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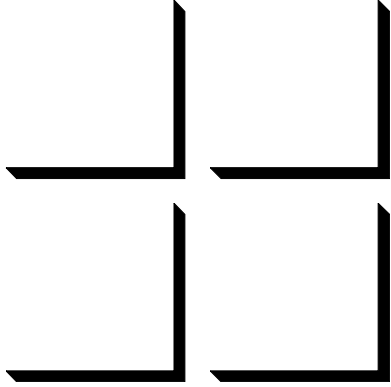
# Implementation Plan 2008–2013 for the Madera Redevelopment Project

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REDEVELOPMENT AGENCY OF THE CITY OF MADERA



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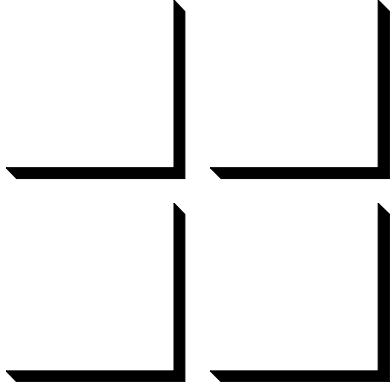


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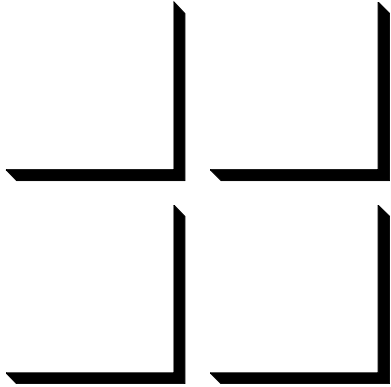
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## ***PREFACE***

This Five-Year Implementation Plan (the “Implementation Plan”) was prepared by the Redevelopment Agency of the City of Madera (the “Agency”) pursuant to Section 33490 *et seq.* of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*; the “CRL”).

This Implementation Plan identifies potential Agency-related redevelopment programs and projects, and housing activities targeting low- and moderate-income households, for the Madera Redevelopment Project (the “Project,” or the “Project Area,” as appropriate) during the five-year period beginning in fiscal year 2008/09, and ending in fiscal year 2012/13.

The Agency adopted its first Implementation Plan in December 1994, which covered the five-year period from January 1, 1994 through December 31, 1999. The Agency adopted a second updated Implementation Plan in 1996 as part of the amendment process taking place at that time for the Project. The existing Implementation Plan covers the five year period from fiscal year 2003/2004 through 2007/2008 and will expire on August 7, 2008. This Implementation Plan updates the three previously-adopted plans.

This Implementation Plan is generally intended as a policy statement rather than a specific course of action. It identifies priorities for potential programs and projects, and demonstrates how such programs and projects will address essential near-term revitalization objectives and the creation and preservation of affordable housing for the Project Area. This Implementation Plan is not intended to restrict the Agency to the programs and projects identified herein, since conditions, values, expectations, resources, and the needs of the community may change during the term of this Implementation Plan.

The preparation and adoption of an updated Implementation Plan does not mean that the Agency must undertake a sudden change in direction, set new goals, or discontinue on-going activities and programs. Rather, the emphasis of this Implementation Plan is on maintaining a continuity of actions and consistency with established policies while remaining cognizant of potential activities that may arise or become feasible during the five-year term of this Implementation Plan.

This Implementation Plan is presented in the following six sections:

**Section 1 - Introduction:** Provides an overview of the CRL's provisions governing the development of this Implementation Plan. This section also describes the overall intent of the Plan.

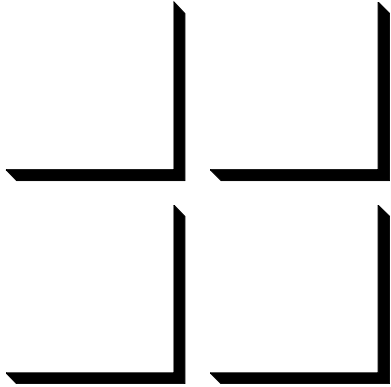
**Section 2 - Project Area Background:** Introduces and describes generally the Project Area, including a description of the Project's location, goals, original and remaining blighting conditions, and Agency activities accomplished to date.

**Section 3 - Finance:** Describes the financial opportunities and limitations over the next five-year period of implementing the Redevelopment Plan.

**Section 4 - Five-Year Program:** Provides a description of proposed Agency activities, programs, and public improvement projects in the Project Area during the term of this Implementation Plan.

**Section 5 - Housing Component:** Provides a summary of issues relative to providing low- and moderate-income housing. Includes descriptions of past housing production activities, current housing needs, housing programs aimed at meeting these needs, and five- and ten-year housing production plans. Total housing production over the remaining lifetime of the Redevelopment Plan is also estimated.

**Section 6 - Administration of the Implementation Plan:** Describes the Implementation Plan review process, including periodic reviews and public hearings. Also includes description of annual financial commitments that will fund the Agency's activities



## ***1.0 INTRODUCTION***

The City of Madera has had an active redevelopment program since the Project was initially adopted in 1990. The Project was established as a means of addressing conditions of blight that were affecting residential, commercial and public property throughout the City.

The CRL authorizes the Agency to undertake a wide variety of redevelopment activities in order to accomplish the goals of the Project, which include the funding of public improvements, encouraging commercial investment, and assisting in the development of affordable housing.

Current and potential programs and projects in the Project Area described herein represent a continuation of the Agency's redevelopment goals and objectives aimed at revitalizing the Project Area. Given the Agency's past compliance with the CRL, the requirements outlined in CRL Section 33490 are not expected to have a significant impact on the continued implementation of the Project.

### ***1.1 INTENT OF THE IMPLEMENTATION PLAN***

On October 6, 1993, Assembly Bill 1290 ("AB 1290") was signed into law by then-Governor Wilson. Entitled, the "California Community Redevelopment Law Reform Act of 1993," AB 1290 enacted several changes to the CRL, including the introduction of Section 33490.<sup>1</sup> Section 33490 provides, in part, that an implementation plan shall contain the specific goals and objectives of the agency for the project area, the specific programs, including potential projects, and *estimated* expenditures proposed to be made during the

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<sup>1</sup> AB 1290 was subsequently amended in 1994 by Senate Bill 732.

ensuing five-year period, and an explanation of how the goals, objectives, programs and expenditures will eliminate conditions of blight within the project area and implement the requirements of the housing provisions of the CRL.

Pursuant to CRL Section 33490, this Implementation Plan provides both a short-range strategy for meeting locally-identified and State-mandated redevelopment objectives, and information necessary to measure the Agency's performance in meeting those objectives.

## ***1.2 IMPLEMENTATION PLAN REQUIREMENTS (CRL SECTION 33490)***

CRL Section 33490 requires redevelopment agencies to produce implementation plans every five years starting in 1994. In accordance with this section, the implementation plan must contain the following:

- Specific goals and objectives for the ensuing five-year period.
- Specific programs and potential projects, and estimated expenditures planned for the ensuing five-year period.
- An explanation of how the plan's goals, objectives, programs, and expenditures will eliminate blight.
- An explanation of how the goals, objectives, and expenditures will implement the CRL's affordable housing requirements.
- An explanation of how the Low- and Moderate-Income Housing Fund will be used annually over the term of the implementation plan, along with the amounts now available in the Low and Moderate Income Housing fund, and projected deposits thereto. Also included shall be estimates of the number of units to be assisted in each of the five years.
- An estimate of the number of units to be provided over the next five (5) and ten (10) years to meet the Agency's 15% inclusionary housing requirements, if applicable.
- An estimate of the number of units to be provided through the end of the Plan's effectiveness to meet the Agency's inclusionary housing requirements, if applicable.
- The number of qualifying very low, low, and moderate income units that have been produced in the project

area, and the number of additional units that will be required to meet the inclusionary housing requirements.

