 31,742	\$ 32,669	\$ 33,957	\$ 35,425	\$ 36,922	\$ 38,451	\$ 40,011	\$ 455,283	30.82%
Combined Total:		\$ 474,740	\$ 95,000	\$ 99,000	\$ 102,990	\$ 106,000	\$ 110,180	\$ 114,940	\$ 119,800	\$ 124,760	\$ 129,820	\$ 1,477,230	100%

TABLE H-10

LOW- AND MODERATE-INCOME HOUSING FUND BUCKEYE REDEVELOPMENT PROJECT ANTICIPATED EXPENDITURES FY 2010 - FY 2019 BY INCOME LEVEL AND HOUSEHOLD TYPE												
INCOME LEVEL	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	TOTAL	%
- Very Low Income	\$ 194,738	\$ 38,969	\$ 40,610	\$ 42,246	\$ 43,481	\$ 45,196	\$ 47,148	\$ 49,142	\$ 51,177	\$ 53,252	\$ 605,959	41.02%
- Low Income	\$ 133,687	\$ 26,752	\$ 27,878	\$ 29,002	\$ 29,850	\$ 31,027	\$ 32,367	\$ 33,736	\$ 35,132	\$ 36,557	\$ 415,988	28.16%
- Moderate Income	\$ 146,315	\$ 29,279	\$ 30,512	\$ 31,742	\$ 32,669	\$ 33,957	\$ 35,425	\$ 36,922	\$ 38,451	\$ 40,011	\$ 455,283	30.82%
Total	\$ 474,740	\$ 95,000	\$ 99,000	\$ 102,990	\$ 106,000	\$ 110,180	\$ 114,940	\$ 119,800	\$ 124,760	\$ 129,820	\$ 1,477,230	100.00%
HOUSEHOLD TYPE												
- Age Restricted	\$ 153,483	\$ 30,714	\$ 32,007	\$ 33,297	\$ 34,270	\$ 35,621	\$ 37,160	\$ 38,731	\$ 40,335	\$ 41,971	\$ 477,589	32.33%
- Non Age Restricted	\$ 321,257	\$ 64,286	\$ 66,993	\$ 69,693	\$ 71,730	\$ 74,559	\$ 77,780	\$ 81,069	\$ 84,425	\$ 87,849	\$ 999,641	67.67%
Total	\$ 474,740	\$ 95,000	\$ 99,000	\$ 102,990	\$ 106,000	\$ 110,180	\$ 114,940	\$ 119,800	\$ 124,760	\$ 129,820	\$ 1,477,230	100.00%

Source: Redding Redevelopment Agency

HOUSING PRODUCTION REQUIREMENT

In addition to the requirement that agencies spend a portion of tax increment to increase, improve, and preserve the supply of housing for low-and moderate-income persons and families, redevelopment agencies must ensure that a specified percentage of new or rehabilitated housing is available at affordable housing cost to low- and moderate-income households. This requirement is commonly referred to as an agency's Housing Production Requirement. Outlined at H & S Code § 33413(b), the Housing Production Requirement contains two components, one addressing housing produced directly by an agency and one for all other housing produced in a project area.

Agency-Produced Housing

H & S Code § 33413 (b)(1) states that at least 30 percent of all new or substantially rehabilitated dwelling units developed by an agency must be available at an affordable housing cost to, and occupied by, persons and families of low or moderate income. Of that 30 percent, not less than 50 percent are required to be available at an affordable cost to, and occupied by, very-low- income households. Interpretation of this requirement has centered on the meaning of "developed by an agency." According to an analysis of this requirement contained in the book, *Redevelopment in California, 2009 (Fourth) Edition*, by Joseph E. Coomes, Jr. et al, a staff attorney with the law firm of McDonough, Holland & Allen, recognized authorities on California Redevelopment Law, an agency would incur an obligation under this regulation only if it both constructed and owned the developed housing units. According to Coomes, "This provision is rarely applicable as nearly all housing that is assisted by redevelopment agencies is developed and owned by private or nonprofit entities."¹

An alternative interpretation of this regulation is supported by the State Department of Housing and Community Development (HCD). HCD, contrary to the opinion of the vast majority of redevelopment practitioners, holds that the 30 percent requirement stated above applies to all agency-assisted housing and not just to housing produced directly by an agency. Since the inception of the Buckeye Project, 8 units have received LMIHF assistance, of which 100 percent are affordable to lower-income households, including 5 units (62.5 percent) that are affordable to very-low-income households.

