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**RESOLUTION NO. CRA 11-01**

**A RESOLUTION OF THE SAN GABRIEL REDEVELOPMENT  
AGENCY OF THE CITY OF SAN GABRIEL APPROVING AND  
ADOPTING AN IMPLEMENTATION PLAN FOR THE EAST  
SAN GABRIEL COMMERCIAL DEVELOPMENT PROJECT**

**WHEREAS**, Health and Safety Code Section 33490(a)(1) provides that on or before December 31, 1994, and each five years thereafter, each redevelopment agency shall adopt, after a public hearing, an implementation plan containing 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 next five years, and an explanation of how the goals and objectives, programs, and expenditures will eliminate blight within the project area and how the requirements of California Health and Safety Code Sections 33334.2, 33334.4, 33334.6 and 33413 pertaining to low- and moderate-income housing will be implemented; and

**WHEREAS**, pursuant to the provisions of Section 33490 of the Community Redevelopment Law, the Agency adopted an initial Implementation Plan for the Project Area for the five-year period covering fiscal years 1994-95 through 1998-99 and subsequent Implementation Plans for the five-year period covering fiscal years 1999-2000 through 2003-04 and 2005-09; and

**WHEREAS**, the San Gabriel Redevelopment Agency (the "Agency") has prepared a draft document entitled "Implementation Plan 2010-14" (the "Implementation Plan") for the East San Gabriel Commercial Development Project; and

**WHEREAS**, pursuant to California Health and Safety Code Subsection 33490(d), notice of the public hearing on the Implementation Plan was published pursuant to Section 6063 of the Government Code and posted in at least four permanent places within the Project Area for a period of three weeks and completed not less than 10 days prior to the date set for hearing; and

1           **WHEREAS**, pursuant to Health and Safety Code Section 33490(a)(1)9B), said  
2 Implementation Plan is not a project within the meaning of Section 21000 of the Public Resources  
3 Code and, therefore, is not subject to environmental review as provided by the California  
4 Environmental Quality Act; and

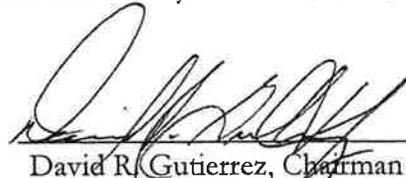
5           **WHEREAS**, on March 1, 2011, the Agency conducted a duly noticed public hearing  
6 regarding Implementation Plan 2010-14.

7           **NOW, THEREFORE**, the Agency **DOES HEREBY FIND, DETERMINE, AND**  
8 **RESOLVE** as follows:

9           **SECTION 1.** Pursuant to California Health and Safety Code Section 33490, the Agency  
10 hereby adopts the document entitled "Implementation Plan 2010-14", a true and correct copy of  
11 which is attached hereto and marked Exhibit "A," as the Implementation Plan for the East San  
12 Gabriel Commercial Development Project.

13           **SECTION 2.** The Chairman shall sign, and the Secretary to the Agency shall certify to  
14 adoption of this resolution, and thereupon the same shall take effect and in force.

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16           **PASSED, APPROVED, AND ADOPTED** this 1st day of March, 2011.

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David R. Gutierrez, Chairman  
San Gabriel Redevelopment Agency

22 ATTEST:

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\_\_\_\_\_  
Nina Castruita  
Secretary

30 Attached: Exhibit A: 2010-14 Implementation Plan

31

1 I, Nina Castruita, Secretary of the San Gabriel Redevelopment Agency, do  
2 hereby certify that the foregoing resolution was adopted by the San Gabriel  
3 Redevelopment Agency at a regular meeting held thereof on the 1<sup>st</sup> day of March,  
4 2011, by the following vote, to wit:

5

6 Ayes: Costanzo, De La Torre, Gutierrez, Sawkins

7 Noes: None

8 Abstain: None

9 Absent: None

10

11



12

Nina Castruita, Secretary

13

San Gabriel Redevelopment Agency

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I hereby certify that the foregoing document is a  
full true and correct copy of

19

SGRA Resolution 11-01  
on file in the office of the City Clerk of the City of  
San Gabriel, California.

20

Anna Eggehon 3/3/11  
Office of the City Clerk Date  
City of San Gabriel

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**EAST SAN GABRIEL  
COMMERCIAL DEVELOPMENT PROJECT AREA  
FIVE-YEAR IMPLEMENTATION PLAN  
JANUARY 1, 2010 – DECEMBER 31, 2014**

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## **City Council/San Gabriel Redevelopment Agency Board Members**

David R. Gutierrez, Mayor/Chair  
Kevin B. Sawkins, Vice Mayor/Vice Chair  
Juli Costanzo, Council Member/Board Member  
Mario De La Torre, Council Member/Board Member

## **City/Redevelopment Agency Officers**

Steven A. Preston, FAICP, City Manager/Executive Director  
Jennifer Davis, Community Development Director/Deputy Executive Director  
Tom Marston, Finance Director/Finance Officer  
Nina Castruita, Deputy City Clerk/Secretary  
Robert L. Kress, City Attorney/General Counsel  
Peter Wallin, General Counsel

## **City/Redevelopment Agency Staff**

Robin Scherr, Acting Economic Development Manager  
Kathleen Head, Keyser Marston Associates  
Esmeralda Garcia, Intern  
Ryan Sudaryanto Mak, Intern

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### APPENDIX A: SOURCES AND USES OF GENERAL REDEVELOPMENT FUNDS

# East San Gabriel Commercial Development Project Area Implementation Plan January 1, 2010 – December 31, 2014

## PREFACE

This Five-Year Implementation Plan (the “Implementation Plan”) is prepared by the San Gabriel Redevelopment Agency (the “SGRA”) pursuant to Section 33490 et seq. of California Community Redevelopment Law (Health and Safety Code Section 33000 et seq.; the “CCRL”). This Implementation Plan identifies potential SGRA-related redevelopment programs and projects, and housing activities targeting low- and moderate-income households for the East San Gabriel Commercial Development Project (the “Project Area”) during the five-period beginning on January 1, 2010 and ending on December 31, 2014.

This Implementation Plan is a policy statement rather than a specific course of action. It identifies priorities for redevelopment activities within the Project Area over a five year period and incorporates a program of activities to accomplish essential, near-term revitalization efforts for the Project Area. However, new issues and opportunities may be encountered during the course of administering the Redevelopment Plan for the Project Area during the five-year period. Therefore, this Implementation Plan may not always precisely identify a proposed activity or expenditure but rather it directs the SGRA towards the types of activities and programs that may help to eliminate blight. The SGRA recognizes that conditions, values, expectations, resources, and the needs of the community may change during the term of this Implementation Plan.

The Implementation is presented in five sections:

**Section 1.0 Introduction:** This section provides an overview of redevelopment law as it applies to the Implementation Plan, the public participation process, and Project Area boundaries.

**Section 2.0 Review of SGRA Activities:** This section presents an historic overview of the activities outlined in previous plan adoptions and what has been accomplished to date.

**Section 3.0 Blighting Conditions:** This section summarizes current blighting conditions.

**Section 4.0 Implementation Plan:** This section discusses the SGRA’s plan to alleviate and improve blighting conditions in the Project Area over the next five years, presents the goals and objectives linkage to blight elimination, and provides the Project Area revenues and expenditures for the implementation of the work program.

**Section 5.0 Affordable Housing:** This section demonstrates the SGRA’s compliance with affordable housing requirements and presents the housing programs and projects that the SGRA anticipates implementing over the next five years in relation to projected revenues and expenditures.

**Section 6.0 Plan Administration:** This section describes the Implementation Plan process.

## **I.0 INTRODUCTION**

### **I.1 Overview of the Redevelopment Law as it applies to the Implementation Plan**

On April 20, 1993 the City Council of the City of San Gabriel established the SGRA. On December 21, 1993, the City Council adopted Ordinance No. 418, establishing the Redevelopment Plan for the Project Area. It has been amended the following four times:

1. On December 6, 1994, Ordinance No. 441-CS was approved to bring it into conformity with the requirements of Assembly Bill 1290.
2. On March 5, 2002, Ordinance No. 519-CS was approved to eliminate the time limit on the establishment of loans and indebtedness in accordance with Section 33333.6(e)(2) of the CCRL.
3. On May 4, 2004, Ordinance No. 545-CS was approved to amend certain time limitations on effectiveness and receipt of tax increment and to eliminate time limits on establishment of loans and indebtedness in accordance with section 33333.6 of the CCRL.
4. On December 7, 2004, Ordinance No. 551-CS was approved to amend the SGRA's existing authority to commence eminent domain proceedings on properties within the Project Area.

The Project Area was selected because of blight and other signs of economic and physical decline along the largely commercial strips of San Gabriel Boulevard and Las Tunas Drive. The Redevelopment Plan authorizes a variety of tools which the SGRA can use to revitalize the Project Area. The primary goals of the Redevelopment Plan are to:

1. Eliminate or alleviate blighting conditions by providing needed public improvements;
2. Mitigate the effects of building deterioration, age and obsolescence; and
3. Correct problems impaired investments and depreciated or stagnant property values.

On January 1, 1994, Assembly Bill 1290 (AB1290), entitled the Community Redevelopment Law Reform Act of 1993, took effect and added CCRL Section 33490 to the Health & Safety Code. Section 33449 mandates that each agency adopt a five-year implementation plan commencing with the initial plan for project areas adopted prior to January 1, 1994 to be adopted that calendar year. The SGRA adopted its most recent Implementation Plan on November 16, 2004 covering the period 2005-09. On May 6, 2008, the SGRA held a Mid-Year Review for the Implementation Plan.

An implementation plan is required to contain the following:

- Specific goals and objectives of the agency for the project area for the next five years;

- Specific programs, including potential projects, and estimated expenditures proposed to be made during the next five years;
- An explanation of how the goals and objectives, programs, and expenditures will eliminate blight within the project area;
- An explanation of how the agency's goals and objectives will implement its affordable housing obligations pursuant to CCRL requirements over the next five years; and
- An account of the financial requirements imposed by Health and Safety Code Section 33334.

Historic information contained in this Implementation Plan is based on a review of SGRA reports and budgets, the 2005-10 Implementation Plan, and discussions with SGRA staff.

