

# Implementation Plan

for the

## Live Oak/Soquel Project Area

### 2005-2009

Redevelopment Agency of the County of Santa Cruz

Adopted: December 14, 2004

Resolution No. 404-2004

Amendment Adopted: January 10, 2006

Resolution No.12- 2006

Amendment Adopted: November 20, 2007

Resolution No. 334-2007

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## I. LEGISLATIVE REQUIREMENTS

In 1987, the Santa Cruz Redevelopment Agency was formed with one project area encompassing Live Oak and Soquel. When the project area was established, project area activity was to end after 25 years, in 2012. In 2002, the Project Area Plan was amended to conform to changes in redevelopment law. As a result, the Agency now has until year 2027 to complete project area activities, and until 2037 to retire all debt.

The Community Redevelopment Law requires that every five years each agency adopt a five-year implementation plan that provides a link between the elimination of blight and the proposed actions of the agency. The original Implementation Plan for the Live Oak-Soquel Project Area was adopted in November, 1994, and was updated in June of 1997. The second five-year Implementation Plan for the Live Oak-Soquel Project Area was adopted in November, 1999, and that plan was updated in November, 2000, and November, 2002. This document shall serve as the third five-year Implementation Plan for the Live Oak-Soquel Project Area.

By law, the implementation plan must describe: the specific goals and objectives of the Agency; programs, including a program of actions and expenditures to be made during the next five years of the plan; how these goals, objectives, programs, and expenditures will assist in the alleviation of blight; and how the Agency will implement both the requirement to increase, improve, and preserve very-low, low, and moderate income housing and the inclusionary housing requirement. If the plan contains any project that will result in the destruction of very-low, low, or moderate income housing, it must also identify replacement housing. In addition this plan incorporates new housing requirements, adopted by the State legislature; they primarily affect the following issues: 1) targeting of housing set aside fund, 2) targeting of projected housing production by income, and 3) strengthening of requirements for replacing affordable housing. The applicable details of these key changes in the law are described below:

### Housing Fund:

- The Agency's Housing Set Aside Fund must be targeted toward producing housing affordable to very-low, low and moderate income groups in proportion to the percentage these income categories reflect the community as determined by the Regional Housing Needs Allocation from AMBAG.
- The Agency's Housing Set Aside Fund must also be targeted so that funding allocations do not exceed the percentage of the population over 65 years of age as determined by the year 2000 Census.
- Terms of the affordability covenants secured by the Agency or counted toward the Agency's production requirements must be affordable for a minimum of 45 years for ownership housing, and 55 years for rental housing.

### Housing Production:

- New housing production requirements will allow all Agency-assisted housing units, which have been substantially rehabilitated to count toward housing production goals whether within or

outside the Project Area.

- New housing production requirements will allow the Agency to “purchase” affordability covenants for multi-family units housing very-low and low income households to count toward housing production goals.

#### Replacement Housing:

- New Housing Replacement requirements will now provide that all affordable units destroyed, removed or rendered unaffordable by Agency action must be replaced at equal or greater affordability within four years.

This Plan is organized in a fashion to address the requirements of State law, while retaining continuity among goals and objectives and related programs and projects. The main body of the report includes a summary of Agency accomplishments to date, Project Area goals and objectives, and programs to be implemented over the next five years. The information specific to housing fund expenditures and affordable housing production in the Project Area is included in the Appendix of this five-year Implementation Plan.

## **II. SANTA CRUZ COUNTY REDEVELOPMENT AGENCY**

In 1986 the Santa Cruz County Board of Supervisors approved the creation of the Redevelopment Agency of Santa Cruz County. Subsequently, in 1987, the Agency's first redevelopment plan—for the Live Oak and Soquel areas—was adopted. That plan was created to provide for revitalization of an area, which had developed without provision of adequate public facilities to service population growth, resulting in blighted physical, social, and economic conditions. In 1988, the Agency began a wide variety of efforts to upgrade the area. Since that time many programs have been initiated, and numerous projects have been completed throughout the Project Area. Table 1 delineates the completed projects and programs described in more detail on the following pages.

#### Initial Data Base and Special Studies:

The Agency has provided funding for and/or participated in preparing a variety of basic resources necessary to allow well-planned redevelopment in the Project Area, including an aerial photo base and topographic mapping; the Urban Forestry Master Plan; the Soquel Village Plan; the Pleasure Point Commercial Area Plan; a parcel-based land use inventory; the Retail Business Market Study; and traffic studies in Live Oak and Soquel.

#### Community Infrastructure/Public Safety Improvements:

A number of community infrastructure/public safety improvements have been completed as part of the County's Capital Improvement Program, with full or partial Redevelopment Agency funding, including the following:

- **Road improvements** such as curbs, gutters, sidewalks, and bike lanes throughout the Project

Area, including portions of Brommer Street, Capitola Road, 17<sup>th</sup> Avenue, 41<sup>st</sup> Avenue, 7<sup>th</sup> Avenue, 30<sup>th</sup> Avenue, Portola Drive, Lake and 5<sup>th</sup> Avenue, Chanticleer Avenue, Commercial Way, East Cliff Drive, Alice Street, Felt Street, Jose Avenue, Park Avenue, Porter Street, Rodriguez Street, Soquel Drive, Thurber Lane, and East Walnut Avenue.

- **Drainage improvements**, in addition to drainage improvements constructed as part of road improvements, including 32<sup>nd</sup>, 33<sup>rd</sup>, 34<sup>th</sup>, 35<sup>th</sup>, 36<sup>th</sup>, and 37<sup>th</sup> avenues, Thurber Channel, Winkle Avenue/Prather Lane, 16<sup>th</sup> Avenue, Mission Drive, lower 14<sup>th</sup> Avenue to Bonita Lagoon, 9<sup>th</sup> Avenue, and Venice Drive.
- **The Soquel Drive-Bargetto Bridge** over Soquel Creek in Soquel Village was replaced.
- **The East Cliff Drive Emergency Crib Wall Repair** project was constructed in the Pleasure Point area.

#### Public Recreation Facilities and Other Community Facilities:

Work on public facilities has included parks and community centers, parking facilities, and a library:

- **Parks** have been developed in both Live Oak and Soquel, including Anna Jean Cummings Park, a community park; and Hestwood, Twin Lakes, Jose Avenue, and Willowbrook, all neighborhood parks; land has also been acquired for three additional neighborhood parks, and a community center in Soquel.
- **The Simpkins Family Swim Center** and Live Oak Community Center was constructed in Live Oak.
- **Pedestrian Bridges** have been constructed at Main Street and Upper Soquel Creek in Soquel, and at the west end of Harper Street bridge in Live Oak.
- In Soquel Village, three **public parking** lots have been purchased and constructed, and an easement for circulation and parking acquired on an existing lot. In addition, the Hook Beach Parking Lot in Live Oak was acquired and improved.
- The site for the **Live Oak Library** was acquired, and a new library building is under construction.
- The **teen center** at Shoreline Middle School was established.
- An interim home for the **Live Oak Family Resource Center** was provided, and a location for development of a permanent home was established.

