

AGENDA

STANISLAUS COUNTY REDEVELOPMENT AGENCY

1010 10TH STREET, BASEMENT LEVEL, MODESTO

October 19, 2010

6:35 P.M.

- I. CALL TO ORDER**
- II. CONSENT CALENDAR (Those items marked with an *)**
- III. APPROVAL OF MINUTES**
 - *A. Minutes of September 28, 2010
- IV. CORRESPONDENCE**
 - A. None
- V. PUBLIC HEARINGS**
 - A. Public Hearing to Consider Adoption of the 2010-2014 Implementation Plan for the Stanislaus County Redevelopment Agency Project No. 1
- VI. AGENDA ITEMS**
 - A. Approval to Adopt the Proposed Budget for Fiscal Year 2010-2011
- VII. PUBLIC FORUM**
- VIII. ADJOURNMENT**

**MINUTES
STANISLAUS COUNTY REDEVELOPMENT AGENCY
SEPTEMBER 28, 2010**

The Stanislaus County Redevelopment Agency met in the Joint Chambers at 10th Street Place, Basement Level, 1010 10th Street, Modesto, California.

I. CALL TO ORDER

The meeting was called to order at 9:40 a.m.

Members present: Jim DeMartini, Jeff Grover, William O'Brien, Dick Monteith, and Vito Chiesa

Members absent: None

Staff present: Kirk Ford, Executive Director

II. CONSENT CALENDAR (*)

Upon motion by Agency members O'Brien/Chiesa, Agency unanimously approved the Consent Calendar, including approval of the Minutes. (5-0)

III. APPROVAL OF MINUTES

A. Upon motion by Agency members, O'Brien/Chiesa, the Agency unanimously approved the minutes of September 14, 2010. (5-0)

IV. CORRESPONDENCE

A. None

V. PUBLIC HEARINGS

A. None

VI. AGENDA ITEMS

*A. Authorized the Executive Director to negotiate final conditions and scope of services and enter into a contract with KNN Public Finance to prepare a Debt Capacity Study for a cost not to exceed \$21,000.

*B. Authorized the Executive Director to negotiate final conditions and scope of services and enter into a contract with Urban Analytics to prepare a Fiscal Impact Analysis and Pass-Through Analysis for a cost not to exceed \$9,500.

*C. Approved the expenditure of \$600,000 of Housing Set-Aside funds to be used by the Housing Authority of Stanislaus County to provide affordable housing rehabilitation; authorized the Executive Director, on behalf of the Agency, to execute a contract with the Housing Authority of Stanislaus County to provide affordable housing rehabilitation; directed the Auditor-Controller to increase appropriations by \$600,000 per the financial transaction sheet.

VII. PUBLIC FORUM

No one spoke.

VIII. ADJOURNMENT

The meeting adjourned at 9:42 a.m.



Kirk Ford
Executive Director

Sitting as the Redevelopment Agency
THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Redevelopment Agency *CPD*

BOARD AGENDA # 6:35 p.m. - V-A

Urgent Routine

AGENDA DATE October 19, 2010

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Public Hearing to Consider Adoption of the 2010-2014 Implementation Plan for the Stanislaus County Redevelopment Agency Project No. 1

STAFF RECOMMENDATIONS:

1. Conduct the Public Hearing for the 2010-2014 Implementation Plan for the Stanislaus County Redevelopment Agency Project No. 1.
2. Adopt the 2010-2014 Implementation Plan for the Stanislaus County Redevelopment Agency Project No. 1.

FISCAL IMPACT:

The Stanislaus County Redevelopment Agency is projecting to receive \$21,306,654 in property tax increment revenue during the 2010-2014 Implementation Plan period (Fiscal Years 2010-2011 to 2014-2015). The Redevelopment Agency is fully funded from tax increment and does not rely on the County's General fund.

BOARD ACTION AS FOLLOWS:

No. 2010-657

On motion of Supervisor Monteith, Seconded by Supervisor Chiesa

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Grover

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

ATTEST:

Elizabeth A. King
ELIZABETH A. KING, Assistant Clerk

File No.

DISCUSSION:

The California Community Redevelopment Law (CRL) requires a redevelopment agency prepare and adopt a five-year Implementation Plan (hereinafter "Plan") for every adopted Redevelopment Plan. The Plan is an Agency's guide to help eliminate blight by developing projects and programs which will benefit the Project area. In addition, the affordable housing component of the Plan establishes a means of monitoring the Agency's progress in meeting its affordable housing obligations. The Plan must include the following elements:

- The specific goals and objectives of the Agency;
- Progress made during the previous Implementation Plan period;
- The specific programs, including potential projects and estimated expenditures, proposed to be undertaken during the next five years;
- A description of how the adopted goals and objectives, as well as the scheduled projects, will eliminate blight within the Project area; and
- A description of how the goals, objectives, projects and expenditures will implement the low- and moderate-income housing set-aside and housing production requirements as set forth in the CRL.

The proposed Plan covers calendar years 2010 to 2014 and Fiscal Years 2010-2011 to 2014-2015. The previously adopted 2005-2009 Plan covered Fiscal Years 2005-2006 to 2009-2010. During the interim period between Plans, the Agency continues to adhere to the programs and projects identified in the 2005-2009 Plan.

The Redevelopment Plan for the Stanislaus County Redevelopment Agency Project Area No. 1 (hereinafter "Project") was adopted by the Stanislaus County Board of Supervisors in 1991. The Project area consists of the following fifteen (15) non-contiguous sub-areas totaling approximately 4,272 acres in the unincorporated area of Stanislaus County (see Attachment "1" for Project maps):

Salida Community	I-5 Westley Interchange/Westley
Empire Community	South 7 th Street
Shackelford Neighborhood	Keyes Community
Airport Industrial	Denair Community
Hickman Community	Grayson Community
Valley Home Community	Butte/Glenn/Imperial Neighborhood
Crows Landing Community	Shell Laboratory Site
Monterey Park Neighborhood	

Finances

The Agency is primarily funded by property tax increment generated within the Project area. Property tax increment revenue received by the Agency is distributed into two funds: Housing and Capital Projects. The CRL requires an agency set-aside 20% of its gross tax increment to address affordable housing. The Agency has agreed to contribute 25% of its gross tax increment to its Housing Fund. Pass-through obligations to affected taxing entities are subtracted from the remaining tax increment before distribution to the Capital Projects Fund.

In light of the current economic downturn, this Plan projects a zero percent growth in tax increment based on Fiscal Year 2010-2011 assessed valuations for the Project Area (see Table One below).

Table One: TAX INCREMENT PROJECTIONS: FISCAL YEAR 2010-11 TO 2014-15

	2010-11	2011-12	2012-13	2013-14	2014-15	Total
Housing Fund	\$1,742,163	\$1,742,163	\$1,742,163	\$1,742,163	\$1,742,163	\$8,710,815
Capital Projects Fund	\$2,648,088	\$2,648,088	\$2,648,088	\$2,648,088	\$2,003,487	\$12,595,839
REVENUE TOTAL¹	\$4,390,251	\$4,390,251	\$4,390,251	\$4,390,251	\$3,745,650	\$21,306,654

¹ The reduction in tax increment is attributed to escalating pass-through obligations taking effect in 2014

The Agency's cash balance at the start of the Plan period is \$8,241,136 in the Housing Fund and \$9,271,603 in the Capital Projects Fund. In total, the Plan projects the Agency will expend \$14,342,005 from its Housing Fund and \$21,759,117 from its Capital Projects Fund during the Plan period. Tables Two and Three of the Plan provide a breakdown of the revenue and expenditure projections for each of the Agency's Funds.

Unfortunately, as a result of the 2009-2010 State Budget, the Agency is being forced to make payments totaling \$3,395,297 to the Supplemental Education Revenue Augmentation Funds (SERAF) during Fiscal Years 2009-2010 (\$2,812,297) and 2010-2011 (\$583,000). While no additional SERAF payments are considered during the lifespan of this plan, any additional raids will certainly impact the Agency's ability to fund programs and projects. With the general economic uncertainty at both the state and local levels, the Agency will spend a significant time during this Plan period monitoring the economic outlook, assessing the agencies debt capacity, and re-assessing project costs and needs.

Projects and Programs

The implementation of this Plan is contingent on the availability of adequate funding. In order to consider projects for funding a number of factors need to be taken into consideration. These factors include, but may not be limited to, the following:

- a. Health and safety needs of the program/project and how those needs compare with the needs of other programs/projects. (i.e., high per capita septic system failures).
- b. The willingness and ability of the local community to assess themselves for purposes of contributing towards project costs and costs of ongoing maintenance and operation of improvements inclusive of support of the program/project by the areas Municipal Advisory Council (MAC) or an organized community group (if no MAC exists to represent the area).
- c. Identified and available funding sources for the specific program/project (the ability to leverage local agency dollars with outside funding sources are critical to ensuring a successful program/project).
- d. For public infrastructure improvement projects: 1) A working partnership between for service provider(s), the local community, and the Agency, 2) The availability of engineered designs and a cost analysis for the project, 3) The willingness/ability of the service provider(s) to consider annexation of the improvements to be made.