- The number of units that will be developed by the Agency, if any, including the number of units that will be available for very low, low and moderate income households.
- If a planned project will result in destruction of existing affordable housing, then identification of proposed locations for the replacement housing the agency will be required to produce shall be included (Health and Safety Code Section 33413).
- The project area affordable housing production plan required by Health and Safety Code Section 33413(b) (4).

### ***1.3 PUBLIC PARTICIPATION IN THE IMPLEMENTATION PLAN PROCESS***

Pursuant to CRL Section 33490, the adoption of an implementation plan must be preceded by a duly noticed public hearing. Notice of the public hearing must be posted in at least four (4) permanent locations in the affected project area for a minimum period of three (3) weeks. In addition, the notice must be published in a newspaper of general circulation serving the affected project area once a week for three (3) successive weeks, and mailed at least three (3) weeks in advance to all persons and agencies who requested such notice. Posting, publication and mailing must be completed at least ten (10) days prior to the public hearing.

The Agency has scheduled a public hearing for this Implementation Plan on May 14, 2008. Notices of the public hearing were published in the Madera Tribune on April 23, 2008, April 30, 2008, and May 7, 2008, and posted in the following locations:

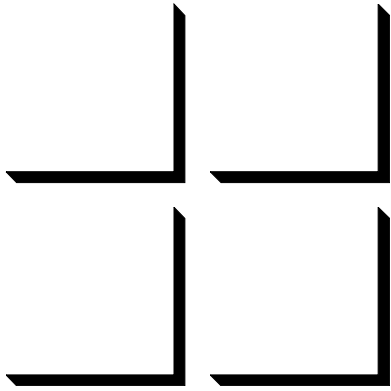
Madera Redevelopment Agency, 5 E. Yosemite Ave

City Hall, 205 W. Fourth Street

Madera County Library, 121 N. G Street

Madera District Chamber of Commerce, 120 N. E Street

In addition, CRL Section 33490 (c) states that between two and three years after adoption of an implementation plan, an agency must conduct a public hearing to review the redevelopment plan and implementation plan. The purpose of this mid-term review is to assess the extent to which an agency's actual activities conform to the activities described in the current implementation plan. The Agency's mid-term review of this Implementation Plan will be due between 2010 and 2011.



## ***2.0 PROJECT AREA BACKGROUND***

### ***2.1 BACKGROUND***

The Redevelopment Plan for the Project Area (the “Redevelopment Plan” or “Plan”) was originally adopted by the Madera City Council (the “City Council”) in December 1990. The area included in the Plan (Original Area) encompasses most of the central portion of the City (the “City”) and is 3,610 acres.

On March 13, 1996, the Plan was amended to enhance efforts to combat increasing conditions of blight and to conform to new legislation. The Plan was amended a second time on May 15, 1999, to add territory (1999 Amendment Area) and to add public improvements to the Agency’s list of proposed projects. The Third Amendment was adopted in March, 2008, and included three key provisions: first, to increase the limit on total tax increment receipts for the Original Area and on bonded indebtedness for the entire Project Area; second, to add approximately 600 acres located in four sub-areas adjacent to, and north of, the existing Project Area; and, third to add certain public improvements to the Plan’s list of authorized projects.

Land uses in the Project Area are primarily residential and neighborhood-serving retail uses. Other uses include churches, public facilities, government buildings, commercial, industrial, and highway uses. In addition, there are vacant residential, commercial, and industrial zoned parcels scattered throughout the area.

To date, the Agency’s activities have been targeted toward the following goals:

1. To expand and diversify the community’s economic and employment base.

2. To facilitate industrial development and expansion.
3. To strengthen the general retail and service commercial sectors of the local economy.
4. To diversify and enhance population-generated and income-generated demand for local commerce.
5. To improve the aesthetic image of the community with a particular emphasis on improving the City's competitive performance.
6. To alleviate the existing stigma against local development.
7. To recapture general retail sales leakage from Madera to other larger trade centers.
8. To capture potential commercial trade originating from through traffic on State Highway 99.
9. To improve the quality of the community's housing stock through rehabilitation and replacement programs.
10. To improve existing infrastructure to remove impediments to the economic development of the community.
11. To enhance active and passive recreational opportunities and community facilities available to residents of the Project Area.
12. To eliminate or mitigate existing blighting conditions and influences including; incompatible land uses, obsolete or substandard structures, inadequate public facilities, and small, irregular and landlocked parcels.

## ***2.2 CURRENT CONDITIONS***

The Report to City Council for Amendment No. 3 to the Madera Redevelopment Plan<sup>2</sup> documented significant remaining blight in the Original Area and the 1996 Amendment Area. These ongoing conditions include:

1. Buildings in which it is unsafe or unhealthy for persons to live or work
2. Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots
3. Inadequate public improvements
4. Depreciated or stagnant property values

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<sup>2</sup> *Report to City Council for the Madera Plan Amendment No. 3.* Madera Redevelopment Agency, March 2008. See Chapter 3.



## 5. Serious residential overcrowding

Conditions of blight also were documented for the territory added by the 2008 amendment. These conditions include:<sup>3</sup>

1. Conditions that prevent or substantially hinder the viable use or capacity of buildings or lots
2. Residential overcrowding
3. Outdoor storage
4. Inadequate public improvements
5. Lots of inadequate size and shape for proper usefulness
6. Depreciated or stagnant property values



<sup>3</sup> Report to City Council for the Madera Plan Amendment No. 3. Madera Redevelopment Agency, March 2008. See Chapter 2.









## **2.3 RECENT AGENCY ACTIVITIES**

At the time the Project was originally adopted in 1990, there were detrimental physical, social and economic conditions that were negatively impacting the Project Area. Since then, the Agency has used the powers and authorities of redevelopment to alleviate some of those conditions by public improvement programs and by providing a variety of development incentives intended to stimulate new development and rehabilitation activities in the Project Area.

Since the adoption of the previous Implementation Plan, the Agency has been actively pursuing a number of community and economic development programs and affordable housing projects:

Southeast Madera - Recent projects in the Southeast Madera area (the Original Area) include:

- Sugar Pine Village Master Plan
- Santa Fe Subdivision (18 units)
- Storm Drainage Retention Basin
- Elm Estates I / II
- Clinton-Elm Ranchos (42 units)
- Sugar Pine Subdivision (28 units)
- MID Canal Pipeline Project
- Clinton Sidewalk and Streetlight Project
- Mill Site Subdivision
- Adelaide Sidewalk and Street Project
- Various Signalization Projects
- Southeast Area Sidewalk and Streetlight Project
- Sierra Vista Subdivision
- Yosemite/Tozer Entry Project
- McNally Park Renovation
- A Street Sidewalk and Streetlight Project
- Washington Court Improvement Project
- Gateway Tree Project

Northeast Madera – Recent projects in the Northeast area include:

- Lake Street Improvement
- Riverside Drive Improvement Project
- Sharon Improvement Project Design
- Tulare/Cleveland Improvement Project
- Cleveland Median Landscaping Project
- Sherwood Improvement Project Design
- Washington School Neighborhood Improvement Projects – Phases 1 And 2.
- Cleveland/Raymond Signalization Design

Downtown Madera – The Agency has been active in efforts to revitalize the Downtown Madera area, including:

- Intermodal Facility / Chamber Of Commerce
- Downtown Streetscape Project
- 6th and D Street Parking Lot
- Darin Camarena Expansion and Parking Lot
- Social Security Building
- First Five Building
- Fruit Basket Parking Lot
- 6th and Gateway Sears Project
- Police Station
- Gateway Drive Water Project
- Courthouse Entry Project
- Workforce Development Office Improvements
- Post Office Expansion
- 22 Façade Projects
- 4th and D Street Streetscape Project Design
- Parking Lot Projects
- Yosemite/Gateway Streetscape Projects
- Public Art Projects

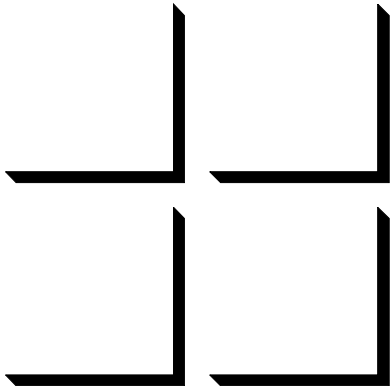
Additionally, the Agency has been active in various neighborhood revitalization projects, including neighborhood clean-up and painting programs, targeted rehabilitation projects, assistance in voluntary removal of substandard structures, graffiti removal, public nuisance abatement, removal of abandoned vehicles, removal and recycling of waste tires, shopping cart retrieval, and general debris removal from alleys and vacant lots.