<b>Table 1: Redevelopment Activities Completed To Date Live Oak - Soquel Project Area</b>	
<b>CONSTRUCTION PROJECTS</b>	
<b><u>Parks and Community Facilities:</u></b>	
<ul style="list-style-type: none"> <li>• Twin Lakes Park</li> <li>• Willowbrook Park</li> <li>• The Hook Beach Parking Lot &amp; 41<sup>st</sup> Ave. Ped. Access</li> <li>• Upper Soquel Creek &amp; Main Street Pedestrian Bridges</li> </ul>	<ul style="list-style-type: none"> <li>• Anna Jean Cummings Park</li> <li>• Hestwood Park</li> <li>• Swim Center/ Live Oak Community Center &amp; Cogen</li> <li>• Jose Avenue Park &amp; Harper Court Pedestrian Bridge</li> <li>• Interim Live Oak Library</li> </ul>
<b><u>Major Drainage Improvements:</u></b>	
<ul style="list-style-type: none"> <li>• Avenues Drainage Project (Phases 1 &amp; 2)</li> <li>• Mission Drive Drainage Improvements</li> <li>• Winkle Avenue/Prather Lane Park Drainage</li> </ul>	<ul style="list-style-type: none"> <li>• Thurber Channel Drainage Project</li> <li>• 14th Avenue to Bonita Lagoon Drainage</li> <li>• Venice Drive Drainage Improvements</li> </ul>
<b><u>Road and Sidewalk Improvements:</u></b>	
<ul style="list-style-type: none"> <li>• Soquel Dr. (Soquel Village) &amp; Bridge Replacement</li> <li>• 17th Avenue Improvements (Phase I, II, and III)</li> <li>• Chanticleer Avenue Improvements</li> <li>• Lower Porter Street Improvements</li> <li>• East Cliff Dr. Improvements (East Cliff Village Area)</li> <li>• Lower 7th Avenue Improvements</li> <li>• Portola Dr. Improvements (17<sup>th</sup> to 24<sup>th</sup>)</li> <li>• Jose Avenue Sidewalk Infill Project</li> <li>• Brommer Street (7<sup>th</sup> to 17<sup>th</sup> Avenues)</li> <li>• Pleasure Point Improvements (Commercial Area)</li> <li>• Rodriguez Street Improvements</li> </ul>	<ul style="list-style-type: none"> <li>• Soquel Drive (Walnut to Porter Gulch) Improvements</li> <li>• Sidewalk Infill (Paul Minnie, Merrill St, upper 30<sup>th</sup> Ave)</li> <li>• Felt Street Improvements</li> <li>• Gross Road Improvements</li> <li>• Main Street/ East Walnut Street Improvements</li> <li>• 30<sup>th</sup> Avenue Sidewalks (Portola to East Cliff)</li> <li>• Park Avenue Improvements</li> <li>• Lake/5th Avenues Improvements</li> <li>• Capitola Road (Soquel Ave. to 38<sup>th</sup> Avenue)</li> <li>• Alice/ Corcoran Street Improvements</li> <li>• Commercial Way Circulation/Drainage Improvements</li> </ul>
<b>ECONOMIC VITALITY PROJECTS/ PROGRAMS</b>	
<ul style="list-style-type: none"> <li>• Soquel Parking and Business Improvement Area</li> <li>• Soquel Village Plan and Soquel 2000 (Project Update)</li> <li>• Soquel Village Public Parking Lots: Walnut Street, Church, &amp; Daubenbiss Ave</li> <li>• Commercial Way Retail Project</li> </ul>	<ul style="list-style-type: none"> <li>• Small Business Assistance Program (LEAP)</li> <li>• Pleasure Point Commercial Area Plan</li> <li>• Felt Street Plaza Commercial Center Rehabilitation</li> <li>• Utility Undergrounding: Soquel Village &amp; Pleasure Point</li> <li>• Retail Development Potential Studies</li> </ul>
<b>SPECIAL STUDIES/ PROGRAMS</b>	
<ul style="list-style-type: none"> <li>• Live Oak Circulation Study &amp; Commercial Way Circulation Study</li> <li>• East Cliff Drive Circulation Alternatives Study</li> <li>• Live Oak Historic Resources Inventory Update</li> <li>• Road Plan Lines (ongoing)</li> </ul>	<ul style="list-style-type: none"> <li>• Live Oak/Soquel Aerial Photo Update</li> <li>• Moran Lake Study</li> <li>• Urban Forestry Master Plan</li> <li>• Street Tree Maintenance Program</li> </ul>

Table 1 continued on Page 5

<b>PROPERTIES ACQUIRED (PENDING REDEVELOPMENT)</b>	
<ul style="list-style-type: none"> <li>• Cunnison Lane/The Farm (future park &amp; community center)</li> <li>• Chanticleer Park Site - (future park)</li> <li>• Capitola Road Site (commercial site assembly)</li> <li>• East Harper Street Park (future minipark/ housing)</li> </ul>	<ul style="list-style-type: none"> <li>• Heart of Soquel Mobile Home Pk. (future Village project)</li> <li>• O'Neill Ranch Commercial Site (top of 41<sup>st</sup> Avenue)</li> <li>• 7<sup>th</sup> Avenue/Brommer Site -Phase 1 (future rec/visitor serving)</li> </ul>
<b>STREETSCAPE PLANTING PROJECTS</b>	
<ul style="list-style-type: none"> <li>• Felt Street</li> <li>• Chanticleer Avenue</li> <li>• 17th Avenue</li> <li>• Lower Thurber Lan</li> <li>• Commercial Crossing</li> <li>• Commercial Way</li> <li>• Rodriguez Street</li> <li>• Lower 41<sup>st</sup> Avenue</li> <li>• Portola Drive (17<sup>th</sup> to 41<sup>st</sup> Avenues)</li> <li>• Capitola Road</li> </ul>	<ul style="list-style-type: none"> <li>• East Walnut St.</li> <li>• Lower Main Street</li> <li>• East Cliff Village</li> <li>• Lower Porter Street</li> <li>• Park Avenue</li> <li>• Lower 7th Avenue</li> <li>• Soquel Drive (Soquel Village)</li> <li>• Lake/5th Avenues</li> <li>• Soquel Drive (Walnut Street to Porter Gulch)</li> <li>• Brommer Street (7<sup>th</sup> to Thompson Street)</li> </ul>

Economic Development/Business Assistance:

The Agency's efforts to assist the business communities in Live Oak and Soquel have provided for greater communication both within the business community and between the businesses and local government. In addition, by working with business associations in both areas, Agency staff have developed the Local Enterprise Assistance Program (LEAP) and continue to focus efforts in the commercial core areas of Live Oak and Soquel to enhance business promotions, encourage business retention and expansion activities, and to promote other site improvements. Additionally, Redevelopment staff have worked closely with Planning and the community to identify "opportunity sites" for possible economic development projects within the Project Area and has provided input to the local government's economic development planning efforts.

Housing:

In the Spring of 1990, the Redevelopment Agency Board of Directors established the underlying policy basis for administering the Low and Moderate Income Housing Fund. Consistent with that program, the Agency, through the Planning Department, is responsible for providing an array of programs and financing a wide variety of projects. Agency-sponsored activities foster the development of new housing and the redevelopment of existing housing to provide long-term affordability to very-low, low and moderate income households.

Since the Agency's inception, 1,141 housing units in the unincorporated County have been assisted through these efforts. Table 2 summarizes the total number of housing units assisted (both existing units and new construction), and includes completed projects as well as projects currently planned or in progress.