The following is an overview of the programs and projects proposed to be undertaken during this Plan period and the estimated Agency expenditures:

Affordable Housing:

- Down Payment Assistance Program -- \$2,340,000
- Housing Rehabilitation Program -- \$3,600,000
- In-Fill Housing Acquisition, Rehabilitation, and Construction Program -- \$6,025,000

Public infrastructure:

- Empire Storm Drainage Project – Design and Construction -- \$5,050,000
- Shackelford (Parklawn Neighborhood) & Airport Sub-areas – Sewer Infrastructure Preliminary Design, Cost Analysis, and Construction - \$3,400,000 (\$1,700,000 each area)
- Monterey Park Tract Water System -- \$40,000
- Keyes Storm Drainage Infrastructure Projects -- \$1,513,000

Other:

- Neighborhood Clean-Up Program -- \$25,000
- Economic Development -- \$500,000
- Public Infrastructure Facility Rehabilitation/Reconstruction -- \$50,000
- Emergency Septic Repair & Sewer Connection Program -- \$500,000
- Administration -- \$3,750,000
- Debt Service -- \$9,308,122

The 'affordable housing' and many of the 'other' programs and projects identified in the proposed Plan are continuations of ongoing programs already being funded by the Agency. The 'public infrastructure' projects include both ongoing and new projects. The Empire Storm Drain project includes funding to complete Phase 1A, scheduled to be completed by the end of 2010, and funding for future project phases. The Shackelford and Airport Sewer infrastructure projects are new and include funding for preliminary design and cost analysis with some funding being made available for future construction. The Monterey Park Tract Water System and Keyes Storm Drainage Infrastructure Programs, scheduled to be completed by the end of 2010, are both ongoing projects with remaining costs to be paid by the Agency during this Plan period.

The Neighborhood Clean-Up program is on-going, but this Plan proposes to re-focus the program towards clean-ups of public areas, shifting away from private property clean-ups, with implementation of clean-up events being community driven and dependent on community participation. Under administration, this Plan proposes the use of Housing Funds to cover administration costs associated with affordable housing programs. This is a shift from the historical use of Capital Project Funds to cover all Agency administration costs. Funding for the debt capacity study and pass-through payment assessments identified under administration have already been approved by the Agency and are pending contract execution.

Affordable Housing Production

The Plan also includes an affordable housing component with a specific mandated goal to provide a minimum of 16 affordable housing units during this five-year Plan period. Of the required units, 40% must be made available to very low- income households and another 40% must be made available to low-income household. The remaining units may be made available to moderate-income households or to very low- or low- income households.

The Agency believes it is on track to meet the housing production requirements and will be closely monitoring housing production activities to ensure compliance by December of 2014. Utilizing the affordable housing programs outlined in the proposed Plan, the Agency plans to spend nearly \$12 million during this Plan period in an effort to ensure the Agency's housing production requirements are met and exceeded. Ultimately, the Agency will have to meet housing production requirements for the entire life of the Project.

The Agency itself has not, and does not intend to, produced any housing during the next five-year Plan period. Instead the Agency will provide financial assistance to public and private entities in order to ensure production requirements are met. All Agency assisted housing will be subject to recorded affordability covenants, to remain in effect for 55 years for rental units and 45 years for owner occupied units as required by CRL.

Public Review

In compliance with CRL public noticing requirements, a draft Plan was released for public review on September 17, 2010. The attached Plan being proposed for adoption includes some revisions to clean-up grammar, punctuation, and provide greater clarity regarding specific programs and projects. Some key revisions to the draft include the incorporation of a debt service discussion into Chapter 5, under the administration section, and the incorporation of miscellaneous revenues into Tables Two and Three. The miscellaneous revenues include interest, charges for services, and State homeowner property tax exemption funds annually received by the Agency. The addition of these revenues increased the overall balance available for both the Housing and Capital Projects Funds.

At this time, no public comments regarding the proposed Plan have been received by the Agency. Notices of the public hearing to consider adoption of the proposed Plan have been published in The Modesto Bee and posted in a minimum of four locations in the Project area as required by CRL. Notice of the public hearing was also sent to all of the County's Municipal Advisory Councils (MAC) representing Project sub-areas. A discussion of the Plan was also presented by County staff at the October 6, 2010 Bi-Annual MAC meeting in Keyes.

POLICY ISSUE:

The adoption of a five-year Implementation Plan is a requirement of the California Community Redevelopment Law (CRL). Traditionally, the efforts of the Redevelopment Agency fall within the Board Priorities of A Well Planned infrastructure System, A Healthy Community and Effective Partnerships.

STAFFING IMPACT:

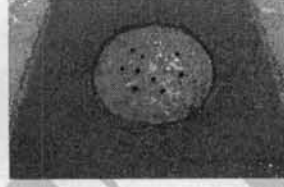
There are no staffing impacts associated with this item. The Implementation Plan recognizes the Redevelopment Agency's staffing as part of the administration expenditures.

CONTACT PERSON:

Kirk Ford, Planning & Community Development Director. Telephone: (209) 525-6330

ATTACHMENT:

1. Proposed 2010-2014 Implementation Plan



STANISLAUS COUNTY REDEVELOPMENT AGENCY IMPLEMENTATION PLAN

Project No. 1

2010 - 2014

Stanislaus County Redevelopment Agency
1010 10th Street Suite 3400
Modesto, CA 95354
(209) 525.6330



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CHAPTER 1: EXECUTIVE SUMMARY

1.1 INTRODUCTION:

The California Community Redevelopment Law (CRL) requires a Redevelopment Agency prepare and adopt a five-year Implementation Plan (hereinafter "Plan") for every adopted Redevelopment Plan. The Plan is an Agency's guide to help eliminate blight by developing projects and programs which will benefit the Project area. In addition, the affordable housing component of the Plan establishes a means of monitoring the Agency's progress in meeting its affordable housing obligations. The Plan must include the following elements:

- ❖ The specific goals and objectives of the Agency;
- ❖ Progress made during the previous Plan period;
- ❖ The specific programs, including potential projects and estimated expenditures, proposed to be undertaken during the next five years;
- ❖ A description of how the adopted goals and objectives, as well as the scheduled projects, will eliminate blight within the Project area; and
- ❖ A description of how the goals, objectives, projects and expenditures will implement the low- and moderate-income housing set-aside and housing production requirements as set forth in the CRL.

At least once during the Plan's five-year period, no earlier than two years and no later than three years after adoption, a public hearing to evaluate the progress of the Plan is required.

The effective time period of this 2010-2014 Plan is January 1, 2010 to December 31, 2014. The Agency operates on a fiscal year basis (July 1st to June 30th). Thus, the Plan covers calendar years 2010 to 2014 and Fiscal Years 2010-2011 to 2014-2015.

1.2: BACKGROUND:

The Redevelopment Plan for the Stanislaus County Redevelopment Agency Project No. 1 (hereinafter "Project") was adopted by the Stanislaus County Board of Supervisors in 1991. The Project consists of fifteen (15) non-contiguous sub-areas totaling approximately 4,272 acres (See Appendix "A" – Project Area Maps). The Project originally had a planned duration (plan effectiveness) of thirty-five (35) years from the date of adoption. However, as a result of legislative changes, the Project has been amended to reflect a plan effectiveness of forty-two (42) years. The Redevelopment Plan is an integral part of the Economic Strategic Plan adopted in 1989; and when implemented, is to assist in achieving the long-term economic strategic interests of Stanislaus County, its citizens and businesses.

The Agency is primarily funded by property tax increment generated within the Project area. Property tax increment revenue received by the Agency is distributed into two funds: Housing and Capital Projects. The CRL requires an agency set-aside 20% of its gross tax increment to address affordable housing. The Agency has agreed to contribute 25% of its gross tax increment to its Housing Fund. Pass-through obligations to affected taxing entities are subtracted from the remaining tax increment before distribution to the Capital Projects Fund.

During the previous Plan period (2005-2009), a total of \$25,780,831 in tax increment was deposited in the Agency's two funds. A total of \$10,324,225 was deposited in the Housing Fund and a total of \$15,456,606 was deposited in the Capital Projects Funds. The remaining increment, approximately \$15,692,822, generated by the Project was distributed to affected taxing entities to cover the Agency's pass-through obligations.

Previous Plan periods have included 1995-1999, 2000-2004, and 2005-2009.

1.3: PAST AND PROPOSED PROJECTS AND PROGRAMS

Housing Projects and Programs:

During the previous Plan period (2005-2009), the Agency deposited \$10,324,225 to its Housing Fund. The Agency was successful in leveraging the following funds for affordable housing projects:

❖ Home Investment Partnership funds (HOME)	\$ 1,798,108
❖ Habitat for Humanity	\$ 309,575
❖ Stanislaus County Housing Authority	<u>\$ 802,000</u>
	\$ 2,909,683

Affordable housing projects included acquisition, rehabilitation and construction of housing units in partnership with Habitat for Humanity and use of both Agency and leveraged funding to facilitate housing rehabilitation and down payment assistance to first time home buyers. As an extension of the Shackelford Sewer Project, a housing set-aside eligible project aimed to correct health and safety issues facing low and moderate income residents, the Agency expended funds from the Housing Fund for individual sewer lateral connections.

The balance in the Housing Fund at the end of the previous Plan period, June 30, 2010, was \$8,241,136.

Non-Housing Projects and Programs:

The Agency deposited \$15,456,606 to its Capital Projects Fund and leveraged \$15,615,000 in bond funds (2005 Tax Allocation Bond - Keyes Storm Drain Project) to facilitate the following projects:

- ❖ Salida Boulevard Project
- ❖ Crows Landing Community Service District (CLCSD) Water Distribution System Rehabilitation Project
- ❖ Workforce Development Program – Targeted Technology Training
- ❖ Monterey Park Tract Water Study
- ❖ Keyes Storm Drainage Infrastructure Project
- ❖ Empire Storm Drain Project – Design and Construction -- Phase 1A

Community Development Block Grant funds in the amount of \$1.9 Million were leveraged with Agency funds to assist in the implementation of non-housing projects.

During Fiscal Year 2009-2010, the Agency was forced by the State to make a payment of \$2,812,297 to the Supplemental Educational Revenue Augmentation Funds (SERAF) using Capital Project Funds. The balance in the Capital Projects Fund, at the end of the previous Plan period, June 30, 2010, was \$9,271,603.