Having only recently adopted the Third Amendment, which added territory and expanded the Plan's financial limits, the Agency has only begun to address blight conditions in the added area north of the existing Project Area.



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### ***3.0 FINANCING***

This Implementation Plan reflects both the financial opportunities and limitations inherent in implementing the Redevelopment Plan. The opportunities arise because the Agency has the ability to issue new tax allocation bonds that will be available to implement activities over the next few years. The limitations are primarily the result of obligations the Agency has incurred that will use a substantial portion of the current and future tax increment generated in the Project Area once the new bonds are issued.

#### ***3.1 TAX INCREMENT REVENUES***

The Agency's major funding source is tax increment revenues. Since 2002-03, assessed values have grown from \$789 million to over \$1.2 billion in 2007-08. This reflects an average growth rate of 9 percent per year during this period. The total tax increment for 2007-08 is estimated at \$7.7 million.

The Agency is in the process of issuing tax allocation bonds. Current estimates are that the Agency could issue a total bond of approximately \$37.5 million. Net proceeds (after cost of issuance) would equal approximately \$25.5 million for non-housing redevelopment activities and an additional \$7.4 million for housing projects. The bond issue will provide most of the funding that the Agency has for project activities during the Implementation Plan cycle, although additional bonds could be issued in the future should there be sufficient growth. If assessed value growth continues at even a 5 percent rate, the Agency could generate a surplus of approximately \$10 million in tax increment funds for redevelopment projects over

the five year term of the Plan, or leverage that growth into another tax allocation bond issue of \$30-\$40 million.

### ***3.2 EXISTING OBLIGATIONS***

The Agency has incurred a number of significant financial obligations within the Project Area. These include: prior tax allocation bonds and the planned future bond issue, the low- and moderate-income housing set-aside, pass through payments to the taxing entities; and Agency operating costs. Table 1 on the following page provides details on the Agency's obligations. Due to the strong growth in tax increment over the past several years, the Agency plans to issue additional bonds to fund projects. Payments on obligations incurred in the Project Area, when combined with the new bond issue, will commit most of the Agency's current tax increment revenues, although if there is sufficient growth in the future, there could be additional surplus tax increment that could be used for pay as you go funding of projects. Existing obligations may range from approximately \$7 million to \$10 million per year.



*Table 1*

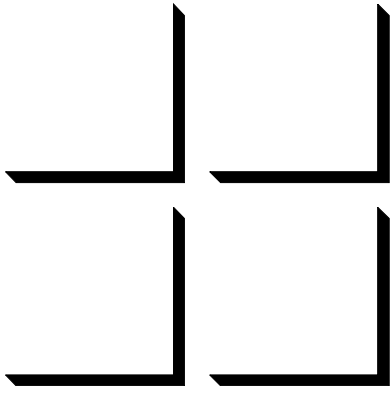
*Existing Debt Obligations*

<i>NAME</i>	<i>OBLIGATION</i>	<i>DESCRIPTION/REASON</i>
1. <b>BOND DEBT SERVICE PAYMENTS</b>	The 1998 and 2003 Bonds are “secured by Tax Revenues” from the Project Area, as defined in the bond indenture. The proposed Bonds will also be secured by Tax Revenues.	The bond proceeds have and will be utilized to implement redevelopment activities.
2. <b>LOW- AND MODERATE-INCOME HOUSING</b>	California Redevelopment Law requires all redevelopment agencies to set aside 20 percent of all tax increment revenue which is allocated to the agency to facilitate housing for persons and families of low and moderate incomes.	To increase, improve and preserve the community’s supply of low- and moderate-income housing.
3. <b>PASS THROUGH AGREEMENTS / STATUTORY PAYMENT/ SECTION 33676 ALLOCATIONS</b>	<p>The Agency has entered into pass through agreements with the following taxing entities: Madera County; Madera Mosquito Abatement District; and the Madera Cemetery District.</p> <p>The Agency makes Statutory Payments to the taxing entities for the 1999 Amendment Area and may be required to make certain additional payments for the Original Area in the future.</p> <p>The State Center Community College District; the Madera County Office of Education; and the Madera Unified School District all receive Section 33676 allocations</p>	<p>The Pass Through Agreements were entered into per section 33401 of the CRL.</p> <p>The payments are made pursuant to Section 33607.5 and 33607.7 of the CRL.</p> <p>The payments are made pursuant to former Section 33676 of the CRL.</p>
5. <b>AGENCY OPERATING COSTS</b>	Ongoing expenses to fund the operations of the Agency.	To administer the Agency’s redevelopment program aimed at blight elimination and housing preservation.



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## ***4.0 FIVE-YEAR IMPLEMENTATION PROGRAM***

Proposed Agency activities during the term of this Implementation Plan are divided into two distinct categories: programs related to the provision or replacement of affordable housing (which are contained in Section 3), and all other non-housing programs that the Agency may pursue under the adopted Redevelopment Plan, such as economic/community development and public improvements.

This Chapter of this Plan focuses specifically on the Agency's potential non-housing activities during the ensuing five-year period. This Chapter will describe specific projects and expenditures, and explain how said projects and expenditures will address conditions of blight in the Project Area.

The Agency's non-housing activities during the ensuing five-year period will continue to generally focus upon economic development and public facilities. The Agency will utilize various tools authorized by the Redevelopment Plan and CRL to facilitate such activities. The Agency may acquire certain real property; demolish certain buildings or improvements; provide relocation assistance to residential and non-residential displaces; install, construct or reconstruct public facilities such as streets, utilities, or landscaping; dispose of property acquired for redevelopment; facilitate the redevelopment or rehabilitation of properties by private developers or public entities; collect tax increment revenues to finance or encourage redevelopment; and sell bonds secured in whole or in part by tax increment revenues to raise capital for redevelopment purposes.

## **4.1 AGENCY FIVE-YEAR PROGRAM**

The Agency's overriding goals and objectives for the Project Area continue to be the elimination or alleviation of blighting conditions through the provision of needed public improvements, assistance for the development and rehabilitation of existing properties, the provision of low- and moderate-income housing opportunities, and other activities authorized by the CRL. In achieving its goals and objectives, the Agency intends to mitigate the effects of the existing blighting conditions described in Section 2.2 above. In doing so, the Agency intends to continue to implement the goals of the redevelopment program as listed in Section 2.1.

Table 2, below, describes how the Agency's programs and projects will help eliminate blight in the Project Area, and the goals addressed by each program.



The programs listed in Table 2 describe broad program categories, but are not intended to indicate any priorities. The projects further define the programs and generally what the Agency intends to do over the next five years. Blight elimination is intended to summarize the manner in which the programs and projects will alleviate blighting conditions. Goals addressed are intended to show which of the Agency's redevelopment goals are addressed by the blight elimination programs and projects.