All Other Project Area Housing Production

H & S Code § 33413(b)(2)(A)(i) states that at least 15 percent of all new or substantially rehabilitated dwelling units that are developed within a project area by public or private entities or persons other than the redevelopment agency must be available at affordable housing cost to, and occupied by, persons and families of low and moderate income. Of that 15 percent, not less than 40 percent must be occupied by very-low-income households. Dwelling units developed pursuant to the 15 percent requirement are to remain available at affordable cost to and occupied by very-low, low-, and moderate-income persons and families for the longest feasible time, but not less than 55 years for

¹ Coomes, Jr., Joseph E. et al. Redevelopment in California, 2009 (Fourth) Edition. California: Solano Press Books, 2009.

rental units and 45 units for owner-occupied units. This component of the Housing Production Requirement is often referred to as the “Inclusionary Requirement.”

As used in the above statement, “substantially rehabilitated” means rehabilitation, the value of which constitutes 25 percent of the after-rehabilitation value of the dwelling, inclusive of the land value. Effective January 1, 2002, all single-family and multi-family units that were substantially rehabilitated with agency assistance can be counted towards meeting this requirement.

The inclusionary housing obligation can be met by the construction of new affordable units, the substantial rehabilitation of existing units, and/or the acquisition of affordability covenants. If any of the affordable units are located outside of the project area boundaries, then those units can only be counted on a 50% basis towards meeting the inclusionary housing obligations. With respect to the acquisition of affordable covenants, a redevelopment agency may purchase or acquire long-term affordability covenants on existing multiple-family units that are not presently affordable to low- and moderate-income households or on currently affordable multiple-family units that are not expected to remain affordable. No more than 50 percent of the units meeting each project area’s inclusionary housing obligations may be available in this manner, and at least 50 percent of the units with purchased affordability covenants must be affordable to and occupied by very-low-income households. To date, no affordability covenants have been purchased on any existing multiple-family units.

Time Frame for Compliance

Agencies are required to meet the Housing Production Requirement every 10 years through the life of the redevelopment project. For the Buckeye Project, the first 10-year compliance period concludes June 30, 2010. If the housing requirements are not met by the end of that time, then the obligation must be met on an annual basis until the required housing units for the total 10-year period is met. If the regulatory obligations have been exceeded within the 10-year period, the excess housing units may be counted toward the next 10-year period.

Housing Production Accomplishments

As stated above, the first 10-year compliance period relative to Housing Production requirements within the Buckeye Redevelopment Project concludes June 30, 2010. A comprehensive review was conducted regarding all housing development that has occurred within the Project Area over the past 10 years, through March 31, 2010. Table H-11 presents a summary of this review, including all non-LMIHF assisted housing units that have been developed within the Project Area boundaries, as well as all newly developed or substantially rehabilitated LMIHF-assisted housing units located within the boundaries of the Project Area through March 31, 2010. The total of these three categories forms the basis from which Buckeye’s Housing Production obligation is determined. As shown on the bottom of Table H-11, LMIHF-assisted affordable units developed or substantially rehabilitated either inside and outside of the Project Area as well as any units with affordability covenants that were acquired by the Buckeye partner agencies may be counted towards meeting the statutory Housing Production obligations. Based upon the data presented in Table H-11, the Buckeye Project has met its Housing Production obligations for the initial 10-year compliance period.