Proposed Projects and Programs:

Briefly, the following are some of the programs and projects being proposed as part of this Plan:

- ❖ Down Payment Assistance Program
- ❖ Housing Rehabilitation Program
- ❖ Infill Housing Acquisition, Construction, and Rehabilitation Program
- ❖ Empire Storm Drain Project – Design and Construction – Phases 1A-3
- ❖ Airport and Shackelford (Parklawn Neighborhood) Sub-Areas – Sewer infrastructure Preliminary Design, Cost Analysis, and Construction Project
- ❖ Neighborhood Clean-Up Program
- ❖ Economic Development Program
- ❖ Emergency Septic Repair/Sewer Connection Program

A detailed overview of past and proposed programs and projects are provided in Chapters Four and Five of this Plan.

1.4 CONCLUSION

The implementation of this Plan is contingent on the availability of adequate funding. In order to consider projects for funding a number of factors need to be taken into consideration. These factors include, but may not be limited to, the following:

- a. Health and safety needs of the program/project and how those needs compare with the needs of other programs/projects (i.e., high percapita septic system failures).

- b. The willingness and ability of the local community to assess themselves for purposes of contributing towards project costs and costs of ongoing maintenance and operation of improvements inclusive of support of the program/project by the areas Municipal Advisory Council (MAC) or an organized community group (if no MAC exists to represent the area).
- c. Identified and available funding sources for the specific program/project (the ability to leverage local agency dollars with outside funding sources are critical to ensuring a successful program/project).
- d. For public infrastructure improvement projects: 1) A working partnership between for service provider(s), the local community, and the Agency, 2) The availability of engineered designs and a cost analysis for the project, 3) The willingness/ability of the service provider(s) to consider annexation of the improvements to be made.

The Agency is funded primarily by property tax increment generated within the Project area. This funding can then be leveraged or committed to other funding sources for additional dollars. In light of the current economic downturn, this Plan projects a zero percent growth in tax increment based on Fiscal Year 2010-2011 assessed valuations for the Project area (see Table One below).

Table One: TAX INCREMENT PROJECTIONS: FISCAL YEAR 2010-11 TO 2014-15

	2010-11	2011-12	2012-13	2013-14	2014-15	Total
Housing Fund	\$1,742,163	\$1,742,163	\$1,742,163	\$1,742,163	\$1,742,163	\$8,710,815
Capital Projects Fund	\$2,648,088	\$2,648,088	\$2,648,088	\$2,648,088	\$2,003,487	\$12,595,839
REVENUE TOTAL¹	\$4,390,251	\$4,390,251	\$4,390,251	\$4,390,251	\$3,745,650	\$21,306,654

¹ The reduction in tax increment is attributed to escalating pass-through obligations taking effect in 2014

Unfortunately, as a result of the 2009-2010 State Budget, the Agency is being forced to make payments totaling \$3,395,297 to the Supplemental Educational Revenue Augmentation Funds (SERAF) during Fiscal Years 2009-2010 and 2010-2011. This type of raid on local funds has greatly diminished the goals of the Agency to eliminate blight. While no additional SERAF payments are considered during the lifespan of this plan, additional raids would certainly cause further program/project delays and force some programs/projects to be cancelled.

The three primary methods redevelopment agencies use, typically in combination, to finance programs and projects is 'pay-as-you-go', loans, and bonds. Loss of funds to raids by the State makes all of these options difficult to attain as a result of reduced debt capacity. One of the programs identified in this Plan is a debt capacity study. Depending on future State actions and the outcome of the debt capacity study, necessary adjustments to this Plan will be proposed during the Plan's review period; two to three years after adoption.

The programs and projects listed in this Plan are designed to further the goals and objectives of the Project as a whole and are consistent with the following:

- ❖ Stanislaus County Board of Supervisor's Priorities of A Well Planned Infrastructure System, A Healthy Community, and Effective Partnerships.
- ❖ Stanislaus County General Plan
- ❖ Stanislaus County Consortium's Community Development Block Grant Consolidated Plan
- ❖ Stanislaus County Capital Improvement Plan

With the financial resources available, the Agency will continue to implement programs and projects aimed to eliminate blight in the Project area.

DRAFT

CHAPTER 2: BLIGHTING CONDITIONS

As part of the Project adoption process, the Stanislaus County Planning Commission, in March 1990, selected the Project area boundaries and approved a Preliminary Plan for the redevelopment of the Project area. As part of that Plan, the blighting conditions within the Project area were identified as follows:

- ❖ Incompatible land uses.
- ❖ Deteriorated and/or dilapidated buildings.
- ❖ Defective design and physical construction.
- ❖ Shifting uses.
- ❖ Inadequate light, ventilation, and open space.
- ❖ Inadequate public improvements, facilities, and utilities.
- ❖ Inadequate parking, drainage, and street improvements.
- ❖ Inadequate sewer systems.
- ❖ Inadequate transportation facilities.
- ❖ Lots of inadequate form or size.

Conditions of blight remain in the Project area and require the continued assistance of the Agency in the eradication of their influences. The programs and projects identified in this Plan will continue to aid in eliminating blight from the Project area. Specifically, the following blight conditions will be addressed by the projects and projects proposed in Chapter 5 of this Plan:

Housing Projects and Programs: deterioration and/or dilapidated buildings, defective design and physical condition, inadequate light, ventilation, and open space, lots of inadequate form or size.

Non-Housing Projects and Programs: defective design and physical conditions, inadequate public improvements, facilities, and utilities, inadequate parking, drainage, and street improvements, and inadequate sewer systems.

CHAPTER 3: GOALS AND OBJECTIVES

The Agency is required and has established goals and objectives to guide the Project in its programs and projects focused on the elimination of blight within the Project area, as well as implement the housing set-aside and housing production requirements of the CRL. The purpose of housing set-aside funding is to address the increase, improvement, and preservation of the County's supply of low- and moderate-income housing available at affordable housing costs. The goals and objectives of the Project are as follows:

- a. The conservation, rehabilitation, and community development of the Project area, especially residential neighborhoods in accord with the General Plan, Community Plans, Specific Plans, and local codes and ordinances.
- b. The achievement of an environment reflecting a higher level of concern for architectural landscape and urban design and land use principals.
- c. The elimination or reduction of certain environmental deficiencies, including substandard vehicular circulation and parking systems, inadequate water, nonexistent sewer and storm drainage systems, and other similar public and private improvements, facilities and utilities deficiencies.
- d. The elimination and prevention of the spread of non-conforming uses which generally results in deterioration and blight among existing structures and land use.
- e. The promotion and investment in rehabilitation and improvement programs for existing housing with the intent and purpose of enhancing the tenure and condition of the structures and properties.
- f. The promotion of new investment in housing opportunities for low- and moderate-income households in the unincorporated communities of Stanislaus County as suggested by the Economic Strategic Plan and required by the Housing Element of the General Plan.
- g. The control of unplanned growth by guiding revitalization, rehabilitation, and new development activities in such fashion as to meet the needs of the Project area, balancing jobs and housing to reduce future urban congestion in Stanislaus County, improving land utilization and the quality of life for County residents.
- h. The reduction of the County's annual costs for the provision of local services.
- i. The provision for increased sales taxes and revenues to Stanislaus County.
- j. The promotion of new and continuing private sector investment to provide commercial activity and to prevent the loss of and to facilitate the recapture of commercial sales activity.
- k. The retention and enhancement of as many existing businesses as possible by means of community redevelopment and rehabilitation activities and by encouraging and assisting the cooperation and participation of owners, businesses and public agencies.

- I. The creation and development of new local job opportunities and the preservation of the existing employment base by promoting, facilitating, and preparing sites for new commercial services and industrial development with high employee concentrations and revenue generation potential.

This Plan incorporates the goals and objectives of the Project into the implementation of programs and projects to be undertaken by the Agency in its efforts to eliminate blight within the Project area. Specifically, the following goals and objectives are addressed by the programs and projects proposed in Chapter 5 of this Plan:

Housing Projects and Programs: a, b, e, f, i,

Non-Housing Projects and Programs: a, b, c, g, h, i, j, k,

DRAFT

CHAPTER 4: 2005-2009 IMPLEMENTATION PLAN REVIEW

The following is an overview of the programs and projects undertaken by the Agency during the previous Plan period:

Affordable Housing:

- ❖ Down Payment Assistance (DPA) Program
This program provided DPA to very low-, low-, and moderate-income first time home buyers purchasing single-family dwellings in the Project area. The Agency leveraged HOME Investment Partnership Program (HOME), CalHOME program, and California Housing Financing Agency (CalHFA) funds in implementation of this program.
- ❖ Housing Rehabilitation Program
This program provided assistance to very low-, low-, and moderate-income homeowners with rehabilitation of owner-occupied single-family dwellings. The Agency leveraged HOME Investment Partnership Program (HOME) and CalHOME funds in implementation of this program.
- ❖ In-Fill Housing Acquisition, Rehabilitation, and Construction Program
This program involved a partnership with Habitat for Humanity to provide in-fill housing opportunities through the acquisition, rehabilitation, and construction of housing units for very low-, low-, and moderate-income renters and First Time Home Buyers (FTHB) using Housing Funds. This partnership has been advanced with the combined use of Agency funds for down payment assistance to FTHB.

Public Infrastructure:

- ❖ Salida Boulevard Project
This project involved the design and construction of an economic development and rejuvenation effort for Salida Boulevard, located in the Salida sub-area.
- ❖ Crows Landing Community Service District (CLCSD) Water Distribution System Rehabilitation Project
The Agency loaned the CLCSD \$26,000 to assist with the repair of the water system serving the Crows Landing sub-area.
- ❖ Monterey Park Tract Water Study
The Agency approved match funds, in the amount of \$40,000, for a \$200,000 Safe Drinking Water State Revolving Fund project grant to conduct a planning study to evaluate the feasibility of alternative water sources in the Monterey Park Tract sub-area.

❖ Keyes Storm Drainage Infrastructure Project

This project involved the design and construction of a two phase construction project to provide the community of Keyes with a storm drain system. Phase one was completed during a previous Plan period (2000-2004) and construction of phase two started in February 2009 and is anticipated to be completed in late 2010.

❖ Empire Storm Drain Project – Engineering & Design

This project involved the engineering and design of a positive storm drain system for the Empire sub-area. The project will include installation of curb, gutter, handicap returns, new street sections, and a positive storm drain collection system. Phase 1A is being constructed with a self-contained French-drain system designed to connect to the positive storm drain collection system when the infrastructure needed to connect is installed during later phases of the project.

Other:

❖ Workforce Development Program – Targeted Technology Training

This program delivered computer training to adults at various locations throughout the Project area. The program provides residents living within the Project area with computer skills necessary for employment.

❖ Neighborhood Clean-up

This program targeted several of the Project sub-areas each fiscal year with a one day neighborhood clean-up. The clean-up events focused on the collection of trash from private property by providing neighborhoods with centralized collection bins funded by the Agency.

❖ Emergency Septic Repair & Sewer Connection Program

This program assisted very low-, low- and moderate-income property owners within the Project area with emergency sewer (septic system) repairs. This program includes the Shackelford Sanitary Sewer Lateral Connection project designed to provide assistance to approximately four hundred properties in the northern portion of the Shackelford sub-area with associated connection costs to the sewer collection system. The sewer collection system itself was a project completed during a previous Plan period (2000-2004) to correct health and safety issues facing residents within the sub-area.

CHAPTER 5: 2010-2014 IMPLEMENTATION PLAN

5.1 2010-2014 Programs and Projects

This section provides an overview of the programs and projects proposed to be undertaken during this Plan period. Tables Two and Three illustrate the 5-year revenue and expenditure projections for both the Housing and Capital Projects Funds. These projections are based on the tax increment projections for the entire Project illustrated in Table One. Unfortunately, when the Agency is forced to turn over \$3,395,297 to the Supplemental Educational Revenue Augmentation Funds (SERAF), a two-part required payment of the 2009-2010 State budget, the goal of the Agency to eliminate blight is greatly diminished. While no additional SERAF payments are considered during the lifespan of this plan, additional raids would certainly impact the Agency's ability to carryout planned programs and projects. The Agency will spend significant time over the next five years monitoring the economic outlook, assessing the agencies debt capacity, and re-assessing project costs and needs.

Affordable Housing

❖ Down Payment Assistance (DPA) Program

The Agency will continue the use of Housing Funds and other leveraged funds, such as HOME and CalHome grants, to provide down payment assistance to very low-, low- and moderate-income First Time Home Buyers (FTHB) purchasing single-family dwellings within the Project area. This program will partner with the County's Neighborhood Stabilization Program and the Housing Authority of Stanislaus County. As in the past, all FTHB utilizing this program will be required to attend HUD accredited homebuyer counseling to get a better understanding of the home buyer process and consequently determine whether they have the financial means to purchase and maintain a home.

Estimated Agency Investment: \$2,340,000

❖ Housing Rehabilitation Program

The Agency will continue the use of Housing Funds and other leveraged funds, such as HOME and CalHome grants, to assist very low-, low- and moderate-income homeowners with housing rehabilitation of owner-occupied single-family dwellings. Rehabilitation efforts will include a focus on energy efficiency and weatherization as a means of reducing long-term energy costs for homeowners. The Agency will address issues of overcrowding by including room additions as part of the rehabilitation efforts. Universal design features will be incorporated as needed to address disability needs.

Estimated Agency Investment: \$3,600,000

- ❖ In-Fill Housing Acquisition, Rehabilitation, and Construction Program
In partnership with organizations, such as Habitat for Humanity and the Housing Authority of Stanislaus County, the Agency will continue to look for in-fill housing opportunities. In light of the current downturn in the housing market, the Agency will focus on opportunities to acquire unoccupied housing units, single- and multi-family, in need of substantial rehabilitation for re-sale, or rental, to low-, and moderate- income households. This program will be combined with the DPA program to facilitate first time home buyer opportunities for low- and moderate-income persons. The rehabilitation component of the program will include a focus on energy efficiency and weatherization as a means of reducing long-term energy costs. The Agency will utilize this program to address overcrowding and to assist the Housing Authority with rehabilitation of farm worker housing. The Agency will encourage the incorporation of universal design features as a step towards removing constraints towards housing for the disabled.
Estimated Agency Investment: \$6,025,000

Public Infrastructure

- ❖ Empire Storm Drainage Project – Design and Construction
The continued design and construction of a project to include installation of curb, gutter, handicap returns, new street sections, and a positive storm drain collection system for the entire Empire sub-area. Phase 1A, scheduled to be completed in late 2010, has been constructed as a self-contained French-drain system designed to connect to the positive storm drain collection system when the infrastructure needed to connect is installed during later phases. Implementation of Phases 1B, 2, and 3 are contingent on finalization of environmental review by the Agency, construction plans, and on the community's willingness to contribute towards the facilities long-term maintenance and operation costs through annexation into an assessment district.
Estimated Agency Investment: \$5,050,000
- ❖ Shackelford (Parklawn Neighborhood) & Airport Sub-areas -- Sewer Infrastructure Preliminary Design, Cost Analysis, and Construction
This project is in response to health and safety concerns associated with failing septic systems. The preliminary designs will provide the financial information required for a complete cost analysis. The cost analysis will also evaluate the capacity of the communities to contribute towards a portion of the improvement costs through establishment of assessment districts or cost deferral programs. In addition to cost constraints, construction of these projects are contingent on the ability to connect to the City of Modesto's public sewer system and, depending on construction costs, the community's willingness to contribute towards overall project cost.
Estimated Agency Investment: \$3,400,000 (\$1,700,000 each area)

❖ Monterey Park Tract Water System

The Agency will provide on-going monitoring, and payout, of the \$40,000 in match funds granted by the Agency in the previous Plan period (2005-2009) for a planning study to evaluate the feasibility of alternative water sources in the Monterey Park Tract sub-area. As of the start of this Plan period, no Agency funds have been expended.

Estimated Agency Investment: \$40,000

❖ Keyes Storm Drainage Infrastructure Project

This project involves the design and construction of a two phase construction project to provide the community of Keyes with a storm drain system. Phase one is completed and construction of phase two is anticipated to be completed in late 2010. Bond funds in the amount of \$15,615,000 have been used to primarily fund this project; however the project also anticipated the use of Capital Project Funds to supplement bond funds. The project is anticipated to be completed under budget.

Estimated Agency Investment: \$1,513,000

Other

❖ Neighborhood Clean-Up Program

This program will focus on area wide revitalization efforts targeting the clean-up of public areas, such as streets, alleys, and parks. Activities will include, but not be limited to trash pick-up, graffiti abatement, and landscape enhancement. During this Plan period, the program will shift away from the collection of trash from private property as a result of twice a year bulky item pick-up service now being provided to each property as part of their normal trash service. Implementation of clean-up events will be community driven and dependent on community's participation. The Agency will rely on Municipal Advisory Councils (MAC) or an organized community group (if no MAC exists to represent the area) and community volunteers to plan and implement events with guidance and funding provided by Agency staff.

Estimated Agency Investment: \$25,000

❖ Economic Development

The Agency will continue to respond to requests for economic development assistance by assessing requests for consistency with the Project and presenting requests to the Agency Board for consideration. Agency staff will also explore the development of new programs, such as commercial rehabilitation, by developing program criteria and standards to be presented to the Agency Board for consideration.

Estimated Agency Investment: \$500,000

- ❖ Public Infrastructure Facility Rehabilitation/Reconstruction
The Agency will continue to respond to requests for public infrastructure facility rehabilitation/reconstruction assistance consistent with the Project.
Estimated Agency Investment: \$50,000

- ❖ Emergency Septic Repair & Sewer Connection Program
The Agency will continue to assist very low-, low- and moderate-income property owners within the Project area with emergency sewer (septic system) repairs. Funds for connections to existing and planned public sewer infrastructure will also be made available.
Estimated Agency Investment: \$500,000

- ❖ Administration
In addition to normal administrative tasks, the following projects will be undertaken by Agency staff as part of their administrative duties during this Plan:
 - Revitalization Strategy
The Agency will partner with the County's Community Development Block Grant program to develop community revitalization strategies intended to economically empower low-income residents by obtaining commitments to develop their neighborhood in a manner that will attract business investment, and generate neighborhood activities that will ensure benefits within their community. Revitalization strategies encourage resident-based initiatives for housing, economic development, and human service needs. The goal is to align the strategies with the goals and policies of the Project in an effort to better facilitate the elimination of blight from the Project area.

 - Northern Shackelford Sub-Area Annexation
The Agency will continue coordination efforts with the City of Modesto on annexation of the northern Shackelford sub-area.

 - Debt Capacity Study
The Agency will contact with a financial advisor to prepare a debt capacity study to identify how much capital may be available to the Agency through issuance of tax allocation bonds.

 - Pass-Through Payment Assessments
The Agency will contract with an outside consultant to complete: 1) an assessment of the 2009-2010 pass-through payments to ensure accuracy in the calculations, and 2) an assessment to determine if the Agency's pass-through payment obligations will be increased by an action to extend the Project's debt incurrence time limit.

Administrative costs also include legal service provided by an outside counsel and yearly property tax allocation charges paid to the County Auditor. Historically, the Agency has charged all administrative costs to the Capital Projects Fund as a means of maximizing the funds available to provide affordable housing. This Plan proposes up to \$150,000 of administrative costs being charged directly to the Housing Fund to cover costs associated with the processing and monitoring of housing activities.