**Table 2**

**5-Year Implementation Program, Projects, Blight Elimination and Goals Achievement Matrix**

(Goals Addressed refer to Goal numbers in Section 2.1 above)

<b>Program</b>	<b>Potential Projects</b>	<b>Blight Elimination</b>	<b>Goals Addressed</b>
Beautification Program	Provides funding incentives for residential, commercial and industrial facade beautification in the Project Area. Grants or loan interest buy-downs would be offered. Approved facade renderings would also be provided through the services of a contract architect	Rehabilitates blighted structures and create new economic opportunities in the project area. Aids the private sector in improving building facades. Encourages investment in structures to eliminate deterioration, dilapidation, mixed character, or shifting of uses.	1, 3, 5, 6, 7, 8
Park Improvements	Provides for the development and improvement costs for existing redevelopment area parks and joint use school playgrounds. Improvements will include turf, landscaping, provision of playground equipment, rest-rooms, drinking fountain, etc.	Eliminates the existence of inadequate public areas and facilities and, open spaces, which cannot be remedied by private or governmental action without redevelopment.	5, 10, 11, 12
Affordable Housing	Provides funding for the development of new construction and the rehabilitation of existing substandard housing. Refer to Housing Component section for additional information on proposed projects/programs and expenditures.	Improve existing housing conditions and provide affordable housing opportunities for the area's labor force.	2, 4, 9, 12
Economic Development	Various projects will be undertaken and programs designed to promote economic development in blighted areas. These include purchase and cleanup of blighted properties to promote future development, fee reduction or waiver programs to encourage economic development, project specific off site improvements and other available programs which may be developed to encourage economic development.	Increases the marketability of available property, which will create employment opportunities, increase property valuation, and enhance private sector investment.	1, 2, 3, 4, 7, 8, 12
Downtown Streetscape and Plaza	Rehabilitate downtown parking facilities, sidewalks and other facilities.	Eliminates blighted and inadequate public improvements, facilities and open spaces in the downtown area that could not otherwise be improved by private or governmental action without redevelopment.	1, 3, 4, 5, 6, 7, 8, 10, 12
Community Infrastructure	Assistance in the financing of various infrastructure improvements proposed in the Project Area over the next five years.	Eliminates the existence of inadequate public facilities and improvements, and utilities which cannot be remedied by private or governmental action without redevelopment.	1, 2, 3, 4, 5, 9, 10, 11, 12

## 4.2 ECONOMIC AND COMMUNITY DEVELOPMENT



During the five-year term of this Implementation Plan, the Agency will continue to offer financial assistance in the Project Area through previously established programs that are summarized in Table 2 and further described below:

- **Beautification Program:** Improve economic growth opportunities and/or residential neighborhoods by assisting in the installation of new facades or other rehabilitation of commercial, industrial, public and residential structures to improve building conditions, correct code deficiencies, increase functionality and desirability, and enhance aesthetic qualities.
- **Economic Development Assistance:** Financial or other assistance as authorized by the CRL and the Redevelopment Plan to individual projects on an as-needed basis, and depending on the availability of Agency funds or other resources. The program may include the acquisition of real property in the Project Area on a case-by-case basis, subject to applicable restrictions, in order to implement the goals of the Redevelopment Plan or in effectuating other redevelopment activities. Off site public improvements and fee waivers or reductions may also be offered as a means of encouraging new development in the Project Area. Specific projects that may be undertaken include the Yosemite Tozer Project and the E Street Corridor Project.
- **Park Improvements:** Construct, reconstruct or improve parks and other community facilities to enhance recreational opportunities in the Project Area. Specific improvements could include development of a Youth Center, the Westside Activity Center, playground projects, improvements to Pan American and McNally Park.
- **Downtown Streetscape and Plaza:** Construct public improvements to increase pedestrian traffic and/or overall ambience within the downtown area of the Project Area. Assist in the improvement and/or expansion of





existing parking areas, as well as the creation of new parking opportunities.



- **Community Infrastructure:** May include the construction or reconstruction of: a) streets, curbs, gutters and sidewalks as part of the overall Neighborhood Improvement Project; b) traffic and circulation improvements; c) storm drain systems to improve the existing level of flood control and protection; and/or d) landscaping to identify distinct districts or to establish a sense of place; e) various streetscape improvement projects; f) other community facilities, including a performing arts center and restoration of the library. (See Chapter 2 of this Plan.)



Rehabilitation and façade improvement programs are intended to reduce blight by improving the appearance and functionality of the built environment, thereby improving overall aesthetics and property values. In commercial areas, improved desirability and competitiveness may increase patronage and, in turn, attract other new businesses to the area, both of which increase sales and property tax revenues and local employment opportunities.



Residential rehabilitation and in-fill housing programs are intended to reduce blight by eliminating shifting land uses and stabilizing residential neighborhoods. Improved neighborhoods have the effect of increasing local pride and enhancing community identity. Increased local pride often encourages programs of regular maintenance and the willingness of residents and neighbors to be more protective of their surroundings. This improved protectiveness often results in a system of self-patrol that helps to reduce local crime, particularly crimes against property.



Community and recreational facility improvements are intended to reduce blight by improving the living environment for current and future residents. This improved quality of the environment will result in higher property values and greater neighborhood pride. New recreational and community attractions in the Project Area may also help marginally-profitable businesses by generating

a higher number of visitors to the area who may patronize their stores.

### 4.3 COMMUNITY INFRASTRUCTURE



During the five-year term of this Implementation Plan, the Agency's principal capital improvements objectives will continue to emphasize infrastructure upgrades. The Agency remains confident that the continued implementation of public improvements listed in the Redevelopment Plan will further stimulate private investment on private property in the Project Area.

Various street improvements will enhance circulation through and within the Project Area, thus reducing traffic congestion and easing access to business districts, community facilities and residential neighborhoods as local population and employment levels continue to grow. Traffic and circulation improvements will also help attract new growth opportunities to the area and the ultimate development of vacant or underutilized land by signaling to the financial and commercial communities that the City and Agency are willing to provide the facilities necessary to ensure the success of private investments.



The installation and/or upgrading of water, sewer, and drainage systems that serve the Project Area are intended to reduce blight by alleviating obstacles to the development of currently vacant or underutilized land. The eventual completion of these planned improvements will serve as the foundation upon which subsequent development may occur.



Landscaping and other aesthetic enhancements will improve the visual quality of business districts, public areas and residential neighborhoods. This, in turn, will have the effect of inducing new investment or reinvestment. An improved visual image often increases levels of patronage for local merchants, which enhances profit margins and sales taxes for the City. This also improves the value of previously impaired investments and contributes to additional capital for further reinvestments. Landscaping and other aesthetic improvements will also lead to increased neighborhood pride, which, in turn, often



encourages programs of regular maintenance and the willingness of residents and neighbors to be more protective of their surroundings. This improved protectiveness often results in a system of self-patrol that helps to reduce local crime, particularly crimes against property.

#### 4.4 SPECIFIC ACTIVITIES

The Agency's specific program activities and estimated expenditures are identified below in Table 3.

**Table 3**

#### Five Year Implementation Plan - Redevelopment Programs

<b>PROGRAM</b>
<b><u>Economic Development</u></b>
YOSEMITE / TOZER PROJECTS
Tozer Improvements
Utility Undergrounding
Signalization
DOWNTOWN STUDIES
COURTHOUSE PARKING LOT
E' STREET CORRIDOR
Acquisitions
Off-Site Improvements
FACADE RENOVATION PROGRAM
OWNER PARTICIPATION AGREEMENTS
GENERAL ACQUISITIONS
ELLIS SEWER INTERCEPTOR
DEMOLITION PROJECTS
NORTH SHARON IMPROVEMENT PROJECT
<b>Economic Development Range of Expenditures: \$20 to \$30 Million</b>
<b><u>Community Infrastructure</u></b>
STREETSCAPE PROJECTS
4th/5th/D/E Streets
Yosemite Avenue
6th Street
South C/D/E Streets
North C/D/E Streets
North D St Streetscape
Sixth Street Streetscape (south side)