TABLE H-11

HOUSING ACTIVITY BUCKEYE REDEVELOPMENT PROJECT JULY 1, 2000 THROUGH MARCH 31, 2010	
Market Rate Units Constructed Within Project Area	46
Affordable Units Constructed with LMIHF Assistance Within Project Area	0
Existing Units Substantially Rehabilitated with LMIHF Assistance Within Project Area	8
TOTAL:	54
Affordable Units Required (15% of Total)	8
Very-Low Income Units Required (40% of Affordable Unit Total)	3
CURRENT STATUS - HOUSING PRODUCTION REQUIREMENTS	
Total Affordable Units Constructed with LMIHF Assistance - (Any location)	-0-
Total Existing Units Substantially Rehabilitated with LMIHF Assistance - (Any location)	8
TOTAL AFFORDABLE UNITS PRODUCED:	8
TOTAL OF ABOVE UNITS AFFORDABLE TO VERY-LOW INCOME:	5
TOTAL AFFORDABLE UNITS IN EXCESS OF CURRENT HOUSING PRODUCTION OBLIGATIONS (which may be applied to future obligations):	-0-

Source: City of Redding Building Division/Redevelopment Division
County of Shasta Building Division

Table H-11(a) provides the individual project detail specific to the substantially rehabilitated housing units with long-term affordability restrictions recorded against them, located anywhere in the community, that have been utilized to meet the Housing Production requirement for the Buckeye Project Area.

TABLE H-11 (a)

BUCKEYE REDEVELOPMENT PROJECT LMIHF-ASSISTED INSIDE OR OUTSIDE OF PROJECT AREA NEW CONSTRUCTION OR SUBSTANTIALLY REHABILITATED HOUSING JULY 1, 2000 - MARCH 31, 2010					
Name	Project Address	Project Type	Number of Units By Income Level		
			VL	LOW	MOD
K2 - Lakeview Terrace Apts	441 - 451 Buckeye Terrace	MF-SR	3	3	0
K2 - Buckeye #2	475 Buckeye Terrace	MF-SR	2	0	0
TOTAL UNITS:			5	3	0

Production Housing Needs FY 2011 - End of Project Life

As stated previously, the Housing Component of the Project Area's Implementation Plan is required to review progress made toward meeting the Housing Production requirements to date and for the current 10-year planning period. In addition, an analysis must be provided that estimates the Project Area's likely remaining production housing obligations through the end of Buckeye's statutory effectiveness in July 2030. As stated previously, the initial 10-year compliance period is July 1, 2000, through June 30, 2010. The second compliance period will run from July 1, 2010, through June 30, 2020, with the final compliance period running from July 1, 2020, through the end of the Project.

During the Plan adoption process, data was collected relative to the amount of vacant land located within the Project Area that was considered suitable for residential development under the applicable jurisdiction's General Plan land-use classifications. In 2000, it was determined that within the Project Area boundaries there was a total of 85.9 acres of vacant land designated for residential development at a variety of densities. The acreage was then multiplied by the appropriate density factor to reach the potential number of housing units that could be developed at build-out. At the time of Project Area adoption, it was estimated that no more than 80 percent of the residential land within the Project Area would be developed by the conclusion of the Plan effectiveness in July 2030 due to a variety of constraints including lack of utility services within the County portions of the Project Area and the ready availability of land throughout other portions of the community. Assuming that one-third of the development activity would occur during each 10-year planning period, approximately 130 new units (one-third of 80% build-out) were anticipated to be constructed between July 2000 and July 2010.

Staff collects information on an annual basis relative to new residential construction within the Project Area boundaries. For the period July 1, 2000, through March 31, 2010, 46 new residential units were developed within the Project. Of these, 18 units were constructed within the City of Redding and 28 units developed in the County. The City units consisted of 15 single-family homes and one triplex rental project. The units in the County were all single-family units, 9 of which were mobile homes. If this slow level of development continues through the remaining 20-year life of the Project, in 2030, the Project Area would reach approximately 34% of build-out. While the competition for developable residential land may become greater towards the end of the Project Area's lifetime, it is extremely unlikely that full build out, or even 80% build out, will be reached.