## **1.2 Public Participation in the Implementation Plan Process**

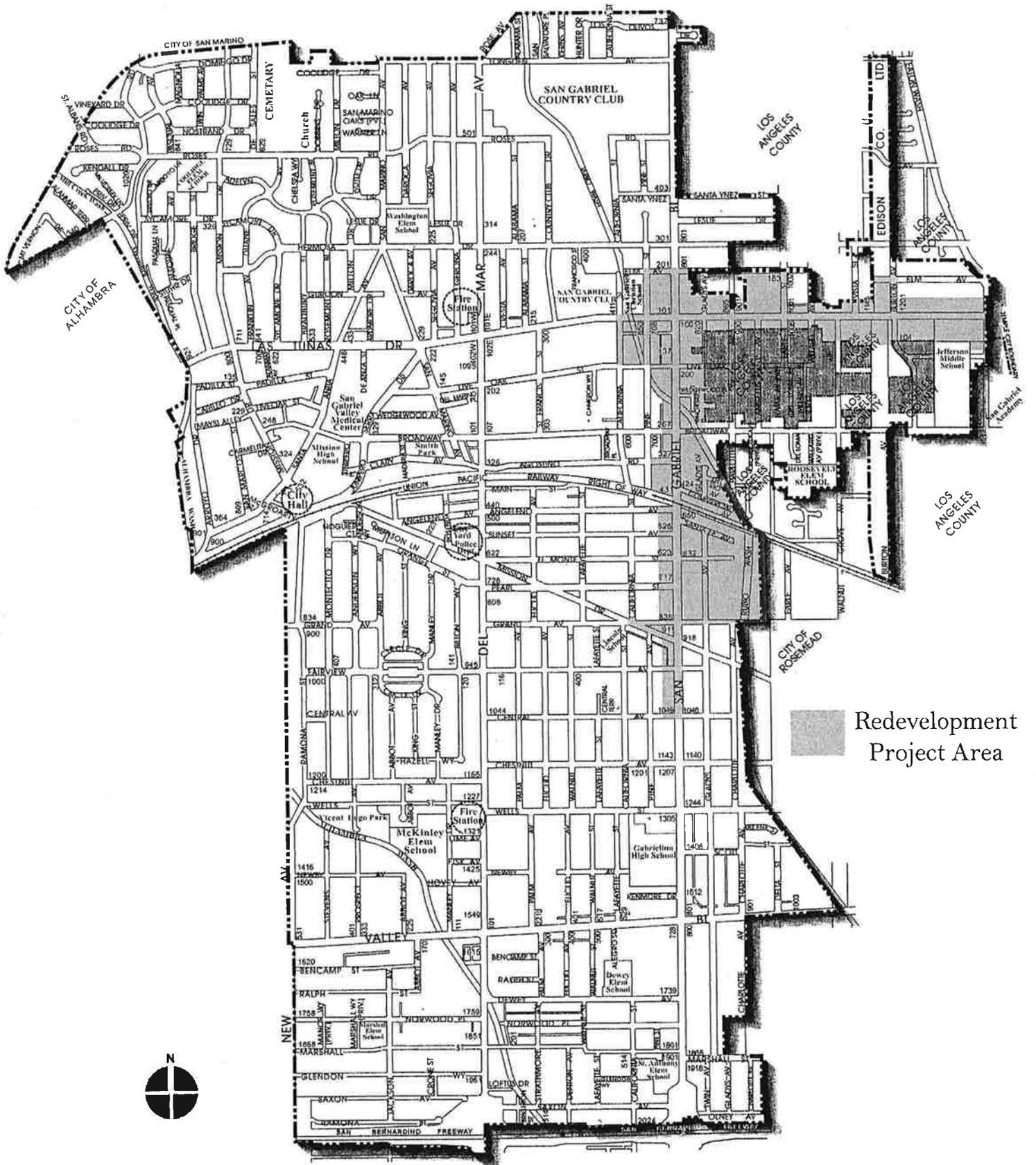
Pursuant to CCRL Section 33490, the adoption of the Implementation Plan must be preceded by a duly noticed public hearing. Notice of the public hearing is to be published in the local paper with a minimum three week notice and posted in four places in the Project Area not less than 10 days prior to the public hearing.

In addition, CCRL 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 preceding implementation plan. Therefore, the SGRA will need to conduct a mid-term review of this Implementation Plan during 2011 or 2012.

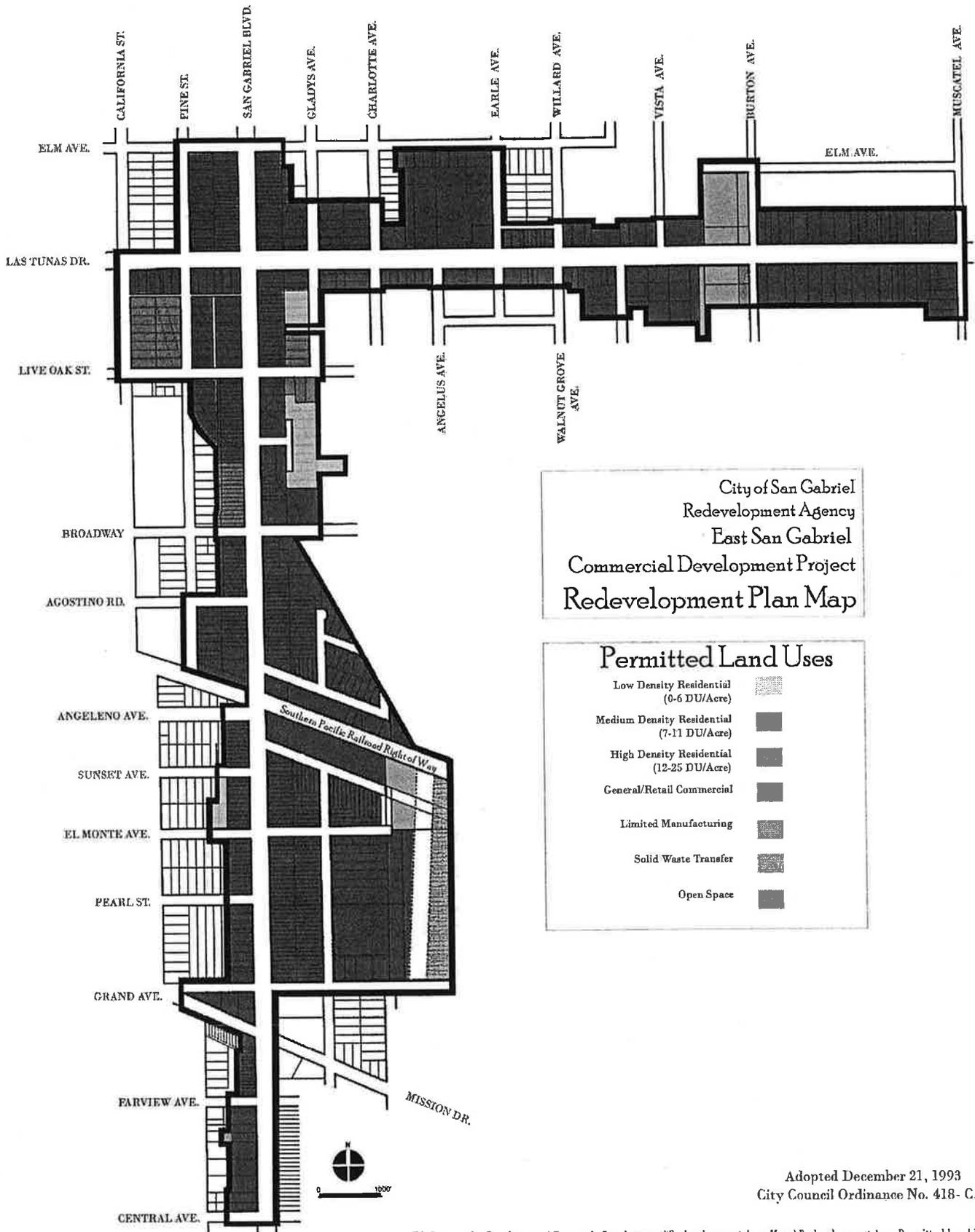
## **1.3 Project Area Location and Boundaries**

The Project Area is located in the northeast quadrant of the City of San Gabriel. It encompasses an estimated 143.75 acres and 453 parcels. It is located generally along the frontages of Las Tunas Drive between Elm and Central Avenues. The location of the Project Area within the City of San Gabriel and the Project Area boundaries are shown in figures 1 and 2 below.

Figure 1: Vicinity Map



**Figure 2: Project Area Boundaries**



## 2.0 REVIEW OF SGRA ACTIVITIES

### 2.1 Historical Overview

The City of San Gabriel established its redevelopment agency for the primary purpose of eliminating blight and stimulating the City's economic base. The mission of the SGRA is to provide strategic direction to revitalize the Project Area by attracting private investment.

**Table 1: Project Area Time and Fiscal Limits**

Plan Adoption			
Date of Adoption		December 21, 1993	Ordinance No.418-C.S.
Number of Years Plan is Effective		December 21, 2034	Ordinance No.418-C.S.
Project Area Size		143.75	
Time Limits			
For Incurring Debt		None	Ordinance No. 519-C.S.
For Commencement of Eminent Domain			
Original Deadline		December 21, 2005	Ordinance No. 418-C.S.
Extended Deadline		January 6, 2017	Ordinance No. 551-C.S.
For Effectiveness of Plan		December 21, 2034	Ordinance No. 545-C.S.
For Receipt of Tax Increment		December 21, 2044	Ordinance No. 545-C.S.
Fiscal Limits			
Maximum Lifetime Tax Increment		\$ 360,000,000	
Maximum Bonded Debt Outstanding		\$ 80,000,000	

### 2.2 Summary of 2005-09 Implementation Plan Goals and Objectives

The goals of the 2005-09 Implementation Plan were intended to mitigate the effects of inadequate or obsolete design, irregularly shaped and inadequately sized lots, declining property values, and inadequate public improvements in the Project Area.

### 2.3 2005-09 Implementation Plan Programs and Activities

Since the adoption of the 2005-09 Implementation Plan, the SGRA has pursued a number of projects aimed at stimulating community and economic development and affordable housing. The following are highlights of the SGRA's activities during this period. Some of these activities overlap with economic development and housing activities citywide.

### **Infrastructure Improvements**

- Completed reconstruction on San Gabriel Boulevard between Mission Road and Longden.
- Completed design of the Las Tunas Drive Street Light Retrofit from Muscatel to California. Project being bid.
- Commenced design for rehabilitation of Las Tunas Drive paving from Muscatel to San Gabriel Boulevard.
- Planted eight street trees on Las Tunas Drive from Pine Street to San Gabriel Boulevard and 10 trees on Pine Street from Las Tunas Drive to Live oak Street.
- Commenced installation of new overhead street name signs and new street name signs in the Project Area.
- Commenced design of San Gabriel Boulevard Street Light Retrofit from Longden to Mission.
- Contracted for landscape architecture services for the design of a new streetscape plan for San Gabriel Boulevard to the funded by the Community Development Block Grant (CDBG) Program and redevelopment (RDA) funds.

### **Business Retention/Recruitment**

- Approved a Disposition and Development Agreement with Affiliated Jacobsen Family Holding I, LLC in 2004 for the purchase and sale of parcels and the construction of a 15,529 sq. ft. Longs Drugs and remodeling of the adjacent multi-tenant building to reduce it to 14,596 sq. ft. at 102-120 N. San Gabriel Boulevard known as the San Gabriel Gateway Center. The renovations were extensive. Project was occupied in 2007 and includes the city's first new drugstore in 30 years. The SGRA assisted in the assemblage of the parcels but did not provide financial assistance.
- Approved a Disposition and Development Agreement with New Century LM, LLC in 2005 providing for relocation of the Lincoln Mercury dealership on Las Tunas Drive adjacent to the New Century Ford dealership. The Lincoln Mercury dealership and a service facility to be shared with the Ford dealership, to be situated on five parcels. The site was reduced to four parcels in 2008 by a first amendment to the DDA. Due to the significant downturn in Ford car sales, SGRA approved a second amendment to allow the Lincoln Mercury dealership to share space with the Ford dealership rather than develop a separate facility. In 2008, prior to commencement of construction, the Lincoln Mercury dealership, the adjacent Ford dealership, and the auto service operations were permanently discontinued. In 2009, a third amendment was approved to recognize the deteriorated state of the automobile industry and the economic recession and allowed for a three-year period for the Developer to find a permanent desirable use for the SGRA-owned parcels. The Developer paid all costs of acquisition of the SGRA-owned parcels under the power of eminent domain.

- Commenced discussions with O'Donnell Chevrolet Buick regarding technical and financial assistance to improve visibility of the dealership and carry out GM imaging and branding improvements (2009).
- Approved a contract for environmental graphics services in 2009 to design a visual identity and wayfinding signage program to benefit the Project Area. A series of community outreach activities were held with stakeholders and the general public regarding concept visual identity logos and vehicular and pedestrian wayfinding signage plans. Over 500 people participated in these events. A vehicular wayfinding plan was adopted by the SGRA and construction documents were completed (2010).
- Implemented basic website upgrades to provide real estate brokers, developers, investors, and property and business owners with up to date information on the Project Area. Completed draft request for proposal to select a web consultant to recommend comprehensive improvements.
- Constructed a sidewalk adjacent to the San Gabriel Nursery & Florist to provide continuous pedestrian access along San Gabriel Boulevard (2009).
- SGRA Board Members and staff participated in International Council of Shopping Centers annual conference to attract interest in the Project Area by identifying specific development and retail opportunity sites (2008).