**Table 3****Five Year Implementation Plan - Redevelopment Programs**

<b>PROGRAM</b>
Gateway Improvement Projects
Avenue 16 Canal Pipelining
Yosemite Avenue Streetscape
<b>EAST YOSEMITE WIDENING PROJECT</b>
Acquisitions
Construction
<b>LAKE/ADELL IMPROVEMENT PROJECT</b>
<b>SHERWOOD/ADELL IMPROVEMENT PROJECT</b>
<b>ELLIS – HWY 99 TO LAKE STREET</b>
<b>D STREET – CLARK TO ELLIS</b>
<b>WESTSIDE ACTIVITY CENTER</b>
Design
Construction
<b>PLAYGROUND PROJECTS</b>
<b>PAN AMERICAN ENTRY FEATURE</b>
<b>PAN AMERICAN - AMPHITHEATRE</b>
<b>McNALLY PARK – ENTRY FEATURE</b>
<b>NEIGHBORHOOD IMPROVEMENT PROJECT (curb, gutter, sidewalk, etc.)</b>
Southeast
Northeast
Central
Southwest
<b>ELLIS OVERCROSSING</b>
<b>GATEWAY (Cleveland to Ave. 16 overpass)</b>
<b>OLIVE STORMDRAINAGE PROJECT</b>
<b>HWY 99 ENTRY SIGNS</b>
<b>EAST YOSEMITE - Fig to Tozer, widen to 4 lanes</b>
<b>RDA BUILDING</b>
Acquisition/Design
Construction
<b>DOWNTOWN PARKING</b>
<b>COURTHOUSE PARK RESTORATION</b>
<b>PERFORMING ARTS CENTER</b>
<b>LIBRARY RESTORATION</b>
<b>CANAL PIPELINING (Millview Area)</b>
<b>AGRICULTURAL MUSEUM</b>
Acquisition/Design

**Table 3**

**Five Year Implementation Plan - Redevelopment Programs**

<b>PROGRAM</b>
Construction
YOUTH CENTER (Northeast)
YOUTH CENTER (Southwest)
MEDIAN PROJECTS
ROTARY PARK LIGHTING
ELLIS SEWER LINE
TRAFIC CIRCULATION (Northeast)
BRIDGE WIDENING PROJECTS
'D' Street
Lake Street
Cleveland
STREETLIGHTS
High School Area
Central Madera
Daulton Area
REMNANT PROJECTS
LINEAR PARK/BIKE PATH
STORM DRAINAGE
Clinton
Northeast
PARKING LOT REHABILITATION
<b>Community Infrastructure Range of Expenditures: \$50 to \$70 Million</b>
<b>Special Projects</b>
NEIGHBORHOOD REVITALIZATION
EMERGENCY ABATEMENT
NEIGHBORHOOD NETWORKS
OPERATION CIVIC PRIDE
STREET BANNER PROGRAM
ART IN PUBLIC PLACES PROGRAM
<b>Special Projects Range of Expenditures: \$2 to \$4 million</b>
<b>Program Range of Expenditures Total: \$72 Million to \$104 million</b>

Please note that although the financial projections (Table 3) do not exactly cover all of the listed improvements, projects will be completed as funds

become available. Since all financial projections are based on assumptions, ultimately the amount of funds available will be based on the actual amount of tax increment revenue and other resources that are generated during the five-year period of this Implementation Plan.

#### ***4.5 DEVELOPMENT PROJECT REVIEW***

Prior to formal submittals to the City for development permits, the Agency may from time to time review individual development projects that would result in a major intensification of use, substantial rehabilitation of existing structures, or new construction, for their consistency with this Implementation Plan, the Redevelopment Plan, and any other applicable Agency policies. Said review shall be accomplished in full conformance with all applicable provisions of the Redevelopment Plan, CRL, other statutes and City policy.

#### ***4.6 PROGRAM CHANGES***

The Agency has identified the improvements shown herein as the most probable implementation activities for the term of this Implementation Plan. Since other public and private projects, not foreseen today, may later be judged to be feasible and beneficial in eliminating blight, it may be necessary from time to time for the Agency to make changes to programs and activities, and the priorities assigned to those programs and activities.

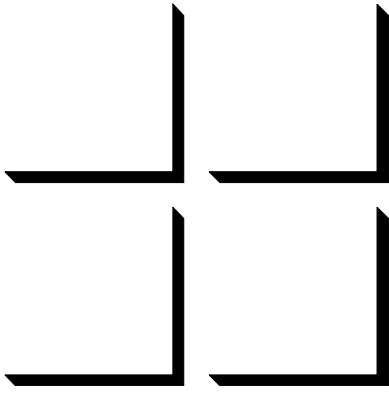
Whether or not listed herein, specific projects and programs may be constructed or funded by the Agency during the period covered by this Implementation Plan, if the Agency finds that:

1. The goals and objectives of the Redevelopment Plan are furthered.
2. Specific conditions of physical or economic blight within the Project Area will be mitigated in whole or in part through implementation of the project.
3. Specific conditions relative to a development project, including the financial feasibility thereof, require that the public improvement project be constructed at the time in question.



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## ***5.0 Housing Component***

### ***5.1 IMPLEMENTATION PLAN REQUIREMENTS***

This Housing Component covers the affordable housing elements that are required to be addressed in the Implementation Plan. The Housing Component updates progress to date and sets forth the Agency's goals and objectives, projects, and expenditures for the remaining period covered by the Implementation Plan.

This Housing Component of the Implementation Plan presents the expenditure of funds and other activities relating to the production of housing that is affordable to persons and families of low and moderate income. Per the CRL, this Housing Plan must specifically include:

1. An explanation of how the goals, objectives, projects and expenditures set forth in the Housing Implementation Plan will implement the affordable housing requirements of the CRL, including a housing program for each of the five years of the Implementation Plan.
2. The amount available in the Low and Moderate Income Housing Fund and estimates of both deposits into and expenditures from the Housing Fund during the term of the Implementation Plan.



3. The number of new, rehabilitated, or price-restricted housing units to be assisted during the term of the Implementation Plan.
4. If existing affordable housing will be removed as a result of redevelopment activities, a list of proposed sites for the replacement housing the Agency is required to produce.
5. For redevelopment projects adopted (or territory added by amendment) on or after January 1, 1976, specific information related to the CRL requirements for affordable housing production.



Generally, an Agency's requirements for affordable housing fall into the following three areas:

### **5.1.1 Housing Production/Replacement Requirement**

For those project areas that were adopted after 1976 and which contained land designated for residential uses, the Agency is required to meet certain specific requirements related to housing production and to produce a plan showing how the requirement will be met. The requirement is that 30 percent of all housing produced by the redevelopment agency acting as developer is affordable; and/or that 15 percent of all housing produced by entities other than the redevelopment agency be affordable. In order to count units towards the housing production requirement, the Agency must record affordability covenants that run with the land. Prior to January 1, 2002, the covenants were required to remain in place for the duration of the land use controls in the Redevelopment Plan. For units produced after January 1, 2002, the covenants must remain in effect for a period of 55 years for rental units and 45 years for owner occupied units. The Agency is also subject to the replacement housing requirement. When residential units housing low and moderate income persons are destroyed or taken out of the low and moderate income market as part of a redevelopment project the Agency must replace those units within a specified period of time in accordance with a plan adopted by the Agency.





### 5.1.2 Housing Fund Requirement

The CRL requires an agency to set aside in a separate Low and Moderate Income Housing Fund (the "Housing Fund") at least 20 percent of all tax increment revenue generated from its project areas for the purpose of increasing, improving and preserving the community's supply of low and moderate income housing. Agencies are specifically required to expend the monies in the Housing Fund to assist very low, low, and moderate income households, generally defined as:

Very-Low Income	incomes at or below 50% of area median income, adjusted for family size
Low Income	incomes at or below 80% of area median income, adjusted for family size
Moderate Income	incomes at or below 120% of area median income, adjusted for family size



Under the CRL, Housing Fund monies must be "targeted" to assist very low, low, and moderate income households in at least the same proportion as the housing need. That is to say, assistance must be provided in at least the same proportion (e.g., percentage) that the number of housing units needed for the very low and low income categories bears to the total number of units needed for all three income categories. In addition, redevelopment agencies must spend Housing Fund monies for families with children in the same proportion as the population under age 65 bears to the total population of the community. The CRL states that agencies are required to meet this requirement over the term of the Implementation Plan, unless they have deposited less than \$2.0 million into the Housing Fund over the period of the Implementation Plan. If this is the case, then the Agency has an additional five years to meet the targeted spending requirements.