	Completed	Planned or in progress	Total
Existing Housing	464	74	538
New Housing	429	174	603
Total	893	248	1,141

Agency-assisted housing projects have benefited a cross-section of area residents living in a wide range of housing types, and future projects are proposed to follow a similar distribution. Units assisted to date are distributed as follows:

- Family Apartments – 24%
- Farm worker Units – 13%
- Home Ownership Projects – 27%
- Mobile Home Units – 14%
- Senior Apartments – 13%
- Special Needs Housing – 9%

The Agency’s housing programs have centered around partnerships with non-profit affordable housing developers, thereby leveraging the Agency’s funds with other public and private funding sources. Over the years, the following organizations have worked in partnership with the Agency:

- Mid- Peninsula Housing Coalition
- South County Housing
- Mercy Housing California
- Santa Cruz Community Counseling Center
- Habitat for Humanity
- Volunteers of America

Agency funds have been used for a variety of activities. Table 3 provides details on the projects and programs in which the Agency has participated. As Table 3 shows, the Agency’s housing activities have been applied in four general areas: 1) new construction, 2) conversion to affordable housing by the application of affordability restrictions, 3) substantial rehabilitation, and 4) housing support programs. The projects noted in Table 3 include the following types of Agency assistance:

- Land acquisition
- Grants or favorable loan terms
- Local matching funds
- Preservation of “at risk” units
- Assistance to low income first time homebuyers
- Purchase of Affordability Restrictions
- Last month’s rent/security deposit assistance for low income renters
- Emergency Housing Assistance

<b>Table 3: Listing of Agency-Funded Affordable Housing Projects and Programs 1987-2004</b>							
<b>AFFORDABLE HOUSING PROGRAMS WITH AFFORDABILITY RESTRICTIONS</b>							
		# units VL	# units L	# units M	Total	Developer	Year Completed
Measure J Preservation	Measure J preservation; low and moderate income homeowners			3	3	RDA	Ongoing
First Time Home Buyer Program	Assistance to low and very-low income households to purchase homes			69	69	RDA	Ongoing
Second Unit Loan Program	Loans to developers of affordable second units		3		3		Ongoing
<b>Total</b>		<b>0</b>	<b>3</b>	<b>72</b>	<b>75</b>		
<b>NEW CONSTRUCTION COMPLETED</b>							
		# units VL	# units L	# units M	Total	Developer	Year Completed
Habitat for Humanity (1-17th Ave, 3 Soquel, 2-Juan Pablo, )	New construction: single family houses for sale to	6			6	Habitat for Humanity	1990 and 1993
VOA Senior Housing	New construction apt. units;	75			75	Volunteers of America	1989
Stepping Out	New construction apartments; disabled adults	8	10		18	Stepping Out Housing, Inc.	1992
Cunnison Lane/Farm	New units/child care;	16	23		39	Mid-Peninsula Housing Coalition	1993
Arroyo Verde	Enhance affordability of very-low and low income ownership project	15	29	57	101	Housing Authority	1993
Casa Linda	New construction; Apartments for very-low income disabled adults	20	1		21	Housing for Indep. People (HIP)	1996
Merrill Road	New construction;	15			15	Housing Authority	1998
San Andreas Farm Labor Housing	Reconstruction of dilapidated farm worker housing	42		1	43	Mid Peninsula Housing Coalition	2002
Vista Verde Apartments	New units and child care for very-low income families	76			76	South County Housing	2002
Corralitos Creek Townhomes	New home ownership units			35	35	South County Housing	2004
<b>Total</b>		<b>273</b>	<b>63</b>	<b>93</b>	<b>429</b>		

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<b>NEW CONSTRUCTION IN PROGRESS</b>							
		# units VL	# units L	# units M	Total	Developer	Year Completed
Corralitos Creek Apartments	New rental apartments for very-low and low income	47	16	1	64	South County Housing	Under Construction
Villas Del Paraiso	Reconstruction of dilapidated farm worker housing	50		1	51	Mid Peninsula Housing Coalition	Under Construction
Seacliff Highlands	New Construction	35	3	1	39	South County Housing	Under Construction
Seascape	Property deeded to County for affordable housing		10	10	20	Not yet identified	Not yet identified
<b>Total</b>		<b>132</b>	<b>29</b>	<b>13</b>	<b>174</b>		
<b>CONVERSION TO AFFORDABLE WITH AFFORDABILITY RESTRICTIONS</b>							
		# units VL	# units L	# units M	Total	Developer	Year Completed
Pacific Family Mobile Home Park	Conversion of mobile home park to limited equity co-op;		34		34	Santa Cruz Community Housing	1990
Lagoon Beach Cooperative	Apt. conversion to limited equity cooperative;		30	1	31	Mercy Housing	1992
Woodland Heights	Preserve affordability of low income senior rental project		68		68	Vosti Properties	1993
Beachcomber Mobile Home Park	Conversion of mobile home park to limited equity co-op;		73		73	Santa Cruz Community Housing	1994
Sorrento Oaks	Private mobile home park conversion; loans to low income park residents	8	4		12	Private Cooperative	1996
Cliffwood Estates Mobile Home Park	Private mobile home park conversion; loans to park residents	9			9	Private Cooperative	1997
Willowbrook Assisted Care Housing	Assisted living housing and affordable rental units		21		21	Willowbrook LLC	2000
McIntosh Mobile Home Park	Preserve, expand, and upgrade mobile home park; low income	4	22		26	Mercy Housing	2000
<b>Total</b>		<b>21</b>	<b>252</b>	<b>1</b>	<b>274</b>		

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<b>OTHER AFFORDABLE HOUSING EFFORTS</b>							
		# units VL	# units L	# units M	Total	Developer	Year Completed
Mobile Home Rehab. Program	Loans to low and very-low income mobile home owners for coach upgrades		10		10	RDA	Ongoing
CDBG Housing Rehabilitation	Rehabilitation of single family, apartments and mobile homes; low income		16		16	Various	
Foster Care Transitional Housing	Housing for minors aging out of the Foster Care Program	6			6		Ongoing
Last/Deposit Program	Loan program to low income households to avoid homelessness	na	na	na	na	Housing Authority (contract w/ RDA)	Ongoing
Families in Transition	Program to assist lower income homeless families transition to self-sufficiency	na	na	na	na	FIT	Ongoing
<b>Total</b>		<b>6</b>	<b>26</b>	<b>0</b>	<b>32</b>		
<b>SUBSTANTIAL REHABILITATION COMPLETED</b>							
		# units VL	# units L	# units M	Total	Developer	Year Completed
Brommer Street	Apt. purchase/rehab.; transitional housing formerly homeless families	6			6	Housing Authority	1992
Tierra Alta	Sanitation improvements for low and very-low income farm worker housing		36		36	Housing Authority	1992
Jardines Del Valle	Rehabilitation and purchase of farm labor camp; low and very-low income	18			18	Mid Peninsula Housing Coalition	1998
Above the Line	Transitional housing for formerly homeless teens & affordable rental units	10	7		17	Mercy Housing	2000
Monarch	purchase/rehab.; transitional housing formerly homeless families	6			6	Santa Cruz Community Counseling Center	2003
<b>Total</b>		<b>40</b>	<b>43</b>	<b>0</b>	<b>83</b>		

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SUBSTANTIAL REHABILITATION IN PROGRESS							
		# units VL	# units L	# units M	Total	Developer	Year Completed
Pleasant Acres	Preserve housing affordability and upgrade mobile home park	64			64	South County Housing	In Progress
Wheelock	Purchase/rehab.; transitional housing formerly homeless families	10			10	Santa Cruz Community Counseling Center	Under Construction
<b>Total</b>		<b>74</b>	<b>0</b>	<b>0</b>	<b>74</b>		

<b>TOTAL</b>	<b>1,141</b>
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**III. POLICY BASIS AND PLAN DEVELOPMENT PROCESS**

The Redevelopment Agency provides for regular input and involvement of the community in creation of community plans, development of program and project priorities, and implementation of specific projects. Additionally, through an annual public hearing on the Agency's proposed budget, community members have the opportunity to comment on program priorities and general direction. Through the Agency's ongoing public participation process, a wide range of programs have been developed to address blighted conditions in the Project Area. This document, therefore, reflects the results of a public process that has been underway for many years.

In addition to the Redevelopment Plan itself and the Implementation Plan, the most significant documents which guide the Agency's redevelopment efforts include:

- **The Santa Cruz County General Plan.** This document, which was significantly updated in 1994, establishes a broad range of land use, housing, and economic development policies and programs. The General Plan and accompanying EIR establishes the need for expanded safety improvements and public facilities within the Project Area. As well, the General Plan directs future land uses by type and location in the Project Area. Lastly, this Plan includes a master plan for park, recreation, and community centers for the area.
- **The Soquel Village Plan.** This plan, adopted in 1990 after extensive public workshops and discussions, includes a generalized blueprint for revitalization efforts in the one of the Project Area's established commercial core areas. The Village Plan includes a wide range of program and project recommendations.
- **The County Capital Improvement Program (CIP).** This ongoing planning effort, which is subject to annual public input and comment, sets five-year goals for public improvement projects throughout the unincorporated County, including the Project Area. The CIP also includes a long

list of other capital project needs for which funding is not currently available. This unfunded list is used as a repository of information on future project options, which are then evaluated for possible future implementation.