Estimated Agency Investment: \$3,750,000

❖ Debt Service:

The following is an overview of the Agency's debt service obligations for this Plan period:

- State Water Board Loan/Brete Harte – balance owed: \$967,285. Final payment due in 2015.
- CalHFA (California Housing Finance Agency) Loan/Down Payment Assistance – balance owed: \$731,250. First and final payment due in 2015.
- Tax Allocation Bond/Keyes Storm Drain – balance owed: \$24,662,109. Final payment due in 2036.
- United States Department of Agriculture Loan/Salida Storm Drain – balance owed: \$7,675,613. Final payment due in 2043.

In addition, the Agency expects to make a second payment of \$583,000 in Fiscal Year 2010-2011 to the SERAF. No additional SERAF payments are considered during the lifespan of this Plan.

Estimated Agency Investment: \$9,308,122

5.2 Redevelopment Agency Projections: Revenue and Expenditures

As represented earlier in Table One, the Agency's expects to generate a total of \$21,306,654 in tax increment during this Plan period. The tax increment projections assume a conservative zero percent growth based on Fiscal Year 2010-2011 assessed valuations for the Project.

The cash balances in the Agency's Housing and Capital Projects Funds on July 1, 2010, the start of the 2010-2011 Fiscal Year, were \$8,241,136 and \$9,271,603 respectively (a total combined cash balance of \$17,512,739). Tables Two and Three reflect the revenue and expenditure projections for each of the funds during this Plan period. The expenditures reflect the programs and projects identified within this Plan.

**Table Two: HOUSING FUND REVENUE AND EXPENDITURE PROJECTIONS
BASED ON ZERO PERCENT GROWTH**

REVENUE					
	2010-11	2011-12	2012-13	2013-14	2014-15
Beginning Balance	\$8,241,136	\$7,579,148	\$6,517,951	\$5,246,143	\$4,461,616
25% Housing Set-Aside ¹	\$1,742,163	\$1,742,163	\$1,742,163	\$1,742,163	\$1,742,163
Miscellaneous Revenue	\$150,000	\$125,791	\$115,180	\$102,461	\$94,616
REVENUE TOTAL	\$10,133,299	\$9,447,102	\$8,375,294	\$7,090,767	\$6,298,396

EXPENDITURES					
	2010-11	2011-12	2012-13	2013-14	2014-15
DEBT SERVICE					
SWR - Brete Harte	\$179,151	\$179,151	\$179,151	\$179,151	\$179,151
CalHFA	\$0	\$0	\$0	\$0	\$731,250
PROGRAMS/PROJECTS					
Administration	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
Down Payment Assistance	\$400,000	\$500,000	\$500,000	\$500,000	\$440,000
Housing Rehabilitation	\$600,000	\$600,000	\$800,000	\$800,000	\$800,000
Housing In-fill	\$1,225,000	\$1,500,000	\$1,500,000	\$1,000,000	\$800,000
EXPENDITURE TOTAL	\$2,554,151	\$2,929,151	\$3,129,151	\$2,629,151	\$3,100,401
BALANCE AVAILABLE	\$7,579,148	\$6,517,951	\$5,246,143	\$4,461,616	\$3,197,995

¹ The reduction in tax increment is attributed to escalating pass-through obligations taking effect in 2014

Table Three: CAPITAL PROJECTS FUND REVENUE AND EXPENDITURE PROJECTIONS BASED ON ZERO PERCENT GROWTH

REVENUE					
	2010-11	2011-12	2012-13	2013-14	2014-15
Beginning Balance	\$9,271,603	\$6,690,268	\$6,712,723	\$5,003,803	\$3,492,340
Tax Increment ¹	\$2,648,088	\$2,648,088	\$2,648,088	\$2,648,088	\$2,003,487
Miscellaneous Revenue	\$375,000	\$275,708	\$276,382	\$225,114	\$179,770
REVENUE TOTAL	\$12,294,691	\$9,614,064	\$9,637,193	\$7,877,005	\$5,675,597
EXPENDITURES					
	2010-11	2011-12	2012-13	2013-14	2014-15
DEBT SERVICE					
Bond - Keyes Storm Drain	\$1,179,923	\$1,175,603	\$1,174,940	\$1,174,665	\$1,178,485
USDA - Salida Storm Drain	\$243,500	\$240,738	\$243,450	\$245,000	\$241,813
SERAF	\$583,000	\$0	\$0	\$0	\$0
PROJECT/PROGRAM					
Administration	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000
Keyes Storm Drain	\$1,513,000	\$0	\$0	\$0	\$0
Empire Phase 1A	\$1,000,000	\$0	\$0	\$0	\$0
Empire Phase1B	\$50,000	\$250,000	\$2,000,000	\$1,750,000	\$0
Shackelford (Parklawn Neighborhood) Sewer	\$100,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Airport Neighborhood Sewer	\$100,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Neighborhood Clean-up	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Economic Development	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Public Infrastructure Rehab/Reconstruct	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Monterey Park Tract	\$20,000	\$20,000	\$0	\$0	\$0
Emergency Septic Repair /Sewer Connection	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
EXPENDITURE TOTAL	\$5,604,423	\$2,901,341	\$4,633,390	\$4,384,665	\$4,235,298
BALANCE AVAILABLE	\$6,690,268	\$6,712,723	\$5,003,803	\$3,492,340	\$1,440,299

¹ The reduction in tax increment is attributed to escalating pass-through obligations taking effect in 2014

5.3 AFFORDABLE HOUSING PRODUCTION AND MONITORING

The CRL requires an agency to set aside at least 20 percent of all gross tax increment revenue generated from its project areas into a housing set-aside fund to increase, improve, and preserve the community's supply of affordable housing. Specifically, agencies are required to expend the monies in the housing set-aside fund to assist households with very low-, low-, and moderate- incomes. Appendix "B" provides

definitions for the various income categories and the 2010 Stanislaus County income limits by family size. The Agency has agreed to contribute 25 percent of its gross tax increment revenue to its Housing Fund.

CRL housing production requirements, including specific targeting requirement (income and age), must be met during a 10-year compliance period, beginning in Fiscal Year 2005-2006 and ending Fiscal Year 2014-2015. In order to establish the number of housing units that need to be affordable to very low-, low-, and moderate- income households, the Agency estimates the total number of units to be constructed or substantially rehabilitated in the Project area and applies formulas established by the CRL.

CRL requires that 15 percent of all new units, produced by public or private entities (including entities receiving agency assistance), or substantially rehabilitated units, produced by public or private entities receiving agency assistance, in the Project area be affordable to very low-, low-, and moderate- income households. Table Four below reflects the production goals for the current compliance period as required by the CRL.

Table Four: 10-YEAR HOUSING PRODUCTION GOALS (2005 TO 2014) BASED ON 0% GROWTH (2010-2014)

Implementation Plan	Actual/Assumed Housing Units -- New or Substantially Rehabilitated	Required Affordable Housing Units ¹
2005-2009	101	16
2010-2014	101	16
Total Housing Units	202	32

Note: All Figures Round Up

¹ 15 percent of total actual/assumed housing units

Actual housing unit figures for 2005-2009 are based on a review of building permit and Agency activities. Projections for 2010-2014 assume a zero percent increase over the previous Plan period as a result of the current economic down turn. The Agency will be closely monitoring housing production activities to ensure compliance with the 10-year housing production requirements by December of 2014. Utilizing the Affordable Housing Programs outlined in this Plan, the Agency plans to spend nearly \$12 million during this Plan period in an effort to ensure the Agency's housing production requirements are met.

The CRL targeting requirements specify that housing set-aside funds must be spent to assist very low- and low- income households in at least the same proportion as reflected in the fair share housing allocation established for the region. Table Five below reflects the 2007-2014 Regional Housing Need Allocation (RHNA) for Stanislaus County and the number of total housing units required to be produced for each income category

based on the Agency's 10-year housing production goals. Table Five also reflects the Agency's agreement to spend 40% to assist very low- income households and 40% to assist low- income households provided the CRL targeting requirements do not require a greater percentage of assistance.

Table Five: 2007-2014 REGIONAL HOUSING NEEDS ALLOCATION (RHNA) AND HOUSING PRODUCTION NEEDS

Income Levels	RHNA No.'s	Targeting Requirements	Required Targeting Units	Agency Requirements	Required Agency Units
Very Low	1298	40%	13	40%	13
Low	910	28%	9	40%	13
Moderate	1073	33%	10	20%	6
Total Housing Units	3281	100%	32	100%	32

The Agency must also spend housing set-aside funds to provide housing that is available to all persons regardless of age in at least the same proportion as the population under 65 years to the total population of the community. Using the 2000 Census for statistical data, the population of the Project area was 44,203. The population under 65 years of age was 41,285 or 93 percent of the total population. Therefore, the Agency must spend 93 percent of its housing set-aside fund during this Plan period to assist housing that is available to all persons regardless of age (that is, for housing that is not age restricted to persons 65-years of age or more).

The Agency itself has not, and does not intend to, produce any housing during the 10-year housing production period. Instead, the Agency will provide financial assistance to public and private entities in order to ensure production requirements are met. All Agency assisted housing will be subject to recorded affordability covenants, to remain in effect for 55 years for rental units and 45 years for owner-occupied units, as required by the CRL.

The Agency does not anticipate the removal of any low- or moderate- income housing units during this Plan period. However, if future projects result in removal, the Agency will prepare a replacement housing plan as required by the CRL.

To keep track of the Agency's progress in fulfilling its affordable housing production requirements, the Agency works with the County's Building Official to monitor both new and substantially rehabilitated residential construction. In addition, the Agency maintains complete records of both Agency housing activities and housing activities within the Project area utilizing State and Federal funding sources. The Agency's monitoring program includes periodic reviews of affordability covenants to ensure ongoing-compliance.

PowerPoint Presentation

2010-2014 Implementation Plan

Stanislaus County Redevelopment Agency

October 19, 2010

IMPLEMENTATION PLAN

REQUIRED ELEMENTS

- Specific goals and objectives of the Agency,
- Progress made during previous Plan period,
- Specific programs and projects to be undertaken (with estimated expenditures),
- Description of how the Plan will eliminate blight within the Project area, and
- Description of how housing production requirements will be met.

Implementation Plan

Project No. 1

- Project No. 1 adopted in 1991
- Consists of fifteen (15) sub-areas totaling 4,272 acres.
- Proposed Plan covers calendar years 2010 to 2014 and Fiscal Years 2010-2011 to 2014-2015.

AGENCY FINANCING

- Agency is primarily funded by property tax increment (TI) generated within the Project area.
- 25% of gross TI goes to the Housing Fund.
- Remaining TI is distributed to the Capital Projects Fund after Pass-Thru obligations to affected taxing entities are subtracted.

TAX INCREMENT PROJECTIONS 2010-2014

Plan projects a zero percent growth in tax increment based on Fiscal Year 2010-2011 assessed valuations for the Project area:

- Housing Fund: \$1,742,163 per year
 - \$8,241,163 5-year total
- Capital Projects Funds: \$2,648,088 per year
 - \$12,595,839 5-year total

Total Projected TI Revenue: \$21,306,654

REVENUES & EXPENDITURES

- 2010-2014 TI Revenues: \$21,306,654
- Agency's Cash Balance: \$17,512,739
 - Housing Fund: \$8,241,136
 - Capital Projects Fund: \$9,271,603
- 2010-2014 Expenditures: \$36,101,122
 - Housing Fund: \$14,342,005
 - Capital Projects Fund: \$21,759,117

2010-2014 Programs & Projects

Housing Fund

- Housing fund must be used to increase, improve, and preserve the community's supply of affordable housing.
- Agency provides financial assistance to public and private entities in order to insure housing production requirements are met.
 - First Housing Production Compliance Date: December, 2014.

2010-2014 Programs & Projects

Housing Fund

Ongoing Programs:

- Down Payment Assistance (\$2,340,000)
- Housing Rehabilitation (\$3,600,00)
- In-fill Housing Acquisition, Rehabilitation, and Construction (\$6,025,000)

2010-2014 Programs & Projects

Housing Fund

New Expenditure:

- Administration (\$750,000)

Debt Service: (\$1,627,005)

- State Water Resource Control Board - Bret Harte loan
- California Housing Finance Agency (CalHFA) Down Payment Assistance loan

2010-2014 Programs & Projects

Capital Projects Fund

Funding Criteria: (pages 5 & 4)

- Health and safety needs,
- Willingness and ability of the local community to assess themselves (project costs and on-going maintenance),
- Identified and available funding sources, and
- For public infrastructure: partnerships, engineered designs, cost analysis, and willingness/ability of service provider to consider annexation of improvements to be made.

2010-2014 Programs & Projects

Capital Projects Fund

Public Infrastructure: (*ongoing projects*)

- Empire Storm Drain Project (\$5,050,000)
 - Finalize construction of Phase 1A
 - On-going project design and construction of Phase 1B
- Keyes Storm Drain Project (\$1,513,000)
- Monterey Park Tract Water System (\$40,000)

2010-2014 Programs & Projects

Capital Projects Fund

Public Infrastructure: (*new projects*)

- Sewer Infrastructure Preliminary Design, Cost Analysis, and Construction (\$3,400,000)

- Shackelford (Parklawn Neighborhood) Sub-area (\$1,700,000)

- Airport Sub-area (\$1,700,000)

Others: (*ongoing projects*)

- Neighborhood Clean-Ups (\$25,000)

- Economic Development (\$500,000)

2010-2014 Programs & Projects

Capital Projects Fund

Others: (continuation of ongoing projects)

- Public Infrastructure Facility Rehabilitation/ Reconstruction (\$50,000)
- Emergency Septic Repair & Sewer Connection Program (\$500,000)
- Administration (\$3,000,000)
 - Staffing, legal services, revitalization strategies, north Shackelford sub-area annexation, debt capacity study, pass-through assessments, and annual property tax administration fees.

2010-2014 Programs & Projects

Capital Projects Fund

Others: (ongoing projects)

- Debt Service: (\$7,681,117)

- Keyes Storm Drain Tax Allocation Bond
- USDA Salida Storm Drain Loan
- SERAF

STAFF RECOMMENDATION

- 1) Conduct the Public Hearing for the 2010-2014 Implementation Plan for the Stanislaus County Redevelopment Agency Project No. 1.
- 2) Adopt the 2010-2014 Implementation Plan for the Stanislaus County Redevelopment Agency Project No. 1.

Sitting as the Redevelopment Agency
THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Redevelopment Agency

BOARD AGENDA # 6:35 p.m. VI-A

Urgent

Routine

AGENDA DATE October 19, 2010

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Adopt the Proposed Budget for Fiscal Year 2010-2011

STAFF RECOMMENDATIONS:

1. Find that use of the Housing Fund to pay planning and administrative expenses are necessary for the production, improvement or preservation of low- and moderate-income housing.
2. Find that the public infrastructure projects identified in the work program of the Fiscal Year 2010-2011 Budget are a benefit to the project area; that no other reasonable means of financing the improvements are available to the community; and that payment of Capital Project Funds for the cost of improvements will assist in the elimination of one or more blighting conditions inside the project area and is consistent with the Agency's Implementation Plan.

(Continued on page 2)

FISCAL IMPACT:

It is estimated that the Agency will receive approximately \$4.3 Million in property tax increment for Fiscal Year 2010-2011. The Redevelopment Agency is fully funded from tax increment and does not rely on the County's General Fund.

BOARD ACTION AS FOLLOWS:

No. 2010-658

On motion of Supervisor Chiesa, Seconded by Supervisor O'Brien

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, DeMartini, and Chairman Grover

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

ATTEST:


ELIZABETH A. KING, Assistant Clerk

File No.

STAFF RECOMMENDATIONS: (Continued)

3. Adopt the Proposed Budget for Fiscal Year 2010-2011 of \$4,390,251.
4. Authorize the Agency's Executive Director to take all necessary steps to implement the Proposed Budget Fiscal Year 2010-2011 including the negotiation and execution of contracts for programs or projects identified in the budget work program, but not to exceed the allocated budget amount.

DISCUSSION:

The California Redevelopment Law (CRL) requires a redevelopment agency adopt an annual budget including all of the following:

1. The proposed expenditures of the agency.
2. The proposed indebtedness to be incurred by the agency.
3. The anticipated revenues of the agency.
4. The work program for the upcoming year, including goals.
5. An examination of the previous year's achievements and comparison of the achievements with the goals of the previous year's work program.

The Stanislaus County Redevelopment Agency Project No. 1 (hereinafter "Project") was adopted in 1991 and is the Agency's only redevelopment project. The Project consists of fifteen (15) non-contiguous sub-areas totaling approximately 4,272 acres. Property tax increment generated by the Project is distributed into two funds: Housing and Capital Projects. The CRL requires an agency set-aside 20% of its gross tax increment to address affordable housing. The Agency has agreed to contribute 25% of its gross tax increment to its Housing Fund. Pass-through obligations to affected taxing entities are subtracted from the remaining tax increment before distribution to the Capital Projects Funds.

The expenditures, indebtedness, anticipated revenues, and work program reflected in this budget are consistent with the Agency's 2010-2014 Implementation Plan (hereinafter "Plan") being considered for adoption by the Redevelopment Board on the same day as this item, but as a separate agenda time. The Plan is an Agency's guide to help eliminate blight by developing projects and programs which will benefit the Project Area. The Plan covers calendar years 2010 to 2014 and Fiscal Years 2010-2011 to 2014-2015.

Anticipated Revenue & Proposed Expenditures:

In light of the current economic downturn, the 2010-2014 Plan projects a zero percent growth based on Fiscal Year 2010-2011 assessed valuations for the Project. (See Table One below)

Table One: TAX INCREMENT PROJECTIONS: FISCAL YEAR 2010-2011 TO 2014-15

	2010-11	2011-12	2012-13	2013-14	2014-15	Total
Housing Fund	\$1,742,163	\$1,742,163	\$1,742,163	\$1,742,163	\$1,742,163	\$8,710,815
Capital Projects Fund	\$2,648,088	\$2,648,088	\$2,648,088	\$2,648,088	\$2,003,487	\$12,595,839
REVENUE TOTAL¹	\$4,390,251	\$4,390,251	\$4,390,251	\$4,390,251	\$3,745,650	\$21,306,654

¹ The reduction in tax increment is attributed to escalating pass-through obligations taking effect in 2014

The Agency anticipates receiving a total of \$6,968,658 in total gross tax increment revenue during the 2010-2011 Fiscal Year. Of this revenue, a total of \$1,742,163 will be deposited in the Housing Fund and a total of \$2,648,088 will be deposited in the Capital Projects Fund. The remaining \$2,578,401 will be distributed to affected taxing entities to cover the Agency's pass-through obligations.

On July 1, 2010, the balance in the Housing Fund was \$8,241,136 and the balance in the Capital Projects Fund was \$9,271,603. The following tables reflect the revenue and expenditure projections for each of the funds during Fiscal Year 2010-2011:

Table Two: FISCAL YEAR 2010-2011 HOUSING FUND REVENUE AND EXPENDITURE PROJECTIONS

REVENUES	
Beginning Balance	\$8,241,136
25% Housing Set-Aside	\$1,742,163
Miscellaneous Revenue	\$150,000
REVENUE TOTAL	\$10,133,299
EXPENDITURES	
DEBT SERVICE	
SWR - Brete Hart	\$179,151
CalHFA	\$0
PROGRAMS/PROJECTS	
Administration	\$150,000
Down Payment Assistance	\$400,000
Housing Rehabilitation	\$600,000
Housing In-fill	\$1,225,000
EXPENDITURE TOTAL	\$2,554,151
BALANCE AVAILABLE	\$7,579,148

Table Three: FISCAL YEAR 2010-2011 CAPITAL PROJECTS FUND REVENUE AND EXPENDITURE PROJECTIONS

REVENUES	
Beginning Balance	\$9,271,603
Tax Increment	\$2,648,088
Miscellaneous Revenue	\$375,000
REVENUE TOTAL	\$12,294,691
EXPENDITURES	
DEBT SERVICE	
Bond - Keyes Storm Drain	\$1,179,923
USDA - Salida Storm Drain	\$243,500
SERAF	\$583,000
PROJECT/PROGRAM	
Administration	\$600,000
Keyes Storm Drain	\$1,513,000
Empire Phase 1A	\$1,000,000
Empire Phase1B	\$50,000
Shackelford(Parklawn Neighborhood) Sewer	\$100,000
Airport Neighborhood Sewer	\$100,000
Neighborhood Clean-up	\$5,000
Economic Development	\$100,000
Public Infrastructure Rehab/Reconstruct	\$10,000
Monterey Park Tract	\$20,000
Emergency Septic Repair /Sewer Connection	\$100,000
EXPENDITURE TOTAL	\$5,604,423
BALANCE AVAILABLE	\$6,690,268

The adopted Fiscal Year 2010-2011 budget for Stanislaus County reflects the Agency receiving \$4,050,000 in tax increment revenue, with \$1,680,000 of the revenue being deposited in the Housing Fund and the remaining \$2,370,000 deposited in the Capital Projects Fund. The County's adopted budget revenue numbers differ from the numbers being proposed in this budget as a result of earlier revenue assumptions used to

prepare the County budget. The County budget also does not anticipate the use of any cash balance in either of the funds and actually shows an increase in fund balance. The County budget will be updated at mid-year to align with Agency's adopted budget.

Work Program:

This section provides an overview of the programs and projects to be undertaken and/or funded by the Agency during the 2010-2011 Fiscal Year, including the line-item dollar allocations for this year and for the entire 2010-2014 Implementation Plan lifespan.

Affordable Housing:

- Down Payment Assistance (DPA) Program:

The Agency will continue the use of Housing Funds and other leveraged funds, such as HOME and CalHome grants, to provide down payment assistance to low- and moderate-income First Time Home Buyers (FTHB) purchasing single-family dwellings within the Project Area. This program will partner with the County's Neighborhood Stabilization Program and the Housing Authority of the County of Stanislaus. As in the past, all FTHB utilizing this program will be required to attend HUD accredited homebuyer counseling to get a better understanding of the home buyer process and consequently determine whether they have the financial means to purchase and maintain a home.

Fiscal Year 2010-2011 Budget: \$400,000

2010-2014 Implementation Plan Estimated Agency Investment: \$2,340,000

- Housing Rehabilitation Program:

The Agency will continue the use of Housing Funds and other leveraged funds, such as HOME and CalHome grants, to assist low- and moderate-income homeowners with housing rehabilitation of owner-occupied single-family dwellings. Rehabilitation efforts will include a focus on energy efficiency and weatherization as a means of reducing long-term energy costs for homeowners. The Agency will address issues of overcrowding by including room additions as part of the rehabilitation efforts. Universal design features will be incorporated as needed to address disability needs.

Fiscal Year 2010-2011 Budget: \$600,000

2010-2014 Implementation Plan Estimated Agency Investment: \$3,600,000

- In-Fill Housing Acquisition, Rehabilitation, and Construction Program:

In partnership with organizations, such as Habitat for Humanity, Stanislaus and the Housing Authority of Stanislaus County, the Agency will continue to look for in-fill housing opportunities. In light of the current downturn in the housing market, the Agency will focus on opportunities to acquire unoccupied housing units, single- and multi-family, in need of substantial rehabilitation for re-sale, or rental, to low-, and moderate- income households. This program will be combined with the DPA program to facilitate first time home buyer opportunities for low- and moderate-income persons. The rehabilitation component of the program will include a focus on energy efficiency and weatherization as a means of reducing long-term energy costs. The Agency will utilize this program to address overcrowding and to assist the Housing Authority with rehabilitation of farm worker housing. The Agency will encourage the incorporation of universal

design features as a step towards removing constraints towards housing for the disabled.

Fiscal Year 2010-2011 Budget: \$1,225,000

2010-2014 Implementation Plan Estimated Agency Investment: \$6,025,000

Public Infrastructure:

- Keyes Storm Drainage Infrastructure Project:

This project involves the design and construction of a two phase construction project to provide the community of Keyes with a storm drain system. Phase one is completed and construction of phase two is anticipated to be completed in late 2010. Bond funds in the amount of \$15,615,000 have been used to primarily fund this project; however the project anticipated the use of Capital Project Funds to supplement bond funds. The project is anticipated to be completed under budget.

Fiscal Year 2010-2011 Budget: \$1,513,000

2010-2014 Implementation Plan Estimated Agency Investment: \$1,513,000

- Empire Storm Drainage Project -- Phases 1A & 1B Design and Construction:

The continued design and construction of a project to include installation of curb, gutter, handicap returns, new street sections, and a positive storm drain collection system for the entire Empire sub-area. Phase 1A, scheduled to be completed in late 2010, has been constructed as a self-contained French-drain system designed to connect to the positive storm drain collection system when the infrastructure needed to connect is installed during later phases. Implementation of Phases 1B, 2, and 3 are contingent on finalization of environmental review by the Agency, construction plans, and on the community's willingness to contribute towards the facilities long-term maintenance and operation costs through annexation into an assessment district.

Fiscal Year 2010-2011 Budget: Phase 1A - \$1,000,000

Phase 1B - \$50,000

2010-2014 Implementation Plan Estimated Agency Investment: \$5,050,000

- Shackelford (Parklawn Neighborhood) & Airport Sub-Areas – Sewer Infrastructure Preliminary Design, and Cost Analysis:

This project is in response to health and safety concerns associated with failing septic systems. The preliminary designs will provide the financial information required for a complete cost analysis. The cost analysis will also evaluate the capacity of the communities to contribute towards a portion of the improvement costs through establishment of assessment districts or cost deferral programs. In addition to cost constraints, construction of these projects are contingent on the ability to connect to the City of Modesto's public sewer system and, depending on construction costs, the community's willingness to contribute towards overall project cost.

Fiscal Year 2010-2011 Budget: Parklawn - \$100,000

Airport - \$100,000

2010-2014 Implementation Plan Estimated Agency Investment: \$3,400,000 (\$1,700,000 each area)

- Monterey Park Tract:
The Agency will provide on-going monitoring, and payout, of match funds granted by the Agency in the previous Plan period for a planning study to evaluate the feasibility of alternative water sources in the Monterey Park Tract sub-area.
Fiscal Year 2010-2011 Budget: \$20,000
2010-2014 Implementation Plan Estimated Agency Investment: \$40,000

Other:

- Neighborhood Clean-Up Program:
This program will focus on area wide revitalization efforts targeting the clean-up of public/common areas, such as streets, alleys, and parks. Activities will include, but not be limited to trash pick-up, graffiti abatement, and landscape enhancement. The program will shift away from the collection of trash from private property as a result of twice a year bulky item pick-up service now being provided to each property as part of their normal trash service. Implementation of clean-up events will be community driven and dependent on the community's participation. The Agency will rely on areas with Municipal Advisory Council (MAC) or an organized community group (if no MAC exists to represent the area) and community volunteers to plan and implement events with guidance and funding provided by Agency staff.
Fiscal Year 2010-2011 Budget: \$5,000
2010-2014 Implementation Plan Estimated Agency Investment: \$25,000
- Economic Development:
The Agency will continue to respond to requests for economic development assistance by assessing requests for consistency with the Project and presenting requests to the Redevelopment Agency Board for consideration. Agency staff will also explore the development of programs, such as a commercial rehabilitation, by developing program criteria and standards to be presented to the Redevelopment Agency for consideration.
Fiscal Year 2010-2011 Budget: \$100,000
2010-2014 Implementation Plan Estimated Agency Investment: \$500,000
- Public Infrastructure Rehabilitation/Construction:
The Agency will continue to respond to requests for public infrastructure facility rehabilitation/reconstruction assistance consistent with the Project.
Fiscal Year 2010-2011 Budget: \$10,000
2010-2014 Implementation Plan Estimated Agency Investment: \$50,000
- Emergency Septic Repair & Sewer Connection Program:
The Agency will continue to assist very-low, low-, and moderate-income property owners within the Project Area with emergency sewer (septic system) repairs. Funds for connections to existing and planned public sewer infrastructure will also be made available.
Fiscal Year 2010-2011 Budget: \$100,000
2010-2014 Implementation Plan Estimated Agency Investment: \$500,000

- Administration:

In addition to normal administrative tasks, the following projects will be undertaken by Agency staff as part of their administrative duties during this Fiscal Year:

- Revitalization Strategy

The Agency will partner with the Community Development Block Grant program to develop community revitalization strategies intended to economically empower low-income residents by obtaining commitments to develop their neighborhood in a manner that will attract business investment, and generate neighbor activities that will ensure benefits within their community. Revitalization strategies encourage resident-based initiatives for housing, economic development, and human service needs. The goal is to align the strategies with the goals and policies of the Project in an effort to better facilitate the elimination of blight from the Project Area.

- Northern Shackelford Sub-area Annexation

The Agency will continue coordination efforts with the City of Modesto on annexation of the northern Shackelford sub-area.

- Debt Capacity Study

The Agency will contract with a financial advisor to prepare a debt capacity study to identify how much capital may be available to the Agency through issuance of tax allocation bonds.

- Pass-Through Payment Assessments

The Agency will contract with an outside consultant to complete: 1) an assessment of the 2009-2010 pass-through payments to ensure accuracy in the calculations, and 2) an assessment to determine if the Agency's pass-through payment obligations will be increased by an action to extend the Project's debt incurrence time limit.