### 5.1.3 Affordable Housing Cost & Duration of Affordability.

Housing assisted with Housing Fund monies must be "available at an affordable housing cost". In general, this means that the cost of housing for



eligible low and moderate income households does not exceed 30 percent of gross household income. The cost of housing, as defined, includes not only the rental or mortgage payment, but also includes, as appropriate, insurance, property taxes, homeowner's dues and assessments and utilities.

The CRL also requires the placement and recordation of affordability controls on any new or substantially rehabilitated housing assisted with Housing Fund monies. In the case of new or substantially rehabilitated rental housing, controls must be placed on the assisted housing units such that they remain affordable for the longest feasible time, but not less than 15 years for units built prior to January 1, 2002, and 55 years for units built after January 1, 2002. For owner-occupied housing, controls must be recorded that equal 10 years for units built prior to January 1, 2002, and 45 years for units built after January 1, 2002. A shorter duration is sometimes permitted if the Agency recaptures its Housing Fund investment.

## ***5.2 HOUSING PRODUCTION AND REPLACEMENT***

This section of the Housing Component discusses the Agency's compliance with housing production and replacement housing requirements. Because the Project Area was adopted after January 1, 1976, it is subject to the housing production requirements. All redevelopment project areas are now subject to the replacement housing obligation.

### ***5.2.1 Historical Production of Housing***

The Agency has not created any housing and so it does not have to meet the requirement of ensuring that 30 percent of such housing be affordable to low and moderate income persons. Table 4, on the following page, shows that there have been 1,476 new housing units developed or rehabilitated by the private sector within the Project Area since adoption of the Project Area. Therefore, there is a 15 percent affordable unit obligation of 221 units in the Project Area of which 89 must be made available to very low income households, with the remainder available to low to moderate households.

As shown in Table 4, the Agency has assisted with a number of affordable projects both inside and outside the Project Area that have created a surplus of affordable units that can be counted against any future obligation.

<b>Table 4</b>					
<b><u>HISTORICAL PRODUCTION OF HOUSING UNITS</u></b>					
<i>Total Units Built through June 2007</i>			<i>1,436</i>		
			<u>Total</u>	<u>Very Low</u>	<u>Low/Moderate</u>
Affordable Obligation			215	86	129
<b><u>AFFORDABLE UNITS BUILT</u></b>					
			<i>Units Towards Requirement (1)</i>		
Type of Unit/ (Year Built)	In / Out of Project Area	Total No. of Units	Total	Very Low	Low/Moderate
1994-1995 - For Sale Units	In	23	23	1	22
1994-1995 - For Rent Units	In	128	128	31	97
1995-1996- For Sale Units	In	31	31	13	18
1995-1996 - For Rent Units	Out	80	40	20	20
1997-1998 - For Sale Units	In	8	8	3	5
1998-1999 - For-Sale Units	In	13	13	8	5
1999-2000 - For Sale Units	In	23	23	6	17
2000-2001 - For Sale Units	In	11	11	2	9
2001-2002 - For Sale Units	In	41	41	15	26
2002-2003 - For Sale Units	In	1	1		1
2003-2004 - For Sale Units	In	29	29	8	21
2004-2005 - For Sale Units	In	56	56	23	33
2005-2006 - For Sale Units	In	7	7	3	4
2005-2006 For Rent Units	In	64	64		64
2006-2007 - For Sale Units	In	5	5	1	4
2006-2007 - For Rent Units	In	49	49	36	13
Total Affordable Units		569	529	170	359
Obligation Surplus/Deficit			314	84	230
(1) Units built outside the Project Area are counted 2 for 1.					

In total, the Agency has assisted in the creation of 569 housing units for which Agency deed restrictions were recorded, of which 529 units can

be counted towards the Agency's housing production requirement. Of the total, 170 units have been made available to very low income households and 359 units have been made available to low and moderate income households. The Agency has a surplus of 314 units towards its future inclusionary requirement.

### ***5.2.2 Estimate of Future Housing Production***

Table 5, below, provides an estimate of the number of housing units that may be developed in the Project Area over the five-year period of the Implementation Plan (2008-2009 through 2012-2013), the subsequent five-year period and over the remaining term of the Redevelopment Plan. Table 5 also shows the resulting number of low and moderate income units that will need to be developed.

	<u><b>Total Units (1)</b></u>	<u><b>Total</b></u>	<u><b>Very Low</b></u>	<u><b>Low/Mod.</b></u>
Five Year Imp Plan Period	820	123	74	49
Subsequent Five Year Period	1,232	185	111	74
Total - 10 Year Period	2,052	308	185	123
Duration of Plan	1,354	203	122	81
Total Future Housing Units	3,406	511	307	204
Surplus for Prior Period		314	84	230
Potential Future Obligation (2)		(198)	(223)	26

(1) Total units, including both market rate and affordable units.  
 (2) Amount is net of the obligation/surplus from Table 4.

As previously discussed, the Agency has exceeded its historical requirement for housing unit production by 314 units. Over the remaining duration of the Redevelopment Plan, a 511 unit inclusionary requirement may be triggered by the projected number of future housing units. If all of the units are built as projected, the total housing obligation will exceed the existing housing unit surplus by 198 units. This reflects the net number

of affordable units that will need to be built. Of this total, a surplus of 26 low or moderate income units will exist, and the Agency will need to develop 223 very low income units.

The Agency plans to continue its efforts to promote home ownership by implementing and funding programs such as the low interest construction loan program which funds construction of low income single family homes; the down-payment assistance program to assists low income first time homebuyers; the owner participation program which funds the construction of public improvements required for new subdivisions with affordability covenants on the units built; the property acquisition and subdivision program that constructs public improvements and sells developed lots to builders who will provide low income housing units; and the acquisition of substandard buildings with incompatible land uses with the intent to transfer these properties for affordable housing. Under the various programs it is the Agency's intent to assist an estimated 751 units over the coming five year period. It is anticipated that all of these units will be regulated, 453 for very low income households and 298 units for low and moderate households. If all of the future housing units including the regulated units are completed, the Agency will continue to maintain an estimated surplus of 554 regulated units. Potential funding of these housing programs is discussed further in the Housing Program section.

### ***5.2.3 Replacement Housing Requirement***

The Agency is subject to the replacement housing requirement and must replace, on a one-for-one basis, all units removed from the low and moderate income housing stock resulting from Agency involvement. Article 16.5 requires that if an implementation plan contains projects that could result in the removal of low and moderate income housing units, the plan must identify locations suitable for the replacement of such housing. The Implementation Plan does not include any specific projects that would result in the destruction or removal of affordable housing.

The Agency sometimes acquires and demolishes substandard dwelling units. However, when the

Agency acquires control of these units, they are unoccupied, inhabitable and are no longer considered housing units. The destruction of these units is typically replaced through the various Agency housing programs.

### ***5.3. HOUSING GOALS AND OBJECTIVES OF THE IMPLEMENTATION PLAN***

The CRL requires that the Housing Component of the Implementation Plan must set forth the Agency's goals and objectives for affordable housing during the next five years. The Agency proposes the following specific affordable housing goals during the five year Implementation Plan period:

- Improve, Increase, and Preserve the Community's Supply of Affordable Housing.
- Strengthen the Community's Residential Areas and Promote a Safe and Quality Living Environment.

To implement the above goals, the Agency's major objective will be to assist in building housing at an affordable cost through implementation of its Housing Program.

### ***5.4. THE HOUSING FUND, RESOURCES AND THE HOUSING PROGRAM***

#### ***5.4.1 Applicable Deposit and Expenditure Provisions***

##### **a. Set-Aside of Tax Increment**

The Project Area is required to meet the housing set-aside deposit requirement. Since adoption of the original Redevelopment Plan, the Agency has been depositing 20 percent of its tax increment into the Housing Fund.