- **Urban Forestry Plan.** Adopted in 1992, this plan establishes a general blueprint for addressing the need for aesthetic improvements throughout the Project Area. The Plan focuses primarily on major roadway corridors, key entryways into the community, and important commercial areas.
- **Library System Long Range Plan.** The Library System's Long Range Plan, adopted in 1990, describes population distribution and associated demand for library services. It documents the shortage of library services in the Project Area and recommends numerous improvements to address that shortfall.
- **Housing Report: Recommendations and Program Guidelines.** Adopted by the Board of Directors in 1990, this report includes detailed programs guidelines, priorities, and criteria for the use of Low and Moderate Income Housing funds.

#### IV. GOALS AND OBJECTIVES

The overall redevelopment efforts underway in the Live Oak and Soquel areas are based on the following goals and objectives, which have been developed in response to years of input received through the public participation process described in the previous section.

**Goal #1: Protect and enhance the existing residential neighborhoods throughout the Project Area.**

Objectives:

- i address public safety improvements through planning and financing needed street, intersection, sidewalk, drainage, and bikeway projects, in a fashion which complements neighborhood character.
- ii protect and enhance the character of residential neighborhoods through:
  - completing improvements to the arterial road system to discourage traffic through neighborhoods and, when necessary, developing and implementing strategies to improve traffic patterns and protect neighborhoods.
  - encouraging appropriate site and building design of in-fill development.
  - implementing streetscape improvements where appropriate.
  - implementing traffic calming measures where appropriate.
  - assistance in implementation of the County's Pavement Management Plan.
  - completing drainage improvements where appropriate.
- iii acquire and develop appropriately-located neighborhood parks, which provide use by wide ranging age groups.

- iv provide expanded neighborhood access to parks, schools, and commercial areas through construction of pedestrian and bicycle access improvements.
  - assist in funding a planning study for Coastal Live Oak.
- v improve the existing housing stock, increase neighborhood stability, and reduce residential overcrowding by encouraging housing rehabilitation and protection of existing affordable housing, by promoting housing ownership, and by encouraging improved rental opportunities.

**Goal #2: Support revitalization of the Project Area's small business core areas.**

Objectives:

- i address public safety issues through planning and financing needed street, intersection, sidewalk, drainage, and bikeway projects that enhance the unique character of these areas.
- ii support public parking for small business core areas through private-public partnerships and other arrangements, which result in the acquisition and development of appropriately-located public parking facilities.
- iii provide planning and financing for special aesthetic improvements to address current unsightly conditions and to foster a unique character and identity for small business core areas.
- iv provide incentives to retain and attract key businesses in core areas as set forth in the land use plans of the local government.
- v encourage strengthening small business associations and related business promotional activities.
- vi where appropriate, encourage housing above ground floor commercial space to increase vitality and activity in core areas.

**Goal #3: Strengthen the overall local economy through expanding business opportunities within the Project Area which accomplish the goals of the local government's economic development strategy, including creating jobs, expanding the retail base, and enhancing funding for community services.**

Objectives:

- i provide infrastructure to encourage development of economic opportunity sites.
- ii participate in site assembly and financial assistance for development projects that address community needs.

- iii provide assistance to developers of commercial and industrial sites through serving as source of information on such sites.

**Goal #4: Enhance connections between neighborhoods and local commerce, education, culture, recreation, and employment centers, to strengthen the overall sense of community.**

Objectives:

- i address public safety issues along, and encourage use of major roadways for through-traffic by planning and financing the needed street, intersection, sidewalk, drainage, and bikeway projects while buffering adjacent land uses.
- ii provide key pedestrian and bikeway linkages among residential neighborhoods, schools, business areas, parks, coastal beaches, and other public facilities.
- iii acquire and develop sites for community recreational opportunities, including community playing fields, and other similar facilities.
- iv acquire and develop sites for public and community facilities.
- v identify and work with owners of underutilized sites that can serve as community focus sites/gateways, and encourage design that enhances the community character.
- vi implement a streetscape program (including lighting, street trees, signage, and graffiti abatement) which enhances the character of major roadway corridors, key community entryways, commercial areas, and residential neighborhoods.
- vii encourage the protection and enhancement of, and public access to, riparian areas, lagoons, and other open spaces.
- viii encourage public access to Project Area beaches, recognizing their special status as access to the Monterey Bay National Marine Sanctuary and the MBNMS Scenic Trail, and ensuring that such access minimizes adverse neighborhood impacts.
- ix provide for a range of housing types throughout the Project Area to ensure availability and affordability of housing for Project Area residents.

**Goal #5: Encourage the development of diverse programs, facilities, and opportunities for area residents, including all economic, cultural, special needs, and age groups.**

Objectives:

- i encourage participation of all sectors of the community in setting and implementing the Agency's program and project priorities.

- ii support the preservation of existing affordable housing and the development of appropriately-located new affordable housing opportunities within the Project Area and in other unincorporated areas.
- iii ensure that public facilities are developed to accommodate and encourage use by all sectors of the community, including those for human services.
- iv support the development of new employment opportunities.
- v assist in creating opportunities for area residents to participate in making decisions affecting their community and to take responsibility for alleviating problems through support of community groups and volunteer projects and programs.

**Goal #6: Support the creation and preservation of diverse housing opportunities throughout the unincorporated area of the County and Implement the Goals of the County's Housing Element.**

Objectives:

- i provide for the creation and preservation of diverse housing types as well as diverse ownership and rental opportunities to serve all sectors of the community.
- ii support the development of appropriately located new affordable housing opportunities.
- iii improve the existing housing stock and reduce residential overcrowding by encouraging housing rehabilitation and protection of existing affordable housing,
- iv encourage improved rental opportunities and assist community residents to live in stable rental housing.
- v encourage home ownership by low income households.
- vi recognize the unique role and importance of farm worker housing in the community.

**Goal #7: Maximize the effectiveness of Agency funds by attracting other revenue resources as appropriate.**

Objectives:

- i leverage Agency funds with those obtained from State, federal, and private grant sources.
- ii when feasible, use community and neighborhood assistance to implement projects and programs.

iii participate in public/private partnerships to achieve Agency goals and objectives.

Table 4 illustrates the relationship between this Plan's goals and objectives and the elimination of blight in the Project Area, as required by the Community Redevelopment Law:

<b>Table 4: Summary of Relationship of Conditions of Blight And Plan Goals and Objectives</b>								
Conditions Addressed	Goal	#1	#2	#3	#4	#5	#6	#7
<b>STRUCTURAL BLIGHT</b>								
Deterioration and dilapidation		X	X	X	X	X	X	X
Defective design and character of physical construction		X	X	X	X	X	X	X
Faulty interior arrangement and exterior spacing		X	X	X		X	X	X
Overcrowding		X				X	X	X
Inadequate provision for light, ventilation, open spaces		X	X				X	X
Age, obsolescence, deterioration, dilapidation, mixed character, or shifting uses & vacancies		X	X	X			X	X
<b>NON-STRUCTURAL BLIGHT</b>								
Lots of irregular form and shape and inadequate size		X	X	X				X
Inadequate public improvements, facilities, open spaces and utilities		X	X	X	X	X	X	X
Traffic circulation; curbs, gutters, sidewalks, street paving		X	X	X	X		X	X
Drainage		X	X	X	X		X	X
Parks/community centers		X			X	X		X
Libraries					X	X		X
Parking		X	X		X			X
Depreciated values, impaired investments		X	X	X		X	X	X
Economic maladjustment (vacancies, undeveloped and underdeveloped properties)			X	X			X	X

**V. PROGRAMS AND PROJECTS**

To meet the goals and objectives set forth in this Plan, the Agency will implement a variety of programs and associated projects. As with all Agency activities, public participation will continue to

play an instrumental role in helping shape Agency priorities, particularly as the Agency's programs are implemented and refined.