### **Housing Program**

- The City approved entitlements with San Gabriel Development Group for a mixed use development on a 2.9 acre site at the southeast corner of San Gabriel Boulevard and Live Oak (known as Site C or Rubio Village). The proposed development consisted of 18,000 sq. ft. of restaurant and retail and 159 residential condos. On June 19, 2007 the SGRA approved an Agreement for the Provision of Affordable Housing that provides the developer with an upfront contribution of \$700,000, and an annual contribution of Affordable Housing Funds. The Covenant Agreement restricts 10 units for very-low income residents and 14 moderate-income residents for not less than 45 years for homeownership units. The project was delayed due to poor economy and the property has subsequently been listed for sale.
- The City approved entitlements for a mixed use density bonus project in 2008 at 402-404 S. San Gabriel Blvd. consisting of 31 residential condominiums over 10,000 sq. ft. of ground floor commercial space. Four of the units were subject to income and affordability restrictions, with two reserved for moderate-income households and two for very-low-income households. Entitlements expired in 2009 and the property was sold. In late 2010, the new owner, CETT Investments Corporation, obtained entitlements for a new project, very similar to the previous one, consisting of 31 residential condominiums over 9,500 sq. ft. of commercial space. The SGRA approved an Agreement for the Provision of Affordable Housing with the developer in early 2011. The Agreement requires the developer to provide two very-low income one bedroom

units on site at its cost. It also requires the SGRA to provide financial assistance for one very low-income two-bedroom unit and four moderate-income two-bedroom units to be paid for with Affordable Housing Funds in the amount of \$1.67 million.

- SGRA Board Members participated in two working sessions with staff and a housing consultant in late 2009 to discuss barriers to affordable housing in San Gabriel and reviewed alternative affordable housing strategies including pro formas. Staff presented findings of an analysis of code violation complaints, identified potential non-profit housing developers with expertise to manage small projects interested in working in the city given its small size and limited resources, and researched real estate listings and sales. A draft Affordable Housing Policy and Action Plan resulted.
- The City discontinued the CDBG assisted housing rehabilitation program because of insufficient funds to meet program goals and replaced it with a Handyworker Program in 2009. The Handyworker Program provides grants to older adults and people with disabilities to make minor home repairs and install home secure and security devices to promote independent living. The city entered into a three-year contract with a non-profit handyworker agency to provide these services for people with limited financial resources.

#### **Development Project Review**

- A 2,400 sq. ft. dental office building at 138 N. San Gabriel Blvd. received entitlements in 2009. The project was approved by the Design Review Committee in 2010. No RDA financial assistance was provided.
- Sanway LLC developed 9 units of market rate housing at 284-88 S. San Gabriel Blvd. known as 288 Plaza as part of a mixed use development. No RDA financial assistance provided.

#### **Private Development without RDA financial assistance**

- A 3,200 sq. ft. medical office building at 1026 E. Las Tunas Dr. was constructed and occupied in 2006.
- A 2,600 sq. ft. office building at 1031 E. Las Tunas Dr. was constructed and occupied in 2005.
- A 4,600 sq. ft. office building at 111 S. Walnut Grove Ave. was constructed and occupied in 2006.
- A 10,000 sq. ft. of retail and office space and renovation of 2,500 sq. ft. of existing retail and office space at 405-417 S. San Gabriel Blvd. was constructed and occupied in 2009.
- A 5,500 sq. ft. retail and office building at 1008 E. Las Tunas Dr. was constructed and occupied in 2006.
- Construction commenced on a 10,000 sq. ft. dialysis center at 801 S. San Gabriel Blvd. in 2009.

### **Community Development**

- Provided on-going code enforcement and graffiti abatement for private and publicly-owned funded in part by CDBG Program.
- Provided on-going afterschool recreation and enrichment programs for elementary and middle school age children at no cost to parents who live at low- and moderate-income levels funded in part by the CDBG Program.

### **Finance and Administration**

- In 2008, the City Council adopted a \$93 million capital improvement program. Over the five-year period, \$3,897,000 in RDA funds were allocated to support physical improvements in the Project Area.
- In 2009, the City Council adopted the first Economic Development Work Program in an effort to revisit economic assumptions, set citywide priorities and reposition the SGRA based on the new economic reality of a deep recession.
- In 2009, the SGRA entered into a lease with the City for space for a redevelopment office. The industrial property, owned by the City, required rehabilitation for use as offices.

## **2.4 Description of how the SGRA has implemented the goals of the 2005-09 Implementation Plan**

To accomplish its goals, the SGRA has worked with community leaders, property and business owners, non-profit organizations, and other governmental agencies. The economic downturn that began in late 2006 negatively impacted planning and development activity in the City. The local economy was further impacted in 2008 when foreign tourism and investment from Asia slowed down. While the SGRA has made a substantial public investment on blight remediation, the programs identified below have not been able to fully eliminate the conditions of blight described in CCRL sections 33031 (a), 33031 (b), and 33030 (c) and conditions of blight continue.

## **3.0 BLIGHTING CONDITIONS**

### **3.1 General**

There are numerous physical and economic blighting conditions that are prevalent throughout the Project Area. Due to the linear nature of the Project Area, distinct approaches and methodologies are necessary to address the blighting conditions within the different sub areas of the Project Area.

At the time of the adoption of the Redevelopment Plan, a survey of existing physical conditions and economic conditions was performed to evaluate the severity of blight within the Project Area. The survey included primary commercial corridors and some adjacent industrial and residential areas.

In early 2010, the SGRA conducted a parcel-by-parcel survey of all 453 parcels in the Project Area. This survey documented that 83% have structures and 17% were vacant. Forty-nine percent (49%) of the parcels with and without structures within the Project Area were found to be blighted. Of the 207 blighted parcels with structures, 63% were in need of maintenance, 20% were in need of rehabilitation, and 17% were dilapidated.

The blighting conditions found were widespread. There were physical characteristics that contributed to blight such as property abandonment, physical building deterioration, faulty exterior spacing, small lots, nonconforming land uses, obsolescence, irregularly shaped parcels, mixed character and shifting of uses, signage issues, disabled access impediments, and inadequate public improvements. In addition, there were economic blighting influences such as high business turnover, storefront vacancies, and poor business conditions, all of which led to the deferral of building maintenance. Deferred maintenance resulted in a deterioration of the physical appearance of buildings, which acted as a disincentive for private investment. Deteriorated building conditions reduced property tax revenues and limited economic opportunities resulting in lowered sales tax revenues. Parking deficiencies within the Project Area limited building uses and created unsafe conditions for pedestrians.

The Project Area lacked adequate and safe public improvements for pedestrians and motorists that contribute to physical, economic, and visual blight. Damaged sidewalks, lack of ADA ramps, inadequate street lighting, and lack of streetscape amenities created barriers for pedestrians. Uneven roads adjacent to non-conforming residential uses posed dangers to residents and visitors and impeded traffic movement. Aging sewer systems required upgrades.

Finally, there were social issues that contribute to the well-being of the community such as high crime and lack of healthy and safe places for children to play.

Other secondary data sources used to supplement the data mentioned above included City records, economic studies, the United State Census, Los Angeles County Assessor records, and interviews with a local realtor.

A full discussion of blighting conditions is available from the City of San Gabriel Community Development Department in the Slum-Blight Condition Survey/Report for designation of

the East San Gabriel Commercial Development Project as a CDBG Slum-Blight Designation Area dated April 21, 2010.

## 4.0 IMPLEMENTATION PLAN

The vision of the Project Area is to create healthy, attractive, diverse, and distinctive communities where businesses and residents prosper. Over the next five years, the goals and objectives for the redevelopment of the Project Area are identified below. Linkage of each goal with conditions of blight within the Project Area is demonstrated in the matrix attached and labeled Attachment 2 – Goals and Objectives Linkage to Blight.

### 4.1 Goals and Objectives: Fiscal Years 2010-14

The following goals and objectives are intended to improve or alleviate blighting conditions. The Implementation Plan is intended to provide a coherent description of potential short-range redevelopment programs and activities to reduce the incidence of blight. It is a policy statement, not a specific course of action, which will allow the agency to make adjustments to changing circumstances and opportunities.

<b>Goal 1: Retain, expand, and recruit businesses to improve the tax base and provide jobs</b>
--

#### **Business Retention**

- 1.1** Facilitate the **upgrade of O'Donnell Chevrolet-Buick Dealership** to improve visibility to motorists and meet GM's national image and branding requirements. *In early 2010 the SGRA funded two predevelopment activities. The first was a Historic Resources Report and a comparative design study for the dealership prepared by the City Architect/Preservation Architect and the second was a services agreement with a non-profit financial institution for a business expansion financial feasibility analysis. The SGRA may consider a request for financial assistance to the dealership.*

#### **Business Expansion**

- 1.2** **Strengthen strong and expanding business clusters** through cooperative advertising and promotions. Install exhibits in the new redevelopment office highlighting business clusters. *In early 2011, a Cal Poly Pomona communication arts educator and designer and students in her upper division art course prepared graphic design concepts for wall exhibits to be installed at the redevelopment office to showcase*

core business clusters and highlight themes distinctive of San Gabriel business owners as a marketing tool for visitors and investors.

- 1.3 Conduct **business development workshops** to address topics of interest to owners such as the use and benefit of internet and social media technology for marketing and sales.
- 1.4 Working with local business groups and the chamber of commerce, promote a **“Buy Local Campaign”** to residents and businesses. *The City Council adopted a local preference policy in late 2010 to promote local purchasing by the City and SGRA. In 2010, the City’s website, weekly Council newsletter, and quarterly newsletter featured articles to promote local shopping.*

### **Business Attraction**

- 1.5 Develop and implement a business attraction program to **target specific businesses to locate in San Gabriel** to complement viable business clusters that are in or adjacent to the Project Area. Support the expansion of strong business clusters such as home and gardening, food, tourism, and health and wellness through supportive infrastructure and stronger networks.

### **Improve Access to Capital**

- 1.6 **Promote small business loan funds from the government** such as Small Business Administration (SBA), Economic Development Administration (EDA), and Community Development Commission of the County of Los Angeles (CDC) to businesses and developers. *Staff participated in two EDA-sponsored events in 2010.*
- 1.7 Work with area lenders to study the feasibility of establishing a cooperative **micro-lending program that would support incubating businesses.**

### **Technical Assistance**

- 1.8 **Improve access to small business assistance** for start up and existing businesses at the community college and adult education levels and non-profit providers to promote opportunities for customized workforce training and professional technical assistance (such as business plan development, market studies, promotions, customer relations, technology, and financing strategies). *In 2010, the City promoted an import-export workshop conducted by the Port of Los Angeles in conjunction with the San Gabriel Valley Economic Development Partnership. In 2011, staff compiled a list of small business technical assistance providers.*
- 1.9 **Explore the feasibility of acquiring and rehabilitating a substandard commercial-industrial building for use as an incubator space for targeted start up businesses** that could benefit from low-cost facilities, shared services, distribution networks, and other linkages.