##### **b. Proportional Expenditure for Low- and Very Low-Income Housing**

The Project Area is subject to the CRL mandate that the Agency expend monies in the Housing Fund in proportion to the unmet need for housing for persons and families of low and very low income. In order to determine the proportion of Housing Fund monies, which should be spent for housing persons of low and very low income, the Regional Housing Needs Allocation Plan for the City of Madera for the period 2001-2008 has been used. The table below shows the fair share housing allocations and the percentages they represent of the housing units allocated to the three income categories. (Please note that the units shown below have been utilized to calculate the percentage allocation of Housing Fund money to be used for housing persons of low and very low income. The units do not represent a current or future obligation of the Project Area to produce units).

**City of Madera Fair Share  
Housing Allocation**

<u>Income</u>	<u>Units</u>	<u>Percent</u>
Very Low	921	34.0%
Low	<u>797</u>	<u>29.5 %</u>
<b>Subtotal</b>	<b>1,718</b>	<b>63.5 %</b>
Moderate	<u>986</u>	<u>36.5 %</u>
<b>Total</b>	<b>2,704</b>	<b>100.00 %</b>

*Source: City of Madera*

The Agency must spend approximately 63.5 percent of the Project Area's Housing Fund money on housing for persons of very low and low income during the 10 year compliance period from 2003-04 through the end of this Implementation Plan in 2012-13. The Housing Set-Aside was used during the prior Implementation Plan cycle (2003-04 through 2006-07) to assist in the construction of 210 affordable units (71 very low income units and 138 low to moderate income units). All of these units were regulated by the Agency and are counted towards the Agency's housing production requirements documented in Table 5. In total, the Agency has spent 99.5 percent of its Housing Fund money to assist very low and low income persons. Agency activities and historical expenditures of Housing Fund monies

have exceeded the CRL percentage requirements for targeting very low and low-income households. During the term of this Implementation Plan, the Housing Program assumes that the Agency will target more than 88 percent of its future spending of Housing Fund monies to the creation and preservation of low and very low income units.

The Agency must also spend Housing Fund monies over the Implementation Plan period to assist housing that is available to all persons regardless of age in at least the same proportion as the population under age 65 bears to the total population of the community. Census data shows that persons that are over the age of 65 represent 8.8 percent of the population of the City. The Agency must therefore spend 91.2 percent of its Housing Fund money during the Implementation Plan period to assist housing that is available to all persons regardless of age.

**c. Transfer of Housing Funds to Other Providers**

The Project Area is subject to the provisions requiring the transfer of housing funds to other housing producers in the Madera area. Such transfers could possibly occur if the Housing Fund contained "excess surplus." Excess surplus means any unexpended and unencumbered amount in a Housing Fund that exceeds the greater of \$1 million or the aggregate amount deposited into the Housing Fund during the preceding four fiscal years. The first fiscal year to be included in this computation is the 1989-1990 fiscal year, and the first date on which an excess surplus may exist was July 1, 1994.

The analysis of deposits and balances in the Housing Fund provided later indicates that no excess surplus currently exists or will exist in the Housing Fund for the Project during the Implementation Plan's term. Therefore, the Agency is not required to transfer monies in the Housing Fund to other housing providers.

### ***5.4.2 Housing Fund Resources***

Table 6 includes information on beginning balances and estimated deposits into the Housing Fund for the years 2007-2008 (the final year of the prior Implementation Plan cycle) through 2012-2013. The projected deposits into the fund are based on projections prepared by Fraser & Associates, the Agency's redevelopment consultant. The amounts shown on Table 6 for this period are estimates, and actual tax increment revenues and resulting housing set-aside revenues could be more or less than the amounts shown.

### ***5.4.3 The Housing Program and Potential Financing***

As shown on Table 6, the cumulative housing set-aside funds from the Project Area that are estimated to be available over the five-year period of this Implementation Plan are approximately \$10.9 million. Based on Agency audited financial statements, the Agency had an available fund balance of \$1.1 million as of 2007-08. The total resources that could be available during the Implementation Plan period equal \$18.3 million, which includes a projected 2008 tax allocation bond of approximately \$7.4 million.

The Housing Program discussed in this section reflects the potential expenditure of housing set-aside funds and not the total cost of a housing project. As required by the CRL, the Agency will use its housing set-aside funds to leverage other forms of financial assistance, including private and commercial financing. Should housing set-aside funds comprise more than 50 percent of the cost of a proposed project the Agency will make the findings that are required per the CRL.

The Agency may implement one or more of the programs discussed below.

**Infill Program.** This program is intended to identify and acquire properties with substandard or incompatible land uses and the structures are generally unoccupied and uninhabitable. The structures are demolished and the lots are sold to builders for the development of affordable housing.





**Construction Loan Program.** This program provides low interest construction loans through a revolving loan fund to participating builders for the construction of single family homes that are available to low income households.

**Downpayment Assistance Program.** This program is intended to assist low income first time homebuyers. The City of Madera administers the program for the Agency and works cooperatively with home builders to identify potential qualified low and very low income buyers.

**Owner Participation Agreement Program.** The Agency has assisted developers by entering into Owner Participation Agreements whereby the Agency finances the construction of public improvements required for new subdivisions. In return, the Agency receives long term affordability covenants for units that are sold to qualified low and very low income households.

**Property Acquisition and Subdivision Program.** Under this program, the Agency will acquire vacant property, construct the necessary public improvements and then sell the developed lots to home builders. Affordability covenants are recorded upon sale of the homes to moderate, low and very low income households.



**Targeted Single Family and Multi Family Rehab and Transitional Housing.** The program is intended to assist the owners of transitional, rental and owner occupied housing to rehabilitate units. Substantially rehabilitated units would have to be affordable and available to very low, low and moderate income households and remain affordable for not less than 55 years for rental housing and 45 years for owner occupied housing.

**New Multi-Family.** The Agency intends to work with developers of multi family projects to ensure that affordable units are included as part of each development.

**Exterior Improvement Grants.** The program is intended to assist the owners of transitional, rental and owner occupied housing to improve the exterior façade of the units. Recipients of the grants must

ensure that the residents of the improved units are qualified very low, low, and moderate income households.

**Administrative Expenses.** In the course of implementing the Housing Program, administrative costs will be incurred. Such expenditures include salaries, overhead, consultant and legal expenses, supplies, etc.

Table 6 provides an illustrative example of how the Housing Program could be financed on an annual basis over the Implementation Plan period. The preparation of the Illustrative Cash Flow, shown on Table 6, is meant to provide an indication of the financing of the Housing Program and of the estimated expenditures to be made during the Implementation Plan period. The intent is not to restrict Agency activities to only those projects, programs and expenditures shown on Table 6. Specific decisions on each of these items will be made as part of the Agency's annual budget process. Table 7 provides an indication of the number of units of housing that could be assisted over the coming five year period by income category.

## ***5.5 SUMMARY OF PLANNED HOUSING ACTIVITY***

The Agency intends to use its housing funds for the programs described in the previous section. The Housing Program will result in the creation of 751 units of affordable housing. Very low income housing may comprise 453 units, with the balance available to low and moderate income housing.

It is estimated that expenditures for very low and low income housing will equal approximately 92 percent of the total expenditures over the 10 year compliance period from 2003-04 through 2012-13. The target for such expenditures is 63.5 percent. As mentioned earlier, the Agency will continue to monitor expenditures from the Housing Fund to ensure expenditures in proportionate amounts, reflective of the unmet need for low and very low income housing.