Table 5 shows the linkages between each of these programs and the conditions they address. Table 6 shows estimated expenditures by program and reflects increasing expenditures over the next five years consistent with the future bonding capacity of the Agency.

## **1. Community Enhancement**

The Agency has developed a number of programs designed to improve and expand community and public facilities in the Project Area.

### Traffic and Safety:

Over the years, traffic and safety improvements have not kept pace with the Project Area's population growth. As a result, congestion, combined with poor circulation patterns, greatly contribute to Project Area blight. The traffic and safety program will continue to provide vehicular, pedestrian, and bicycle improvements to facilitate traffic flow and enhance public safety. Agency projects include construction of curbs, gutters, sidewalks, bike lanes, medians, signalization, traffic calming measures, and paving on County roads (including participation in the Pavement Management Program) and other projects identified in the County's Capital Improvements Program. (For list of completed projects, see Table 1.) Specific roads, or portions of roads, which are planned to undergo improvements over the next five years may include, but are not limited to: Soquel Avenue, upper 7<sup>th</sup> Avenue, Eaton Street, upper 41<sup>st</sup> Avenue, East Cliff Drive (5<sup>th</sup> to 12<sup>th</sup> avenues), and East Cliff Drive in Pleasure Point (including bluff stabilization), upper 30<sup>th</sup> Avenue (Portola Drive to Brommer Street), Soquel Drive, Portola Drive (24<sup>th</sup> to 26<sup>th</sup> avenues), Kinsley Street, Capitola Avenue, West Walnut, Robertson Street, upper Porter Street, lower Chanticleer Avenue, upper 14<sup>th</sup> Avenue, Cabrillo College Drive, Bulb Street, Thompson Avenue, and Brommer Street from Upper Harbor to 7<sup>th</sup> Avenue Bike and Pedestrian Connection. The Agency will also pursue miscellaneous sidewalk in-fill projects. In addition, the Agency will continue to assess the need for and feasibility of other traffic and safety improvements in the Project Area.

### Drainage:

There are a number of inadequate drainage facilities throughout the Project Area which contribute to blighted conditions. In an ongoing effort to prevent flooding and damage to public and private property, the Agency will continue to provide financial assistance to drainage improvements within the Project Area. Most of the road projects described above include a drainage improvement element. Specific drainage projects will include upper 35<sup>th</sup> Avenue, 16<sup>th</sup> Avenue and Garden Street. The Agency will also work with the Public Works Department to identify and pursue other drainage improvements.

### Public Recreation and Cultural Facilities:

An integral part of the Agency's activities includes providing for the continued availability of public recreation facilities to serve the needs of Project Area residents. New and enhanced public recreation

facilities address the long-standing shortage of public recreation and cultural facilities in the Project Area, and meet the growing needs of the area's expanding population and community groups. This ongoing program provides for acquisition and development of a variety of new and expanded public recreational and cultural facility opportunities. Specific projects in the next five years may include, but are not limited to, Chanticleer Avenue Park (development), Felt Street Park (development), Soquel Community Center and Tee Street Park, also known as the Farm (development), Floral Park (renovation), Moran Way (acquisition), 7<sup>th</sup> Avenue and Brommer Street (acquisition), Rodriguez Park site (acquisition), Maciel park site (acquisition), the "Road House" at 2-3905 East Cliff Drive (possible acquisition), Moran Lake Park improvements and habitat enhancement, the East Cliff Drive pedestrian and bicycle path in Pleasure Point, beach access, lateral access and parking improvements at Twin Lakes Beach, and parking lot expansion and hillside slide replacement at Anna Jean Cummings Park, and renovations at the Simpkins Family Swim Center.

#### Public and Community Facilities:

In response to the critical need for a branch library to serve Live Oak and Soquel residents, the Agency acquired property and developed the interim Live Oak branch library on Portola Drive. Construction of a permanent, expanded, library on the site is complete, and the library is open. Future Agency projects and activities may include re-construction of the Animal Services facilities as well as site acquisition and construction of other public facilities of benefit to the project area. Animal Services now plans to re-occupy the site previously used by the SPCA on 7<sup>th</sup> Avenue. The existing buildings and site improvements are in poor condition, and the use has created noise, parking, and other impacts in the surrounding residential neighborhoods. The Agency continues to work with the Live Oak Family Resource Center and the Volunteer Center on plans that include Agency participation in a permanent facility in a new location on 17<sup>th</sup> Avenue. In addition, the Agency will continue to work with the community and other departments, agencies, and organizations to assess the need for and feasibility of additional community facilities.

#### Community Planning and Design:

Planning, technical studies, and community design considerations are an important aspect of the Agency successfully integrating Agency projects with other public and private development in the Project Area. Over the next five years, the Agency will be continuing efforts such as developing plan lines for Project Area roads, preparing community design plans, working with the Planning Department on other community-based planning efforts, completing the Moran Lake study, evaluating opportunities for Live Oak riparian trails, and conducting other studies that may be needed for other redevelopment and related projects, including assisting in funding a planning study for coastal areas of Live Oak.

#### Neighborhood Beautification:

Agency efforts to upgrade existing neighborhoods involves beautification projects which can make significant improvements, often spawn community participation, and encourage private investment. The ongoing Urban Forestry Program coordinates and finances street tree planting and associated landscape improvements within the public right-of-way as well as on private property along public rights-of-way. This program utilizes both County staff and neighborhood volunteers. Other projects which the Agency may be involved in implementing during the next five years include

undergrounding of overhead utilities, graffiti abatement and property cleanup/trash abatement, efforts to identify and improve key gateways in the Project Area, and other projects and programs, as needed.

## **2. Economic Development**

Encouraging economic activity, business development and private investment in the Project Area is key to a successful redevelopment strategy. A strong economy is fundamental to the quality of life of Project Area residents, the health of local business, and the ability of local government to provide services. If private sector jobs and investment are lost or go elsewhere, the local economy declines, resulting in rising unemployment, higher social costs, decreasing local sales, falling local revenues, and deteriorating services and infrastructure. To prevent this social and physical deterioration, it is important to enhance the competitive economic position of the Project Area and County, encouraging business growth and building a positive business climate. The Agency will continue to pursue a variety of activities to help generate private investment, create jobs, and strengthen the economy of the Project Area.

### **Studies:**

A number of factors are key to encouraging private investment in the Project Area. These include developing appropriate economic development strategies for the Project Area and core commercial areas, identifying infrastructure needs required to implement these strategies, understanding retail development opportunities, and encouraging appropriate development of opportunity sites. The Agency will continue to participate in and prepare studies related to economic development opportunities and related infrastructure needs, including but not limited to:

- Participation in the development of the Santa Cruz County Comprehensive Economic Development Strategy.
- Preparation of traffic analysis of existing and future circulation needs for key commercial corridors including Soquel Drive and upper 41<sup>st</sup> Avenue.
- Updating the Retail Development Potential Study in order to identify appropriate retail development opportunities.
- Updating information regarding opportunity sites in order to encourage appropriate development of these sites.
- Preparation of conceptual design studies for the Capitola Road neighborhood retail site.
- Preparation of conceptual design studies for the 7<sup>th</sup> Avenue/Brommer Street visitor serving accommodations and park uses site at the entrance to the upper harbor.
- Analysis of potential for visitor-serving accommodations within the Project Area and identification of opportunity sites.