**Goal 2: Improve the built environment by eliminating and reducing blighting influences to make the Project Area a more desirable place to work, live, and visit.**

- 2.1** Develop and implement **Streetscape Plans** for **San Gabriel Boulevard** and **Las Tunas Drive** to create attractive, safe, distinctive, and walkable business districts. *A Community Workshop was held in March 2010 to obtain input on concerns/issues for pedestrians, destinations of interest, and shared objects and images for design concepts for the San Gabriel Boulevard Streetscape Improvement Project. A community meeting was held in January 2011 to obtain comments on the draft Streetscape Master Plan. The draft plan was presented to a joint meeting of the Planning Commission and Design Review Committee in February 2011. Construction documents for the segment of the streetscape at the San Gabriel Boulevard Bridge were prepared in late 2010 in order to coordinate the implementation of improvements with the bidding of the San Gabriel Trench Project of the Alameda Corridor-East Construction Authority (ACE). The SGRA approved the funding of the bridge streetscape segment in January 2011 and authorized the landscape architect to prepare construction documents for the entire 1.2 mile boulevard within the project area. The City also submitted a transportation enhancement grant application for construction funds for a portion of the streetscape project in response to the 2011 MTA Call for Projects.*
- 2.2** Design and place **bus shelters** in the Project Area as part of the citywide bus shelter program funded by MTA. *The placement of bus shelters is included in the San Gabriel Boulevard and Las Tunas Drive streetscape projects. These streets are primary bus corridors for both MTA and Montebello bus lines. In 2010, the City retained a landscape architect to design bus shelters, analyze site conditions, and make placement recommendations. Staff has obtained bus ridership data and photographed the city's 84 existing bus stops, including 9 within and adjacent to the Project Area.*
- 2.3** Age is a major factor in the deterioration of structures in the Project Area. Working with the Fire Department, proactively **target substandard buildings with serious code violations** and provide interdepartmental and coordinated plans of action.
- 2.4** Encourage the formation of **neighborhood watch groups** in the Project Area and participation in the annual National Night Out celebration events sponsored by the Police Department.
- 2.5** According to livability standards, **improve the public infrastructure** such as streets, traffic signals, alleys, and street signs, as funding permits. *In 2010 the City awarded a contract in the amount of \$1.174 million for street light retrofit on Las Tunas Drive including \$143,000 of RDA funds for a portion of the project area. Additionally,*

*paving projects for San Gabriel Boulevard and Las Tunas Drive were completed in 2010. Others are planned for 2011.*

- 2.6 Prepare design guidelines for **building façade and signage improvements**. Pursue funding for grants and loans to property and business owners.
- 2.7 Prepare **Design for Development for specific development sites** identified for their acreage size or a strategic location to provide a unified and coordinated plan to interest prospective developers and achieve high site design standards and environmental quality. Each Design for Development will provide development standards, land uses, development design criteria, conceptual design plans and sketches, and public facilities and infrastructure criteria to achieve redevelopment goals. These will be used to attract and guide development.
- 2.8 **Re-evaluate development standards** in the Project Area and recommend zone changes, if required.
- 2.9 Conduct a windshield **historic and cultural resource survey** to identify properties that may be eligible for listing as local or state historic resources. Conduct additional site and building specific research to determine potential level of significance and identify character defining features which should be preserved.
- 2.10 Demolish two vacant and substandard buildings on SGRA-owned property located at 1266-88 E. Las Tunas Drive and install a landscape buffer to **eliminate public safety issues** and make the site more attractive to developers. *Demolition activities were completed in August 2010.*
- 2.11 Provide **incentives for the redevelopment of strategic properties** such as obsolete or underutilized commercial and industrial lands by providing technical assistance for specific predevelopment activities such as economic feasibility studies, environmental investigation, and design. *In 2010, the SGRA provided design assistance for the former Goody's Restaurant site at 835-865 E. Las Tunas Drive to attract a new restaurant tenant to this 4,704 SF building. A Historic Structures Report was prepared and interior layout plans were developed that show how to maximize seating for customers. A Historic Structures Report was also funded for O'Donnell Chevrolet-Buick dealership. Financial assistance was provided to Lucky Center LLC through a design analysis prepared by the City Architect that will identify shopping center site improvements for the Lucky Center at 927-965 E. Las Tunas Drive upgrades. Financial assistance may be considered for the property owner and/or marker operator to upgrade the shopping center to attract a new grocery store as a result of the closure of Albertsons on January 28, 2011.*
- 2.12 Commission a Project Area **parking management plan to address inadequate parking and poor circulation in the Project Area**. The plan would: (i) assess existing parking resources; (ii) determine existing and future community parking needs and goals; (iii) develop a range of parking recommendations and options for the implementation of efficient and cost effective

parking strategies; (iv) develop recommendations for maintenance of existing and proposed public right-of-way improvements; (v) determine the financial feasibility of constructing, operating, and maintaining parking facilities; and (vi) develop recommendations for a special parking assessment/maintenance district. In December 2010, the City invited a parking expert to meet with interdepartmental staff to discuss current trends. Parking management and pricing schemes to better coordinate transportation with land use were discussed and the expert recommended that street spaces be viewed as an asset to be actively managed to serve City priorities in vehicular movement, economic development and environment. The expert advocated that the traditional approach of generously supplying free parking be replaced with demand-based requirements, shared parking, pricing, and management. This approach will be considered in the RFP to be prepared for the parking management plan.

- 2.13 Monitor and review proposed building and planning applications** which require discretionary actions by the City or SGRA to determine consistency with the Redevelopment Plan and goals of the Project Area. Quarterly updates were prepared for City Council and the SGRA and regular status reports on major development projects were posted on the website.
- 2.14 Prepare a slum-blight conditions survey and report** for the submission to the Community Development Commission of the County of Los Angeles to qualify the Project Area as a designated CDBG Slum-Blight Area to provide greater flexibility in the use of CDBG funds. Report was submitted in April 2010 and the County approved the designated the project area as a slum-blight area in June 2010.
- 2.15 Promote opportunities for new open space and pedestrian trails** within and adjacent to the project area to address the deficiency in parks and open space in the Project Area. In 2010 interdepartmental staff identified the Rubio Wash, Edison-owned property, and Union Pacific right-of-way as sites to consider for study.

### **Goal 3: Market Project Area to Public-At-Large.**

- 3.1 Implement a visual identity and wayfinding signage program** to attract visitors, tourists, and investors to the Project Area. In 2010 the City Council and the SGRA voted to retain the existing logo for the City after considering several design concepts. City Council adopted a citywide vehicular wayfinding plan and a pedestrian plan for the Mission District. In early 2011, the vehicular sign construction documents were completed by an environmental graphics designer and staff advertised the bid to sign fabrication and installation contractors.
- 3.2 Implement regional and international marketing** to businesses and attraction in or of benefit to the Project Area. Develop a communications strategy and determine which media outlets to be targeted. Two full page advertisements were displayed in the Pasadena Star News winter 2010 Discovery Magazine and 2011 Rose

*Parade Magazine promoting six major city attractions to Southern California residents and tourists.*

**Goal 4: Create, retain, and improve Low-Mod Housing.**

- 4.1 Facilitate the SGRA's Affordable Housing Policy of acquiring a substandard apartment building and its rehabilitation for households with low- and moderate-incomes to provide long-term **affordable housing**. The SGRA will issue a RFP to solicit non-profit developers to acquire a small substandard apartment building, rehabilitate and manage it for households with low- and moderate-incomes.
- 4.2 Promote the City's **Handyworker Program** to income eligible older adults and people with disabilities who reside in the Project Areas in need of minor home repairs and/or home secure devices to promote independent living and accommodate needs of aging in place. *The City's handyworker agency, is marketing the handyworker program to residents including those residing in the Project Area.*
- 4.3 **Review proposed housing developments** to ensure that affordable housing restrictions are implemented and consider SGRA financial assistance using Affordable Housing Funds. *In early 2011, the SGRA approved an Agreement for the Provision of Affordable Housing with CETT Investments Corporation related to the Skylight project at 402-404 S. San Gabriel Boulevard and 405 S. Gladys Avenue, a mixed use project with 31 owner-occupied units. The agreement requires the developer to provide 2 very low-income one-bedroom units on site at its cost, and requires the SGRA to provide financial assistance for one very low-income 2-bedroom unit and four moderate-income 2-bedroom units in the amount of \$1.67 million. The Agency financial assistance is conditioned on the requirement that project construction commences within the next nine months and the project be completed within 27 months from the date of the agreement.*

**Goal 5: Create a business friendly environment.**

- 5.1 **Upgrade website** to make it more user friendly for prospective investors, developers, businesses, and residents. *City staff has made minor changes to the website. In early 2011, staff issued a request for proposals for a consultant to redesign and develop the website to advance redevelopment goals.*
- 5.2 Conduct a **survey of existing business owners** to identify City and redevelopment impediments to business growth and expansion.
- 5.3 Commission a study to facilitate clear, reasonable, and predictable processes for the development of land to facilitate job creation and implement policies, plans, and procedures to **streamline community development review and approval processes**. *In 2010, the City Council approved a resolution in support of the Southern California Association of Government's Business Friendly Principles. In 2010, the City*

*Council and SGRA directed staff to undertake a business-friendly evaluation of the Community Development Department that will include recommendations for improvements.*

- 5.4** Review the City's **filming permit process** and consider other services such as an internet library of properties, enhanced film permit coordination and special requests, dispute mediation, and promotions.

**Goal 6: Provide opportunities for participation by current and prospective Project Area stakeholders.**

- 6.1** **Consult with prospective investors, developers, and real estate brokers** from time to time to obtain input on the image of the city, discuss approaches to revitalizing the Project Area, and promote opportunity sites. *A draft directory of local, regional, and international contacts was created in 2010. Fact Sheet updating is on-going to promote development and retail sites. In August 2010, the City hosted the US-China Real Estate Summit, "Real Estate without Borders" in association with the University of Southern California American Academy in China and the China Real Estate Chamber of Commerce. Over 300 U.S. and China real estate development professionals and government officials participated in this three-day conference.*
- 6.2** Provide support for the establishment of a **new Public Works yard** on blighted property in the project area. Monitor the development of a new Public Works Yard to ensure that the design enhances the project area and respond to issues and concerns raised by stakeholders. *Staff reviewed the draft EIR in late 2009. Provide RDA funding as required.*
- 6.3** Facilitate the creation of a **Master Plan Concept** for the **upgrade of the San Gabriel Humane Society's facility** for use in a capital campaign.
- 6.4** Facilitate the **consolidation of Herald Community Center's facilities.**

**Goal 7: Leverage redevelopment resources that will advance redevelopment goals and objectives.**

- 7.1** Use RDA funds to implement the City's **Capital Improvement Project (CIP)** to the extent that projects are located within or of benefit to the Project Area. These include such improvements as street light retrofits, street intersection widening, street, sidewalk, and parkway rehabilitation and improvements, traffic signal upgrades, sidewalk and ADA ramp replacement, pedestrian security lighting, water system improvements and water quality enhancements, sewer systems improvements, and street lights. RDA funds will also pay for other CIP activities, including haul route street rehabilitation on portions of streets within the project

- area, that will be required as a result of the implementation of the San Gabriel Trench project undertaken by the Alameda Corridor East Authority (ACE).
- 7.2 Manage the City's **CDBG Program** to coordinate resources that benefit the Project Area.
  - 7.3 **Promote the creation of a property-based Business Improvement District** in the Project Area through a planning grant.
  - 7.4 **Monitor state and federal grant opportunities** and apply for grants that relate directly to redevelopment goals and ones in which staff can manage given staffing limitations.
  - 7.5 **Rehabilitate a City-owned building** to house the redevelopment office. *The SGRA awarded a construction contract in 2010 and rehabilitation work was substantially complete in 2010.*
  - 7.6 **Issue tax-exempt bonds** to undertake substantive capital improvements. *In late 2010, Finance staff developed a five-year projection of RDA resources with a tax-exempt bond issuance.*

## 4.2 Goals and Objectives Linkage to Blight Elimination

CCRL Section 33490(a)(1)(A) requires that each implementation plan contains an explanation of how the goals and objectives will eliminate blight within the project area. Table 2 shows the relationship of the SGRA's objectives to the elimination of remaining blight in the Project Area as defined in CCRL sections 33030 and 33031. While the current definition of blight for consistency with State law has changed, the physical and economic conditions addressed remain accurate.

