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REDEVELOPMENT AGENCY OF THE CITY OF SANTA ROSA

**INTERIM PROGRESS REPORT FOR THE
FIVE-YEAR IMPLEMENTATION PLAN FOR THE
SOUTHWEST REDEVELOPMENT PROJECT AREA**

OCTOBER 2008



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I. BACKGROUND AND EXECUTIVE SUMMARY

A. Background

California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*) requires redevelopment agencies to adopt an implementation plan every five years. The implementation plan is viewed as a policy document that provides information about redevelopment activities and an explanation of how the activities assist in the elimination of blight.

Redevelopment Law also requires every agency, at least once within the five-year term of an implementation plan, to conduct a public hearing and hear testimony of all interested parties for the purpose of reviewing the redevelopment plan and the corresponding implementation plan and evaluating the progress of the redevelopment project.

This document serves as the Interim Progress Report and Evaluation of the current Five-Year Implementation Plan. The following information reports the progress of those programs and projects contained in the Five-Year Implementation Plan for the Southwest Redevelopment Project Area.

The Project Area consists of two noncontiguous areas totaling approximately 2,006 gross acres that are sub-areas of the larger Southwest Area that had been the subject of the Southwest Area Plan ("Southwest Area"). One of the noncontiguous areas includes the portion of the Roseland community that was not included in the original County-administered Roseland Redevelopment Project Area; this area is generally bounded by Sunset Avenue on the north, Highway 101 on the east, Bellevue Avenue on the south and Stony Point Road on the west ("Roseland Sub-area"). The second area includes the residential neighborhoods around South Wright Road and the former Santa Rosa Air Center ("Southwest Sub-area"). This area is generally bounded by Highway 12 on the north, the rear property line of the Air Center on the east, Ludwig Avenue on the south and Wright Avenue on the west. This area also includes unincorporated County area west of South Wright Road extending east to Merced Avenue, and bounded on the south by Miles Avenue and on the north by Highway 12.

The Redevelopment Agency of the City of Santa Rosa adopted the current Five-Year Implementation Plan for the Southwest Redevelopment Project Area in 2005. The term of the Implementation Plan runs through July 2010.

B. Executive Summary

This review of the progress of the projects and programs identified in the current Five-Year Implementation Plan for the Southwest Redevelopment Project Area takes place three years into the Five-Year Plan. The Agency has made excellent progress toward meeting the goals and objectives outlined the Five-Year Plan.

During this review period, the Agency has achieved its public improvement project funding goals. Three projects have been completed and an additional twelve projects are in design, acquisition or construction phases.

The Agency has exceeded expectations for meeting the inclusionary housing requirements with 283 affordable units between July 2000 and July 2007, significantly more than the Five-Year Plan estimate of 210 units from 2000-2010. Similarly, the production of 108 Very Low Income units was higher than the estimated 84 units.

During this reporting period, the Agency contributed toward the production of 369 affordable units, greatly exceeding the expected production of 30 units. In addition, 141 affordable units were completed with funding that was provided prior to July 2005.

The Agency's total investment of \$22,408,384 for this three-year period is ahead of projections. The Five-Year Plan estimated an approximate investment of \$22,000,000 over the entire five-year period.

II. **GENERAL GOALS**

The Agency's goals for the Southwest Project Area, as stated in the Redevelopment Plan and the Five-Year Implementation Plan include:

1. The elimination of blighting influences and the correction of environmental deficiencies in the Project Area, including, among others, buildings in which it is unsafe or unhealthy for persons to live or work, incompatible uses, inadequate sized lots, faulty or inadequate utilities, properties containing hazardous wastes, depreciated or stagnant property values, lack of neighborhood commercial facilities and a high crime rate;
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 development of portions of the Project Area which are stagnant or improperly utilized;
4. The provision of opportunities for participation by owners and tenants in the revitalization of their properties;
5. The strengthening of retail and other commercial functions and industrial functions in the Project Area;

6. The strengthening of the economic base of the Project Area by stimulating new investment;
7. The expansion of employment opportunities;
8. The provision of an environment for social and economic growth;
9. The expansion, improvement, and preservation of the community's supply of housing available to low- and moderate-income persons and families; and
10. The installation of new or replacement of existing public improvements, facilities and utilities in areas which are currently inadequately served with regard to such improvements, facilities and utilities.

B. Progress on Implementation Plan Goals and Objectives

1. Redevelopment Component Progress

- a. Public Improvement Program: From July 2005 – June 2008, the Agency has contributed toward a series of public improvements, including:

Capital Projects in design and right of way acquisition:	
Leddy Park sewer and water lines	\$2,000,000
Colgan Creek Bridge	\$ 250,000
Corby Avenue (County)	\$ 420,000
Stony Point Road	\$5,821,075
Hearn Avenue Overcrossing	\$1,476,000
Hearn Avenue Widening	\$1,500,000
Southwest SMART Trail	\$ 501,460
Total Capital Projects	\$11,968,535
Park projects in acquisition, design and/or construction:	
Airfield Park	\$1,045,000
Burbank Pathway (County)	\$ 217,541
Southwest Community Center – utility lines	\$1,000,000
Sebastopol Road	Funded prior to July 2005
Roseland Neighborhood Park	\$1,262,601
Total Park Projects	\$ 3,525,142
Completed projects:	
West Avenue reconstruction	Funded prior to July 2005
Bus Stop Improvements	Funded prior to July 2005
Fire Station #10	\$1,912,500
Total Completed Projects	\$ 1,912,500
TOTAL	\$17,406,177

b. Other Redevelopment Activities:

- i. The Graffiti Abatement program hosted a very successful Northern California Graffiti Trade Show and Conference, and continues its efforts to eliminate graffiti. The Agency has contributed \$250,000, from July 2005 – June 2008, toward Graffiti Abatement.
- ii. The Neighborhood Revitalization Program (NRP) serves two Southwest Redevelopment Project Area neighborhoods: Sunset/Delport and Corby/Olive. Between July 1, 2005 and June 30, 2008, NRP conducted 329 inspections. They found 1,066 building violations and 40 fire violations. There were 47 graffiti incidents and 20 public nuisance reports. The NRP program has received \$834,000 in Agency contributions from July 2005 – June 2008 to assist in the inspections and eliminating these conditions.

c. Financing: The Agency issued tax allocation bonds in 2005 for \$16,210,000. The Agency entered into a housing set-aside tax allocation loan with Exchange Bank in 2008 in the amount of \$14,700,000 and has executed an EPA Brownfields Cleanup Loan in the amount of \$750,000 with the City for the cleanup of Airfield Park.

2. Housing Component Progress

From July 2005 – June 2008, Southwest Redevelopment Project Area housing funds in the amount of \$3,918,207 were allocated to affordable housing projects during this period: 132 units were completed, assisting low- and very-low income households; and 237 units are in pre-development.

<i>Inside Project Area</i>	
Kali – 6 low-income, Habitat for Humanity home ownership units	\$ 89,274
The Crossroads – 89 units (under development)	\$1,476,901
Amorosa Village – 148 units (under development)	\$2,337,441
<i>Outside Project Area</i>	
Olive Grove Apartments – 126 affordable units	\$ 14,591
Total	\$3,918,207

<i>Projects Completed with Funding Prior to July 2005</i>		
Avalon –	20 affordable rental units	Inside Project Area
Monte Vista -	105 affordable rental units	Outside Project Area
Stony Point Commons –	16 units	Inside Project Area
Total	141 Units	

3. The RDA’s total investment in the Southwest Redevelopment Project Area during this reporting period is \$22,408,384.

Table 1
Redevelopment Agency of the City of Santa Rosa
SOUTHWEST REDEVELOPMENT PROJECT AREA
Estimated and Actual Program Revenue and Expenditures - Housing (2005-2010)

		FY 2004 2005	1 FY 2005 2006	2 FY 2006 2007	3 FY 2007 2008	4 FY 2008 2009	5 FY 2009 2010	Total Over 5 Year Period (or to date)
Estimated and Actual Revenue								
Housing Set-Aside deposits to LMIHF	Estimated	\$552,000	700,000	753,000	781,000	11,440,960 ⁽¹⁾	265,000	\$13,939,960
	Actual	789,027	1,048,188	1,206,344	2,570,096	N/A	N/A	4,824,628
Estimated Expenditures								
Estimated Housing Program Costs:								
New Housing Construction	Estimated	\$350,000	376,500	390,500	10,979,058	0	\$12,096,058	
	Actual	1,227,193	282,745	2,408,269	N/A	N/A	3,918,207	
Rehabilitation of Existing Housing	Estimated	280,000	301,200	312,400	0	0	893,600	
	Actual	0	0	0	N/A	N/A	0	
Administration	Estimated	70,000	75,300	78,100	461,902	265,000	950,302	
	Actual	37,216	65,616	123,309	N/A	N/A	226,141	
Total Expenditures	Estimated	700,000	753,000	781,000	11,440,960	265,000	13,939,960	
	Actual	1,264,409⁽²⁾	348,361	2,531,578	N/A	N/A	4,144,348	

(1) This revenue total includes \$10,775,000 from the Exchange Bank loan.

(2) Expenditures exceed revenue because of prior year carry-over appropriations.

Table 2
Redevelopment Agency of the City of Santa Rosa
SOUTHWEST REDEVELOPMENT PROJECT AREA
Actual and Estimate of Agency Assisted Housing Units ⁽¹⁾

		1 2005 2006	2 2006 2007	3 2007 2008	4 2008 2009	5 2009 2010	Totals
New Housing Program							
Total Units ⁽²⁾	Estimate	6	7	7	7	8	35
	Actual	126	6	105	N/A	N/A	237
Total Expenditure ⁽²⁾	Estimate	\$350,000	376,500	390,500	10,979,058	0	\$12,096,058
	Actual	1,227,193	282,745	2,408,269	N/A	N/A	3,918,207
Rehabilitation of Existing Housing							
Total Units ⁽²⁾	Estimate	8	9	9	9	10	45
	Actual	0	0	0	N/A	N/A	0
Total Expenditure ⁽²⁾	Estimate	\$280,000	301,200	312,400	0	0	\$893,600
	Actual	0	0	0	N/A	N/A	0
Total Housing Units to be Constructed, Rehabilitated, or Price-Restricted	Estimate	14	16	16	16	18	80
	Actual	126	6	105	N/A	N/A	237

(1) Reflects estimate of units to be assisted utilizing Southwest Housing Set-Aside funds.

(2) The Redevelopment Plan requires that no less than 50% of the funds for new construction be used within the Project Area.