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Table 6  
Madera Redevelopment Agency - Madera Project Area  
**ILLUSTRATIVE PROJECT CASH FLOW - HOUSING PROGRAM**  
(000's Omitted)

	Plan Period					
		1	2	3	4	5
	Estimate 2007- <u>2008</u>	Estimate 2008- <u>2009</u>	Estimate 2009- <u>2010</u>	Estimate 2010- <u>2011</u>	Estimate 2011- <u>2012</u>	Estimate 2012- <u>2013</u>
<b>Resources</b>						
Beginning Balance	\$1,121	\$728	\$4,273	\$2,241	\$426	\$8
2008 Tax Allocation Bond (TAB)	0	7,436	0	0	0	0
<b>Revenues</b>						
Housing Set Aside	1,460	1,663	1,797	2,112	2,411	2,727
Investment Earnings	26	24	61	44	28	27
Total Resources	\$1,486	\$1,687	\$1,858	\$2,156	\$2,439	\$2,754
Cumulative Deposits (not including the Beginning Balance) (1)	1,486	3,173	5,030	7,186	9,625	12,380
<b>Existing Obligations</b>						
Bond Debt Service- 1998 TAB	82	82	81	82	82	82
Bond Debt Service- 2003 TAB	259	260	261	260	260	260
Administrative Costs	401	447	493	540	586	604
Bond Debt Service- Proposed 2008 TAB		564	564	564	564	564
Total- Existing Obligations	743	1,353	1,399	1,446	1,492	1,510
<b>Expenditures (2)</b>						
Construction Loans	0	0	0	0	0	0
Downpayment and First Time Home Buyer	10	10	140	15	140	15
Acquisition / Subdivision	0	840	625	385	0	0
New Multi-Family	0	750	0	750	0	0
Targeted SF Rehab	350	350	350	350	200	200
Exterior Improvement Grants	250	250	250	250	250	250
Acquisition / Infill	0	600	600	250	250	250
Owner Participation Agreements	275	275	275	275	275	275
Multi-Family Rehab	250	1,150	250	250	250	250

Total Expenditures	\$1,135	\$4,225	\$2,490	\$2,525	\$1,365	\$1,240
<u>ESTIMATED EXCESS SURPLUS</u>						
<b>Balance Available</b>	<b>\$728</b>	<b>\$4,273</b>	<b>\$2,241</b>	<b>\$426</b>	<b>\$8</b>	<b>\$12</b>
Total of prior four fiscal year's Housing Set Aside Deposits / Or \$1.0 Million (3)	4,725	5,310	5,992	6,575	7,032	7,983
<b>Excess Surplus</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

- (1) Equals cumulative deposits of Housing Set Aside monies, including interest, less existing obligations.
- (2) Shows the use of housing set-aside funds. The Agency will also use its best efforts to leverage other funds.
- (3) Amount shown is the greater of the past four fiscal years deposits or \$1.0 million. Amount shown as excess surplus for each Fiscal Year is actually the amount as of July 1 of the following year per HCD reporting.



Table 7  
Madera Redevelopment Agency  
Madera Project Area

**ESTIMATE OF AGENCY ASSISTED HOUSING UNITS**

		2007- <u>2008</u>	1 2008- <u>2009</u>	2 2009- <u>2010</u>	3 2010- <u>2011</u>	4 2011- <u>2012</u>	5 2012- <u>2013</u>	<u>Totals</u>
<b>Construction Loans *</b>								
	Very Low	15	15	15	15	15	15	75
	Low/Moderate Units	10	10	10	10	10	10	50
	Total Expenditure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Down payment and First Time Home Buyer Assistance</b>								
	Very Low	7	7	7	7	7	7	35
	Low/Moderate Units	5	5	5	5	5	5	25
	Total Expenditure	\$10,000	\$10,000	\$140,000	\$15,000	\$140,000	\$15,000	\$320,000
<b>Acquisition / Subdivision</b>								
	Very Low	-	20	20	10	-	-	50
	Low/Moderate Units	-	15	6	6	-	-	27
	Total Expenditure	\$0	\$840,000	\$625,000	\$385,000	\$0	\$0	\$1,850,000
<b>New Multi-Family</b>								
	Very Low		38	0	38	0		76
	Low/Moderate Units		26	0	26	0		52
	Total Expenditure		\$750,000	-	\$750,000	-		\$1,500,000
<b>Targeted SF Rehab</b>								
	Very Low	2	2	2	2	2	1	9
	Low/Moderate Units	1	1	1	1	1	1	5
	Total Expenditure	\$350,000	\$350,000	\$350,000	\$350,000	\$200,000	\$200,000	\$1,450,000

Exterior Improvement Grants

Very Low	9	9	9	9	9	9	45
Low/Moderate Units	6	6	6	6	6	6	30
Total Expenditure	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

Acquisition / Infill

Very Low	-	3	3	2	2	2	12
Low/Moderate Units	-	2	2	1	1	1	7
Total Expenditure	\$0	\$600,000	\$600,000	\$250,000	\$250,000	\$250,000	\$1,950,000

Owner Participation Agreements

Very Low	4	4	4	4	4	4	20
Low/Moderate Units	3	3	3	3	3	3	15
Total Expenditure	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$1,375,000

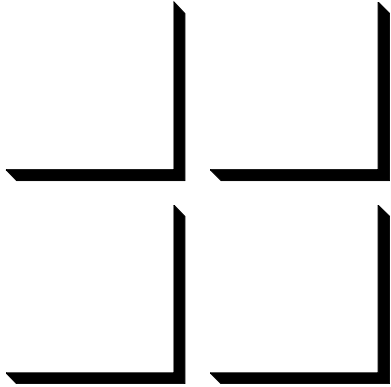
Multi Family Rehab/Transitional

Housing	Very Low	15	71	15	15	15	15	131
	Low/Moderate Units	10	47	10	10	10	10	87
	Total Expenditure	\$250,000	\$1,150,000	\$250,000	\$250,000	\$250,000	\$250,000	\$2,150,000

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Total Very low Income Units							453
Total Low/Moderate Income Units							298
	Total Units						751
	Total Expenditures						\$11,845,000

\* Construction Loan Program is capitalized with \$1,000,000 that is a revolving loan fund averaging ten loans per year.



## ***6.0 ADMINISTRATION OF THE IMPLEMENTATION PLAN***

The Madera Redevelopment Agency shall be responsible for administering this Implementation Plan and for monitoring redevelopment activities or programs undertaken pursuant to the Redevelopment Plan.

### ***6.1 PLAN REVIEW***

At least once within this Plan's five year term, the Agency shall conduct a public hearing and hear testimony of all interested parties for the purpose of reviewing the adopted Redevelopment Plan and this Implementation Plan, and evaluating the progress of the Agency's redevelopment program. The public hearing shall be held no earlier than two years and no later than three years after the date of adoption of this Implementation Plan.

Notice of the public hearing to review the Redevelopment Plan and this Implementation Plan shall be published pursuant Section 6063 of the Government Code and posted in at least four permanent places within the Project Area for a period of at least three weeks. Publication and posting of the notice shall be completed not less than 10 days prior to the date set for hearing.

### ***6.2 PLAN AMENDMENT***

Pursuant to CRL Section 33490, this Implementation Plan may from time to time be amended after holding a public hearing on the proposed amendment.

### ***6.3 FINANCIAL COMMITMENTS SUBJECT TO AVAILABLE FUNDS***

The Agency is authorized to utilize a wide variety of funding sources for implementing the Redevelopment Plan. Such funding sources include, but are not limited to financial assistance from the City, State of California, federal government, property tax increments, interest income, Agency bonds secured by tax increment or other revenues, or any other legally available revenue source. Although the sources of revenue utilized by the Agency are generally deemed to be reliable from year to year, such funds are subject to legislative, program, or policy changes that could reduce the amount or availability of the funding sources upon which the Agency relies.

In addition, with regard to the Agency's primary revenue source, tax increment revenues, it must be noted that revenue flows are subject to diminution caused by events not controlled by the Agency and which reduce the taxable value of land or improvements in the Project Areas. Moreover, the formulas governing the amount or percentage of tax increment revenues payable to the Agency, may be subject to legislative changes that directly or indirectly reduce the tax increment revenues available to the Agency.

Due to the above-described uncertainties in Agency funding, the potential programs and activities described herein and the funding amounts estimated to be available are subject to modification, changes in priority, replacement with another project, or cancellation by the Agency.

### ***6.4 REDEVELOPMENT PLAN CONTROLS***

If there is a conflict between this Implementation Plan and the Redevelopment Plan or any other City or Agency plan or policy, the Redevelopment Plan, or policy shall control.