**Table 2: Blight Definition Key**

Key	Blight Definition
<b>Physical Blight: CCRL Section 33031(a) Definition</b>	
a.	(1) Unsafe buildings
b.	(2) Substandard, defective or obsolete design or construction
c.	(3) Incompatible land uses
d.	(4) Irregular and inadequate lots under multiple ownership
<b>Economic Blight: CCRL Section 33031(b) Definition</b>	
e.	(1) Depreciated or stagnant property values
f.	(2) Impaired property values
g.	(3) Abnormally high business vacancies, low lease rates, or high number of abandoned buildings
h.	(4) Serious lack of commercial facilities including grocery stores, drug stores, and banks
i.	(5) Serious residential overcrowding
j.	(6) Excess of bars, liquor stores, or adult-oriented businesses
k.	(7) High crime rates
<b>Public Infrastructure: CCRL 33030(c) Definition</b>	
l.	(1) Inadequate public improvement
m.	(2) Inadequate water or sewer facilities

Table 3 below shows the relationship of the SGRA's specific five-year work program to its objectives and the elimination of remaining blight, as defined in the CCRL for the Project Area.

**Table 3: Goals and Objectives Linkage to Blight Elimination**

Objectives	Satisfied Goal	Addressed Blight Condition Key (Table 2)
Business Retention	1	e, f, g
Business Expansion	1	g, h
Business Attraction	1	g, h
Improve Access to Capital	1	e,f,g,h
Business Technical Assistance	1	g, h
Streetscape Plans	2	b, c, e, f, g, h, l
Bus Shelter Improvements	2	l
Coordinate action to correct substandard buildings with serious code violations	2	a, b
Neighborhood Watch Group Formation	2	k
Improvement of Public Infrastructure	2	l, m
Design Guidelines for Commercial Building Facades & Signage	2	b, g
Designs for Development for specific development sites	2	b, c, e, f
Re-evaluate development standards	2	b, c, d, e, f
Historic and Cultural Survey	2	b, g
Demolish targeted substandard buildings to eliminate public safety issues	2	A
Incentives for the redevelopment of strategic properties	2	a, b, c, d, e, f
Parking management plan	2	b, c, e, f, g, h
Review proposed building and planning applications	2	N/A
Prepare Slum-Blight Survey and Report	2	N/A
Promote opportunities for new open space and pedestrian trails	2	l
Visual identity and wayfinding program	3	e, f, h
Regional and international marketing	3	e, f, h
Affordable Housing	4	l
Handyworker Program	4	N/A
Review proposed housing developments	4	N/A
Upgrade website	5	e, f, h
Survey existing business owners	5	e, f, g, h
Streamline community development review and approval processes	5	e, f, g, h
Review Film Permit Processes	5	e
Consult with prospective investors, developers, and real estate brokers	6	N/A
New Public Works Yard	6	l
Master Plan Concept for SGV Humane Society Facility	6	a, b
Consolidation of Herald Community Center facilities	6	j
Capital Improvement Program Implementation	7	l, m
CDBG Program	7	b, e, f, g, h, l
Promote the creation of a property-based Business Improvement District	7	a, b, c, d, e, f, g, h, j, k, l
Monitor state and federal grant opportunities	7	N/A
Rehabilitate City-owned building for redevelopment office	7	b
Issue tax-exempt bonds	7	N/A

### **4.3 Program Amendments**

While the SGRA has identified projects/programs above as the most probable implementation activities for the term of this Implementation Plan, others not anticipated today, may be determined to be feasible and preferential in elimination of blight. The SGRA may find it necessary from time to time to make changes to programs and activities should it find that:

- The goals and objectives of the Redevelopment Plan are furthered;
- Specific conditions of physical or economic blight within the Project Area will be mitigated, in whole or in part through implementation of the project; and
- 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.

### **4.4 Projected SGRA General Redevelopment Fund Income and Expenditures**

Several financial constraints limit the ability of the SGRA to implement the Redevelopment Plan over the next five years. These constraints are primarily the result of the fact that its main financial resource, tax increment revenues, will not be sufficient to remove all of the existing blighting conditions over the next five years.

The SGRA has identified various sources of funds for the program and activities planned over the next five years. The funding sources may include, but are not limited to following:

- Sale of tax allocation bonds supported by tax increment revenues from the Project Area;
- Tax increment revenues over and above the amounts required to cover debt service on the tax allocation bonds, payments to taxing agencies such as the County of Los Angeles, and deposits in the Affordable Housing Fund;
- Proceeds from land sales to private developers for purposes of implementing specific redevelopment projects;
- Loans and advances from the City of San Gabriel;
- Federal CDBG funds for eligible activities; and
- Others Federal and State grants.

The SGRA will continue to pursue other financing sources such as those discussed above to finance redevelopment activities. However, the SGRA will rely upon tax increment revenues as the primary means of resolving the Project Area's challenges.

In the beginning years of a redevelopment program, an agency expects to receive very little tax increment revenue since it typically takes years to develop the tax base from which tax increment revenues are generated. For the period from adoption in Fiscal Year 1993-1994 to FY 2009-2010, the growth rate was 7.19% per year, a robust rate given the economic climate. However, the citywide growth rate was 8.06% for same period. As can be seen, the Project Area is underperforming compared to the city as whole. Moreover, at the time when the Project Area was adopted, the economy was very strong. Given the continuing economic recession, revenues are down citywide and within the Project Area. It is anticipated that revenues will continue to drop throughout the near term. The success of the redevelopment programs and activities will largely be dependent on the strength of the national, state, and regional economies. Assessed valuation of property and the corresponding tax increment are projected by the City's Finance Director at a conservative two percent growth rate in the 2011-14 years.

**Table 4: Capital Project Tax Increment Revenues (80%)**

Fiscal Year	Percentage Increase / Decrease	Actual	Projected
1993-94		Adoption Year	
1994-95	-11.5 %	\$0	
1995-96	14.3 %	\$ 8,520	
1996-97	0.0 %	\$ 23,456	
1997-98	-1.2 %	\$ 1,968	
1998-99	1.6 %	\$0	
1999-00	1.5 %	\$ 69,464	
2000-01	6.8 %	\$ 92,799	
2001-02	6.4 %	\$ 167,309	
2002-03	4.2 %	\$ 213,907	
2003-04	4.4 %	\$ 310,969	
2004-05	8.5 %	\$ 443,882	
2005-06	9.6 %	\$ 687,073	
2006-07	13.1 %	\$ 714,427	
2007-08	11.9 %	\$ 892,496	
2008-09	9.1 %	\$ 944,375	
2009-10	6.3 %		\$ 1,072,457
2010-11	0.0 %		\$ 1,072,457
2011-12	2.0 %		\$ 1,111,455
2012-13	2.0 %		\$ 1,151,213
2013-14	2.0 %		\$ 1,191,776
2014-15	2.0 %		\$ 1,233,150
Total		\$ 4,570,645	\$ 6,832,508

Statewide, local redevelopment agencies were relieved of the obligation to make an Educational Revenue Augmentation Fund (ERAF) payment to the State of California for fiscal year 2008-09. The Community Redevelopment Association filed a lawsuit to stop the ERAF payments on April 30, 2009, and received a favorable court ruling which found the proposed ERAF shift to be unconstitutional. The State has since dropped its appeal of this

lower court ruling and the SGRA will not deposit the sum of \$73,910 with the county auditor for deposit in the county ERAF.

In July 2009, however, the State legislature again voted to balance the State budget with the taking of redevelopment funds. The adopted State budget added a Supplemental ERAF (SERAF) payment of \$2.05 billion statewide in 2009-10 and reinstated the \$350 million for payment in 2010-11. Once again, CRA has filed a lawsuit in Sacramento Superior Court challenging the constitutionality of the SERAF. However, the SGRA must be prepared to comply with its terms if the court's ruling is unfavorable and must be appealed. The impact of the SERAF takings on available resources is not shown in the cash flow projection. Should the CRA not be successful in challenge against these shifts, the SGRA will need to revise these financial assumptions and amend the Implementation Plan accordingly.

The projects and programs described above are broad in nature. Specific planning activities and projects will be developed by the SGRA, generally in connection with adoption of the Project Area's annual budget approvals, and may result in the need to amend this Implementation Plan.

Appendix A provides the Sources and Uses of General Redevelopment Funds from FY2010 through FY2014. While the Implementation Plan is based on a calendar year, the SGRA's fiscal year is July through June. For this reason, income and expenditures are shown in fiscal years. This cash flow does not reflect the set aside for housing programs. Section 6.0 below provides a descriptions and proposed expenditures for housing programs.

## **4.5 New Public Art Policy**

The City Council has requested that the SGRA adopt a Public Art Policy for the Project Area. This policy would provide for the payment of a 1% fee by private developers of new and rehabilitation projects over \$500,000 to a cultural trust fund and the creation of a cultural trust plan to bring arts and cultural experiences to activate the Project Area business districts. The Cultural Trust Fund would provide resources for projects involving artists and arts programming that could otherwise not be accomplished.

## 5.0 AFFORDABLE HOUSING COMPONENT

The CCRL provides that a fundamental purpose of redevelopment is to expand the supply of low- and moderate-income housing (Section 33071). To accomplish this purpose, the CCRL contains numerous provisions to guide redevelopment agency activities with regard to low- and moderate-income housing. These provisions divide an agency's housing responsibilities into the following three major categories:

1. The production and/or replacement of low- and moderate-income housing;
2. The set aside and expenditure of specified amounts of property tax increment revenue for the express and exclusive purpose of increasing, improving and preserving a community's supply of low- and moderate-income housing; and
3. Preparing reports on how the SGRA has met or preparing plans on how the SGRA will meet its responsibilities with regard to the first two items.

This Affordable Housing Component of the Implementation Plan is one of the SGRA's responsibilities under the third major category. Its contents address how the SGRA's plans for the Project Area will achieve the affordable housing requirements imposed by the CCRL. The Affordable Housing Component must address the following items.

### **Replacement Housing Obligations**

The SGRA must fulfill the replacement housing obligations imposed by Section 33413(a). The SGRA must replace, on a one-for-one basis, all units removed from the low- and moderate-income housing stock as a result of SGRA actions. This requirement can be fulfilled anywhere within the city.

Article 16.5 requires that if an Implementation Plan includes projects that could result in the removal of low- and moderate-income housing units, the implementation plan must identify locations suitable for the replacement of such housing. This Implementation Plan does not include any projects or programs that would result in the removal of housing units from the low- and moderate-income housing stock; therefore, no replacement housing obligations are considered in this Implementation Plan.