Parking Facilities:

A lack of convenient parking in core commercial areas can adversely affect business activity and economic growth in the Project Area. In addition, inadequate parking for residential neighborhoods can potentially impede neighborhood revitalization efforts. The parking facilities program assists in alleviating parking deficiencies in selected residential areas and in key commercial areas where business activity can be strengthened as a result of more accessible and convenient parking. This program includes the acquisition and development of parking lots and the creation of new parking opportunities in the Project Area. Specific projects in the next five years may include, but are not limited to, development of shared parking opportunities in Soquel Village and the upper 41<sup>st</sup> Avenue commercial area, parking for the Pleasure Point business area, and additional beach parking.

Business Assistance:

Retaining and attracting business in the Project Area is an important component of the Agency's economic development strategy. Through this program, the Agency will work closely with the business communities in Live Oak and Soquel to identify efforts to retain and attract key businesses. These efforts involve continuing to:

- Foster communication within the business community and between the businesses and local government.
- Work with Project Area business associations, including support for the Local Enterprise Assistance Program (LEAP).
- Focus special efforts in the commercial core areas of Live Oak and Soquel to enhance business promotions, encourage business retention and expansion activities, and to promote facade and other site improvements.
- Recognize an important part of the Project Area's economic activity is supported by local tourist visits to the region's coastal resources.
- Work with local businesses and County agencies to ensure consistent code enforcement.
- Participate in other business assistance programs.

Development Assistance:

There are a limited number of major development opportunity sites in the Project Area. To help ensure that new development on key sites meets community needs, the Agency will continue to work with the community and property owners to identify development opportunities within the Project Area. If Agency development assistance is needed, Agency involvement will be carefully targeted to projects which meet identified community needs and would not otherwise be financially feasible for a private developer. Activity is expected to be focused in the Upper 41st Avenue areas and Capitola Road; future activity may include other areas as well. During the next five years, the Agency will explore various opportunities including:

- Providing assistance to developers of selected non-residential sites which cannot be developed to meet broad based community needs without Agency involvement, such as site assembly, or off-site infrastructure.
- Developing and maintaining a data base of available non-residential sites within the Project Area for use by interested developers.

### **3. Housing**

#### Agency's Housing Production Plan

Consistent with the Agency's Housing Program Guidelines adopted by the Board in 1990, over the coming five year period ,the Agency will assist a wide range of affordable housing projects within the Project Area and throughout the unincorporated County. Agency assistance will continue to provide for a variety of housing types ranging from small studio units to mobile homes, family sized rental units to single family dwellings, and to involve a variety of strategies as further discussed below:

- Development of New Affordable Units

The Agency will continue its involvement in the development of new affordable housing through acquiring development sites and collaborating with developers to construct new affordable units. Current short term projects include the

- Construction of Villas Del Paraiso 51 new units on Freedom Boulevard near Pinto Lake.
  - Construction of 39 units off McGregor Drive near Seacliff Village
  - Construction of 16 new units on the County-owned site in Seascapes
  - Construction of 64-unit Corralitos Creek Apartments project
  - Implementation of pilot project to construct new farm worker housing on agricultural land in partnership with farmers under provisions of the Employee Housing Act.
  - Construction of 19 units as part of Seacliff Highlands Phase 2 off McGregor Drive near Seacliff Village.
  - Completion of the evaluation of the proposed 55 units off Graham Hill Road in Felton.
  - Purchase permanent affordability covenants for 45 units at the Swan Lake Condominium Project.
  - Development of mixed use commercial/residential projects on appropriately zoned properties.
  - Continued pursuit of other potential sites and projects as opportunities arise.
  - Planning, technical studies, and ultimately project financing for sites identified through the Housing Element rezoning program, creating 20 unit/acre density housing projects with a minimum of 40% affordability.
- Housing Rehabilitation

Within the Project Area and throughout the unincorporated County, there are a large number of substandard, dilapidated, and overcrowded housing units that contribute to area blight.

- The Agency will continue county-wide efforts to upgrade and improve existing owner-

occupied and rental housing stock, including farm worker housing and the Mobile Home Rehab Program.

- Resident Acquisition of Property:

A substantial number of residents currently living in rental housing and mobile home parks have expressed a strong desire for resident control of property currently leased or rented. Recent legislation allows State funds to be used both for resident acquisition and acquisition by a non-profit organization.

- The Agency will continue to assist mobile home park and apartment residents in resident and non-profit purchase projects in connection with State funding programs.
- The Agency anticipates providing financial assistance and technical support to assist in privately-financed resident purchase projects throughout the County.

- Local Matching Funds:

Typically, Agency-assisted projects involve other federal, State, and private funding sources. During the next five years the Agency will continue to leverage its Low and Moderate Income Housing Funds as opportunities present themselves, by providing local matching funds to help attract outside housing subsidy funds to affordable housing projects.

- Affordable Housing Preservation Program:

- Throughout the unincorporated County, the Agency will continue to monitor the potential loss of affordable units with expiring affordability. Program initiatives include:
  - Providing financial assistance to preserve long term unit affordability for Section 8 projects or any other projects with expiring subsidies
  - Continued implementation of the Affordable Housing Preservation program to maintain affordability restrictions on units that are at risk due to expiration of affordability restrictions and due to foreclosure.

- First Time Home Buyer Loan Program:

- The Agency will continue its program to assist low and moderate income first time home buyers although State law does not allow the Agency to count single family units assisted under this program toward its production requirements.

- Mobile Home Change-Out Program

- The Agency will continue this program established in 2007 to assist low and moderate income mobile home owners to replace older mobile homes in mobile home parks with new manufactured homes.

- Special Needs Housing Program
  - The Agency will continue to work with other departments and agencies to identify opportunities to provide permanent affordable housing for special needs populations, including the Foster Care Youth Transitional Housing Program, and Mental Health Services Act housing programs.

**4. Relationship of Conditions of Blight and Programs and Projects**

The purpose of the programs and projects presented in this Plan is to address the conditions of blight in the Project Area. Table 5 illustrates the relationship between this Plan's programs and projects and the alleviation of blight in the Project Area, as required by the Community Redevelopment Law:

<b>Table 5: Summary of Relationship of Conditions of Blight and Plan Programs and Projects</b>			
<b>STRUCTURAL BLIGHT</b>			
Conditions Addressed	Comm. Enhancement	Econ. Devel.	Housing
Deterioration and dilapidation	X	X	X
Defective design and character of physical construction	X	X	X
Faulty interior arrangement and exterior spacing		X	X
Overcrowding			X
Inadequate provision for light, ventilation, open spaces	X	X	X
Age, obsolescence, deterioration, dilapidation, mixed character, or shifting uses	X	X	X
<b>NON-STRUCTURAL BLIGHT</b>			
Lots of irregular form and shape and inadequate size		X	
Inadequate public improvements, facilities, open spaces and utilities	X	X	X
Traffic circulation; curbs, gutters, sidewalks, street paving	X	X	X
Drainage	X	X	X
Parks/community centers	X		
Libraries	X		
Parking	X	X	
Depreciated values, impaired investments	X	X	X
Economic maladjustment (vacancies, undeveloped and underdeveloped properties)		X	X

## 5. Estimated Program Expenditures

Funding for these programs is provided through tax increment revenue and bond proceeds. The Agency has bonded an average of once every three years. It is anticipated that there will be one or two new bond issues during the next five years. Table 6 shows estimated expenditures for five years, as required by the Community Redevelopment Law:

<b>Table 6: Estimated Program Expenditures January 1, 2005 – December 31, 2009</b>					
Program Expenditures *	2005	2006	2007	2008	2009
Community Enhancement	8,700,000	9,300,000	9,700,000	11,200,000	11,700,000
Economic Development	325,000	500,000	500,000	750,000	1,000,000
Affordable Housing	7,130,000	7,330,000	4,705,000	6,980,000	6,880,000

- \* These are estimates of expenditure by program area for planning purposes and are not intended to bind the Agency to specific financing limitations or require Implementation Plan amendments if actual expenditures differ from these estimates.