Administrative costs also include legal service provided by an outside counsel and yearly property tax allocation charges paid to the County Auditor. Historically, the Agency has charged all administrative costs to the Capital Projects Fund as a means of maximizing the funds available to provide affordable housing. This budget proposes up to \$150,000 of administrative costs being charged directly to the Housing Fund to cover costs associated with the processing and monitoring of housing activities.

Fiscal Year 2010-2011 Budget: \$ 750,000

2010-2014 Implementation Plan Estimated Agency Investment: \$3,750,000

- Debt Service:

The following is an overview of the Agency's debt service obligations for Fiscal Year 2010-2011:

- a. State Water Board Loan/Brete Harte Sewer – balance owed: \$967,285. Final payment due in 2015.

- b. United States Department of Agriculture Loan/Salida Storm Drain – balance owed: \$7,675,613. Final payment due in 2043.
- c. Tax Allocation Bond/Keyes Storm Drain – balance owed: \$24,662,109. Final payment due in 2036.

In addition, the Agency expects to make a second payment of \$583,000 to the State of California's Supplemental Educational Revenue Augmentation Funds (SERAF). The SERAF payments are part of the 2009-2010 State budget raid on redevelopment agencies. The first payment made by the Agency in Fiscal Year 2009-2010 was in the amount of \$2,812,297. No additional SERAF payments are considered for future fiscal years.

Fiscal Year 2010-2011 Budget: \$2,185,574

2010-2014 Implementation Plan Estimated Agency Investment: \$9,308,122

Indebtedness:

Based on the programs and projects to be undertaken and/or funded by the Agency during the 2010-2011 Fiscal Year, the Agency anticipates increasing its indebtedness in the amount of approximately \$3,460,000 in the form of new contracts and Agency administration costs. The Agency's total outstanding debt as of June 30, 2010, including housing set-aside and pass through obligations, for the life of the Agency is \$78,592,242. Depending on the outcome of the debt capacity study the Agency will be undertaking, the Agency may consider increasing indebtedness in the next year.

Project Goals and Objectives:

The programs and projects identified in this budget for Fiscal Year 2010-2011 will serve to implement the following goals and objectives of the Project:

- The conservation, rehabilitation and community development of the Project Area, especially residential neighborhoods in accordance with the General Plan, Community Plans, Specific Plans, and local codes and ordinances.
- The achievement of an environment reflecting a higher level of concern for architectural landscape and urban design and land use principals.
- The elimination or reduction of certain environmental deficiencies, including substandard vehicular circulation and parking systems, inadequate water, nonexistent sewer and storm drainage systems, and other similar public and private improvements, facilities and utilities deficiencies.
- The promotion and investment in rehabilitation and improvement programs for existing housing with the intent and purpose of enhancing the tenure and condition of the structures and properties.
- The promotion of new investment in housing opportunities for low- and moderate-income households in the unincorporated communities of Stanislaus County as suggested by the Economic Strategic Plan and required by the Housing Element of the General Plan.
- The control of unplanned growth by guiding revitalization, rehabilitation, and new development activities in such fashion as to meet the needs of the Project Area, balancing jobs and housing to reduce future urban congestion in Stanislaus County, improving land utilization and the quality of life for County residents.
- The reduction of the County's annual costs for the provision of local services.
- The provision for increased sales taxes and revenues to Stanislaus County.

- The promotion of new and continuing private sector investment to provide commercial activity and to prevent the loss of and to facilitate the recapture of commercial sales activity.
- The retention and enhancement of as many existing businesses as possible by means of community redevelopment and rehabilitation activities and by encouraging and assisting the cooperation and participation of owners, businesses, and public agencies.

Fiscal Year 2009-2010 Overview:

The Agency adopted a budget of \$5.4 million dollars for Fiscal Year 2009-2010. During Fiscal Year 2009-2010, the Project generated \$7,237,808 in gross tax increment. A total of \$1,809,452 was deposited in the Housing Fund and a total of \$2,739,476 was deposited in the Capital Projects Fund. The remaining \$2,688,880 was distributed to affected taxing entities to cover the Agency's pass-through obligations. The Agency's debt payment obligations for Fiscal Year 2009-2010 included the first SERAF payment of \$2,812,297. As a result of the need to make this payment, the Agency was very conservative in its use of Agency funds. The following is an overview of the programs and projects undertaken by the Agency in 2009-2010:

Affordable Housing:

- Four (4) Down Payment Assistance loans totaling \$115,400 were provided to low- and moderate-income First Time Home Buyers.
- One (1) home rehabilitation project totaling \$2,404 was conducted in the Denair sub-area.
- Habitat for Humanity expended \$43,449 of their contracted funds to undertake rehabilitation and reconstruction projects on three (3) homes in the Airport sub-area.
- Additional Agency funds were used to leverage CalHOME, HOME, and NSP funds for activities within the Project Area. Leveraged funds not reflected in the activities above were ultimately returned to the Agency as reimbursements from the various outside funding sources.

Public Infrastructure:

- Monterey Park Tract Water Study – The Agency approved match funds in the amount of \$40,000 for a \$200,000 Safe Drinking Water State Revolving Fund project grant to conduct a planning study to evaluate the feasibility of alternative water sources in the Monterey Park Tract sub-area.
- Keyes Storm Drainage Infrastructure Project – Staff provided oversight of the final construction phase of the project.
- Empire Storm Drain Project – Staff provided oversight of the final designs and construction for Phase 1A of the project.

Others:

- Neighborhood Clean-Ups – The Agency provided clean-up events for the Denair, Shackelford, and Valley Home sub-areas. A total of 100 tons of garbage were removed and 812 tires were hauled off.

Activities undertaken during Fiscal Year 2009-2010 essentially served to implement the same goals and objectives identified earlier in this budget for the Fiscal Year 2010-2011 work program.

POLICY ISSUES:

The Agency's budget is a key component to implementing the goals and objectives of Project No. 1 and the programs and project outlined in the Agency's 2010-2014 Implementation Plan. Traditionally, the efforts of the Stanislaus County Redevelopment Agency fall within the Board Priorities of A Well Planned Infrastructure System, A Healthy Community, and Effective Partnerships.

STAFFING IMPACTS:

There are two County staff members directly assigned to the Redevelopment Agency. Additional staffing services provided by the Department of Planning and Community Development and various departments within County government are compensated within the Administrative Services budget item or through project specific expenditures. No additional staff is requested.

CONTACT PERSON:

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PowerPoint Presentation

**Fiscal Year 2010-2011
Proposed Budget**

**Stanislaus County Redevelopment Agency
October 19, 2010**

ANNUAL BUDGET

REQUIRED ELEMENTS

- Proposed expenditures,
- Proposed indebtedness to be incurred,
- Anticipated revenues,
- Work program for upcoming year, and
- Examination of the previous years achievements.

**** Proposed budget is consistent with 2010-2014 Implementation Plan****

ANTICIPATED REVENUE

and existing cash balances

- Gross Tax Increment: \$6,968,658
 - Housing Fund: \$1,742,163
 - Capital Projects Fund: \$2,648,088
 - Pass Through Obligations: \$2,578,401
- Total Cash Balance: \$17,512,739
 - Housing Fund: \$8,241,136
 - Capital Projects Fund: \$9,271,603

ANTICIPATED EXPENDITURES

with existing cash balances

- Total Proposed Expenditures: \$8,158,574
 - Housing Fund: \$2,554,151
 - Programs: \$2,225,000
 - Others: \$150,000
 - Debt Service: \$179,151
 - Capital Projects Fund: \$5,604,423
 - Public Infrastructure Projects: \$2,763,000
 - Others: \$835,000
 - Debt Service: \$2,006,423

FISCAL YEAR 2009-2010 OVERVIEW

- Gross Tax Increment: \$7,237,808
 - Housing Fund: \$1,809,452
 - Capital Projects Fund: \$2,739,476
 - Pass Through Obligations: \$2,688,880

 - SERAF Payment: \$2,812,297

FISCAL YEAR 2009-2010 OVERVIEW

- Affordable Housing:
 - 4 down payment assistance loans
 - 1 home rehabilitation
 - Habitat for Humanity – ongoing rehabilitation and reconstruction on 3 homes in airport sub-area.
 - Agency funds leveraged with CalHOME, HOME, and NSP for activates within Project area.

FISCAL YEAR 2009-2010 OVERVIEW

- Public Infrastructure:
 - Monterey Park Tract Water Study – approved matching funds.
 - Keyes Storm Drain Project – ongoing oversight of final construction phase.
 - Empire Storm Drain Project – ongoing oversight of final designs and construction of Phase 1A.

FISCAL YEAR 2009-2010 OVERVIEW

- Other Programs:
 - Neighborhood Clean-Ups: Events in Denair, Shackelford, and Valley Home sub-areas.
 - 100 tons of garbage removed and 812 tires hauled off.

STAFF RECOMMENDATIONS

1) Find that the use of Housing Funds to pay planning and administration expenses are necessary for the production, improvement, and preservation of low- and moderate-income housing.

STAFF RECOMMENDATIONS

2) Find that the public infrastructure projects identified in the work program of the Fiscal Year 2010-2011 Budget are a benefit to the Project area; that no other reasonable means of financing the improvements are available to the community; and that payment of Capital Project Funds for the cost of the improvements will assist in the elimination of one or more blight conditions inside the project area and is consistent with the Agency's Implementation Plan.

STAFF RECOMMENDATIONS

- 3) Adopt the Proposed Budget for Fiscal Year 2010-2011 of \$4,390,251.
- 4) Authorize the Agency's Executive Director to take all necessary steps to implement the proposed budget for Fiscal Year 2010-2011 including the negotiation and execution of contracts for programs and projects identified in the budget work program, but not to exceed the allocated budget amount.