### **Inclusionary Housing Production Obligations**

The SGRA is required to comply with the affordable housing production requirements imposed by Section 33413(b). The requirements can be summarized as follow-s:

1. Subparagraph (1) of Section 33413(b) requires that 30% of all housing units developed by the SGRA must be low- and moderate income housing subject to long-term income and affordability covenants. The SGRA has not developed any units in the past, nor are there any plans for the SGRA to develop units in the future. As such, the SGRA is not anticipated to incur any obligations under this provision of the CCRL.
2. Subparagraph (2) of Section 33413(b) imposes the following requirements:
  - a. At least 15% of all housing developed in the Project Area, by parties other than the SGRA, must be low- and moderate-income housing units subject to long-term income and affordability covenants.
  - b. At least 40% of the required low and moderate income units must be affordable to persons and families of very-low income.
  - c. These requirements apply to both housing developed by private parties and to housing developed with SGRA assistance by parties other than the SGRA.
  - d. These requirements are applied on a cumulative basis over time, rather than on a project-by-project basis.
  - e. The SGRA can fulfill these production requirements within the Project Area on a one-for-one basis. If the requirement is fulfilled outside the Project Area, the SGRA must provide two units to receive one unit of production credit.

The following sections of the Implementation Plan review past and anticipated housing development activity in the Project Area to quantify the SGRA's inclusionary housing production obligations. These sections also identify the manner in which the SGRA plans to fulfill the defined inclusionary housing production obligations during the following periods:

1. The current five-year Implementation Plan period;
2. The 10-year period commencing on January 1, 2005 and terminating on December 31, 2014; and
3. Throughout the remaining life of the Project Area.

**Set Aside and Expenditure of Property Tax Increment for Housing Purposes:**

1. Section 33334.2 requires that 20% of the gross property tax increment be placed in a separate Affordable Housing Fund to be used solely to increase, improve and preserve the community's supply of low- and moderate-income housing.
2. Section 33334.4 imposes the following proportionality requirements:
  - a. Set-Aside funds must be spent on very low-, low- and moderate-income housing in proportion to the unmet need for housing as defined in Section

65584 of the Government Code. The unmet need for housing is identified in the City's Regional Housing Needs Assessment (RHNA) which is prepared by the Southern California Association of Governments (SCAG).

- b. A cap is applied to the amount of Set-Aside funds that can be spent on housing that is subject to age restrictions. The limit is equal to the percentage that very low- and low-income households over the age of 65 represent of the total very low- and low-income population in Indian Wells, based on United States Census data.
3. The SGRA is subject to the "excess surplus" requirements imposed by Section 33334.12.

Article 16.5 additionally requires the Implementation Plan to include the following information:

1. Estimates of the balances and deposits into the Affordable Housing Fund created to hold Set-Aside funds;
2. A housing program identifying expenditures from the Affordable Housing Fund;
3. A description of the housing activity that has occurred in the Project Area; and
4. Estimates of housing units that will be produced in the Project Area for each of the various income categories.

All of this information is provided in the following sections of the Implementation Plan.

## **5.1 PAST ACTIVITIES AND ACCOMPLISHMENTS**

The SGRA attempted to provide assistance to affordable housing units during the previous Implementation Plan period. However, due to the real estate downturn, the project was delayed, and ultimately cancelled. Given the small level of financial resources to provide affordable housing, it has been necessary for the SGRA to accumulate funds over several years in order to undertake any meaningful affordable housing activities. During the current Implementation Plan period (FY 2010 through FY 2014), Affordable Housing Funds are anticipated to be sufficient to assist several projects. For the previous Implementation Plan period, Section 33490(a)(2)(C)(iv) of the CCRL requires the following to be disclosed:

1. The amount of Housing Funds used to assist extremely low-, very low-, and low-income units: \$0.
2. The extremely low-, very low-, and low- income units assisted (location, number of units, assistance amounts): None.
3. The amount of Housing Funds used to assist families with children: \$0.
4. The family units assisted (location, number of units, assistance amount): None.

5. The extremely low-, very low-, and low- income units, restricted with 55-year (rental) or 45-year (ownership) affordability restriction, produced with local subsidy other than Housing Funds: None.

## **5.2 GOALS AND OBJECTIVES**

The CCRL requires that certain housing requirements to be fulfilled during five- and 10-year increments; and over the remaining Project Area life. Specifically, the inclusionary housing production requirement must be met every 10 years, and over the life of the Project Area. Comparatively, the proportionality tests must be achieved between January 1, 2002 and December 31, 2014, and then again in 10-year increments throughout the Project Area life.

An agency's primary goal is to comply with affordable housing requirements imposed by the CCRL in a responsible manner. The affordable housing activities identified in the Implementation Plan will be undertaken over the duration of the Redevelopment Plan for Project Area, and will explicitly assist in accomplishing the intent of the CCRL in regards to the provision of low- and moderate- income housing.

## **5.3 PROPOSED PROJECTS AND PROGRAMS**

Proposed housing activities for the 2010-14 Implementation Plan include the following:

### **Projects**

In late 2010, the City approved entitlements with CETT Investments Corporation for a mixed-used development known as Skycourts on a 0.97 acres site at 402-404 S. San Gabriel Boulevard and 405 S. Gladys Avenue in the project area. On January 4, 2011, the SGRA approved an Agreement for the Provision of Affordable Housing that provides the developer, with \$1.67 million of Affordable Housing Funds for four moderate income two-bedroom units and one very low-income two-bedroom unit. In addition, the developer must provide two very low-income one-bedroom units at its own cost. The project includes a total of seven income restricted units. The Covenant Agreement will restrict these homeownership units for not less than 45 years. Financial assistance is conditioned on the requirement that project construction commences within the nine months and the project be completed within 27 months from January 5, 2011, the date of the Agreement.

The SGRA has concluded, based on a recent Housing Strategy, that assisting developers with acquisition and rehabilitation costs in return for income and rent restrictions placed on the units for 55 years is the most efficient use of the SGRA's limited resources. The

SGRA will not have sufficient resources to implement an acquisition/rehabilitation project during the next five years. The SGRA plans to develop a Notice of Program Availability during FY 2014 and to select a non-profit developer to implement the program at that time if sufficient funds are available to proceed.

## 5.4 APPLICABLE AFFORDABLE HOUSING DEFINITIONS

**Very Low-Income Household:** defined in Section 50105 as households whose gross income is 50% or less of the area median income (Median).

**Low-Income Household:** defined in Section 50079.5 as households whose gross income is greater than 50% but not greater than 80% of Median.

**Moderate-Income Household:** defined in Section 50093 as households whose gross income is greater than 80% but not greater than 120% of the Median.

**Affordable Owner-Occupied Housing Cost:** Affordable housing cost calculations for ownership units are based on defined percentages of the Median, and “family size appropriate for the unit”. For calculation purposes only, family size appropriate for the unit is equal to the number of bedrooms in the home plus one. For any owner-occupied housing, affordable housing costs shall not exceed the following:

- For very low- income households: the product of 30% times 50% of the Median.
- For lower income households: the product of 30% times 70% of the Median. In addition, for any lower income household that has a gross income that equals or exceeds 70% of the Median, the SGRA has the option to set the affordable housing cost at 30% of the household’s actual gross income.
- For moderate-income households: the product of 35% times 110% of the Median. In addition, for any moderate income household that has a gross income that equals or exceeds 110% of the Median, the SGRA has the option to set the affordable housing cost at 35% of the household’s gross income.

**Affordable Renter-Occupied Housing Cost:** Affordable housing cost calculations for rental units are based on defined percentages of the Median, and “family size appropriate for the unit”. For calculation purposes only, family size appropriate for the unit is equal to the number of bedrooms in the home plus one. For any rental housing development, affordable rent, including a reasonable utility allowance, shall not exceed:

- For very low-income households: the product of 30% times 50% of the Median.
- For lower income households: the product of 30% times 60% of the Median. In addition, for those lower income households with gross incomes that exceed 60%

- of the Median, the SGRA has the option to set the affordable rent at 30% of the household's actual gross income.
- For moderate-income households: the product of 30% times 110% of the Median. In addition, for those moderate income households with gross incomes that exceed 110% of the Median, the SGRA has the option to set the rent at 30% of the household's gross income.

**Developed by the Agency:** "Developed by the Agency" means the SGRA has contracted directly with a building contractor for the construction or rehabilitation of dwelling units.

**New Dwelling Units:** "New dwelling units" means dwelling units for which the final certificate of occupancy was issued during the year indicated.

**Substantial Rehabilitation:** "Substantial rehabilitation" means rehabilitation, the value of which constitutes at least 25% of the after rehabilitation value of the dwelling inclusive of the land value.

**Substantial Rehabilitation Dwelling Units:** Prior to January 1, 2002, "substantially rehabilitated dwelling units" meant all substantially rehabilitated multi-family dwelling units with three or more units regardless of agency assistance or substantially rehabilitated single family dwelling units with one or two units with agency assistance. *Since January 1, 2002, "substantially rehabilitated dwelling units" is limited to units that are substantially rehabilitated with agency assistance.*

## 5.5 HOUSING FUND STATUS

The Project Area is subject to Section 33334.2 requirement to allocate 20% of the gross property tax increment to affordable housing activities. The projections of the required deposits into the Affordable Housing Fund are discussed in the following sections of the Implementation Plan.

### Housing Fund Deposits

The Affordable Housing Fund revenues shown below include the following:

- Twenty percent (20%) of the estimated gross property tax increment generated within the Project Area.
- Interest income from balances in the Affordable Housing Fund.
- The SGRA may issue Housing Bonds over the next five years.

The projected revenue streams for the Affordable Housing Fund for the FY 2010 through FY 2014 period can be summarized as follows:

**Table 5: Projected Revenues for Affordable Housing Fund**

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Totals
Set Aside Funds	\$275,000	\$290,000	\$300,000	\$320,000	\$330,000	\$1,515,000
Interest Income	\$56,000	\$57,000	\$5,000	\$5,000	\$5,000	\$128,000
Bond Proceeds	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$331,000</b>	<b>\$347,000</b>	<b>\$305,000</b>	<b>\$325,000</b>	<b>\$335,000</b>	<b>\$1,643,000</b>

### **Use of Housing Fund Deposits**

The SGRA is projected to incur the following costs during the 2010-14 Implementation Plan periods.

### **Projects**

In accordance with the existing Agreement for the Provision of Affordable Housing with CETT Investments Corporation, the SGRA will be required to provide \$1.67 million in financial assistance to the developer. The assistance is tied to the development schedule pursued by the developer. It is anticipated that the assistance will become due at some point within FY 2012-13.

After the assistance is provided to the CETT project, SGRA estimates that it will have approximately \$461,000 available for the Acquisition and Rehabilitation Project. This amount of funding is insufficient to provide enough assistance to complete a project. As such, the SGRA plans to postpone this project until a sufficient amount of funding is available to support a six to nine unit project. This is anticipated to occur during the next Implementation Plan period.

### **Administrative Expenses**

Costs such as salaries; overhead; consultant and legal fees; and supplies will be incurred to implement the Affordable Housing Program. The actual expenditures must be determined each year, and found to be necessary to implement the Acquisition and Rehabilitation Housing Program.

## Annual Debt Service

The SGRA may issue tax increment bonds secured by the Affordable Housing Fund during the Implementation Plan period. The projected Affordable Housing Fund expenditures for the FY 2010 through FY 2014 period can be summarized as follows:

**Table 6: Projected Affordable Housing Fund Expenditures**

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Totals
Administration	\$70,416	\$171,974	\$225,000	\$230,000	\$240,000	\$937,390
CETT Agreement	\$0	\$1,668,900	\$0	\$0	\$0	\$1,668,900
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$70,416</b>	<b>\$1,840,874</b>	<b>\$225,000</b>	<b>\$230,000</b>	<b>\$240,000</b>	<b>\$2,606,290</b>

\*Note that the FY 2010 estimated is based on current budget and the FY2011 through FY2014 estimates assume that costs will increase 3% per year.