In March 2010, the amount of vacant residential land within the Project Area boundaries was recalculated. Table H-12 details the amount of undeveloped vacant residential land currently within each jurisdiction, by zoning classification. An estimate of the number of units that are possible to develop based upon the current zoning is indicated. Finally, the table shows the corresponding number of affordable units that would need to be developed to meet the Buckeye Project's Housing Production requirements over the remaining life of the Project under both a 100% build out scenario and an 80% build out scenario.

TABLE H-12

BUCKEYE REDEVELOPMENT PROJECT UNDEVELOPED RESIDENTIAL LAND AS OF March 2010		
Land Use Classification	Vacant Acreage	Potential New Units
CITY OF REDDING		
Residential Single Family:		
2 Units Per Acre (RS-2)	11.79	24
3 Units Per Acre (RS-3)	.62	2
3.5 Units Per Acre (RS-3.5)	9.67	34
Residential Multiple-Family:		
6 Units Per Acre (RM-6)	19.58	118
9 Units Per Acre (RM-9)	.25	2
10 Units Per Acre (RM-10)	2.30	23
COUNTY OF SHASTA		
Residential Single Family:		
3 units Per Acre (IR & IR-T)	39.41	118
TOTAL:	44.21	298
Potential Buckeye Inclusionary (Production Housing) Requirement:		
<u>100% Build Out</u>		
	Total Low/Moderate Affordable Units: 45 (Total-Very-Low Affordable Units: 18)	
<u>80% Build Out</u>		
	Total Low/Moderate Affordable Units: 36 (Total-Very-Low Affordable Units: 14)	

Source: Redding Geographic Information Systems Division
 Shasta County Geographic Information Systems Division

FY 2010 - FY 2019 Planning Period

The second 10-year planning period will run from July 1, 2010, through June 30, 2020. Table H-13 represents the Project Area's potential Housing Production obligation over this period based on a projection of a pro rata share of the presumed 80 percent build-out potential. The pro rata share of the anticipated future growth was calculated at 50 percent for each of the next 10-year periods.

Pursuant to H & S Code § 33413(b)(4), affordable housing units that may be produced in excess of what is necessary to meet the actual Housing Production obligations during any planning period will be carried forward to meet future housing production obligations as needed.

TABLE H-13

BUCKEYE REDEVELOPMENT PROJECT ESTIMATED HOUSING PRODUCTION OBLIGATION FY 2010 - FY 2019			
	Very Low	Low/Moderate	Total
Inclusionary housing units required FY 2010 - FY 2019 (Based on 50% share of potential 36 low/mod units needed to meet projected obligation over the remaining life of the Project Area.)	7	9	18

Projections Through July 18, 2030

Table H-14 sets forth the estimated Production Housing obligation for the Buckeye Project over the final planning period, July 1, 2020, through July 18, 2030. Again, the estimated level of affordable housing development is based on a 50 percent pro rata share of the presumed 80 percent build-out potential.

TABLE H-14

BUCKEYE REDEVELOPMENT PROJECT ESTIMATED HOUSING PRODUCTION OBLIGATION FY 2010 - July 18, 2030			
	Very Low	Low/Moderate	Total
Inclusionary housing units required FY 2020 - July 18, 2030 (Based on 50% share of potential 36 low/mod units needed to meet projected obligation over the remaining life of the Project Area.)	7	9	18

Agency Developed Units

Redevelopment Law also requires an estimate of the number of “agency developed” residential units that will be developed during the next five years. As noted earlier in this report, 30 percent of all new or rehabilitated dwelling units “developed by the agency” must be available at affordable housing cost to, and occupied by, persons and families of low or moderated income. Furthermore, not less than 50 percent of the affordable units are required to be available at affordable housing cost to, and occupied by, very-low-income households. Neither the RRA nor the SCRA plans to own or directly develop any housing projects. As in the past, the partner agencies will continue to financially assist the private sector with affordable housing development pursuant to development agreements between the appropriate agency and the developer.

REPLACEMENT HOUSING

H & S Code § 33413(a) states that whenever dwelling units occupied by persons and families of low or moderate income are destroyed or removed from the housing market as part of a redevelopment project, a redevelopment agency shall replace those units within four years of their destruction or removal. Further, the destroyed or removed housing units are to be replaced and made available at an affordable housing cost at the same or lower income level as the persons displaced from the destroyed or removed units. Under H & S Code § 33413(f), an agency may replace destroyed or removed dwelling units with a fewer number of replacement units as long as the total bedroom count of the replacement units equal or exceed the number of lost bedrooms and the replacement units are affordable to and occupied by the same income level of household as the lost units. H & S Code § 33413.5 requires a redevelopment agency to adopt a replacement housing plan before the dwellings are removed. The purpose of the plan is to ensure that the appropriate replacement housing is produced within the four-year time limit.

To date, the Buckeye Redevelopment Project has not incurred any replacement housing obligations and it is not anticipated that any of the planned for redevelopment activities through the end of the planning period will necessitate the destruction or removal of residential units occupied by low- or moderate-income persons.

CONSISTENCY WITH HOUSING ELEMENT OF THE GENERAL PLAN

H & S Code § 33413(b)(4) requires the housing component of the Implementation Plan to be consistent with the Housing Elements of the participation jurisdictions, that is, the City of Redding and Shasta County. The housing production goals and proposed programs outlined in this report are in conformance with the goals, policies, objectives, and programs contained within these Housing Elements. The LMIHF is identified in both Housing Elements as a potential source of funding for new construction, substantial rehabilitation, as well as other housing activities.

SUMMARY

The documentation outlined herein provides the framework necessary to operate a realistic, achievable program of housing activities over the stated planning period as well as lay the foundation for housing efforts through the remaining life of the Project Area. It is the Project Area’s goal to

carry forth an aggressive, fiscally sound program of varied housing activities that will meet all affordable housing obligations contained within redevelopment regulations.

As can be readily seen from the tables and narrative, the proposed programs and production goals set forth in this report have the potential to meet the Project Area's production housing obligations over the final 20-year lifetime. In addition, the targeted LMIHF expenditures described in the report will ensure that all obligations relative to the proportional expenditure of LMIHF resources are met. It is important to note that actual accomplishment of the goals will be subject to an assortment of variables, as are all projects undertaken by redevelopment agencies. Important among these are continued availability of matching and private funding on most activities, continued support by the local public and political bodies for affordable housing activities, and actual receipt of revenues at the level projected based upon appreciation of area property values and continued private investment in the Project Area. With some consistency in these factors, the goals and objectives stated herein will be achieved, and will immeasurably enhance the affordable housing opportunities for the residents of the community now and into the future.

ATTACHMENT A

ATTACHMENT A

The following affordable housing projects were completed during the past five-year period. A short narrative associated with each describes the project, number of units, the affordability levels achieved, the total project costs, and the amount of LMIHF resources utilized.

441-451 Buckeye Terrace: The Redding Redevelopment Agency provided \$285,000 (\$100,000 from the Buckeye LMIHF) in the form of a partially deferred payment loan to K2 Land & Investment, LLC, to assist with the acquisition and substantial rehabilitation of 8 two bedroom apartments. The property had previously been a foreclosure and was bank owned at the time of acquisition. The total project cost was \$630,000. Three of the units will be rented at an affordable rent to very-low income households and three of the units will be rented at an affordable rent to low-income households. Long-term affordability restrictions have been recorded on the property assuring affordability of the six restricted units for 55 years.



475 Buckeye Terrace: The Redding Redevelopment Agency provided \$150,000 (\$80,000 from the Buckeye LMIHF) in the form of a partially deferred payment loan to K2 Land & Investment, LLC, to assist with the acquisition and substantial rehabilitation of 4 two bedroom apartments. The property had previously been a foreclosure and was bank owned at the time of acquisition. The total project cost was \$335,000. Two of the units will be rented at an affordable rent to very-low income households. Long-term affordability restrictions have been recorded on the property assuring affordability of the two restricted units for 55 years.