## VI. SUMMARY

This Implementation Plan for the Live Oak/Soquel Project Area describes the various programs which are proposed to be undertaken and continued during the next five years to assist in the alleviation of blighting conditions in the Project Area and to preserve and increase the community supply of affordable housing. These programs are recommended with the understanding that circumstances and situations constantly change. For this reason, the Implementation Plan, as required by the Community Redevelopment Law, will be reviewed periodically and amended when needed to reflect changing priorities and needs.

**APPENDIX A: HOUSING INFORMATION**

Community Redevelopment Law requires that certain specific information be included in the Implementation Plan. This includes information pertaining to past and future housing fund expenditures, proportional spending requirements, the number of Agency-assisted units and specific affordable housing production requirements. Specific information is also required to be reported pertaining to three Plan periods: 1) the 17-year period between 1987 and 2004, 2) the ten-year period between 2005 and 2014 encompassed by this Implementation Plan and 3), the 13-year period between 2014 and 2027, which constitutes the remaining life span of the 40-year limit of the Live Oak/Soquel Redevelopment Project Area.

Housing Fund Expenditures 2000-2004:

The Implementation Plan is required to include the amount of Housing Funds utilized during the 2000-2004 period to assist affordable housing projects and whether funded activities were available to families with children. During the 2000-2004 reporting period, the Agency expended \$13,194,273 on specific projects to assist affordable units throughout the unincorporated County and there were no Agency assisted projects, which were restricted to housing units that were limited to seniors during this reporting period.

2005-2014 Projected Funds Available and Projected Expenditures:

Table A-1 below indicates the amount of funds in the Low and Moderate Income Housing Fund, the anticipated revenues and expenditures, and the estimated number of very-low, low, and moderate income units that will receive Agency assistance during the next five years. (Although a project may receive Agency assistance over a number of years, the table shows only those units completed in a given year.) Activities include acquisition and development of new affordable housing; rehabilitation of dilapidated units; resident acquisition projects; local matching funds; and preservation of "at risk" units and replacement units. (Because of the specific statutory requirements in the law, a number of Agency programs—e.g. resident acquisition programs, First Time Home buyer Programs, Second Unit Assistance Programs—result in Agency-assisted units that are not counted toward the Agency production goals, as discussed below.)

<p align="center"><b>Table A-1: Low and Moderate Income Housing Fund Estimates and Number of Units Completed by Year</b></p>								
Proceeds/Income				Expenses				
Year	Beginning Balance	Bond Proceeds	Tax Increment	Subtotal Revenue	Admin. and Debt Service	Projects and Programs	Subtotal Expense	Remaining Funds
2005	20,120,000	8,000,000	5,269,365	13,269,365	3,548,000	7,130,000	10,678,000	22,711,365
2006	22,711,365		5,375,000	5,375,000	4,412,000	7,330,000	11,742,000	16,344,365

Table A-1 continued on Page 25

2007	16,344,365		5,482,000	5,482,000	4,475,000	4,705,000	9,180,000	12,646,365
2008	12,646,365		5,592,000	5,592,000	4,544,000	6,980,000	11,524,000	6,714,365
2009	6,714,365		5,704,000	5,704,000	4,615,000	6,880,000	11,495,000	923,365

2005-2014 Proportional Spending Requirements:

In addition, over the 2005-2014 time period, the Agency is required to expend housing funds in accordance with an income proportionality test and an age proportionality test. These proportionality tests must be met every ten years through the end of the redevelopment project, corresponding to the Implementation Plan periods. These tests do not have to be met on an annual basis.

By income level: The income proportionality test requires the Agency to expend its funds at least in proportion to the housing needs that have been determined for the community. The proportionality test is based on the regional housing-need allocation contained in the County's Draft Housing Element, which determines the spending proportions within the Agency's expenditure plan. As noted in the table below, the proportional spending goals have been met.

<b>Table A-2: Income Proportionality</b>			
Income Category	AMBAG Regional Housing Need Allocation	Required Spending Proportions	Proposed Spending Proportions
Very-low	937	<b>45%</b>	<b>45%</b>
Low	502	<b>24%</b>	<b>27%</b>
Moderate	651	<b>31%</b>	<b>28%</b>

By Age: Agency funds must be spent to provide, improve, or preserve housing that is not age restricted in at least the same proportion as the County's population under age 65 as reported in the most recent census. The 2000 census indicates that at least 90% of the County's population is younger than 65 years of age, so at least 90% of the Agency's expenditures must be spent on housing that is available to households younger than 65. The Agency has not specifically targeted its projects or programs to a seniors only population and, therefore, this Plan complies with this section of the law.

The Implementation Plan also is required to include projections about the amount of expenditures for each income group during each year of the implementation period. These projections are noted below in Table A-3 below:

<b>Table A-3: Project Funding</b>				
	Very-Low	Low	Moderate	TOTAL
2005	3,590,000	2,740,000	800,000	7,130,000
2006	2,840,000	640,000	3,850,000	7,330,000
2007	2,315,000	840,000	1,550,000	4,705,000
2008	2,690,000	2,740,000	1,550,000	6,980,000
2009	3,440,000	2,240,000	1,200,000	6,880,000
2010	3,440,000	340,000	1,800,000	5,580,000
2011	1,840,000	2,140,000	350,000	4,330,000
2012	340,000	2,690,000	2,050,000	5,080,000
2013	1,840,000	340,000	2,250,000	4,430,000
2014	2,840,000	340,000	300,000	3,480,000

Agency-Assisted Units

The Implementation Plan is also required to estimate the number of new, rehabilitated, or price-restricted units to be assisted during each of the next five years, of the ten year period, as well as of the life of the Plan. Future year projections, which are based on a continuation of the various Agency programs—substantial rehabilitation activities, new construction programs, and long-term affordability strategies—are presented in the Table A-4 below.

<b>Table A-4: Agency Assisted Units: By Year and Activity</b>			
<b>YEAR</b>	<b>New Units</b>	<b>Rehabilitated Units</b>	<b>Price-Restricted Units</b>
<b>1987-2004</b>	603	463	66
2005	165	68	32
2006	40	164	32
2007	126	1	32
2008	76	14	32
2009	0	24	32
<b>Total 2005-2009</b>	407	271	160
<b>Total 2010-2014*</b>	305	203	120
<b>Total 2014-2027**</b>	529	352	208
<b>TOTAL LIFE OF PLAN</b>	<b>1844</b>	<b>1289</b>	<b>554</b>

\* Assume 75% of 2005-2009 annual average

\*\*Assume 50% of 2010-2014 yearly average x 13 years

Production Requirements:

Table A-5 summarizes the number of units required to be produced by the Agency using its Low Income Housing funds based on certain activities occurring in the project area. These include market rate construction and existing rehabilitation in the project area as well as replacing housing opportunities lost due to Agency development activities. State law requires that 15% of all units developed in a Project Area be affordable, with 40% of the affordable units (or 6% of the total) allocated to very-low income households, and 60% of the allocated units (or 9% of the total) affordable to low and moderate income households. The law also allows an agency to count agency-assisted affordable units that are outside a project area toward the agency's project area production requirement on a two-for-one basis. According to Redevelopment law, growth in the project area sets the standard to determine the number of affordable housing units that the Agency must produce during the duration of this Implementation Plan.

The Agency's production requirement for units affordable to very-low, low, and moderate income households is 258 units or 15% of the total units produced in the Project Area. Table A-5 shows that between 1987 and 2004, the Agency produced 437 units that the Agency assisted toward meeting the 15% affordability requirement. Because the Agency exceeded in the production of the required units, the resulting 179 surplus units are available to be counted toward future production requirements.

<b>Table A-5: Implementation Plan Production Requirements And Production Surplus/Deficit: 1987- 2004</b>	
<b>PRODUCTION REQUIREMENT</b>	
Total Units Produced	1720
Total <b>Very-low</b> Income Units Required (40% of Affordable Unit obligation)	103
Total <b>Low/Moderate</b> Income Units Required (60% of Affordable Unit Obligation)	155
Total Affordable Housing Unit Obligation (15% of the Total Units Produced)	258
<b>UNITS PRODUCED</b>	
Total <b>Very-low</b> Income Units	106
Total <b>Low/Moderate</b> Income Units	331
Total Units Produces	437

Table A-5 continued on Page 28

<b>TOTAL PRODUCED IN SURPLUS OR DEFICIT</b> (no. units required minus no. units produced)	
<b>Very-low</b> Income Units Produced in Surplus	3
<b>Low/Moderate</b> Income Units Produced in Surplus	176
<b>Total Produced Income Units in Surplus</b>	179

Prior year surplus or deficits are carried forward and incorporated into the future production goals. In addition, beginning in 2004, the low/moderate income category is required to be divided into separate low and moderate income unit counts. Accordingly, the number of very-low income surplus units from Table A-5 carried forward is the same. However, based on new reporting requirements, the previous number of 176 surplus units in the low /moderate income category has been split based on the actual percentage of the total number of low and moderate income units produced during the prior reporting period. Therefore, these 176 surplus units have been distributed into 91 low and 85 moderate income “prior surplus” units carried forward as shown in Table A-6.

In Table A-6 below, the Agency’s future production requirements are derived from the projected growth in the Project Area. For the purpose of this analysis, the estimated annual new development in the Project Area is based on the rate of development over the last ten years, during which the average numbers of units built, rehabilitated, and displaced in the Project Area are 55, 4 and 3 units per year, respectively.

The estimated production in Agency-assisted units included in Table A-6 is based on the Agency’s ongoing programs and scheduled projects. Thus, between 2005-2014, the Agency estimates assisting the production of 679 units toward meeting the 15% affordability requirement. Because the Agency exceeded in the production of the required units, the resultant 773 surplus units can be counted toward future production requirements.

Based on the estimated production in Agency-assisted units included in Table A-6 between 2014–2027, the Agency estimates the production of 145 units that the Agency intends to assist toward meeting the affordability requirement. Therefore, by the end of this Implementation Plan in 2014 and for the duration of the life of the Project Area in 2027, the Agency anticipates assisting enough affordable units to secure a surplus in the affordable housing production requirements for all income categories. Projected displacement by the Agency has already been deducted from the projected units to be assisted by the Agency.

<b>Table A-6: Implementation Plan Production Requirements And Production Surplus/Deficit: 2005 - 2027</b>				
<b>PRODUCTION REQUIREMENT 2005-2014 (10-Yr Cumulative)</b>				
	Total	Very-Low	Low	Moderate
Requirement	85	40	19	26
Estimated Production	679	378	177	124
Prior Surplus (Deficit)	179	3	91	85
<b>End of 2014 Surplus (Deficit)</b>	<b>773</b>	<b>341</b>	<b>249</b>	<b>183</b>
<b>PRODUCTION REQUIREMENT 2014-2027</b>				
Requirement	133	60	32	41
Estimated Production	145	0	58	87
Prior Surplus (Deficit)	773	341	249	183
<b>End of 2027 Plan Life Cumulative Surplus (Deficit)</b>	<b>785</b>	<b>281</b>	<b>275</b>	<b>229</b>

The following section summarizes the Agency's activities during the major time periods covered in this Implementation Plan.

#### **1987 - 2004:**

From when the Agency was formed in 1987 to July 1, 2004, more than 1700 units were built or rehabilitated in the Project Area. During that period the Agency assisted in the creation of a wide variety of housing opportunities both within and outside the Project Area. Agency activities include assistance in the development of new affordable units and rehabilitation of existing dilapidated housing into affordable units with long-term affordability restrictions, creating farm worker housing units and housing for special needs, conversion of mobile home parks into resident-owned parks with permanent affordability restrictions. These activities are listed and described in more detail in Table 3.

#### **2005 - 2009**

During the five year period between 2005 and 2009, the Agency estimates 417 assisted units will be created and applied toward the Agency's production goals: 297 units assisting very-low income households, 67 units assisting low income households, and 54 units assisting moderate income households.

There are a number of pending and proposed activities scheduled for this five year period.

Pending projects include:

- completion of Phase II of the Wheelock project. This is a three unit project, which includes a total of 15 beds, that are permanently affordable and available to serve the psychiatrically disabled homeless adults.
- completion of the on-site infrastructure improvements and renovation of the 64-space Pleasant Acres Mobile Home Park.
- completion of the 64 unit Corralitos Creek rental apartments for farm workers and very-low and low income families.
- completion of construction of the 39-unit Seacliff Highlands rental apartments for very-low and low income families.
- completion of the 51-unit Villas del Paraiso (Marmos) project providing for rental housing for very-low income families and farm workers.
- continued operation of various housing assistance programs, including rental assistance programs and other related activities and the Agency's First Time Home Buyer Program, which provides for ownership opportunities for low and moderate income families.
- approval of the 19 Seacliff Highlands Phase 2 townhouse units.
- completion of the evaluation phase of the proposed 55-unit ownership and rental housing project proposed for the Felton Faire property off Graham Hill Road in Felton.

In addition to these pending projects, during the next five year period, the Agency will be pursuing the following activities:

- conversion of other RV parks to permanent housing.
- opportunities to develop mixed-use housing projects.
- opportunities to convert existing units to long term affordable housing.
- development of new housing units on appropriate sites.
- continuation of the program to rehabilitate or replace dilapidated mobile homes and to upgrade dilapidated mobile home parks through both the Mobile Home Rehab Program and the Mobile Home Change-Out Program.
- utilization of other strategies to increase farm worker housing through the creation of an additional Migrant farm worker facility and other development opportunities of farm worker housing in accordance with the Agency's farm worker housing program.
- opportunities to provide permanent affordable housing for Special Needs populations, including Foster Care Youth Transitional Housing Program, and Mental Health Services Act housing programs.

## **2010-2014**

During the five years between 2009 and 2014, the Agency will continue its involvement in the 2005-2009 programs, including new construction activities, substantial rehabilitation activities, and projects involving acquisition of long-term affordability restrictions. Two hundred and sixty-one (261) units are projected toward the Agency's production goals for 2010 –2014. Within this period, the Agency projects assisting 81 units for very-low income households, 110 for low income households, and 70

units for moderate income households. Table A-6 shows that at the end of the 2005-2014 period, a total of 773 surplus units, consisting of 341 very-low income, 249 low and 183 moderate income units will be built in excess of Redevelopment Law requirements.

### **2014 –2027**

During this final period, production of affordable units is predicated on fewer available resources but with a continuation of the same general type of affordable housing programs. It is anticipated that these efforts will result in 145 units, both inside and outside the Project Area, that can be counted toward the production goals. Table A-6 shows that at the end of the life span of the Project Area, a total of 785 surplus units, consisting of 281 very-low income, 275 low, and 229 moderate income units will be built in excess of Redevelopment Law requirements.

While projections beyond a ten year period become increasingly speculative, it is clear, based on the Agency's experience to date and pipeline projects, that if Agency low and moderate income housing funds continue to be used to assist in the new construction and substantial rehabilitation of affordable housing, then the Project Area affordable housing production obligations over the life span of the Agency will be easily achieved.

### Replacement Housing Requirements:

Redevelopment Law (Section 33413(a)) requires agencies to replace low or moderate income units displaced by an agency activity within 4 years of displacement. Since the Agency's inception, Agency projects have minimized displacement of low and moderate income households and the loss of housing units.

Between 1987 and 2004, a total of 49 units have been lost as a result of Agency-assisted projects. Forty (40) units were replaced between 1989-2004, and the 9 units remaining, which were displaced between 2002-2004, will be replaced using units developed in the 2005–2009 period. All replacement housing requirements will be met within the four-year period required by law with low or very-low income units. Tables A-5 and A-3 have accounted for the past and projected replacement of displaced units as part of the Agency's projected funding obligation.