## Housing Fund Cash Flow Analysis

The cash flow projected to be generated by the Affordable Housing Fund is summarized in the following table:

**Table 7: Affordable Housing Fund Cash Flow**

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Beginning Balance	\$642,086	\$951,272	\$191,000	\$271,000	\$366,000
Total Revenues	\$379,602	\$380,602	\$305,000	\$325,000	\$335,000
(Less) Expenditures	(\$70,416)	(\$1,840,874)	(\$225,000)	(\$230,000)	(\$240,000)
Site C Agreement	\$0	\$700,000	\$0	\$0	\$0
<b>Ending Balance</b>	<b>\$951,272</b>	<b>\$191,000</b>	<b>\$271,000</b>	<b>\$366,000</b>	<b>\$461,000</b>

This Implementation Plan provides an illustrative example of how the Affordable Housing Program could be financed on an annual basis over the remaining term of the Project Area. However, the timing and specific amounts of the expenditures may be adjusted over time. Specific decisions on each of these items will be made as part of the SGRA's annual budget process.

## Proportional Expenditures of Housing Fund

The Project Area is subject to the Section 33334.4 requirement that a redevelopment agency expend Affordable Housing Funds in accordance with an income proportionality test and age restriction proportionality test. These proportionality tests must be met between January 1, 2002 and December 31, 2014, and then again through the termination

of the Project Area. The results of the proportionality test are described in the following sections.

### Income Targeting Proportionality Test

The income targeting proportionality test requires an agency to expend Affordable Housing Funds in proportion to the unmet housing needs that have been identified for the community pursuant to Government Code Section 65584. The proportionality test used in this report is based on the 2006-2014 Regional Housing Needs Assessment (RHNA) figure prepared by the Southern California Association of Governments (SCAG), which covers the time period of this Implementation Plan. The 2006 to 2014 RHNA established the following unmet need for affordable housing in the City of San Gabriel.

**Table 8: City of San Gabriel Unmet Affordable Housing Needs**

Income Category	Total Units	% of Total	Expenditure Proportionality
Very-Low Income(*)	206	44 %	At least 44 %
Low Income	127	26 %	
Moderate Income	140	30 %	At most 30 %
Total	473	100 %	

\*Note: The very-low income category includes the extremely-low income units set out in the RHNA.

To comply with the Section 33334.4 requirements, the SGRA must spend at least 44% of the Affordable Housing Funds on projects and programs dedicated to very low-income households, and no more than 30% of the Affordable Housing Funds on projects and programs dedicated to moderate income households. Section 33334.4 provides the SGRA with the flexibility to allocate Affordable Housing Funds in any way that complies with the defined minimum for very low-income expenditures and the defined cap for the moderate income expenditures.

Between January 1, 2002 and FY 2009, the SGRA did not expend any Affordable Housing Funds on projects and programs. The following summarizes the income category allocations of the proposed expenditures for FY 2010 through December 31, 2014:

**Table 9: Income Category Allocations of Proposed Expenditures**

	Very Low- Income	Low- Income	Moderate- Income	Total Expenditures
402-404 S. San Gabriel Blvd.	\$514,500	\$0	\$1,154,400	\$1,668,900
<b>% of Total Expenditures</b>	<b>31%</b>	<b>0%</b>	<b>69%</b>	<b>100%</b>

By the end of the obligation period, it is anticipated that the SGRA expenditures will have allocated 31% of the Affordable Housing Fund's project and program expenditures to very

low-income households, 0% of the funds to low-income households and 69% of the funds to moderate-income households. Therefore, the SGRA is not anticipated to meet the income targeting standards imposed by Section 33334.4. To resolve this issue, the SGRA plans to limit all Affordable Housing Fund expenditures during the next Implementation Plan period to very low- and low-income households.

**Age-Restricted Proportionality Test**

Section 33334.4 also requires redevelopment agencies to cap assistance for age-restricted housing based on the percentage of very low- and low-income senior citizens within the very low- and low-income households in the community. In the City of San Gabriel, very low- and low-income senior citizens account for 21% of the City’s total very low- and low-income population. Therefore, the following summarizes the maximum amount of Affordable Housing Fund expenditures that can be spent on age-restricted projects between January 1, 2002 and December 31, 2014.

**Table 10: Age-Restricted Project Expenditures**

Project Type	% of Total Expenditures
Age-Restricted	At Most 21%
Non-Age Restricted	At Least 79%

Between January 1, 2002 and FY 2009, the SGRA did not make any project and program expenditures. The SGRA does not anticipate making any expenditure on age-restricted projects through December 31, 2014.

During the period between January 1, 2002 and December 31, 2014, SGRA anticipates that 100% of its expenditures will be for projects that are not subject to age restrictions. Therefore, the SGRA expects to meet the age-restricted targeting standards imposed by Section 33334.4.

**Excess Surplus Calculation**

The Project Area is subject to the “excess surplus” requirements imposed by Section 33334.12. Excess surplus is defined as any unexpected and unencumbered funds in the Affordable Housing Fund that excess the greater of \$1 million or the aggregate amount deposited into the Affordable Housing Fund during the Project Area’s preceding four fiscal years. Based on the Section 33334.12 requirements, the SGRA has three years to encumber any excess surplus funds.

The SGRA does not currently have an excess surplus balance. Moreover, it is expected that the Affordable Housing Fund will not have an excess surplus over the Implementation Plan period as illustrated below:

**Table 12: Projected Excess Surplus**

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Ending Balance	\$951,272	\$191,000	\$271,000	\$366,000	\$461,000
(Less) Encumbered Funds	\$0	\$0	\$0	\$0	\$0
Adjusted Ending Balance	\$0	\$0	\$0	\$0	\$0
Max. Allowable Fund Balance	\$1,000,000	\$1,005,404	\$1,135,094	\$1,217,475	\$1,243,503
<b>Excess Surplus</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## 5.6 INCLUSIONARY HOUSING PRODUCTION STATUS

### Legal Requirements

For the purposes of this Implementation Plan, inclusionary housing production refers to an agency's obligation to cause specified percentages of new or rehabilitated housing produced in a project area to be available at affordable housing cost. It does not matter whether the housing is market rate or cost restricted, nor does it matter if the housing is privately or publicly produced.

### Applicability of Inclusionary Housing Production Requirements

Redevelopment projects adopted prior to January 1, 1976, are not subject to this legal requirement. However, given that the Project Area was adopted in 1993, the Project Area has inclusionary housing obligations.

### Method of Calculation of Inclusionary Housing Production Requirements

The percentage of housing units that must be available at an affordable housing cost varies by whether the housing was constructed or rehabilitated by a redevelopment agency or by another party. The SGRA has not produced housing per the definition contained in Section D above (a written agreement with the SGRA requiring affordable housing covenants does not meet the definition of agency-produced housing).

For housing constructed or substantially rehabilitated by persons or entities other than a redevelopment agency, at least 15% of the units developed within the Project Area must be available to households of low- or moderate-income. Of this number, not less than 40% must be available to very low-income households. For example, for every 100 units

produced, 15 must be affordable. Of these 15 units, at least six units must be available to households with very low-income and the remaining nine units can be available to households of low- or moderate-income. Any fraction is rounded up, so for 101 units produced, 16 must be affordable and of that total, seven must be available to very low-income households.

The definition of substantial rehabilitation changed as of January 1, 2002. Prior to that time, any substantially rehabilitated units created an obligation if they were in complexes of four or more units (fourplexes or larger). After January 1, 2002, the requirement is only applied to projects that have received assistance from the redevelopment agency.

### **Inclusionary Housing Production Requirements**

The following summarizes the new construction and substantial rehabilitation units created in the Project Area since adoption:

**Table 13: New Construction and Substantial Rehabilitation Units**

	<b>Units</b>
Plan Adoption – FY 1999	0
FY 2000 – FY 2004	0
FY 2005 – FY 2009	11
<b>Total Units Developed in Project Area</b>	<b>11</b>

The 31-unit project located at 402 and 404 South San Gabriel Boulevard is expected to be constructed during the current Implementation Plan period. No other units are anticipated to be constructed within the Project Area throughout the remaining life of the Redevelopment Plan.

Based on the existing and anticipated residential activities, the following summarizes the current and potential inclusionary housing obligation for the SGRA:

**Table 14: Current and Potential Inclusionary Housing Obligation**

	<b>Very Low- Income Units</b>	<b>Low-Mod Income Units</b>	<b>Total Units</b>
Through FY 1999	0	0	0
FY 2000 – FY 2009	1	1	2
FY 2010 – FY 2019	2	3	5
FY 2020 – FY 2034	0	0	0
<b>Total</b>	<b>3</b>	<b>4</b>	<b>7</b>

## Inclusionary Housing Production Fulfillment

As of the end of FY 2009, no inclusionary housing units have been produced either inside or outside of the Project Area. However, the SGRA anticipates that seven inclusionary housing production units will be completed between July 1, 2009 and June 30, 2014. These seven units will include three very low-income units and four moderate-income units.

During the following Implementation Plan periods it is anticipated that six to nine units will be provided in acquisition and rehabilitation projects. These projects are proposed to be located outside the Project Area. As such, the units will not create any inclusionary housing production requirement, but they will provide inclusionary housing production fulfillment units on a two-for-one basis.

## Inclusionary Housing Production Obligation Surplus / Deficit Calculation

The SGRA is required to measure inclusionary housing production as of June 30, 2009, June 30, 2019 and at the end of the Project Area's life. The following table illustrates the production obligations and fulfillment anticipated to be generated at each point in time.

**Table 16: Inclusionary Housing Production Obligations**

<b>As of June 30, 2009</b>	<b>Cumulative Fulfillment</b>	<b>Cumulative Obligation</b>	<b>Cumulative Surplus / (Deficit)</b>
Very Low-Income	0	(1)	(1)
Low/Moderate-Income	0	(1)	(1)
<b>Total</b>	<b>0</b>	<b>(2)</b>	<b>(2)</b>
<b>As of June 30, 2019</b>	<b>Cumulative Fulfillment</b>	<b>Cumulative Obligation</b>	<b>Cumulative Surplus / (Deficit)</b>
Very Low-Income	3.0	(3)	0
Low/Moderate-Income	4.0	(4)	0
<b>Total</b>	<b>7.0</b>	<b>(7)</b>	<b>0</b>
<b>As of June 30, 2034</b>	<b>Cumulative Fulfillment*</b>	<b>Cumulative Obligation</b>	<b>Cumulative Surplus / (Deficit)</b>
Very Low-Income	4.5.0	(3)	1.5
Low/Moderate-Income	5.5	(4)	1.5
<b>Total</b>	<b>7.0</b>	<b>(7)</b>	<b>3.0</b>

\*Note: these estimates are based on the assumption that the acquisition and rehabilitation projects include three very low-income units and three moderate-income units, which must be counted on a two-for-one basis.

The SGRA anticipates that by the end of the life of the Project Area, it will have a 3.0 unit surplus. Thus, the SGRA expects to meet the CCRL inclusionary housing production obligations.

## **5.7 ABILITY TO COMPLY WITH OBLIGATIONS PRIOR TO TIME LIMIT OF EFFECTIVENESS OF REDEVELOPMENT PLAN**

Section 33490(a)(4) of the CCRL requires a project area that is within six years of the time limit of effectiveness of the Redevelopment Plan, to explain, how the agency will meet the housing obligations. Given that the Redevelopment Plan will not expire until FY 2034, this section does not apply to SGRA.

## **5.8 SUMMARY OF HOUSING COMPONENT**

Given the successful implementation of the proposed housing program, the SGRA will have accomplished the following:

1. The SGRA has no existing replacement housing production obligations and does not anticipate having future replacement housing obligations.
2. The SGRA has a two-unit existing inclusionary housing production obligation that will be fulfilled during this Implementation Plan period. In addition, sufficient income restricted units are proposed to be produced to fulfill the inclusionary housing production obligations throughout the remaining life of the Redevelopment Plan.
3. The SGRA's Affordable Housing Fund expenditures will comply with the proportionality tests imposed by Section 33334.4.
4. The Affordable Housing Fund will not experience excess surplus between FY 2010 and FY 2014.

## **5.9 NEW HOUSING POLICY**

There are limited affordable housing resources and significant barriers to affordable housing including high land costs and high assembly costs due to small parcels with multiple ownership patterns in San Gabriel. Therefore, the SGRA will provide long-term affordable housing in the future through the acquisition of a substandard apartment building and providing for its rehabilitation for people with low- and moderate-incomes to be the best option. This policy will require the SGRA to select and contract with a non-profit developer to acquire a small substandard apartment building and rehabilitate and manage it for people with low- and moderate-incomes when sufficient housing resources become available.

## **6.0 PLAN ADMINISTRATION**

The SGRA shall be responsible for administering the Implementation Plan for monitoring redevelopment programs and activities undertaken pursuant to it.

### **6.1 Plan Review**

At least once within the five-year Implementation Plan term, the SGRA shall conduct a public hearing and hear testimony of all interested parties for the purpose of reviewing the adopted Redevelopment Plan, the Implementation Plan, and evaluating the progress of the Project Area. The public hearing shall be held not earlier than two years and no later than three years after the date of adoption of this Plan.

Notice of the public hearing to review the Redevelopment Plan and Implementation Plan shall be published pursuant to 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 must be completed not less than 10 days prior to the date set for the hearing.

### **6.2 Plan Amendment**

Pursuant to CCRL 33490, the Implementation Plan may be amended from time to time after holding a public hearing.

### **6.3 Financial Commitments Subject to Available Funds**

The SGRA 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, federal government, property tax increment, interest income, redevelopment bonds secured by tax increment or other revenues used by the SGRA that are generally determined to be reliable from year to year, such funds are subject to legislative, program, or policy changes that could reduce the amount or the availability of the funding sources upon which the SGRA relies.

Due to uncertainties in SGRA funding, the projects described herein and the funding amount estimated to be available are subject to modification, changes in priority, replacement with another project, or cancellation by the SGRA.

## **6.4 Redevelopment Plan Controls**

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

**APPENDIX A:**  
**SOURCES AND USES OF GENERAL  
REDEVELOPMENT FUNDS**

City of San Gabriel  
Redevelopment Fund  
(Revised 11/15/10)

Fund Balance Beginning

	Actual 1999-2000	Actual 2000-01	Actual 2001-02	Actual 2002-03	Actual 2003-04	Actual 2004-05	Actual 2005-06	Actual 2006-07	Actual 2007-08	Actual 2008-09	Actual 2009-2010	Budgeted 2010-2011	Forecasted 2011-2012	Forecasted 2012-2013	Forecasted 2013-2014	For-asted 2014-2015
17,152	78,192	169,120	213,907	225,484	347,274	558,094	897,846	1,503,531	2,326,984	3,350,551	4,443,703	5,032,140	898,870	556,792	315,533	74,174
69,464	92,799	167,309	213,907	213,907	310,969	443,882	687,072	714,427	892,496	944,375	1,234,314	1,100,000	1,200,000	1,300,000	1,300,000	1,400,000
1,038	5,739	5,143	9,051	12,390	28,229	71,349	130,561	107,231	130,561	148,778	157,444	200,000	200,000	200,000	200,000	200,000
172,143	188,729	162,925	182,750	220,734	299,187	287,779	287,779	335,439	382,293	1,093,762	1,192,370	0	-2,286,132	0	0	0
0	0	1,309	1,537	1,588	1,588	2,323	5,349	1,794	1,778	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	8,324,429	0	0	0
242,645	287,267	336,686	407,245	413,175	545,681	773,621	1,051,549	1,158,891	1,407,128	2,186,915	2,584,128	1,300,000	7,438,297	1,500,000	1,500,000	1,600,000
Sub-total																
Expenses																
Full Time Employees	0	0	8,151	8,671	9,131	9,449	15,649	6,333	5,011	12,963	100,675	101,276	105,000	105,000	105,000	105,000
Limited Service Employees	0	0	0	0	0	0	1,200	3,360	3,210	2,940	12,494	15,173	20,000	20,000	20,000	20,000
Overtime	0	0	0	0	0	0	0	947	0	0	797	0	0	0	0	0
Health Insurance	0	0	937	1,087	1,251	1,265	2,187	814	714	1,652	11,154	14,761	15,000	15,000	15,000	15,000
Retirement	0	0	1,317	1,528	1,588	2,323	5,349	1,794	1,778	4,520	30,777	27,658	30,000	30,000	30,000	30,000
Salaries and Benefits	0	0	10,405	11,286	11,970	13,037	24,385	13,248	10,713	22,075	155,897	158,868	170,000	170,000	170,000	170,000
Special Departmental	0	0	0	5,653	13,919	26,804	29,389	1,422	0	12,013	33,153	35,000	35,000	35,000	35,000	35,000
Contractual	81,466	81,021	38,720	25,074	26,792	61,415	-7,290	15,971	12,094	26	4,854	83,565	83,565	83,565	83,565	83,565
Office Operating	0	0	0	582	750	0	276	0	0	0	979	0	5,000	5,000	5,000	5,000
Vehicle Operating	0	0	0	0	0	0	0	0	0	0	402	5,000	5,000	5,000	5,000	5,000
Electricity	0	0	0	0	0	0	0	0	0	0	0	3,000	3,000	3,000	3,000	3,000
Gas	0	0	0	0	0	0	0	0	0	0	0	5,000	5,000	5,000	5,000	5,000
Telephone	0	0	0	0	0	0	0	0	0	0	0	1,000	1,000	1,000	1,000	1,000
Water	0	0	0	0	0	0	0	0	0	0	474	2,500	2,500	2,500	2,500	2,500
Educational	0	0	0	0	0	0	2,923	0	0	0	4,188	15,000	15,000	15,000	15,000	15,000
Advertising	0	0	0	0	0	0	0	0	13	85	2,410	1,100	1,100	1,100	1,100	1,100
Membership & Dues	521	0	1,673	1,140	1,545	1,500	1,830	100	13	4,955	2,688	6,600	6,600	6,600	6,600	6,600
Allowances	0	0	1,397	1,531	2,072	3,372	3,155	1,567	2,825	0	63,000	63,000	63,000	63,000	63,000	63,000
Lease Payments	0	0	0	0	0	0	0	0	0	0	411,510	500,000	400,000	260,000	260,000	260,000
Interest	49,645	67,203	84,612	101,006	120,967	145,698	173,853	203,362	237,313	311,126	411,510	500,000	400,000	260,000	260,000	260,000
Auditing Services	0	0	0	0	1,850	3,500	3,500	2,600	2,200	10,200	2,720	6,400	6,400	6,400	6,400	6,400
Economic Consulting	0	0	24,000	19,842	12,258	8,839	4,817	6,509	5,805	17,866	21,253	84,000	84,000	84,000	84,000	84,000
Administrative Expense	0	0	22,265	5,071	6,032	7,484	8,903	17,430	21,117	20,015	23,082	25,000	25,000	25,000	25,000	25,000
Pass-through payments	9,463	10,196	97,250	104,641	131,342	154,563	188,271	60,905	76,085	80,508	464,566	100,000	100,000	100,000	100,000	100,000
Rental Assistance	40,510	37,919	0	0	0	0	0	0	0	0	0	10,250	10,250	10,250	10,250	10,250
Bond Debt Service	0	0	0	0	0	0	0	0	0	0	0	0	758,960	759,844	759,944	759,458
Operating	181,605	196,339	269,917	264,540	317,527	413,175	409,627	309,866	357,452	456,794	1,036,472	946,415	1,610,375	1,471,259	1,471,359	1,470,873

City of San Gabriel  
Redevelopment Fund  
(Revised 11/15/10)

	Actual 1999-2000	Actual 2000-01	Actual 2001-02	Actual 2002-03	Actual 2003-04	Actual 2004-05	Actual 2005-06	Actual 2006-07	Actual 2007-08	Actual 2008-09	Actual 2009-2010	Budgeted 2010-2011	Forecasted 2011-2012	Forecasted 2012-2013	Forecasted 2013-2014	Forecasted 2014-2015
Las Tunas Market Study	0	0	0	0	0	0	0	0	0	15,250	0	0	0	0	0	0
San Gabriel Blvd Rec. #1	0	0	0	0	0	0	0	0	0	564,013	568,394	1,194,658	0	0	0	0
S.G. Las Tunas & Broadway Inter. Imp	0	0	0	0	0	0	0	0	0	6,328	41,732	1,021,940	0	0	0	0
San Gabriel Blvd Street Lights	0	0	0	0	0	0	0	0	0	13,013	20,539	366,448	0	0	0	0
Las Tunas Street Light Retrofit	0	0	0	0	0	0	0	0	0	0	13,487	0	0	0	0	0
San Gabriel Streetscape Imp.	0	0	0	0	0	0	0	0	0	0	523,693	0	0	0	0	0
Wayfinding Program	0	0	0	0	0	0	0	0	0	0	43,960	0	0	0	0	0
Building Demolishing	0	0	0	0	0	0	0	0	0	0	14,200	0	0	0	0	0
Five Year Implementation Plan	0	0	0	0	0	0	0	0	0	0	350,248	0	0	0	0	0
Feasibility Studies	0	0	0	0	0	0	0	0	0	0	5,000	0	0	0	0	0
Redevel. Expansion Study	0	0	0	0	0	0	0	0	0	0	16,285	0	0	0	0	0
Office Tenant Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Website	0	0	0	0	0	0	0	0	0	0	15,398	0	0	0	0	0
Las Tunas Rehab Phase 1	0	0	0	0	0	0	0	0	0	0	281,514	0	0	0	0	0
S.G. @ Live Oak Traffic Signal	0	0	0	0	0	0	0	0	0	0	2,564	0	0	0	0	0
S.G. @ Commercial Traffic Signal	0	0	0	0	0	0	0	0	0	0	45,471	0	0	0	0	0
Las Tunas @ Walnut Grove Traffic Signal	0	0	0	0	0	0	0	0	0	0	204,395	0	0	0	0	0
Environmental Assessments	0	0	0	0	0	0	0	0	0	0	7,500	0	0	0	0	0
ALTA Surveys	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Food Festival/Restaurant Guide	0	0	0	0	0	0	0	0	0	0	5,000	0	0	0	0	0
Assistance for O'Donnell Chevrolet	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Future Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Projects	0	0	0	0	0	0	0	0	0	598,604	782,030	4,327,987	6,000,000	100,000	100,000	30,000
Transfers Out	0	0	0	9,629	5,364	7,657	11,852	12,324	15,396	16,290	21,292	0	0	0	0	0
Sub-total	181,605	196,339	280,322	285,455	334,861	433,869	445,864	335,438	383,561	1,093,763	1,995,691	5,433,270	7,780,375	1,741,259	1,741,359	1,670,873
Available Fund Balance	78,192	169,120	225,484	347,274	558,094	897,846	1,503,531	2,326,984	3,350,551	4,443,703	5,032,140	898,870	556,792	315,533	74,174	3,301
Less Advances	605,284	794,013	956,938	1,139,688	1,360,422	1,659,609	1,947,388	2,282,827	2,665,120	3,758,882	4,951,252	4,951,252	2,665,120	2,665,120	2,665,120	2,665,120
Fund Bal. Net of Advances	(527,092)	(624,893)	(731,454)	(792,414)	(802,328)	(761,763)	(443,857)	44,157	685,431	684,821	80,888	(4,052,382)	(2,108,328)	(2,349,587)	(2,590,946)	(2,661,819)

NOTES:  
#1:  
#2: