

**CITY OF OAKLAND
COUNCIL/ AGENCY AGENDA REPORT**

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2004 OCT 28 PM 6:44

TO: Office of the City Administrator/Agency Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: November 9, 2004

RE: RESOLUTIONS ADOPTING FIVE-YEAR IMPLEMENTATION PLANS FOR THE ACORN, BROADWAY/MACARTHUR/SAN PABLO, CENTRAL DISTRICT, COLISEUM, OAK CENTER, AND STANFORD/ADELINE REDEVELOPMENT PROJECT AREAS

SUMMARY

This item is a request for Redevelopment Agency approval of resolutions adopting Five-Year Implementation Plans for 2004-09 for the Acorn, Broadway/MacArthur/San Pablo, Central District, Coliseum, Oak Center, and Stanford/Adeline redevelopment project areas.

The adoption of the attached resolutions is necessary to satisfy a state redevelopment law requirement that a redevelopment agency must adopt implementation plans for each redevelopment project area every five years.

The FY 2004-09 projected budgets for each of the redevelopment project areas are as follows:

**PROJECTED BUDGETS
By Project Area, FY2004-09*
(\$'000s)**

PROJECT AREA	Capital Projects & Programs	Personnel & General Activities	Debt Service	Low/Moderate -Income Housing
Acorn	\$610	\$1,234	\$2,058	\$1,332
Broadway/MacArthur/ San Pablo	\$3,844	\$834	\$0	\$2,712
Central District	\$122,588	\$32,776	\$89,124	\$43,037
Coliseum	\$14,582	\$24,545	\$7,438	\$17,523
Oak Center	\$992	\$984	\$1,200	\$1,108
Stanford/Adeline	(\$17)	\$0	\$370	\$129

*Includes funds from all listed project areas, interest income and loan repayments.

FISCAL IMPACT

Proposed expenditures for FY 2004-05 for each of the six implementation plans are consistent with the Agency's FY 2004-05 Amended Mid-Cycle Budget. For the last four of the five years proposed, FY 2005-09, the attached schedules are projections only and are contingent upon specific Agency authorizations at a later date. The assumed rates of revenue growth for each

project area are based upon a percentage growth in total assessed value of all taxable properties within each area, over a 2004 assessed valuation.

There will be no adverse impact on the General Fund or to the funds of the Redevelopment Agency. The resolutions only adopt six Five-Year Implementation Plans. No allocation or reallocation of funds is involved.

BACKGROUND

In January 1994, Assembly Bill 1290 (Isenberg) came into effect, dramatically changing redevelopment law in California. Among such changes was a requirement for redevelopment agencies to develop and adopt implementation plans for all redevelopment project areas established before December 31, 1994, and every five years thereafter over the life of each redevelopment plan. Redevelopment project areas created after January 1, 1995 are required to produce implementation plans at their creation and every five years thereafter over the life of the redevelopment plan.

The law requires that the content of the implementation plan include:

1. Specific goals and objectives of the Agency for the project area over the next five years;
2. Specific programs, including potential projects and estimated expenditures;
3. An explanation of how these goals, objectives, programs, and expenditures will eliminate blight; and
4. An explanation of how these goals, objectives, programs, and expenditures will fulfill redevelopment law low- and moderate-income housing requirements.

In response to this law, the Agency adopted the first set of five-year implementation plans for the Acorn, Central District, Oak Center, and Stanford/Adeline Redevelopment Projects on December 1994; these plans expired in December 1999. The first implementation plan for the Coliseum Area Redevelopment Project was adopted when the original Coliseum Redevelopment Plan was adopted in July 1995, and expired in July 2000. New implementation plans for these projects were adopted in 1999 and 2000.

In July 2000, the Broadway/MacArthur/San Pablo Redevelopment Project Area was created. An implementation plan for this area was adopted on the date that the Redevelopment Plan was adopted. In an effort to align the timing of this Project Area's implementation plan with the Acorn, Central District, Oak Center, Stanford/Adeline, and Coliseum implementation plans, a new implementation plan for the Broadway/MacArthur/San Pablo project area is included in this report. The Broadway/MacArthur/San Pablo Project Area Committee (PAC) has reviewed and recommended approval of the Implementation Plan for their area.

Project areas not included in this set of implementation plans include the Oak Knoll, West Oakland, Central City East, and Oakland Army Base project areas. The Oak Knoll Redevelopment Project Area was created in July 1998; because the property remains in federal ownership and has no debt to date, it has not generated a significant amount of tax increment revenue. Therefore, no implementation plan for the area exists. The West Oakland and Central City East Redevelopment project areas were established in 2003 and have new implementation plans that do not require updating at this time. A request will be forthcoming from the Central City East PAC to amend the existing implementation plan for Central City East at a future date. The Oakland Army Base implementation plan will need to be updated when ownership boundaries, public trust jurisdiction issues, and land use planning efforts warrant.

The law also provides for periodic public review of the five-year implementation plans, as a means to evaluate the progress of the redevelopment projects. A public hearing on the implementation plan must be held no earlier than two years and no later than three years after each plan's adoption. Depending upon the adoption date of the six Five-Year Implementation Plans discussed in this report, public hearings must be held between December 2006 and December 2007 for input on potential modifications.

KEY ISSUES AND IMPACTS

The Five-Year Implementation Plans are based on the Oakland Redevelopment Agency FY 2004-05 Midcycle Amended Budget. The types of expenditures were identified and expenditure amounts were estimated in this Budget, but no specific projects were identified. Specific projects and funding allocations will be made through the Redevelopment Agency's standard budget process in 2005, for FY2005-07, and again in 2007, for FY2007-09.

The following key changes were made to each implementation plan, from the previous set of implementation plans adopted by the Agency:

Acorn

- A change in goals, specifically the sale of Jack London Gateway Shopping Center, and new funding provided for a residential rehabilitation loan program, a commercial façade improvements program, and a tenant improvement program.
- Additional detail regarding the projection and use of tax increment revenue for FY 2004-09 for mandated transfers, set-asides and debt payments.

Broadway/MacArthur/San Pablo

- Additional detail regarding the projection and use of tax increment revenue for FY 2004-09 for mandated transfers, set-asides and debt payments.
- Description of FY 2004-09 expenditures, outlining how funding levels will be allocated to address specific projects and goals.

Central District

- Additional detail regarding the projection and use of tax increment revenue for FY 2004-09 for mandated transfers, set-asides and debt payments.

Re: CEDA Redevelopment – Five-Year Implementation Plans

- Projection of capital expenditures for FY 2004-09, including carry-forwards, operating revenue, and bond proceeds.
- Updated descriptions of specific capital projects and programs.

Coliseum

- Additional detail regarding the projection and use of tax increment revenue for FY 2004-09 for mandated transfers, set-asides and debt payments.
- Description of funds available for the Coliseum area capital projects.
- Description of FY 2004-09 expenditures, outlining how funding levels will be allocated to address specific projects and goals. The previous plan only described a three-year funding level.

Oak Center

- A new goal/achievement not included in the previous plan is the establishment of the Oak Center Historic Preservation Area in July 2003. The Oak Center Neighborhood Association also worked with staff to establish new priorities for expenditure of capital funds for FY 2004-09.
- Additional detail regarding the projection and use of tax increment revenue for FY 2004-09 for mandated transfers, set-asides and debt payments.

Stanford/Adeline

- A new goal includes debt creation to allow the Agency to continue to collect tax increment revenue from the project area. Funds created will be directed to the Agency's Low and Moderate Income Housing Fund.
- Additional detail regarding the projection and use of tax increment revenue for FY 2004-09 for mandated transfers, set-asides and debt payments.

In addition, per California redevelopment law, each of the Implementation Plans contains a detailed housing component addressing the Agency's housing responsibilities. Each housing component contains information regarding housing requirements for each project area, including a complete description of: 1) applicable housing production requirements; 2) applicable provisions regarding the Low and Moderate Income Housing Fund; 3) housing goals and objectives of the implementation plan; 4) estimated Low and Moderate Income Housing Fund revenues and expenditures; 5) anticipated housing program activities; and 6) allocation of housing funds over the previous implementation period.

SUSTAINABLE OPPORTUNITIES

Economic: The adoption of these Implementation Plans will have an economic benefit to each redevelopment area, as each plan outlines how tax increment funds will be used to support various business growth and retention projects and programs, capital improvement projects, housing programs, and operations and maintenance projects, which sustain the economic viability of each project area.

Environmental: The Agency will make an effort to ensure that any development projects completed as part of the Implementation Plans will adhere to the City's sustainable development

guidelines, which include criteria for green building technologies, site selection and preparation, water, energy, indoor environmental quality and human factors, materials selection with recycled content or health considerations, and waste and recycling procedures.

Social Equity: Social equity is ensured through active public involvement in the various projects and programs budgeted for in the Implementation Plans, delineation of affordable housing set-aside funds for each of the project areas, and sponsorship of public art. In addition, developers of redevelopment projects will in some cases be subject to the Agency's employment and contracting programs including local construction employment, local and small local business participation goals, and living wage.


DISABILITY AND SENIOR CITIZEN ACCESS

Any projects and programs implemented in these project areas will be required to comply with applicable City, state, and federal disabled access requirements. Any new construction that occurs on the properties in these project areas will be required to comply with applicable City, state, and federal disabled access requirements. CEDA Building Services will address such standards during plan check and building inspection.

ACTION REQUESTED OF THE COUNCIL AND AGENCY MEMBERS

It is recommended that the Agency approve the attached resolutions adopting five-year implementation plans for the Acorn, Broadway/MacArthur/San Pablo, Central District, Coliseum, Oak Center, and Stanford/Adeline redevelopment project areas.

Respectfully submitted,



Dan Vanderprien, Director of
Redevelopment, Economic Development,
and Housing and Community Development

Prepared by:
Jeff Chew
Urban Economic Coordinator
CEDA, Redevelopment Division

APPROVED FOR FORWARDING TO
THE COMMUNITY AND ECONOMIC
DEVELOPMENT COMMITTEE



OFFICE OF THE CITY ADMINISTRATOR/

FILED
OFFICE OF LEGAL COUNSEL
APPROVED AS TO FORM AND LEGALITY
CITY CLERK
OAKLAND
2004 OCT 28 PM 6:45
AGENCY COUNSEL

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

**A RESOLUTION ADOPTING THE 2004-2009
IMPLEMENTATION PLAN FOR THE ACORN
REDEVELOPMENT PROJECT**

WHEREAS, Section 33490 of the California Community Redevelopment Law (Health & Safety Code Section 33000, et seq.) requires a redevelopment agency to adopt an implementation plan every five years; and

WHEREAS, the Agency Administrator has prepared and presented to the Agency an Implementation Plan for the Acorn Redevelopment Project for 2004-2009; and

WHEREAS, the Agency has held a public hearing and received comment on the proposed Implementation Plan; and

WHEREAS, the proposed Implementation Plan as presented to the Agency sets forth the specific goals and objectives for the Acorn project area, the specific programs, projects and estimated expenditures over the next five years, and an explanation of how the goals, objectives, programs, projects, and expenditures will eliminate blight within the project area and meet low- and moderate-income housing requirements, as required by law; now, therefore, be it

RESOLVED: That the Agency hereby approves and adopts the 2004-2009 Implementation Plan for the Acorn Redevelopment Project attached to this Resolution as Attachment A; and be it further

RESOLVED: That the Agency Administrator or her designee is hereby authorized to take whatever action is appropriate with respect to the Implementation Plan consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, AND CHAIRPERSON DE LA FUENTE,

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

ATTACHMENT A

ACORN REDEVELOPMENT PROJECT FIVE-YEAR IMPLEMENTATION PLAN 2004-2009

I. BACKGROUND AND INTRODUCTION

The Acorn Redevelopment Project Area in the West Oakland neighborhood covers 24.55 acres of land on 14 city blocks, is ten blocks from Oakland's downtown area, close to major employment centers in Oakland and San Francisco, and has good public transportation access to BART and AC Transit. The Project Area is fifty percent industrial and fifty percent residential. The Project Area consists of single-family homes, single-family homes that have been converted to multiple units, apartment buildings and public housing projects.

Since the inception of the Acorn Redevelopment Project Area in November 1961, the Redevelopment Agency has funded or otherwise supported a number of actions called for in earlier implementation plans. Recent accomplishments and actions include:

- Housing development totaling over 1,000 rental units between 1960 and 1970, including Acorn I and II, MOHR, and Apollo;
- Development rehabilitation resulting in 293 refurbished and redesigned rental units and 83 single-family houses;
- Completion of two infrastructure projects along 8th Street; and
- Development of the Jack London Gateway Shopping Center (formerly the Acorn Shopping Center), which is now fully occupied. A grocery store has located in the Center and all previously vacant space has been occupied. Other tenants include a credit union, laundromat/dry cleaners, apparel stores and fast food restaurants. Additional improvements include parking lot repaving, landscaping, plumbing upgrades and installation of a new, more visible sign.

II. GOALS AND OBJECTIVES FOR THE PROJECT AREA

Although the original planned redevelopment activities have been completed, redevelopment goals and objectives for the Acorn Project Area still involve acquiring and/or rehabilitating blighted, vacant and underutilized properties, and identifying additional opportunities for improvements in housing, community retail, and infrastructure.

The major goal of the Acorn Redevelopment Project includes the sale of the Jack London Gateway Shopping Center to JLG Associates ("JLGA"), a limited liability company composed of a subsidiary of the East Bay Asian Local Development Corporation, the West Oakland Marketplace Advancement Company, and TFB Associates, Inc., and its rehabilitation by JLGA. This process has been extended since the City Council approved the financing plan in 1999. Now a Disposition and Development Agreement between the Agency and JLGA is in place, and

the plan is to transition ownership when HUD approves an additional \$1,300,000 in funding (50% Section 108 loan and 50% Economic Development Initiative grant) for the project.

Pending HUD approval, the remaining loan and grant funds authorized by Council and the Agency in fiscal year 1999-2000 will be assumed by the new owner once approval is given to proceed with the sale of the Center to JLGA. The new owner will be responsible for repayment of at least \$1.47 million, to be repaid from cash flow. This figure represents the \$2.97 million Section 108 loan minus \$1.5 million in debt service that will be paid by revenue from the net property tax increment and sales tax generated by the Center.

A grocery store has located in the Center and all previously vacant space has been occupied. Several of the improvements that have been completed include improvements to several stores, parking lot repaving, landscaping, plumbing upgrades and installation of a new more visible sign.

III. PROJECTS AND EXPENDITURES PROPOSED FOR THE NEXT FIVE YEARS

The following table outlines the projected tax increment revenue for the Acorn Redevelopment Project over the five-year period of this implementation plan. The figures assume a 2% average growth in tax increment revenue over the 2004 assessed property valuation within the project area. The revenues stated for the last four of the five years proposed, FY 2005-09, are projections *only* and are contingent upon specific Council authorizations at a later date.

**Projection of Tax Increment Revenue
FY2004-09
(\$'000s)**

	FISCAL YEAR					TOTAL
	2004-05	2005-06	2006-07	2007-08	2008-09	2004-09
Gross Tax Increment Revenue	1,103	1,038	1,064	1,091	1,118	5,414
Housing Set Aside Requirement	(253)	(260)	(266)	(273)	(280)	(1,332)
State Education Funds (ERAF)	(90)	(90)	0	0	0	(180)
AB 1290 Pass-Through	0	0	0	0	0	0
Debt Service	(391)	(401)	(411)	(421)	(434)	(2,058)
Net Tax Increment Revenue	369	287	387	397	404	1,844

The total projected net tax increment revenue that will be available in the Project Fund during the FY 2004-09 period is estimated to be approximately \$1,844,000.

The proposed expenditures for the next five years are based on the projected tax increment revenue that will be available in the Project Fund as described above. It is anticipated that existing residences could benefit from home rehabilitation loans. Additionally, the West Oakland Redevelopment Project will be engaging in various main street activities and implementation of the 7th Street design plan. Since the Acorn area contains the entrance to the 7th street corridor, and contains other underutilized commercial and industrial properties, it is recommended that funding be provided for commercial façade improvements and tenant

improvements to attract and retain retail activity and commercial/industrial employers. It is also recommended that rehabilitation loans be provided for the aging housing stock in the area. The chart below shows the percent allocation for each year for non-housing set aside funds:

Year:	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09
Residential Rehabilitation Program	50%	50%	50%	50%	50%
Retail and Commercial façade improvements and tenant improvement programs	50%	50%	50%	50%	50%

IV. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL ELIMINATE BLIGHT

The substantial rehabilitation of Acorn has eliminated blight from the 30 year-old project and provided an updated, lower density, integrated income project. Additional funding will be used for façade improvements, commercial and residential rehabilitation loans.

V. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL FULFILL THE LOW/MODERATE-INCOME HOUSING REQUIREMENTS

A. Implementation Plan Requirements

This Housing Component of the Implementation Plan is required by Article 16.5 of the California Redevelopment Law ("CRL") as contained in Sections 33000, *et seq.*, of the California Health and Safety Code. (All citations in this portion of the Implementation Plan are to the Health and Safety Code unless otherwise specified.)

The Housing Component presents those components of the Agency's intended program for the Project Area that deal with the expenditure of funds and activities relating to the production of housing at affordable housing cost to persons and families of low- and moderate- ("low-mod") income. Low-income and moderate-income are defined in the CRL by reference to Section 50093, which specifies the following income levels:

- Moderate-income is defined as a household income from 80 percent to 120 percent of median income for the applicable household size (Section 50093);
- Low-income is defined as an income from 50 percent to 80 percent of median income for the applicable household size (Section 50079.5); and
- Very low-income is defined as an income less than 50 percent of median income for the applicable household size (Section 50105).

Affordable housing cost is defined in Section 50052.5 as shown in the following table. Housing cost for rental housing includes rent plus an allowance for tenant-paid utilities. Housing cost for owner-occupied housing includes principal, interest, insurance, taxes, utilities, homeowner association dues, and maintenance.

Definition of Affordable Housing Cost

Income Level	Rental Housing	Owner-Occupied Housing
Very Low-Income	30% of 50% of AMI	30% of 50% of AMI
Low-Income	30% of 60% of AMI	30% of 70% of AMI
Moderate-Income	30% of 110% of AMI	35% of 110% of AMI, but no less than 28% of actual income

AMI = "Area Median Income," which is the Median Family Income, adjusted for family size, for the metropolitan area (Alameda and Contra Costa Counties combined), as determined by the U.S. Department of Housing and Urban Development

The CRL provides that, in addition to the removal of blight, a fundamental purpose of redevelopment is to expand the supply of low-mod housing (Section 33071). To accomplish this purpose, the CRL contains numerous provisions to guide redevelopment agency activities with regard to low-mod housing. These provisions divide a redevelopment agency's housing responsibilities into three major categories:

- The production and/or replacement of low-mod housing depending upon activities undertaken by an agency within its project areas;
- The set-aside and expenditure of specified amounts of tax increment revenue for the express and exclusive purpose of increasing and improving the community's supply of low-mod housing; and
- Preparing reports on how the agency has met, or preparing plans on how the agency will meet its responsibilities with regard to the first two items.

This Housing Component is part of the Agency's responsibilities under the third major category. Its contents address how the Agency's plans for the Project Area will achieve many of the housing responsibilities contained in the first and second major categories of Agency housing activities. Article 16.5 requires that the housing portion of an Implementation Plan address the applicable items presented in the list below:

1. Production of Housing Based on Activities in the Project Area:

- The requirement that, for certain project areas, at least 30 percent of all new and substantially rehabilitated dwelling units developed by a redevelopment agency over a 10-year period must be available at affordable housing cost to persons and families of low- and moderate-income, and must be occupied by these persons and families (Section 33413(b)(1)). At least 50 percent of these units must be available to very low-income households.

- The requirement that, for certain project areas, at least 15 percent of all new residential units dwelling units developed within a project area under the jurisdiction of an agency by public or private entities or persons other than the agency over a 10-year period must be available at affordable housing cost to persons and families of low- or moderate-income, and must be occupied by these persons or families (Section 33413(b)(2)). At least 40 percent of these units must be available to very low-income households.
- The requirement that, for certain project areas, at least 15 percent of all substantially rehabilitated units that have received agency assistance over a 10-year period must be available at affordable housing cost to persons and families of low or moderate-income, and must be occupied by these persons or families (Section 33413(b)(2)(iii)). At least 40 percent of these units must be available to very low-income households.
- The requirement that an agency must replace, on a one-for-one basis, all units destroyed or removed from the low- and moderate-income housing stock caused by agency activities in a project area, within four years of the destruction or removal (Section 33413(a)). Suitable locations must be identified for replacement housing units rehabilitated, developed or constructed pursuant to Section 33413(a), if the destruction or removal of low-mod units will result from a project contained in the Implementation Plan.

2. Set-Aside and Expenditure of Tax Increment for Housing Purposes:

- The requirement to set-aside at least 20 percent of tax increment revenue into a Low and Moderate Income Housing Fund to increase, improve, and preserve the community's supply of low-mod housing at an affordable housing cost (Sections 33334.2 and 33334.6).
- The proportional expenditure of Low and Moderate Income Housing Funds on moderate-low-, and very low-income housing and family housing (Section 33334.4).
- The transfer of housing funds to other public entities producing housing in the community (a possible outcome of the provisions of Sections 33334.12 et seq.).

3. Additional Requirements:

- Estimates of the balances and deposits into the Low and Moderate Income Housing Fund.
- A housing program identifying expenditures from the Low and Moderate Income Housing Fund.
- An indication of housing activity that has occurred in the project area.
- Estimates of housing units that will be produced in the project area for each of the various income categories.

B. Applicable Low- and Moderate-Income Housing Requirements

1. Applicable Housing Production Requirements

The date of adoption of the redevelopment plan, the existence of low-mod housing units, and the potential for residential development are the primary determinants of the legal and practical applicability of the various housing provisions of the CRL. Only the low-mod housing provisions applicable to the Acorn Project Area are discussed below:

a. Replacement Housing Obligation

The Agency does not anticipate undertaking or assisting any actions in the Acorn Project Area that would result in the demolition or removal from the market of low- and moderate-income housing. Therefore there is no replacement housing obligation presently projected.

b. Housing Production Obligation

Because the Acorn Redevelopment Plan was adopted prior to 1976, the Agency is not required to comply with the housing unit production requirements of Section 33413(b) for the Project Area.

2. Applicable Provisions Regarding Low- and Moderate-Income Housing Fund Set-Aside

a. Set-Aside of Tax Increment

The Agency must comply with the Section 33334.2 and 33334.6 requirement to allocate at least 20 percent of the gross tax increment from the Acorn Project Area to affordable housing activities. The set-aside is required to be deposited into a Low and Moderate Income Housing Fund created to hold the monies until expended.

However, the Redevelopment Agency has adopted a policy by resolution that 25 percent of all tax increment revenue from each project area be allocated to the Low and Moderate Income Housing Fund, if certain conditions are met. The projections of deposits into the Low and Moderate Income Housing Fund from the Acorn Project Area that are included in the following section assume that the full 25 percent set-aside will be deposited into the Low and Moderate Income Housing Fund in each of the years covered by this Implementation Plan.

b. Proportional Expenditures of Housing Fund Monies

The Acorn Project Area is subject to the Section 33334.4 requirement that the Agency expend Low and Moderate Income Housing Fund monies in accordance with an income proportionality test and an age restriction proportionality test. These

proportionality tests must be met every ten years through the termination of the Project Area life. These tests do not have to be met on an annual basis.

1) Very Low- and Low-Income Housing Expenditures

The income proportionality test requires the Agency to expend Low and Moderate Income Housing Funds in proportion to the housing needs that have been determined for the community pursuant to Section 65584 of the Government Code. The proportionality test used in this Implementation Plan is based on the 2000 Regional Housing Needs Assessment (RHNA) prepared by the Association of Bay Area Governments. Based on the 2000 RHNA for the City of Oakland, the Agency’s minimum required allocation for very low- and low-income expenditures, and maximum moderate-income housing expenditures are:

Category	RHNA	Threshold
Very Low-Income	2,238	At least 43%
Low-Income	969	At least 19%
Moderate-Income	1,959	No more than 38%
Total	5,166	

Section 33334.4 requires that at least 43 percent of the Low and Moderate Income Housing Fund monies from the Acorn Project Area dedicated to projects and programs be spent on housing for very low-income households. In addition, at least 19 percent of these funds must be spent on housing for low-income households, and no more than 38 percent of the funds can be spent on moderate-income households. However, the Agency is entitled to expend a disproportionate amount of the funds for very low-income households, and to subtract a commensurate amount from the low- and/or moderate-income thresholds. Similarly, the Agency can provide a disproportionate amount of funding for low-income housing by reducing the amount of funds allocated to moderate-income households. In no event can the expenditures targeted to moderate-income households exceed the established threshold amount.

The Agency will allocate Acorn Low and Moderate Income Housing Funds in such a way that these percentages are met over the ten-year period from 2004 through 2014. In addition, the City and other entities may provide assistance for the construction of units affordable to very low- and low-income households that may also be counted toward meeting the requirements of Section 33334.4.

2) Age Restricted Housing Expenditures

Section 33334.4 also requires that the Agency assist housing that is available to all persons, regardless of age, in at least the same proportion as the population under age 65 bears to the City’s total population as reported in the most recent census of the United States Census Bureau. The 2000 Census indicates that 89.5 percent of the City’s population is under 65 years of age. As such, at least 89.5 percent of the Agency expenditures on affordable housing projects from Low and Moderate Income Housing Fund monies from the Acorn Project Area must be spent to assist projects

that do not impose age restrictions on the residents. The following summarizes the allocation of Low and Moderate Income Housing Fund monies.

Age Category	Percentage of Funds
Senior	10.5% Maximum
Unrestricted	89.5%
Total	

The Agency will ensure that over the ten-year period from 2004 through 2014, not more than 10.5 percent of its expenditures on affordable housing projects from Low and Moderate Income Housing Fund monies from the Acorn Project Area are for projects that exclusively serve seniors.

c. Transfer of Housing Funds to Other Providers

The Project Area is subject to the CRL provisions requiring the transfer of housing funds to other housing producers in the Oakland area in certain circumstances. Such transfers could possibly occur if the Low and Moderate Income Housing Fund contains "excess surplus." Excess surplus means any unexpended and unencumbered amount in a project area's Low and Moderate Income Housing Fund that exceeds the greater of \$1,000,000 or the aggregate amount deposited into the Low and Moderate Income Housing Fund during the project's preceding four fiscal years.

The Agency does not anticipate having an excess surplus during the current Implementation Plan cycle or throughout the subsequent remaining Acorn Project life.

3. Housing Goals and Objectives of the Implementation Plan

The primary goal of the Agency is to comply with the affordable housing requirements imposed by the CRL in a responsible manner. The affordable housing activities identified in this Implementation Plan will explicitly assist in accomplishing the intent of the CRL in regards to the provision of low-mod housing.

The CRL establishes that certain housing expenditures, and preservation and production requirements, be attained during five and ten year increments. The housing production requirement, if applicable, must be met every 10 years, while the proportionality tests must be achieved over the next 10 years, and then again through the end of the Project life. It is the Agency's goal and objective for this Implementation Plan to accomplish sufficient activity and expenditures over the Implementation Plan term, and through the remaining term of the Project, to comply with the applicable requirements.

4. Estimated Housing Fund Revenues and Expenditures

The following table presents the projected future deposits into the Low and Moderate Income Housing Fund from the Acorn Project Area. As shown below, \$1,332,000 in revenues are projected to be available over the five-year term of this Implementation Plan.

**Estimate Housing Set-Aside Revenue
2004-2009
(\$'000s)**

Plan Year	Fiscal Year	Housing Set Aside
1	2004-05	\$253
2	2005-06	\$260
3	2006-07	\$266
4	2007-08	\$273
5	2008-09	\$280
Total		\$1,332

5. Anticipated Housing Program Activities

The Agency may assist in a variety of programs to increase, improve and preserve affordable housing in the Project Area or the City of Oakland, such as the following:

a. Production

The Agency can make loans and grants from the Low- and Moderate-Income Housing Fund to non-profit and for-profit developers for the new construction or rehabilitation of affordable housing. Loans can be made on a deferred payment and/or below market interest rate basis.

The Agency can also participate in land acquisition, land cost write-down, developer recruitment, credit enhancement, and other participation to cause affordable housing to be developed. This is normally accomplished after identification of a housing site, development of a housing concept, and issuance of a Request for Proposals for development of housing. Such affordable housing could be rental or ownership housing. The Agency may also acquire land and directly build housing.

b. Rehabilitation

The Agency may offer low-interest or no-interest loans or grants to assist low- and moderate-income homeowners in making repairs to existing residences. Such repairs could consist of correcting health and safety violations, re-landscaping, and re-painting. This preserves the affordability of the housing and extends its lifespan, as well as improving the neighborhood. Additionally, such programs can be extended to owners of rentals properties to make repairs to affordable rental housing. In either case, covenants must be recorded to keep these properties affordable for the time period required by the CRL.

c. Affordability Assistance

The Agency may provide direct subsidies to lower the cost of producing housing or first-time homebuyer programs to assist very low- to moderate-income families with mortgage assistance for the purchase of a home. The latter can take the form of a deferred loan with a low interest rate and equity sharing provisions. When the home is sold, the loan and equity share would be used to help another first-time homebuyer.

d. Preservation of Existing Affordable Housing

The Agency may offer loans, grants or other forms of investment to assist in the preservation of existing assisted housing that is otherwise threatened with conversion to market rate. Such assistance would be coupled with affordability restrictions of 55 years for rental housing and 45 years for owner-occupied housing.

6. Allocation of Housing Funds over Previous Implementation Period

While Agency housing set-aside funds are tracked individually for each project area, the funds from all of the Agency's project areas are combined into a single Low and Moderate Income Housing Fund. The Agency has made findings that affordable housing activities in any part of the City of Oakland are of benefit to all of the redevelopment project areas. As a result, Low and Moderate Income Housing Funds from the Acorn Project Area may be used both inside and outside the Project Area. In addition, the City of Oakland also provides assistance from its own funds for the development, improvement and preservation of affordable housing.

The tables on the following page provides information for the period 1999-2004 regarding:

- the amounts of Low and Moderate Income Housing Fund moneys utilized to assist units affordable to, and occupied by, extremely low-income households, very low-income households, and low-income households, including units available to families with children; and
- the number, the location, and the level of affordability of units newly constructed with other locally-controlled government assistance and without Agency housing fund assistance and that are required to be affordable to, and occupied by, persons of low-, very low-, or extremely low-income for at least 55 years for rental housing or 45 years for homeownership housing.

Redevelopment Agency Assisted Housing Activities Completed or Underway, 1999 - 2004

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
10211 Byron	Families	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 386,550
1574-1590 7th Street	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 136,846
2001 Linden Street	TBD	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 148,500
3701 MLK Jr.	Families	Underway	Broadway/ MacArthur/San Pablo	TBD	TBD	TBD	TBD	\$ 109,510
5825 Foothill	Homeownership	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 701,000
Adeline Lofts	Families	2002	West Oakland	31	6			\$ 70,179
Allen Temple Gardens	Seniors	2001	Coliseum	49			1	\$ 1,951,000
Altenheim Phase I	Senior	Underway	None	66			1	\$ 1,778,560
Calaveras Townhomes	Homeownership	Underway	None				28	\$ 3,858,500
Casa Velasco	Seniors	2003	Central City East	20				\$ 908,000
Chestnut Court Ownership	Homeownership	2003	Oak Center and none		15			\$ 1,727,000
Chestnut Court Rental	Families	2003	Oak Center		71		1	\$ 2,976,000
Coliseum Gardens Phase I	Families	Underway	Coliseum	91	22		2	\$ 1,500,000
Courtyards at Acorn	Families	2000	Acorn		87			\$ 604,500
CURA-North	Disabled or HIV/AIDS	2001	None	8				\$ 587,876
Drachma	Families	2003	West Oakland	19				\$ 1,712,000
Eastmont Court	Disabled or HIV/AIDS	Underway	Central City East	18			1	\$ 1,427,000
Edes Avenue Homes	Homeownership	Underway	Coliseum		26			\$ 2,075,000
Effie's House	Families	1999	None	4	16			\$ 225,000
Faith Housing	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 689,598
Habitat Fruitvale Homes	Homeownership	2003	None		4			\$ 112,000
Habitat Village	Homeownership	2001	Coliseum		40			\$ 981,048
Horizon Townhomes	Homeownership	Underway	Central City East		4	10		\$ 1,767,000
Irene Cooper Terrace	Seniors	2000	Central City East	39			1	\$ 560,000
Lake Merritt Apartments	Senior	2004	Central City East	11	43		1	\$ 1,900,000
Leola Terrace II	Homeownership	Underway	Central City East		8			\$ 200,000
Lincoln Court	Senior	Underway	None	24	57			\$ 2,000,000
Linden Court Rental	Families	2003	West Oakland		78		1	\$ 3,224,000
Madison Lofts	Families	Underway	Central District	TBD	TBD	TBD	TBD	\$ 1,498,000
Mandela Gateway Ownership	Homeownership	Underway	West Oakland		8	6		\$ 1,146,100
Mandela Gateway Rental	Families	Underway	West Oakland	95	71		2	\$ 2,500,000
MLK MacArthur BART Sr.	Senior	Underway	Broadway/ MacArthur/San Pablo	32			1	\$ 2,080,850
MLK Plaza Homes	Homeownership	2002	None		6	5		\$ 1,287,175
Mortgage Assistance Program	Homeownership	multiple	Citywide	51	225	11		\$11,000,000
Northgate Apartments	Families	2003	None	21	20		1	\$ 349,229
Oak Park Homes	Families	Underway	Central City East	16	18		1	\$ 3,419,000
Oak Street Terrace Senior	Senior	Underway	Central District	21	17		1	\$ 2,072,000
Oakland Point Limited Partnership	Families	2002	West Oakland	31				\$ 1,451,606
Palm Court	Homeownership	Underway	Acorn		12			\$ 855,400
Palm Villa	Homeownership	2003	None		78			\$ 6,725,000
Percy Abrams Jr. Senior	Senior	Underway	None	43			1	\$ 1,000,000

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
San Pablo Gateway	Homeownership	2000	Broadway/ MacArthur/San Pablo		7	10		\$ 1,473,792
Santana	Families	2004	Central City East	30				\$ 713,000
Sausal Creek	Homeownership	Underway	None		9	8		\$ 2,329,000
Seven Directions	Families	Underway	Coliseum	24	13		1	\$ 3,289,000
Southlake Towers	Senior		Central District	26	103		1	\$ 445,300
Sylvester Rutledge Manor (North Oakland Senior)	Seniors	2003	West Oakland	64			1	\$ 2,551,750
Town Center at Acorn	Families	2000	Acorn	102	104			\$ 250,000
UniDev	Families	Underway	Citywide	TBD	TBD	TBD	TBD	\$ 25,000

(1) Agency Funding includes all funding provided from Low and Moderate Income Housing Fund over the life of the project. Some funding may have been provided prior to 1999.

(2) TBD = "to be determined" – specific affordability levels have not yet been established.

**Housing Units Newly Constructed in Redevelopment Project Areas,
Assisted With Locally-Controlled Government Assistance and
No Redevelopment Agency Housing Financing, 1999 – 2004**

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (1)			
				Very Low	Low	Moderate	Above Moderate
Allen Temple Manor	Disabled or HIV/AIDS	2001	Coliseum	23			1
Bayporte Village	Homeownership	1999	Acorn		69	2	
Bishop Nichols Senior Housing (Downs)	Seniors	2003	Stanford/Adeline	16			1
Coliseum Gardens Phase II	Families	TBD	Coliseum	39	90		
Coliseum Gardens Phase III	Families	TBD	Coliseum	32	74		
Fruitvale Transit Village	Families	2004	Coliseum	3	7		34
Habitat for Humanity	Homeownership	2001	Coliseum		3		
International Blvd Family Housing	Families	2002	Coliseum and none	4	25		1
NCLT Homeownership Program	Homeownership	2003	West Oakland		4		
Paul Wang (2003 DDA)	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	TBD	Broadway/MacArthur/San Pablo				2
Paul Wang II	Homeownership	2004	Coliseum		2		
Paul Wang II	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	2004	Coliseum				1
Paul Wang II	Homeownership	2004	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland				1
Pukatch Infill Project	Homeownership	TBD	West Oakland				4
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
Stanley Avenue Apartments	Families	2003	Coliseum	23			
Swans Market Housing	Families	1999	Central District		18		

(1) TBD = "to be determined" – specific affordability levels have not yet been established.

OFFICE OF FILED
APPROVED AS TO FORM AND LEGALITY:
OAKLAND CITY CLERK
2004 OCT 26
AGENCY COUNSEL 8:45

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**

RESOLUTION No. _____ C.M.S.

**A RESOLUTION ADOPTING THE 2004-2009 IMPLEMENTATION PLAN
FOR THE BROADWAY/MACARTHUR/SAN PABLO REDEVELOPMENT
PROJECT**

WHEREAS, Section 33490 of the California Community Redevelopment Law (Health & Safety Code Section 33000, et seq.) requires a redevelopment agency to adopt an implementation plan every five years; and

WHEREAS, the Agency Administrator has prepared and presented to the Agency a five-year Implementation Plan for the Broadway/MacArthur/San Pablo Redevelopment Project for 2004-2009; and

WHEREAS, the Agency has held a public hearing and received comment on the proposed Implementation Plan; and

WHEREAS, the proposed Implementation Plan as presented to the Agency sets forth the specific goals and objectives for the Broadway/MacArthur/San Pablo project area, the specific programs, projects and estimated expenditures over the next five years, and an explanation of how the goals, objectives, programs, projects, and expenditures will eliminate blight within the project area and meet low- and moderate-income housing requirements, as required by law; now, therefore, be it

RESOLVED: That the Agency hereby approves and adopts the 2004-2009 Implementation Plan for the Broadway/MacArthur/San Pablo Redevelopment Project attached to this Resolution as Attachment A; and be it further

RESOLVED: That the Agency Administrator or her designee is hereby authorized to take whatever action is appropriate with respect to the Implementation Plan consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, AND CHAIRPERSON DE LA FUENTE,

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

ATTACHMENT A

BROADWAY/MACARTHUR/SAN PABLO REDEVELOPMENT PROJECT FIVE-YEAR IMPLEMENTATION PLAN 2004-2009

I. BACKGROUND AND INTRODUCTION

The Broadway/MacArthur/San Pablo Redevelopment Plan was adopted on July 25, 2000 (Ordinance No. 12269 C.M.S.). The Project Area consists of two distinct sub-areas in North Oakland and is comprised of 676 acres. The Broadway/MacArthur sub-area incorporates Broadway Auto Row and Telegraph Avenue between 27th and 42nd Streets. The San Pablo sub-area incorporates the Golden Gate neighborhood on San Pablo between 53rd and 67th Streets.

This Implementation Plan was developed with considerable community input, led by the Broadway/MacArthur/San Pablo Project Area Committee (PAC), comprising homeowners, residential tenants, business owners, and representatives from local community organizations in the Project Area. The PAC was approved and seated on March 21, 2000. Their initial three-year term that was required under redevelopment law ended in July 2003. The Oakland City Council has approved two, one-year extensions for the PAC through July 2005. The PAC reviewed and recommended approval of this Implementation Plan at their September 2, 2004, meeting.

Since the Broadway/MacArthur/San Pablo Redevelopment Plan was first adopted in 2000, the Redevelopment Agency has funded or otherwise supported a number of actions called for in the earlier implementation strategies. Such actions include:

- Establishment of a Commercial Façade Improvement Program on Telegraph Avenue, Broadway, West MacArthur Boulevard, and San Pablo Avenue.
- Completion of environmental site assessment on infill opportunity sites adjacent to the MacArthur BART Station.
- Completion of the San Pablo Avenue median.
- Completion of the San Pablo Avenue street light upgrade.
- Completion of the Flat Iron building commercial rehabilitation.
- Completion of the MacArthur BART Station West Side Pedestrian Enhancement Plan.
- Commencement of the Telegraph Avenue Pedestrian Streetscape Improvement Plan.
- Commencement of predevelopment activities for the MacArthur Transit BART Village Project including environmental site assessment, selection of a development team, and site planning.

II. GOALS AND OBJECTIVES FOR THE PROJECT AREA

The goals of the Broadway/MacArthur/San Pablo Redevelopment Project are as follows:

- A. Stimulate in-fill development and land assembly opportunities on obsolete, underutilized and vacant properties in the Project Area.
- B. Stimulate opportunities for adaptive re-use and preservation of existing building stock in the Project Area.
- C. Attract new businesses and retain existing businesses in the Project Area, providing job training and employment opportunities for Area residents.
- D. Improve transportation, public facilities and infrastructure throughout the Project Area.
- E. Stimulate home ownership opportunities in the Project Area and preserve and expand the supply of rental housing through new construction, rehabilitation, and conservation of living units in the Project Area.
- F. Revitalize neighborhood commercial areas.

III. PROJECTS AND EXPENDITURES PROPOSED FOR THE NEXT FIVE YEARS

The following table outlines the projected tax increment revenue from the Broadway/MacArthur/San Pablo Redevelopment Project Area over the five-year period of this Implementation Plan. The figures assume a 2% growth in the total assessed value of all taxable properties within the Project Area over the 2004 assessed valuation. The revenues stated for the last four of the five years proposed, FY 2005-09, are projections *only* and are contingent upon specific Council authorizations at a later date.

**Projection of Tax Increment Revenue
FY2004-09
(\$'000s)**

	FISCAL YEAR					TOTAL
	2004-05	2005-06	2006-07	2007-08	2008-09	2004-09
Gross Tax Increment Revenue	1,591	1,706	1,804	1,904	2,006	9,011
Housing Set Aside Requirement	(318)	(426)	(451)	(476)	(501)	(2,172)
AB 1290 Pass-through	(398)	(341)	(361)	(381)	(401)	(1,882)
State Education Funds (ERAF)	(108)	(171)	0	0	0	(279)
Net Tax Increment Revenues	767	768	992	1,047	1,104	4,678

The total projected net tax increment revenues that will be available in the Project Fund between 2004 and 2009 are estimated to be \$4,678,000. The total projected Low and Moderate Income Housing Fund revenues are estimated to be \$2,172,000.

The proposed expenditures for the next five years are based on the projected tax increment revenue that will be available in the Project Fund as described above. The implementation strategy is described in detail in the attached table. The following summary provides a brief overview of the funding allocation to each implementation strategy.

Projects	5-Year Funding Level
□ Fund a portion of land acquisition, assembly, demolition,	\$2,339,000

relocation or toxic remediation for catalyst projects, including the MacArthur Transit Village project	(50% of Project Fund)
□ Fund a portion of rehabilitation costs of select buildings for adaptive reuse and preservation	\$233,900 (5% of Project Fund)
□ Fund business retention and development efforts on commercial corridors within the Project Area	\$233,900 (5% of Project Fund)
□ Provide capital for infrastructure improvements such as streetscape, lighting, freeway access, and park and recreation center upgrades	\$1,403,400 (30% of Project Fund)
□ Fund façade improvements, tenant improvements, and working capital for businesses on commercial corridors within the Project Area.	\$467,800 (10% of Project Fund)
□ Provide capital to support mortgage assistance for low- and moderate-income first-time homebuyers and provide capital to support new for-sale and rental residential development.	\$2,172,000 (100% of Housing Fund)

IV. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL ELIMINATE BLIGHT

The leading indicators of blight in the Broadway/MacArthur/San Pablo Redevelopment Project Area include underutilized and vacant land, deteriorated and dilapidated buildings, high rates of vandalism and crime, high commercial vacancies, inadequate public improvements, and lack of private investment.

The Agency will focus on the following strategies to eliminate blight in the Broadway/MacArthur/San Pablo Redevelopment Project Area:

- Assist with the development of vacant and underutilized properties through land assembly, environmental assessments and clean-ups, and marketing to developers.
- Make public improvements to Project Area infrastructure including, lighting, streetscape, and public facility upgrades.
- Supply low cost loans and grants to improve blighted structures and decrease commercial vacancies through programs such as the Façade Improvement Program and the Tenant Improvement Program.

V. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL FULFILL THE LOW/MODERATE-INCOME HOUSING REQUIREMENTS

A. Implementation Plan Requirements

This Housing Component of the Implementation Plan is required by Article 16.5 of the California Redevelopment Law ("CRL") as contained in Sections 33000, *et seq.*, of the California Health and Safety Code. (All citations in this portion of the Implementation Plan are to the Health and Safety Code unless otherwise specified.)

The Housing Component presents those components of the Agency's intended program for the Project Area that deal with the expenditure of funds and activities relating to the production of housing at affordable housing cost to persons and families of low- and moderate- ("low-mod") income. Low-income and moderate-income are defined in the CRL by reference to Section 50093, which specifies the following income levels:

- Moderate-income is defined as a household income from 80 percent to 120 percent of median income for the applicable household size (Section 50093);
- Low-income is defined as an income from 50 percent to 80 percent of median income for the applicable household size (Section 50079.5); and
- Very low-income is defined as an income less than 50 percent of median income for the applicable household size (Section 50105).

Affordable housing cost is defined in Section 50052.5 as shown in the following table. Housing cost for rental housing includes rent plus an allowance for tenant-paid utilities. Housing cost for owner-occupied housing includes principal, interest, insurance, taxes, utilities, homeowner association dues, and maintenance.

Definition of Affordable Housing Cost

Income Level	Rental Housing	Owner-Occupied Housing
Very Low-Income	30% of 50% of AMI	30% of 50% of AMI
Low-Income	30% of 60% of AMI	30% of 70% of AMI
Moderate-Income	30% of 110% of AMI	35% of 110% of AMI, but no less than 28% of actual income

AMI = "Area Median Income," which is the Median Family Income, adjusted for family size, for the metropolitan area (Alameda and Contra Costa Counties combined), as determined by the U.S. Department of Housing and Urban Development

The CRL provides that, in addition to the removal of blight, a fundamental purpose of redevelopment is to expand the supply of low-mod housing (Section 33071). To accomplish this purpose, the CRL contains numerous provisions to guide redevelopment agency activities with regard to low-mod housing. These provisions divide a redevelopment agency's housing responsibilities into three major categories:

- The production and/or replacement of low-mod housing depending upon activities undertaken by an agency within its project areas;
- The set-aside and expenditure of specified amounts of tax increment revenue for the express and exclusive purpose of increasing and improving the community's supply of low-mod housing; and
- Preparing reports on how the agency has met, or preparing plans on how the agency will meet its responsibilities with regard to the first two items.

This Housing Component is part of the Agency's responsibilities under the third major category. Its contents address how the Agency's plans for the Project Area will achieve many of the housing responsibilities contained in the first and second major categories of Agency housing activities. Article 16.5 requires that the housing portion of an Implementation Plan address the applicable items presented in the list below:

1. Production of Housing Based on Activities in the Project Area:

- The requirement that, for certain project areas, at least 30 percent of all new and substantially rehabilitated dwelling units developed by a redevelopment agency over a 10-year period must be available at affordable housing cost to persons and families of low- and moderate-income, and must be occupied by these persons and families (Section 33413(b)(1)). At least 50 percent of these units must be available to very low-income households.
- The requirement that, for certain project areas, at least 15 percent of all new residential units dwelling units developed within a project area under the jurisdiction of an agency by public or private entities or persons other than the agency over a 10-year period must be available at affordable housing cost to persons and families of low- or moderate-income, and must be occupied by these persons or families (Section 33413(b)(2)). At least 40 percent of these units must be available to very low-income households.
- The requirement that, for certain project areas, at least 15 percent of all substantially rehabilitated units that have received agency assistance over a 10-year period must be available at affordable housing cost to persons and families of low or moderate-income, and must be occupied by these persons or families (Section 33413(b)(2)(iii)). At least 40 percent of these units must be available to very low-income households.
- The requirement that an agency must replace, on a one-for-one basis, all units destroyed or removed from the low- and moderate-income housing stock caused by agency activities in a project area, within four years of the destruction or removal (Section 33413(a)). Suitable locations must be identified for replacement housing units rehabilitated, developed or constructed pursuant to Section 33413(a), if the destruction or removal of low-mod units will result from a project contained in the Implementation Plan.

2. Set-Aside and Expenditure of Tax Increment for Housing Purposes:

- The requirement to set-aside at least 20 percent of tax increment revenue into a Low and Moderate Income Housing Fund to increase, improve, and preserve the community's supply of low-mod housing at an affordable housing cost (Sections 33334.2 and 33334.6).
- The proportional expenditure of Low and Moderate Income Housing Funds on moderate, low-, and very low-income housing and family housing (Section 33334.4).
- The transfer of housing funds to other public entities producing housing in the community (a possible outcome of the provisions of Sections 33334.12 et seq.).

3. Additional Requirements:

- Estimates of the balances and deposits into the Low and Moderate Income Housing Fund.
- A housing program identifying expenditures from the Low and Moderate Income Housing Fund.
- An indication of housing activity that has occurred in the project area.
- Estimates of housing units that will be produced in the project area for each of the various income categories.

B. Applicable Low- and Moderate-Income Housing Requirements

1. Applicable Housing Production Requirements

The date of adoption of the redevelopment plan, the existence of low-mod housing units, and the potential for residential development are the primary determinants of the legal and practical applicability of the various housing provisions of the CRL. Only the low-mod housing provisions applicable to the Broadway/MacArthur/San Pablo Project Area are discussed below.

a. Replacement Housing Obligation

The Agency does not anticipate undertaking or assisting any actions in the Broadway/MacArthur/San Pablo Project Area that would result in the demolition or removal from the market of low- and moderate-income housing. Therefore there is no replacement housing obligation presently projected.

b. Housing Production Obligation

The Agency is required to comply with the housing unit production requirement of the Section 33413(b) for the Broadway/MacArthur/San Pablo Project Area.

Subparagraph (1) of the Section requires that 30 percent of all housing units developed by the Agency be affordable to low- or moderate persons. The Agency does not plan to develop housing in the next five years, rather the Agency will assist in private sector affordable housing development. Thus, the Agency is not anticipated to incur any obligations under this provision of the CRL.

The Agency will assist the private sector in developing affordable housing and it is possible that there will be some residential infill within the Project Area that is not Agency assisted. As a result, the Agency will need to create low-mod housing in order to comply with the provisions of subparagraph (2) of Section 33413(b). Subparagraph two requires that 15 percent of all housing developed in the Project Area (inclusive of restricted units) be low-mod housing. Of these low-mod units, at least 40 percent must be affordable to persons and families of very low-income.

To determine the number of units that must be developed in order to comply with this requirement, and to identify how much of this requirement will be satisfied by the activities included in this Implementation Plan, a brief review of past and anticipated housing development activity in the Project Area is presented below.

(1) Housing Construction Activity in the Project Area Prior to 2004

From the inception of the Redevelopment Plan for this Project Area through 2004, there have been 17 units of housing developed.

(2) Estimate of Future Housing Construction Activity in the Project Area

The Agency estimates that between 2004 and 2014, as many as 1,040 units of housing may be newly constructed, substantially rehabilitated, or acquired with affordability covenants. This includes the MacArthur BART Transit Village, which could include 600 to 800 units of housing.

(3) Estimated Number of Units Required for Housing Production Obligation

If 1,040 units are built, the total number built through 2014 would be 1,057. This would generate a housing production obligation of at least 159 units affordable to very low-, low- or moderate-income households. Of these, at least 64 units would be required to be affordable to and restricted for occupancy by very low-income households.

(4) How the Housing Production Obligation Will be Met

The following illustrates how the housing production obligations will be fulfilled:

Project	Total Units	Very Low	Low	Moderate	Unrestricted
MLK BART Senior Housing	33	32	0	0	1
MacArthur BART Transit Village*	800	48	0	72	680
San Pablo Gateway Housing	17	0	7	10	0
TOTALS	850	80	7	82	681

*Allocation of units has not been determined. For purposes of analysis, the least number of affordable units has been used to estimate the total production and inclusionary requirements.

It should be noted that all of these units will be located within the Project Area and therefore can be counted on a one-for-one basis toward the production obligation.¹

As shown in the table below, based on these estimates, the Agency will have exceeded its production requirements, with a surplus of 10 affordable units in total, and a surplus of 16 very low units.

	Affordable	Very Low
Total Units to be Produced	169	80
less Units Required	159	64
Total Surplus (Deficit) Units	10	16

2. Applicable Provisions Regarding Low- and Moderate-Income Housing Fund Set-Aside

a. Set-Aside of Tax Increment

The Agency must comply with the Section 33334.2 and 33334.6 requirement to allocate at least 20 percent of the gross tax increment from the Broadway/MacArthur/San Pablo Project Area to affordable housing activities. The set-aside is required to be deposited into a Low and Moderate Income Housing Fund created to hold the monies until expended.

However, the Redevelopment Agency has adopted a policy by resolution that 25 percent of all tax increment revenue from each project area be allocated to the Low and Moderate Income Housing Fund, if certain conditions are met. The projections of deposits into the Low and Moderate Income Housing Fund from the Broadway/MacArthur/San Pablo Project Area that are included in the following section assume that the full 25 percent set-aside will be deposited into the Low and Moderate Income Housing Fund in each of the years covered by this Implementation Plan.

¹ If the production requirement is met with units located outside of the Project Area, two units must be produced to fulfill one unit of housing production obligation.

b. Proportional Expenditures of Housing Fund Monies

The Broadway/MacArthur/San Pablo Project Area is subject to the Section 33334.4 requirement that the Agency expend Low and Moderate Income Housing Fund monies in accordance with an income proportionality test and an age restriction proportionality test. These proportionality tests must be met every ten years through the termination of the Project Area life. These tests do not have to be met on an annual basis.

1) Very Low- and Low-Income Housing Expenditures

The income proportionality test requires the Agency to expend Low and Moderate Income Housing Funds in proportion to the housing needs that have been determined for the community pursuant to Section 65584 of the Government Code. The proportionality test used in this Implementation Plan is based on the 2000 Regional Housing Needs Assessment (RHNA) prepared by the Association of Bay Area Governments. Based on the 2000 RHNA for the City of Oakland, the Agency's *minimum required allocation for very low- and low-income expenditures, and maximum moderate-income housing expenditures* are:

Category	RHNA	Threshold
Very Low-Income	2,238	At least 43%
Low-Income	969	At least 19%
Moderate-Income	1,959	No more than 38%
Total	5,166	

Section 33334.4 requires that at least 43 percent of the Low and Moderate Income Housing Fund monies from the Broadway/MacArthur/San Pablo Project Area dedicated to projects and programs be spent on housing for very low-income households. In addition, at least 19 percent of these funds must be spent on housing for low-income households, and no more than 38 percent of the funds can be spent on moderate-income households. However, the Agency is entitled to expend a disproportionate amount of the funds for very low-income households, and to subtract a commensurate amount from the low- and/or moderate-income thresholds. Similarly, the Agency can provide a disproportionate amount of funding for low-income housing by reducing the amount of funds allocated to moderate-income households. In no event can the expenditures targeted to moderate-income households exceed the established threshold amount.

The Agency will allocate Broadway/MacArthur/San Pablo Low and Moderate Income Housing Funds in such a way that these percentages are met over the ten-year period from 2004 through 2014. In addition, the City and other entities may provide assistance for the construction of units affordable to very low- and low-income households that may also be counted toward meeting the requirements of Section 33334.4.

2) Age Restricted Housing Expenditures

Section 33334.4 also requires that the Agency assist housing that is available to all persons, regardless of age, in at least the same proportion as the population under age 65 bears to the City's total population as reported in the most recent census of the United States Census Bureau. The 2000 Census indicates that 89.5 percent of the City's population is under 65 years of age. As such, at least 89.5 percent of the Agency expenditures on affordable housing projects from Low and Moderate Income Housing Fund monies from the Broadway/MacArthur/San Pablo Project Area must be spent to assist projects that do not impose age restrictions on the residents. The following summarizes the allocation of Low and Moderate Income Housing Fund monies.

Age Category	Percentage of Funds
Senior	10.5% Maximum
Unrestricted	89.5%
Total	

The Agency will ensure that over the ten-year period from 2004 through 2014, not more than 10.5 percent of its expenditures on affordable housing projects from Low and Moderate Income Housing Fund monies from the Broadway/MacArthur/San Pablo Project Area are for projects that exclusively serve seniors.

c. Transfer of Housing Funds to Other Providers

The Project Area is subject to the CRL provisions requiring the transfer of housing funds to other housing producers in the Oakland area in certain circumstances. Such transfers could possibly occur if the Low and Moderate Income Housing Fund contains "excess surplus." Excess surplus means any unexpended and unencumbered amount in a project area's Low and Moderate Income Housing Fund that exceeds the greater of \$1,000,000 or the aggregate amount deposited into the Low and Moderate Income Housing Fund during the project's preceding four fiscal years.

The Agency does not anticipate having an excess surplus during the current Implementation Plan cycle or throughout the subsequent remaining Broadway/MacArthur/San Pablo Project life.

3. Housing Goals and Objectives of the Implementation Plan

The primary goal of the Agency is to comply with the affordable housing requirements imposed by the CRL in a responsible manner. The affordable housing activities identified in this Implementation Plan will explicitly assist in accomplishing the intent of the CRL in regards to the provision of low-mod housing.

The CRL establishes that certain housing expenditures, and preservation and production requirements, be attained during five and ten year increments. The housing production requirement, if applicable, must be met every 10 years, while the proportionality tests must

be achieved over the next 10 years, and then again through the end of the Project life. It is the Agency's goal and objective for this Implementation Plan to accomplish sufficient activity and expenditures over the Implementation Plan term, and through the remaining term of the Project, to comply with the applicable requirements.

4. Estimated Housing Fund Revenues and Expenditures

The following table presents the projected future deposits into the Low and Moderate Income Housing Fund from the Broadway/MacArthur/San Pablo Project Area. As shown below, \$2,172,000 in revenues are projected to be available over the five-year term of this Implementation Plan.

**Estimate Housing Set-Aside Revenue
2004-2009
(\$'000s)**

Plan Year	Fiscal Year	Housing Set Aside
1	2004-05	\$318
2	2005-06	\$426
3	2006-07	\$451
4	2007-08	\$476
5	2008-09	\$501
Total		\$2,172

5. Anticipated Housing Program Activities

The Agency may assist in a variety of programs to increase, improve and preserve affordable housing in the Project Area or the City of Oakland, such as the following:

a. Production

The Agency can make loans and grants from the Low- and Moderate-Income Housing Fund to non-profit and for-profit developers for the new construction or rehabilitation of affordable housing. Loans can be made on a deferred payment and/or below market interest rate basis.

The Agency can also participate in land acquisition, land cost write-down, developer recruitment, credit enhancement, and other participation to cause affordable housing to be developed. This is normally accomplished after identification of a housing site, development of a housing concept, and issuance of a Request for Proposals for development of housing. Such affordable housing could be rental or ownership housing. The Agency may also acquire land and directly build housing.

b. Rehabilitation

The Agency may offer low-interest or no-interest loans or grants to assist low- and moderate-income homeowners in making repairs to existing residences. Such repairs could consist of correcting health and safety violations, re-landscaping, and re-

painting. This preserves the affordability of the housing and extends its lifespan, as well as improving the neighborhood. Additionally, such programs can be extended to owners of rentals properties to make repairs to affordable rental housing. In either case, covenants must be recorded to keep these properties affordable for the time period required by the CRL.

c. Affordability Assistance

The Agency may provide direct subsidies to lower the cost of producing housing or first-time homebuyer programs to assist very low- to moderate-income families with mortgage assistance for the purchase of a home. The latter can take the form of a deferred loan with a low interest rate and equity sharing provisions. When the home is sold, the loan and equity share would be used to help another first-time homebuyer.

d. Preservation of Existing Affordable Housing

The Agency may offer loans, grants or other forms of investment to assist in the preservation of existing assisted housing that is otherwise threatened with conversion to market rate. Such assistance would be coupled with affordability restrictions of 55 years for rental housing and 45 years for owner-occupied housing.

6. Allocation of Housing Funds over Previous Implementation Period

While Agency housing set-aside funds are tracked individually for each project area, the funds from all of the Agency's project areas are combined into a single Low and Moderate Income Housing Fund. The Agency has made findings that affordable housing activities in any part of the City of Oakland are of benefit to all of the redevelopment project areas. As a result, Low and Moderate Income Housing Funds from the Broadway/MacArthur/San Pablo Project Area may be used both inside and outside the Project Area. In addition, the City of Oakland also provides assistance from its own funds for the development, improvement and preservation of affordable housing.

The tables on the following page provides information for the period 1999-2004 regarding:

- the amounts of Low and Moderate Income Housing Fund moneys utilized to assist units affordable to, and occupied by, extremely low-income households, very low-income households, and low-income households, including units available to families with children; and
- the number, the location, and the level of affordability of units newly constructed with other locally-controlled government assistance and without Agency housing fund assistance and that are required to be affordable to, and occupied by, persons of low-, very low-, or extremely low-income for at least 55 years for rental housing or 45 years for homeownership housing.

Redevelopment Agency Assisted Housing Activities Completed or Underway, 1999 - 2004

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
10211 Byron	Families	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 386,550
1574-1590 7th Street	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 136,846
2001 Linden Street	TBD	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 148,500
3701 MLK Jr.	Families	Underway	Broadway/ MacArthur/San Pablo	TBD	TBD	TBD	TBD	\$ 109,510
5825 Foothill	Homeownership	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 701,000
Adeline Lofts	Families	2002	West Oakland	31	6			\$ 70,179
Allen Temple Gardens	Seniors	2001	Coliseum	49			1	\$ 1,951,000
Altenheim Phase I	Senior	Underway	None	66			1	\$ 1,778,560
Calaveras Townhomes	Homeownership	Underway	None				28	\$ 3,858,500
Casa Velasco	Seniors	2003	Central City East	20				\$ 908,000
Chestnut Court Ownership	Homeownership	2003	Oak Center and none		15			\$ 1,727,000
Chestnut Court Rental	Families	2003	Oak Center		71		1	\$ 2,976,000
Coliseum Gardens Phase I	Families	Underway	Coliseum	91	22		2	\$ 1,500,000
Courtyards at Acorn	Families	2000	Acorn		87			\$ 604,500
CURA-North	Disabled or HIV/AIDS	2001	None	8				\$ 587,876
Drachma	Families	2003	West Oakland	19				\$ 1,712,000
Eastmont Court	Disabled or HIV/AIDS	Underway	Central City East	18			1	\$ 1,427,000
Edes Avenue Homes	Homeownership	Underway	Coliseum		26			\$ 2,075,000
Effie's House	Families	1999	None	4	16			\$ 225,000
Faith Housing	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 689,598
Habitat Fruitvale Homes	Homeownership	2003	None		4			\$ 112,000
Habitat Village	Homeownership	2001	Coliseum		40			\$ 981,048
Horizon Townhomes	Homeownership	Underway	Central City East		4	10		\$ 1,767,000
Irene Cooper Terrace	Seniors	2000	Central City East	39			1	\$ 560,000
Lake Merritt Apartments	Senior	2004	Central City East	11	43		1	\$ 1,900,000
Leola Terrace II	Homeownership	Underway	Central City East		8			\$ 200,000
Lincoln Court	Senior	Underway	None	24	57			\$ 2,000,000
Linden Court Rental	Families	2003	West Oakland		78		1	\$ 3,224,000
Madison Lofts	Families	Underway	Central District	TBD	TBD	TBD	TBD	\$ 1,498,000
Mandela Gateway Ownership	Homeownership	Underway	West Oakland		8	6		\$ 1,146,100
Mandela Gateway Rental	Families	Underway	West Oakland	95	71		2	\$ 2,500,000
MLK MacArthur BART Sr.	Senior	Underway	Broadway/ MacArthur/San Pablo	32			1	\$ 2,080,850
MLK Plaza Homes	Homeownership	2002	None		6	5		\$ 1,287,175
Mortgage Assistance Program	Homeownership	multiple	Citywide	51	225	11		\$11,000,000
Northgate Apartments	Families	2003	None	21	20		1	\$ 349,229
Oak Park Homes	Families	Underway	Central City East	16	18		1	\$ 3,419,000
Oak Street Terrace Senior	Senior	Underway	Central District	21	17		1	\$ 2,072,000
Oakland Point Limited Partnership	Families	2002	West Oakland	31				\$ 1,451,606
Palm Court	Homeownership	Underway	Acorn		12			\$ 855,400
Palm Villa	Homeownership	2003	None		78			\$ 6,725,000

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
Percy Abrams Jr. Senior	Senior	Underway	None	43			1	\$ 1,000,000
San Pablo Gateway	Homeownership	2000	Broadway/ MacArthur/San Pablo		7	10		\$ 1,473,792
Santana	Families	2004	Central City East	30				\$ 713,000
Sausal Creek	Homeownership	Underway	None		9	8		\$ 2,329,000
Seven Directions	Families	Underway	Coliseum	24	13		1	\$ 3,289,000
Southlake Towers	Senior		Central District	26	103		1	\$ 445,300
Sylvester Ruffedge Manor (North Oakland Senior)	Seniors	2003	West Oakland	64			1	\$ 2,551,750
Town Center at Acorn	Families	2000	Acorn	102	104			\$ 250,000
UniDev	Families	Underway	Citywide	TBD	TBD	TBD	TBD	\$ 25,000

(1) Agency Funding includes all funding provided from Low and Moderate Income Housing Fund over the life of the project. Some funding may have been provided prior to 1999.

(2) TBD = "to be determined" – specific affordability levels have not yet been established.

**Housing Units Newly Constructed in Redevelopment Project Areas,
Assisted With Locally-Controlled Government Assistance and
No Redevelopment Agency Housing Financing, 1999 – 2004**

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (1)			
				Very Low	Low	Moderate	Above Moderate
Allen Temple Manor	Disabled or HIV/AIDS	2001	Coliseum	23			1
Bayporte Village	Homeownership	1999	Acorn		69	2	
Bishop Nichols Senior Housing (Downs)	Seniors	2003	Stanford/Adeline	16			1
Coliseum Gardens Phase II	Families	TBD	Coliseum	39	90		
Coliseum Gardens Phase III	Families	TBD	Coliseum	32	74		
Fruitvale Transit Village	Families	2004	Coliseum	3	7		34
Habitat for Humanity	Homeownership	2001	Coliseum		3		
International Blvd Family Housing	Families	2002	Coliseum and none	4	25		1
NCLT Homeownership Program	Homeownership	2003	West Oakland		4		
Paul Wang (2003 DDA)	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	TBD	Broadway/MacArthur/San Pablo				2
Paul Wang II	Homeownership	2004	Coliseum		2		
Paul Wang II	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	2004	Coliseum				1
Paul Wang II	Homeownership	2004	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland				1
Pukatch Infill Project	Homeownership	TBD	West Oakland				4
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
Stanley Avenue Apartments	Families	2003	Coliseum	23			
Swans Market Housing	Families	1999	Central District		18		

(1) TBD = "to be determined" – specific affordability levels have not yet been established.

FILED
OFFICE OF THE CITY CLERK
OAKLAND
APPROVED AS TO FORM AND LEGALITY
2004 OCT 28
AGENCY COUNSEL 6:45

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION ADOPTING THE 2004-2009 IMPLEMENTATION PLAN FOR THE CENTRAL DISTRICT REDEVELOPMENT PROJECT

WHEREAS, Section 33490 of the California Community Redevelopment Law (Health & Safety Code Section 33000, et seq.) requires a redevelopment agency to adopt an implementation plan every five years; and

WHEREAS, the Agency Administrator has prepared and presented to the Agency a five-year Implementation Plan for the Central District Redevelopment Project for 2004-2009; and

WHEREAS, the Agency has held a public hearing and received comment on the proposed Implementation Plan; and

WHEREAS, the proposed Implementation Plan as presented to the Agency sets forth the specific goals and objectives for the Central District project area, the specific programs, projects and estimated expenditures over the next five years, and an explanation of how the goals, objectives, programs, projects, and expenditures will eliminate blight within the project area and meet low- and moderate-income housing requirements, as required by law; now, therefore, be it

RESOLVED: That the Agency hereby approves and adopts the 2004-2009 Implementation Plan for the Central District Redevelopment Project attached to this Resolution as Attachment A; and be it further

RESOLVED: That the Agency Administrator or her designee is hereby authorized to take whatever action is appropriate with respect to the Implementation Plan consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, AND CHAIRPERSON DE LA FUENTE,

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

ATTACHMENT A

CENTRAL DISTRICT REDEVELOPMENT PROJECT FIVE-YEAR IMPLEMENTATION PLAN 2004-2009

I. BACKGROUND AND INTRODUCTION

The Central District Urban Renewal Plan ("CDURP" or "Redevelopment Plan") was adopted by the Oakland City Council on June 12, 1969, and subsequently amended on a number of occasions since. The CDURP designates four "activity areas": (1) City Center, (2) Chinatown, (3) Victorian Row/Old Oakland, and (4) Uptown. The Central District Project Area is bounded by I-980, Lake Merritt, 27th Street, and the Embarcadero, and encompasses approximately 250 blocks (828 acres), including the entire Central Business District and surrounding neighborhoods. The Central District Project Area is an economic and transportation hub of the San Francisco-Oakland Metropolitan Area. It contains nearly 30 office buildings of more than 100,000 square feet each, with approximately 9.5 million total square feet. The Central District Project Area is also the heart of the Bay Area Rapid Transit (BART) system, with three stations located within its boundaries. More than forty AC Transit bus lines connect the Central District Project Area with other parts of Oakland and nearby communities.

This Implementation Plan includes two separate components: a Redevelopment Component and a Housing Component. The Redevelopment Component revisits the goals and objectives of the Redevelopment Plan, presents the projects, programs and expenditures (other than those related to low- and moderate-income housing) that have been developed to achieve the goals and objectives, and describes how these projects, programs and expenditures will eliminate blight within the Project Area.

II. GOALS AND OBJECTIVES FOR THE PROJECT AREA

The following goals and objectives are included in the CDURP to assist in the elimination of blight within the Central District Project Area:

- A. Strengthening of the Project Area's existing role as an important office center for administrative, financial, business service and governmental activities.
- B. Revitalization and strengthening of the Oakland Central District's historical role as the major regional retail center for the Metropolitan Oakland Area.
- C. Establishment of the Project Area as an important cultural and entertainment center.
- D. Re-establishment of residential areas for all economic levels within specific portions of the Project Area.

- E. Provisions of employment and other economic benefits to disadvantaged persons living within or near the Project Area.
- F. Restoration of historically significant structures within the Project Area.
- G. Improved environmental design within the Project Area, including creation of a definite sense of place, clear gateways, emphatic focal points and physical design which expresses and respects the special nature of each sub-area.

The Agency will continue to focus its activities during the term of this Implementation Plan on eliminating physical and economic blight conditions by working with the private sector in the redevelopment of vacant and/or underutilized properties, and by supporting and enhancing these development efforts by constructing new public improvements and operating public parking facilities. This Implementation Plan continues to encourage private investments in commercial and residential designated areas.

III. PROJECTS AND EXPENDITURES PROPOSED FOR THE NEXT FIVE YEARS

During the next five years of the Central District Project, the Agency will manage projects and programs that address all of the goals and objectives identified in the Redevelopment Plan.

The following table outlines the projected tax increment revenues for the Project Area over the five-year period of this Implementation Plan. These figures assume an annual growth rate of 2.5 percent over the 2004 assessed property valuation.

Table 1
Projection of Tax Increment Revenue
Fiscal Years 2004-09
(\$'000s)

	FISCAL YEAR					TOTAL 2004-09
	2004-05	2005-06	2006-07	2007-08	2008-09	
Gross Tax Increment Revenue*	32,751	33,569	34,409	35,269	36,151	172,149
Housing Set-Aside Req't	(8,188)	(8,392)	(8,602)	(8,817)	(9,038)	(43,037)
AB 1290 Pass-through	(158)	(321)	(487)	(657)	(832)	(2,455)
Debt Service	(16,956)	(17,379)	(17,814)	(18,259)	(18,716)	(89,124)
TI Rebate	0	0	(35)	(891)	(1,288)	(2,214)
State Education Funds (ERAF)	(2,897)	(2,897)	0	0	0	(5,794)
Net Tax Increment Revenues**	4,552	4,580	7,471	6,645	6,277	29,525

* Includes administrative costs.

** Excludes personnel services and related overhead.

The total net tax increment revenue that will be available in the Capital Projects Fund for the Project Area between 2004 and 2009 is estimated to be \$29,525,000. Total funding for the 25 percent set-aside into the Low and Moderate Income Housing Fund is estimated to be \$43,037,000.

The proposed projects and program expenditures for the next five years will be funded from projected net tax increment revenues (as described in Table 1 above), capital funds (including bond proceeds and revenue from capital projects), sales proceeds, fund transfers and miscellaneous sources (including interest and rental income). Table 2 below outlines the amount of capital allocated to each of the projects and programs in fiscal year 2004-05 within certain geographic areas. The table also identifies the other revenue sources that are anticipated to be available from 2005 to 2009. The revenues shown for fiscal years 2005 to 2009, which are not directly generated from net available tax increment, are projections *only* and are contingent upon specific Council authorizations at a later date. Based on the funding allocation for fiscal year 2004-05 and the revenue projections for fiscal years 2005 to 2009, approximately \$41,657,854 is allocated to projects in the Central District-wide area, \$64,859,394 is allocated to projects in the Uptown Area, and \$16,070,539 is allocated to projects in the Downtown Area.

**Table 2. Projection of Capital Expenditures
Central District Project Area
Fiscal Years 2004-09**

Central District Wide	Carry Forward FY2003-04*	Other Revenue FY 2005-2009**	Bond Proceeds	Total Capital
1-1/2% Public Art	770,511			770,511
10K Housing Initiative	511,712		12,000,000	12,511,712
14th & Broadway Transit Center	576,221			576,221
Broadway Improvement Program	90,249			90,249
Business Improvement District (BID)	185,025			185,025
Downtown Capital Project Support	1,160,071	1,200,000		2,360,071
Downtown Façade Improvement Program	1,228,547		1,000,000	2,228,547
Downtown Historic Façade Program	469,605			469,605
Downtown Tenant Improvement Program	589,234		3,000,000	3,589,234
Parking Garage Development			10,000,000	10,000,000
Streetscape Master Plan	1,876,679		7,000,000	8,876,679
Subtotal	\$7,457,854	\$1,200,000	\$33,000,000	\$41,657,854
Uptown				
17th St. & San Pablo Parking Garage	338,663			338,663
Bermuda Building	407,186			407,186
Fox Theater Master Plan	26,419	6,000,000	7,000,000	13,026,419
Fox Theater Maintenance	129,911			129,911
Fox Theater Retail/Office	400,000			400,000
Oakland Ice Center	1,640,000	8,846,000		10,486,000
Touraine Hotel/HRMSC	361,785			361,785
Uptown - Retail Entertainment Catalyst Project	1,885,781			1,885,781
Uptown - Forest City DDA	31,400,000		4,500,000	35,900,000
Uptown - Forest City Residential	1,820,417			1,820,417
Wetmore-Pardee Agreement	103,232			103,232
Subtotal	\$38,513,394	\$14,846,000	\$11,500,000	\$64,859,394
Downtown				
9th and Franklin Garage Operations	115,579	990,000		1,105,579
City Center West Garage Operations	1,352,065	7,800,000		9,152,065
City Center West Garage Debt	1,396,014			1,396,014
Keystone Site - 12th & Broadway	12,224			12,224
Oakland Asian Cultural Center	79,580			79,580
Housewives Market site	409,443			409,443
UC OP Parking Operations	145,634	3,770,000		3,915,634
Subtotal	\$3,510,539	\$12,560,000	\$0	\$16,070,539
GRAND TOTAL	\$45,481,787	\$28,606,000	\$44,500,000	\$118,587,787

* Reflects the sum of the Carry-forward to mid-2004 and the proposed FY 2004-05 allocation.

** Operating revenue plus land sales and interest of approximately \$28,606,000.

The capital expenditure projections for the Project Area during fiscal years 2004-09 specifically target redevelopment activities in the housing, office and retail sectors of the downtown economy, as well as selected public improvements aimed to support these sectors. The projects and programs will generally be implemented either throughout the Project Area, or they will be focused specifically in the Uptown and Downtown areas. The following is a partial list of the projects the Agency will pursue over the next five years in furtherance of the goals and objectives of the CDURP.

CENTRAL DISTRICT WIDE

1-1/2% Public Art Program

The Agency's Public Art Program authorizes the allocation of 1-1/2% of capital construction projects for the commissioning of public artwork. Agency funds will be used for artwork as part of the 14th and Broadway Transit Center project, the I-880 Broadway Underpass, for Frank H. Ogawa Plaza, and for public art that will be a part future development projects.

10K Housing Initiative

The 10K Housing Initiative aims to attract ten thousand new residents to the Project Area by working with private developers to build the necessary housing for these new urban dwellers. The Mayor and the City Council have identified this initiative as a major downtown redevelopment effort to re-establish residential areas for all economic levels within specific portions of the Project Area. The Agency works with private developers and property owners to establish partnerships for the redevelopment of existing underutilized sites. The Agency may also acquire suitable sites for redevelopment into housing. Major accomplishments in Fiscal Years 1999-04 include: projects on three sites formerly owned by the Agency and conveyed through disposition and development agreements, of which two are completed (Landmark Place completed January 2004, and the Franklin 88 at 9th & Franklin completed September 2004), and one is under construction (Market Square Homes (Housewives Market), which began construction in June 2003); approval of a Lease Disposition and Development Agreement with Forest City Residential Development West for the Uptown Project in July 2004; and the sale of the City Center T-10 site to the Olson Company for residential development in September 2004. In general, as of July 1, 2004, 14 projects with 1,491 units are completed, seven projects with 372 units are under construction, and 18 projects with 3,114 units in planning. The 10K Housing Initiative will seek new funding for FY 2005-07 to acquire new sites and issue Requests for Proposals. Plans for FY 2004-09 include the completion of existing projects (Housewives Phases I and II, T-10 and Uptown), implementing new Agency projects via land assembly needed for the creation of sites capable of development for new residential developments, and continued marketing and facilitation of new privately-developed projects.

14th and Broadway Transit Center

The goal of this project is to create a more attractive and functional sidewalk between 13th and 17th Streets consistent with the Broadway Streetscape Master Plan, which includes widening sidewalks, spreading out bus stops to reduce crowding, implementing pedestrian safety enhancements, planting new trees and installing benches, trash cans and public art.

Broadway Improvement Program

The Broadway Improvement Program consists of a series of projects that will improve pedestrian and vehicular connections between successful stores, work areas and active districts; improve the prospect for retail serving the growing Downtown employee markets; increase accessibility of merchants to the growing new markets; and improve the pedestrian environment of Broadway. Major accomplishments in FY 1999-04 included: the Downtown business alert program, the Artship displays in vacant windows, and operation of the Oakland Tours program. Plans for FY 2003-05 include continuation of the programs using funds carried forward from prior years.

Downtown Business Improvement District (BID)

The purpose of a Downtown BID is to strengthen the perception of downtown Oakland as a place to work, shop, and conduct business. A BID will enhance the services provided by private and public sources to promote and market the Downtown area. Major accomplishments during the last two years included completion of a feasibility study of a BID for Chinatown and Old Oakland. The study recommended the formation of a BID in Old Oakland. Current plans for the period covered by this Implementation Plan include implementation of the BID in Old Oakland and undertaking an additional feasibility study to evaluate the formation of a BID in the Korea Town district in the Project Area. Additionally, clean-up legislation may be needed for Oakland's existing BID Ordinance.

Downtown Capital Project Support

The purpose of this program is to provide equipment, promotional materials and professional services in support of redevelopment activities throughout the Project Area during the next five years.

Downtown Façade Improvement Program

The Downtown Façade Improvement Program was created in 1999 and covers Uptown, Old Oakland/Chinatown and Lower Broadway. The Program also includes the Downtown Historic Façade Program, which is discussed in more detail in the Downtown Historic Preservation Incentives Package. The Façade Program provides matching grants and design assistance to existing businesses for the purposes of storefront improvements and façade treatments. The goals of the Façade Program are to promote retail activity, restore the exterior of historic buildings, update and modernize older buildings, improve the pedestrian experience and help support other redevelopment projects by enhancing the general appearance of surrounding properties. Since 1999, 90 projects have been completed, which represents over 30% of buildings in the Downtown. There are an additional 65 projects in the preliminary or design phase. The goal is to complete 30 of these projects and to identify new candidates for the

program.

Downtown Historic Façade Program

This program is focused on encouraging the private sector to restore and reoccupy historic buildings in the downtown area by providing financial incentives through the Downtown Façade Improvement Program. The program provides matching grants and architectural services for properties within the Historic District boundaries in the center of Downtown Oakland. In addition to matching grants the program provides some additional funding for historic restoration without requiring a match. The Downtown Historic District Façade Program currently has 34 projects in various phases of development. 18 projects are complete and the rest are either in the preliminary or design phase. These projects will be completed over the course of the next five years.

The Downtown Tenant Improvement Program (TIP)

The Downtown TIP provides incentives to attract retail, restaurants, arts and entertainment businesses to targeted locations in the Project Area. While the market for retail in Downtown Oakland has improved, in many cases the spaces, buildings or properties that are available are functionally obsolescent and not suitable for retail use. The TIP provides property and business owners matching grants to cover expenses for asbestos abatement, compliance with the Americans with Disabilities Act (ADA), interior demolition, upgrading mechanical, plumbing, electrical systems, and restoration of interior historic design features. The TIP can be used separately or with the existing Downtown Façade Improvement Program. The program started in September of 2003 and has been highly successful. There are 192 storefronts in the targeted area of which 54 storefronts or 28 percent are vacant. The goal of the program for 2004-2009 is to reduce this vacancy rate by at least 50 percent.

Parking Garage Development

The Agency is evaluating the need for additional public parking facilities throughout the Project Area. This may involve enlarging the existing City-owned garage at the corner of Thomas L. Berkeley Way and Telegraph, or acquiring a site for a new parking garage in the Project Area. The Agency intends to complete this project during the five -year Implementation Plan period.

Streetscape Master Plan

The streetscape master plan calls for the construction of public improvements to compliment existing and future redevelopment projects, and attract new public and private investment in the Project Area. The recommendations of the master plan are based on the goal of achieving improved environmental design within the Project Area, including creation of a definite sense of place, clear gateways, emphatic focal points and physical design which expresses and respects the special nature of each sub-area. The planned improvements include repair and/or restoration of existing pavement, widening existing sidewalks, constructing pedestrian bulb-outs, introducing new landscaping, such as street trees, improving signage and striping, installing new lighting, upgrading traffic upgrades, and creating bicycle lanes. These on-going projects are matched by State Transportation Grant funds. All projects are based on the findings and

recommendations of the Downtown Streetscape Master Plan. On-going projects include the following: Broadway Phase II Improvements (5 blocks, 11th to 17th Streets); Broadway Phase III (17th to 20th Streets); Telegraph Avenue (16th to 20th Streets- both sides); Latham Square Redesign; and Old Oakland (Washington 7th to 9th Streets). New projects that will be completed during the Implementation Plan period include: Broadway Improvements (Thomas L. Berkeley Way to Grand Ave); Telegraph Avenue Improvements (Thomas L. Berkeley Way to West Grand); and Chinatown (Webster Street bulb-outs and three block faces on 9th Street).

UPTOWN

17th Street and San Pablo Parking Garage

This project involves the design and construction of a 325-space garage to provide parking for the Rotunda Building, Civic Center Administration Complex, and other commercial and public buildings in the vicinity. The garage will include up to 5,000 square feet of commercial space. Major accomplishments in FY 1999-2004 included continued site acquisition and preparation, completion of an Environmental Impact Report (EIR), completion of the design of the garage and planning approvals, and approval of a Disposition and Development Agreement with Rotunda Garage LP. Plans for 2004-09 include finalize financing, complete construction documents, bid the construction, transfer the land, start and complete construction, and begin operation of the garage.

Bermuda Building

The Agency is working with a private developer to redevelop a property located at 2150 Franklin Street into a 100,000 to 150,000 square-foot Class A office building. Given the economic downturn in the commercial office market, it is anticipated that a new office building will not start construction until 2008. Accomplishments during 1999-2004 include demolition of an existing hazardous structure and completion of the eminent domain process for the project.

Fox Theater Master Plan, Renovation and Maintenance

This is an on-going project that will result in the renovation of the historic Fox Theater into a performing arts center and the new home for the Oakland School for the Arts. During 1999-2004, the Agency worked with a consultant to prepare a comprehensive redevelopment master plan for the facility which evaluated a number of different use options, as well the various cost estimates associated with the implementation of each option. The Agency entered into a consultant contract to prepare preliminary drawings and cost estimates for the rehabilitation of the theater and the wrap-around buildings, and estimates indicate total development costs of approximately \$24 million. Alternative sources and combinations of funds for this project are being analyzed (private grants, historic rehabilitation tax credits, conventional financing and Agency funding), and will go to Council for review in the fall of 2004. Agency funding for this project will be significant, and it is anticipated that the Agency's funding will be somewhere between \$7 million and \$13 million. In either case, funding will depend on the Agency's successful issuance of a tax allocation bonds in late 2004 or early 2005.

Oakland Ice Center Operations

The Oakland Ice Center supports development in the Uptown area by providing an attractive ice skating facility that attracts people to this part of the Project Area, especially on evenings and weekends. The Oakland Ice Center contributes to the establishment of the Project Area as an important cultural and entertainment center. Major accomplishments during Fiscal Years 2001-04 include the following capital improvements to improve efficiency, appearance and operations: new scoreboards, two new ice resurfacing machines, a new point-of-sales accounting system, and interior painting. The Ice Center has averaged gross revenues of \$1.6 million and total expenses of \$1.65 million during the last three fiscal years necessitating the payment of an average annual subsidy of \$55,000 by the Agency during the period.

*Note - For the past several years at least, all gross revenues from the facility have been deposited in an Agency account and all operating expenses are paid from that account. The \$8.8 million that is projected above for the next 4 fiscal years was projected by increasing the \$1.7 million of gross revenue projected for Fiscal Year 2004-05 by 2% each of the following four years. It is assumed that total expenditures for operations for the next years will not exceed gross revenue based upon the \$5,600 surplus of revenue over expenses projected for fiscal year 2004-05.

Touraine Hotel/Henry J. Robinson Multi-Service Center

The Henry J. Robinson Multi-Service Center provides economic benefits to disadvantaged persons living within or near the Project Area by operating major transitional housing, emergency shelter and drop-in programs for the homeless population in Oakland. The Center provides transitional housing for up to 54 families, and gives homeless individuals the opportunity to stabilize their lives while undertaking, through case management, the work they need to do in order to become productive citizens living in permanent housing. The Center also provides 30 shelter beds, a drop-in center, and an award-winning program for children. The project is grant funded. The Agency receives income from the use of the center, which is applied to fund capital improvements to the facility. Major accomplishments in 1999-04 included improvements to the building's structural and security systems, health and safety system repairs, as well as improvements to social services provided at the Center. Plans for FY 2004-09 include continued building upgrades and an expansion of the Children's Services Department.

Uptown Project

The Agency has worked with Forest City Residential West, Inc. (also known as Uptown Partners, LLC) to redevelop a couple of super blocks located in the Uptown area. Forest City's proposal includes a transit-oriented development of 700 rental apartments, of which 20 percent (140 units) will be affordable to households earning 50 percent or less of the area's median income (AMI) for a period of 55 years, and five percent (35 units) of the 700 units will be affordable to households earning incomes not exceeding 120 percent of AMI for a period of 55 years. There will also be 14,500 square feet of neighborhood-serving retail and a 25,000 square foot public park. Major accomplishments in 1999-2004 include: approval of Exclusive Negotiation Agreement (ENA); certification of Environmental Impact Report (EIR); and approval of a Lease Disposition and Development Agreement (LDDA) in July 2004.

Construction of Phase I of the project, with 590 units will commence in the summer of 2005. Phase II with 110 units will start in the fall of 2007. Project completion is anticipated by the beginning of 2009. During the five-year Implementation Plan period, the Agency will be responsible for the completion of site assembly, approve and fund all off-site improvements and hazardous materials abatement, as well as provide direct financing assistance in the amount of \$8.3 million.

The Agency will also issue a Request for Proposals for the development of a 70-unit affordable rental housing project in the Uptown area. The Agency will provide a clean site at no cost to the developer, cause the construction of all off-site improvements, and also provide gap financing to ensure the financial feasibility of the project.

DOWNTOWN

9th and Franklin Garage (Operation of public parking at Arioso – 10K Housing Project)

This garage was completed in October of 2004 and provides public parking in Oakland's Chinatown. The garage also serves as the overflow garage for the adjacent Courtyard by Marriott Hotel. During the Five-Year Implementation Plan period, the garage will likely require on-going financial support from the Agency for operation and common area maintenance reserves and fees.

City Center Garage West (Operations & Debt Service)

This garage continues to provide parking for offices and commercial tenants and workers in the City Center area, including workers in the Federal Building, the State Building, the City Administration Complex, Preservation Park and many other buildings near City Center. Annual revenue averaged \$1.95 million during FY 2001-04, down slightly from the peak \$2 million total revenue generated in FY 2000-01. FY 2003-04 total revenue actually equaled the \$1.95 million three-year average.

Keystone Site – 12th & Broadway

The previous Disposition and Development Agreement providing for construction of a hotel on this site has been terminated. The Agency is working with a new developer to start construction on a new project in 2006. This project includes possible new construction of an office building and retail space, and the rehabilitation of an historic office building. There will be no Agency funds contributed to this effort; however, the Agency will enter into an Owner Participation Agreement to oversee the implementation of the project.

Oakland Asian Cultural Center

The Oakland Asian Cultural Center (OACC) is a cultural facility that the Agency sponsored as part of the Pacific Renaissance Plaza Project. In FY 2003-04, the Agency terminated its agreement with the original operator of the center and following a RFP process selected Asian Pacific Islander Cultural Center as the new operator. Plans for 2004-09 include developing

programming for and accessibility to the facility for cultural activities promoting Oakland's Asian and Pacific Islander community.

Housewives Market Site (Market Square Homes)

A.F. Evans Development, Inc. is developing 174 units of market rate for-sale housing to be built in two phases (116 units in Phase I), with 28 ground floor micro-lofts (14 in Phase I) that may be used for live-work, work-live, office, residential, or retail uses on the site formerly occupied by the old Housewives Market. Major accomplishments in FY 1999-04 included site acquisition, demolition of the four buildings on the site, completion of all environmental remediation and approval thereof by the state regulatory agencies, completion of construction documents and building permits, and starting construction of Phase I. Plans for FY 2004-09 include: complete construction of Phase I in early 2005; and commence and complete Phase II.

UC Office of President Parking Operations

The Agency owns and operates public parking in the UCOP Building at 11th, 12th and Franklin Streets. The garage generated \$498,599 in net revenue in FY 2001-04 on gross revenue of \$915,120. In early FY 2004-05, the City and Agency solicited and reviewed responses to a request for proposals for a master-parking operator for major Agency and City parking assets, including the UCOP Garage, in order to enhance revenues and operational standards for these facilities. A master-parking operator is expected to be selected in FY 2004-05.

IV. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL ELIMINATE BLIGHT

The Agency proposes to continue to focus its activities in the next five years on eliminating physical and economic blight conditions through the construction of public improvements and utilities, and assisting the private sector in developing vacant and/or underutilized properties. It is the Agency's intent that the Implementation Plan as proposed will encourage further private sector investment in both commercial and residential designated areas.

The Agency will focus on three categories of activities in order to eliminate blight in the Central District. These are:

- Assemble large areas of blighted and underutilized properties into sites suitable for new development. Such land assembly would likely take place in response to property owner, developer or Agency-initiated efforts to assemble property needed for the expansion of existing uses or for the creation of sites capable of development for new uses. Through an Owner Participation Agreement (OPA) or Disposition and Development Agreement (DDA), the Redevelopment Agency may provide land write downs or may grant or loan money to assist new retail, commercial, or housing development or expansion of existing facilities. Projects that include this activity are: Uptown Project (Forest City) and the 10K Housing Initiative.

- Supply low cost loans, grants, subsidies and directly improve blighted structures, including the Fox Theater, the Uptown Project, the Façade Programs, the Downtown Historic Façade Program and the Downtown Tenant Improvement Program. By eliminating physical deterioration and improving the substandard (obsolete) appearance of retail and commercial buildings and surrounding sites, more patrons will be attracted to the area, which will improve retail sales. The increased business activity should attract new businesses to the Project Area. Also, by improving the buildings, property values should increase.
- Provide infrastructure improvements covering a variety of public works projects ranging from installation of utilities, traffic capacity projects, mass-transit improvements, parking facilities, new streets, undergrounding overhead distribution and communication lines, storm drainage and sanitary sewers, bridges and under- or over-crossings, flood control improvements, pedestrian and bicycle friendly areas, traffic calming, freeway noise walls, and many other assorted capital projects. This may also include streetscape projects including constructing new curbs, gutters and sidewalks where they do not exist or where broken curbs, gutters and sidewalks require replacement; planting street trees and shrubs; constructing both decorative and handicapped accessible crosswalks; constructing new medians with landscaping; adding visual and safety improvements to existing medians; installing street furniture, such as trash receptacles and newspaper racks; and improving area lighting by increasing the number of luminaries, increasing the wattage of individual streetlights or adding pedestrian streetlights.

Improving the infrastructure will help to attract development to the Project Area by eliminating costs that might otherwise be born by the private sector. This should help to increase building activity and improve property values. Furthermore, public improvements such as parking structures will improve the viability of commercial property, helping to compensate for individual property site deficiencies, and lighting improvements will create a safer environment in which to shop and reduce graffiti. The proposed Agency programs for these activities include the Streetscape Master Plan, including Streetscape Improvements in Uptown, Old Oakland/ Chinatown and Lower Broadway, the Broadway Improvement Program and the continued operation and possible new construction of public parking facilities.

V. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL FULFILL THE LOW/MODERATE-INCOME HOUSING REQUIREMENTS

A. Implementation Plan Requirements

This Housing Component of the Implementation Plan is required by Article 16.5 of the California Redevelopment Law ("CRL") as contained in Sections 33000, *et seq.*, of the California Health and Safety Code. (All citations in this portion of the Implementation Plan are to the Health and Safety Code unless otherwise specified.)

The Housing Component presents those components of the Agency's intended program for the Project Area that deal with the expenditure of funds and activities relating to the production of

housing at affordable housing cost to persons and families of low- and moderate- ("low-mod") income. Low-income and moderate-income are defined in the CRL by reference to Section 50093, which specifies the following income levels:

- Moderate-income is defined as a household income from 80 percent to 120 percent of median income for the applicable household size (Section 50093);
- Low-income is defined as an income from 50 percent to 80 percent of median income for the applicable household size (Section 50079.5); and
- Very low-income is defined as an income less than 50 percent of median income for the applicable household size (Section 50105).

Affordable housing cost is defined in Section 50052.5 as shown in the following table. Housing cost for rental housing includes rent plus an allowance for tenant-paid utilities. Housing cost for owner-occupied housing includes principal, interest, insurance, taxes, utilities, homeowner association dues, and maintenance.

Definition of Affordable Housing Cost

Income Level	Rental Housing	Owner-Occupied Housing
Very Low-Income	30% of 50% of AMI	30% of 50% of AMI
Low-Income	30% of 60% of AMI	30% of 70% of AMI
Moderate-Income	30% of 110% of AMI	35% of 110% of AMI, but no less than 28% of actual income

AMI = "Area Median Income," which is the Median Family Income, adjusted for family size, for the metropolitan area (Alameda and Contra Costa Counties combined), as determined by the U.S. Department of Housing and Urban Development

The CRL provides that, in addition to the removal of blight, a fundamental purpose of redevelopment is to expand the supply of low-mod housing (Section 33071). To accomplish this purpose, the CRL contains numerous provisions to guide redevelopment agency activities with regard to low-mod housing. These provisions divide a redevelopment agency's housing responsibilities into three major categories:

- The production and/or replacement of low-mod housing depending upon activities undertaken by an agency within its project areas;
- The set-aside and expenditure of specified amounts of tax increment revenue for the express and exclusive purpose of increasing and improving the community's supply of low-mod housing; and
- Preparing reports on how the agency has met, or preparing plans on how the agency will meet its responsibilities with regard to the first two items.

This Housing Component is part of the Agency's responsibilities under the third major category. Its contents address how the Agency's plans for the Project Area will achieve many of the housing responsibilities contained in the first and second major categories of Agency housing activities. Article 16.5 requires that the housing portion of an Implementation Plan address the applicable items presented in the list below:

1. Production of Housing Based on Activities in the Project Area:

- The requirement that, for certain project areas, at least 30 percent of all new and substantially rehabilitated dwelling units developed by a redevelopment agency over a 10-year period must be available at affordable housing cost to persons and families of low- and moderate-income, and must be occupied by these persons and families (Section 33413(b)(1)). At least 50 percent of these units must be available to very low-income households.
- The requirement that, for certain project areas, at least 15 percent of all new residential units dwelling units developed within a project area under the jurisdiction of an agency by public or private entities or persons other than the agency over a 10-year period must be available at affordable housing cost to persons and families of low- or moderate-income, and must be occupied by these persons or families (Section 33413(b)(2)). At least 40 percent of these units must be available to very low-income households.
- The requirement that, for certain project areas, at least 15 percent of all substantially rehabilitated units that have received agency assistance over a 10-year period must be available at affordable housing cost to persons and families of low or moderate-income, and must be occupied by these persons or families (Section 33413(b)(2)(iii)). At least 40 percent of these units must be available to very low-income households.
- The requirement that an agency must replace, on a one-for-one basis, all units destroyed or removed from the low- and moderate-income housing stock caused by agency activities in a project area, within four years of the destruction or removal (Section 33413(a)). Suitable locations must be identified for replacement housing units rehabilitated, developed or constructed pursuant to Section 33413(a), if the destruction or removal of low-mod units will result from a project contained in the Implementation Plan.

2. Set-Aside and Expenditure of Tax Increment for Housing Purposes:

- The requirement to set-aside at least 20 percent of tax increment revenue into a Low and Moderate Income Housing Fund to increase, improve, and preserve the community's supply of low-mod housing at an affordable housing cost (Sections 33334.2 and 33334.6).
- The proportional expenditure of Low and Moderate Income Housing Funds on moderate, low-, and very low-income housing and family housing (Section 33334.4).
- The transfer of housing funds to other public entities producing housing in the community (a possible outcome of the provisions of Sections 33334.12 et seq.).

3. Additional Requirements:

- Estimates of the balances and deposits into the Low and Moderate Income Housing Fund.
- A housing program identifying expenditures from the Low and Moderate Income Housing Fund.
- An indication of housing activity that has occurred in the project area.
- Estimates of housing units that will be produced in the project area for each of the various income categories.

B. Applicable Low- and Moderate-Income Housing Requirements

1. Applicable Housing Production Requirements

The date of adoption of the redevelopment plan, the existence of low-mod housing units, and the potential for residential development are the primary determinants of the legal and practical applicability of the various housing provisions of the CRL. Only the low-mod housing provisions applicable to the Central District Project Area are discussed below:

a. Replacement Housing Obligation

In connection with the Uptown Project, which will be assisted by the Agency, the Westerner Hotel, located at 1918 – 1954 San Pablo Avenue, will be demolished. This structure contains 33 very low-income housing units. The Agency has adopted a Replacement Housing Plan that specifies that those units will be replaced within the Uptown Project itself, with 33 units that will be affordable to very low-income households.

b. Housing Production Obligation

Because the Central District Redevelopment Plan was adopted prior to 1976, the Agency is not required to comply with the housing unit production requirements of the CRL Section 33413(b).

2. Applicable Provisions Regarding Low- and Moderate-Income Housing Fund Set-Aside

a. Set-Aside of Tax Increment

The Agency must comply with the Section 33334.2 and 33334.6 requirement to allocate at least 20 percent of the gross tax increment from the Central District Project Area to affordable housing activities. The set-aside is required to be deposited into a Low and Moderate Income Housing Fund created to hold the monies until expended.

However, the Redevelopment Agency has adopted a policy by resolution that 25 percent of all tax increment revenue from each project area be allocated to the Low and Moderate Income Housing Fund, if certain conditions are met. The projections of deposits into the Low and Moderate Income Housing Fund from the Central District Project Area that are included in the following section assume that the full 25 percent set-aside will be deposited into the Low and Moderate Income Housing Fund in each of the years covered by this Implementation Plan.

b. Proportional Expenditures of Housing Fund Monies

The Central District Project Area is subject to the Section 33334.4 requirement that the Agency expend Low and Moderate Income Housing Fund monies in accordance with an income proportionality test and an age restriction proportionality test. These proportionality tests must be met every ten years through the termination of the Project Area life. These tests do not have to be met on an annual basis.

1) Very Low- and Low-Income Housing Expenditures

The income proportionality test requires the Agency to expend Low and Moderate Income Housing Funds in proportion to the housing needs that have been determined for the community pursuant to Section 65584 of the Government Code. The proportionality test used in this Implementation Plan is based on the 2000 Regional Housing Needs Assessment (RHNA) prepared by the Association of Bay Area Governments. Based on the 2000 RHNA for the City of Oakland, the Agency's minimum required allocation for very low- and low-income expenditures, and maximum moderate-income housing expenditures are:

Category	RHNA	Threshold
Very Low-Income	2,238	At least 43%
Low-Income	969	At least 19%
Moderate-Income	1,959	No more than 38%
Total	5,166	

Section 33334.4 requires that at least 43 percent of the Low and Moderate Income Housing Fund monies from the Central District Project Area dedicated to projects and programs be spent on housing for very low-income households. In addition, at least 19 percent of these funds must be spent on housing for low-income households, and no more than 38 percent of the funds can be spent on moderate-income households. However, the Agency is entitled to expend a disproportionate amount of the funds for very low-income households, and to subtract a commensurate amount from the low- and/or moderate-income thresholds. Similarly, the Agency can provide a disproportionate amount of funding for low-income housing by reducing the amount of funds allocated to moderate-income households. In no event can the expenditures targeted to moderate-income households exceed the established threshold amount.

The Agency will allocate Central District Low and Moderate Income Housing Funds in such a way that these percentages are met over the ten-year period from 2004

through 2014. In addition, the City and other entities may provide assistance for the construction of units affordable to very low- and low-income households that may also be counted toward meeting the requirements of Section 33334.4.

2) Age Restricted Housing Expenditures

Section 33334.4 also requires that the Agency assist housing that is available to all persons, regardless of age, in at least the same proportion as the population under age 65 bears to the City's total population as reported in the most recent census of the United States Census Bureau. The 2000 Census indicates that 89.5 percent of the City's population is under 65 years of age. As such, at least 89.5 percent of the Agency expenditures on affordable housing projects from Low and Moderate Income Housing Fund monies from the Central District Project Area must be spent to assist projects that do not impose age restrictions on the residents. The following summarizes the allocation of Low and Moderate Income Housing Fund monies.

Age Category	Percentage of Funds
Senior	10.5% Maximum
Unrestricted	89.5%
Total	

The Agency will ensure that over the ten-year period from 2004 through 2014, not more than 10.5 percent of its expenditures on affordable housing projects from Low and Moderate Income Housing Fund monies from the Central District Project Area are for projects that exclusively serve seniors.

c. Transfer of Housing Funds to Other Providers

The Project Area is subject to the CRL provisions requiring the transfer of housing funds to other housing producers in the Oakland area in certain circumstances. Such transfers could possibly occur if the Low and Moderate Income Housing Fund contains "excess surplus." Excess surplus means any unexpended and unencumbered amount in a project area's Low and Moderate Income Housing Fund that exceeds the greater of \$1,000,000 or the aggregate amount deposited into the Low and Moderate Income Housing Fund during the project's preceding four fiscal years.

The Agency does not anticipate having an excess surplus during the current Implementation Plan cycle or throughout the subsequent remaining Central District Project life.

3. Housing Goals and Objectives of the Implementation Plan

The primary goal of the Agency is to comply with the affordable housing requirements imposed by the CRL in a responsible manner. The affordable housing activities identified in this Implementation Plan will explicitly assist in accomplishing the intent of the CRL in regards to the provision of low-mod housing.

The CRL establishes that certain housing expenditures, and preservation and production requirements, be attained during five and ten year increments. The housing production requirement, if applicable, must be met every 10 years, while the proportionality tests must be achieved over the next 10 years, and then again through the end of the Project life. It is the Agency's goal and objective for this Implementation Plan to accomplish sufficient activity and expenditures over the Implementation Plan term, and through the remaining term of the Project, to comply with the applicable requirements.

4. Estimated Housing Fund Revenues and Expenditures

The following table presents the projected future deposits into the Low and Moderate Income Housing Fund from the Central District Project Area. As shown below, \$42,655,000 in revenues are projected to be available over the five-year term of this Implementation Plan.

**Estimated Housing Set-Aside Revenue
2004-2009
(in thousands of dollars)**

Plan Year	Fiscal Year	Housing Set Aside
1	2004-05	\$8,115
2	2005-06	\$8,318
3	2006-07	\$8,526
4	2007-08	\$8,739
5	2008-09	\$8,957
Total		\$42,655

5. Anticipated Housing Program Activities

The Agency may assist in a variety of programs to increase, improve and preserve affordable housing in the Project Area or the City of Oakland, such as the following:

a. Production

The Agency can make loans and grants from the Low- and Moderate-Income Housing Fund to non-profit and for-profit developers for the new construction or rehabilitation of affordable housing. Loans can be made on a deferred payment and/or below market interest rate basis.

The Agency can also participate in land acquisition, land cost write-down, developer recruitment, credit enhancement, and other participation to cause affordable housing to be developed. This is normally accomplished after identification of a housing site, development of a housing concept, and issuance of a Request for Proposals for development of housing. Such affordable housing could be rental or ownership housing. The Agency may also acquire land and directly build housing.

b. Rehabilitation

The Agency may offer low-interest or no-interest loans or grants to assist low- and moderate-income homeowners in making repairs to existing residences. Such repairs could consist of correcting health and safety violations, re-landscaping, and re-painting. This preserves the affordability of the housing and extends its lifespan, as well as improving the neighborhood. Additionally, such programs can be extended to owners of rentals properties to make repairs to affordable rental housing. In either case, covenants must be recorded to keep these properties affordable for the time period required by the CRL.

c. Affordability Assistance

The Agency may provide direct subsidies to lower the cost of producing housing or first-time homebuyer programs to assist very low- to moderate-income families with mortgage assistance for the purchase of a home. The latter can take the form of a deferred loan with a low interest rate and equity sharing provisions. When the home is sold, the loan and equity share would be used to help another first-time homebuyer.

d. Preservation of Existing Affordable Housing

The Agency may offer loans, grants or other forms of investment to assist in the preservation of existing assisted housing that is otherwise threatened with conversion to market rate. Such assistance would be coupled with affordability restrictions of 55 years for rental housing and 45 years for owner-occupied housing.

6. Allocation of Housing Funds over Previous Implementation Period

While Agency housing set-aside funds are tracked individually for each project area, the funds from all of the Agency's project areas are combined into a single Low and Moderate Income Housing Fund. The Agency has made findings that affordable housing activities in any part of the City of Oakland are of benefit to all of the redevelopment project areas. As a result, Low and Moderate Income Housing Funds from the Central District Project Area may be used both inside and outside the Project Area. In addition, the City of Oakland also provides assistance from its own funds for the development, improvement and preservation of affordable housing.

The tables on the following page provides information for the period 1999-2004 regarding:

- the amounts of Low and Moderate Income Housing Fund moneys utilized to assist units affordable to, and occupied by, extremely low-income households, very low-income households, and low-income households, including units available to families with children; and
- the number, the location, and the level of affordability of units newly constructed with other locally-controlled government assistance and without Agency housing fund assistance and that are required to be affordable to, and occupied by, persons of

low-, very low-, or extremely low-income for at least 55 years for rental housing or 45 years for homeownership housing.

Redevelopment Agency Assisted Housing Activities Completed or Underway, 1999 - 2004

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
10211 Byron	Families	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 386,550
1574-1590 7th Street	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 136,846
2001 Linden Street	TBD	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 148,500
3701 MLK Jr.	Families	Underway	Broadway/ MacArthur/San Pablo	TBD	TBD	TBD	TBD	\$ 109,510
5825 Foothill	Homeownership	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 701,000
Adeline Lofts	Families	2002	West Oakland	31	6			\$ 70,179
Allen Temple Gardens	Seniors	2001	Coliseum	49			1	\$ 1,951,000
Altenheim Phase I	Senior	Underway	None	66			1	\$ 1,778,560
Calaveras Townhomes	Homeownership	Underway	None				28	\$ 3,858,500
Casa Velasco	Seniors	2003	Central City East	20				\$ 908,000
Chestnut Court Ownership	Homeownership	2003	Oak Center and none		15			\$ 1,727,000
Chestnut Court Rental	Families	2003	Oak Center		71		1	\$ 2,976,000
Coliseum Gardens Phase I	Families	Underway	Coliseum	91	22		2	\$ 1,500,000
Courtyards at Acorn	Families	2000	Acorn		87			\$ 604,500
CURA-North	Disabled or HIV/AIDS	2001	None	8				\$ 587,876
Drachma	Families	2003	West Oakland	19				\$ 1,712,000
Eastmont Court	Disabled or HIV/AIDS	Underway	Central City East	18			1	\$ 1,427,000
Edes Avenue Homes	Homeownership	Underway	Coliseum		26			\$ 2,075,000
Effie's House	Families	1999	None	4	16			\$ 225,000
Faith Housing	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 689,598
Habitat Fruitvale Homes	Homeownership	2003	None		4			\$ 112,000
Habitat Village	Homeownership	2001	Coliseum		40			\$ 981,048
Horizon Townhomes	Homeownership	Underway	Central City East		4	10		\$ 1,767,000
Irene Cooper Terrace	Seniors	2000	Central City East	39			1	\$ 560,000
Lake Merritt Apartments	Senior	2004	Central City East	11	43		1	\$ 1,900,000
Leola Terrace II	Homeownership	Underway	Central City East		8			\$ 200,000
Lincoln Court	Senior	Underway	None	24	57			\$ 2,000,000
Linden Court Rental	Families	2003	West Oakland		78		1	\$ 3,224,000
Madison Lofts	Families	Underway	Central District	TBD	TBD	TBD	TBD	\$ 1,498,000
Mandela Gateway Ownership	Homeownership	Underway	West Oakland		8	6		\$ 1,146,100
Mandela Gateway Rental	Families	Underway	West Oakland	95	71		2	\$ 2,500,000
MLK MacArthur BART Sr.	Senior	Underway	Broadway/ MacArthur/San Pablo	32			1	\$ 2,080,850
MLK Plaza Homes	Homeownership	2002	None		6	5		\$ 1,287,175
Mortgage Assistance Program	Homeownership	multiple	Citywide	51	225	11		\$11,000,000
Northgate Apartments	Families	2003	None	21	20		1	\$ 349,229
Oak Park Homes	Families	Underway	Central City East	16	18		1	\$ 3,419,000
Oak Street Terrace Senior	Senior	Underway	Central District	21	17		1	\$ 2,072,000
Oakland Point Limited Partnership	Families	2002	West Oakland	31				\$ 1,451,606
Palm Court	Homeownership	Underway	Acorn		12			\$ 855,400
Palm Villa	Homeownership	2003	None		78			\$ 6,725,000
Percy Abrams Jr. Senior	Senior	Underway	None	43			1	\$ 1,000,000

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
San Pablo Gateway	Homeownership	2000	Broadway/ MacArthur/San Pablo		7	10		\$ 1,473,792
Santana	Families	2004	Central City East	30				\$ 713,000
Sausal Creek	Homeownership	Underway	None		9	8		\$ 2,329,000
Seven Directions	Families	Underway	Coliseum	24	13		1	\$ 3,289,000
Southlake Towers	Senior		Central District	26	103		1	\$ 445,300
Sylvester Rutledge Manor (North Oakland Senior)	Seniors	2003	West Oakland	64			1	\$ 2,551,750
Town Center at Acorn	Families	2000	Acorn	102	104			\$ 250,000
UniDev	Families	Underway	Citywide	TBD	TBD	TBD	TBD	\$ 25,000

(1) Agency Funding includes all funding provided from Low and Moderate Income Housing Fund over the life of the project. Some funding may have been provided prior to 1999.

(2) TBD = "to be determined" – specific affordability levels have not yet been established.

**Housing Units Newly Constructed in Redevelopment Project Areas,
Assisted With Locally-Controlled Government Assistance and
No Redevelopment Agency Housing Financing, 1999 – 2004**

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (1)			
				Very Low	Low	Moderate	Above Moderate
Allen Temple Manor	Disabled or HIV/AIDS	2001	Coliseum	23			1
Bayporte Village	Homeownership	1999	Acorn		69	2	
Bishop Nichols Senior Housing (Downs)	Seniors	2003	Stanford/Adeline	16			1
Coliseum Gardens Phase II	Families	TBD	Coliseum	39	90		
Coliseum Gardens Phase III	Families	TBD	Coliseum	32	74		
Fruitvale Transit Village	Families	2004	Coliseum	3	7		34
Habitat for Humanity	Homeownership	2001	Coliseum		3		
International Blvd Family Housing	Families	2002	Coliseum and none	4	25		1
NCLT Homeownership Program	Homeownership	2003	West Oakland		4		
Paul Wang (2003 DDA)	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	TBD	Broadway/MacArthur/San Pablo				2
Paul Wang II	Homeownership	2004	Coliseum		2		
Paul Wang II	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	2004	Coliseum				1
Paul Wang II	Homeownership	2004	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland				1
Pukatch Infill Project	Homeownership	TBD	West Oakland				4
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
Stanley Avenue Apartments	Families	2003	Coliseum	23			
Swans Market Housing	Families	1999	Central District		18		

(1) TBD = "to be determined" – specific affordability levels have not yet been established.

APPROVED AS TO FORM AND LEGALITY
[Signature]
AGENCY COUNSEL
OFFICE OF THE CITY CLERK
OAKLAND
FILED
28 PM 6:45

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION ADOPTING THE 2004-2009 IMPLEMENTATION PLAN FOR THE COLISEUM AREA REDEVELOPMENT PROJECT

WHEREAS, Section 33490 of the California Community Redevelopment Law (Health & Safety Code Section 33000, et seq.) requires a redevelopment agency to adopt an implementation plan every five years; and

WHEREAS, the Agency Administrator has prepared and presented to the Agency a five-year Implementation Plan for the Coliseum Area Redevelopment Project for 2004-2009; and

WHEREAS, the Agency has held a public hearing and received comment on the proposed Implementation Plan; and

WHEREAS, the proposed Implementation Plan as presented to the Agency sets forth the specific goals and objectives for the Coliseum project area, the specific programs, projects and estimated expenditures over the next five years, and an explanation of how the goals, objectives, programs, projects, and expenditures will eliminate blight within the project area and meet low- and moderate-income housing requirements, as required by law; now, therefore, be it

RESOLVED: That the Agency hereby approves and adopts the 2004-2009 Implementation Plan for the Coliseum Area Redevelopment Project attached to this Resolution as Attachment A; and be it further

RESOLVED: That the Agency Administrator or her designee is hereby authorized to take whatever action is appropriate with respect to the Implementation Plan consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, AND CHAIRPERSON DE LA FUENTE,

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
 CEDA FLOYD
 Secretary of the Redevelopment Agency
 of the City of Oakland

ATTACHMENT A

COLISEUM AREA REDEVELOPMENT PROJECT FIVE-YEAR IMPLEMENTATION PLAN 2004-2009

I. BACKGROUND AND INTRODUCTION

The Coliseum Area Redevelopment Plan was adopted on June 23, 1995 (Ordinance Number 11824 C.M.S.), and later amended on July 22, 1997 (Ordinance Number 12001 C.M.S.) to include an additional 680 acres in the San Antonio district of Oakland. The redevelopment plan documents, including the Implementation Plan, were developed with considerable community input, led by the Coliseum Area Redevelopment Advisory Committee (CARAC), comprising representatives from the business, residential, faith and non-profit communities.

The Coliseum Redevelopment Project Area includes 6,764 acres bounded by 22nd Avenue, International Boulevard, the Oakland-San Leandro city border, and the Oakland International Airport and the Estuary. Approximately 75 percent of the total Project Area consists of commercial, industrial, and airport related uses with the remaining 25 percent of the total Project Area residential.

The principal objectives of the Coliseum Area Redevelopment Plan are the abatement of physical and economic blight through the redevelopment of vacant and underutilized properties and the replacement of obsolete infrastructure. The Coliseum project program addresses six target areas of activity:

- the Coliseum Shoreline project;
- the Fruitvale BART Station area;
- the Hegenberger Gateway/Oakland Airport area;
- the Coliseum BART Station Area;
- the Neighborhood Improvement Program, an expanded focus on neighborhood capital projects; and
- the International Boulevard Infill area.

Since the Coliseum Area Redevelopment Plan was first adopted in 1995, the Redevelopment Agency has funded or otherwise supported a number of actions called for in the earlier Implementation Plans. These actions include:

- Completion of the Fruitvale Transit Village project, which includes key tenants such as La Clinica de la Raza, the Cesar Chavez Branch Library, the Oakland Multipurpose Senior

Center and a retail courtyard of 38,000 square feet around the 34th Avenue Paseo, now known as Avenida de la Fuentes.

- Coordinated the completion of the conveyance and construction of the OUSD Cesar Chavez Education Center housing a kindergarten and early education program, two elementary schools and a junior high school.
- Completion of the Jinglestown Housing Development – for sale units for first time homebuyers.
- Completion of the Las Bougainvilleas Senior Housing Development – 64 rental units for low income seniors.
- Completion of the Fruitvale Station Shopping Center, 160,000 square feet on 13 acres.
- Created the Security Enhancement Program, which funds overtime costs for extra police patrols in the commercial/industrial areas on nights and weekends.
- Secured funding for construction of a Coliseum InterCity Rail Platform for about \$6 million.
- Completed two major roads of the Airport Gateway Streetscape Improvements as part of the Airport Gateway Urban Design Concept, the Hegenberger Road and the 98th Avenue Streetscape Improvements as part of the Airport Roadway project.
- Worked with the City of San Leandro to coordinate the design of the Airport Gateway Doolittle Drive Streetscape and with the Public Works Agency to develop the conceptual design for the Airport Gateway Airport Access Road Streetscape and Hegenberger East Streetscape Design.
- Developed a new marketing program with four new neighborhood and area profiles on the Coliseum Redevelopment Project Area, the Hegenberger/ I-880 District, In-Fill Housing, and the Coliseum Auto Mile featuring the new Hendricks Automotive Group Infiniti of Oakland dealership.
- Developed the design for the Coliseum Transit Hub project on San Leandro Street to implement the MTC Transportation for Livable Communities grant.
- Developed the preliminary design for the San Leandro Street Utility Undergrounding project as part of the overall Coliseum Transit Village project.

II. GOALS AND OBJECTIVES FOR THE PROJECT AREA

The goals of the Coliseum Area Redevelopment Plan are as follows:

- A. Stimulate industrial, R&D and commercial development by improving obsolete, under-utilized and vacant properties.
- B. Provide long-term job training and employment opportunities for residents.
- C. Eliminate land use conflicts between the residential and industrial edge.
- D. Improve public safety for people living and working in the area.
- E. Improve the quality of the residential environment by assisting new construction, rehabilitation, and conservation of living units in the area.

- F. Stimulate home ownership opportunities.
- G. Improve transportation, public facilities and infrastructure in residential, commercial and industrial areas.
- H. Assist neighborhood commercial revitalization.
- I. Attract new and retain existing businesses.

III. PROJECTS AND EXPENDITURES PROPOSED FOR THE NEXT FIVE YEARS

The following table outlines the projected tax increment revenue for the Coliseum Area Redevelopment Project over the five-year period of this Implementation Plan. The figures assume a 2% average growth in tax increment revenue over the 2004 assessed property valuation within the Project Area. The revenues stated for the last four of the five years proposed, FY 2005-09, are projections *only* and are contingent upon specific Council authorizations at a later date.

The total projected net tax increment revenue that will be available during the FY 2004-09 period is estimated to be \$994,000. The total projected housing fund revenue is estimated to be \$17,523,000.

Projection of Tax Increment Revenue
FY 2004-09
(\$'000s)

	FISCAL YEAR					TOTAL
	2004-05	2005-06	2006-07	2007-08	2008-09	2004-09
Gross Tax Increment Revenue	13,468	13,738	14,013	14,293	14,578	70,090
Housing Set Aside Requirement	(3,367)	(3,435)	(3,503)	(3,573)	(3,645)	(17,523)
AB 1290 Pass-Through *	(2,694)	(2,748)	(2,803)	(2,859)	(2,916)	(14,020)
State Education Funds (ERAF)	(1,191)	(1,215)	0	0	0	(2,406)
School Set Aside	(606)	(618)	(631)	(643)	(656)	(3,154)
Debt Expenditures	(1,497)	(1,497)	(1,450)	(1,497)	(1,497)	(7,438)
Personnel	(3,038)	(3,494)	(4,017)	(4,500)	(5,040)	(20,089)
Other O&M	(741)	(815)	(897)	(968)	(1,045)	(4,466)
Total Expenditures	(13,134)	(13,822)	(13,301)	(14,040)	(14,799)	(69,096)
Net Tax Increment Revenue	334	(84)	712	253	(221)	994

*AB 1290 set-aside does not include second tier adjustments for years 2005-2009

The list below summarizes the total tax increment revenue and expenditures for the Coliseum area focusing on the totals over the five-year Implementation Plan period:

- \$1.0 million in net tax increment for Coliseum projects and redevelopment programs.

- \$24.5 million in personnel and other activities.
- \$17.5 million for the Low and Moderate Income Housing Fund.
- \$14 million for other taxing agencies under the AB 1290 distribution formula.
- \$7.4 million in debt service.
- \$2.4 million in payments to the state Educational Revenue Augmentation Fund.
- about \$3.2 million in funds set-aside for the Oakland Unified School District.

**Coliseum Redevelopment Area FY 2003-04 Capital Projects
Mid Year Budget Status Summary 2004**

	Budget	Spent/Committed	Funds Available
Coliseum Shoreline Area			
Zhone Technologies Campus	12,404	-	12,404
Coliseum Shoreline Project - Loan Repayment	3,600,000	3,600,000	-
Subtotal	\$ 3,612,404	\$ 3,600,000	\$12,404
Fruitvale Area			
Fruitvale BART Transit Village	4,400,000	4,400,000	-
29th Avenue Gateway Streetscape Improvements	150,000	150,000	-
Subtotal	\$ 4,550,000	\$ 4,550,000	-
Hegenberger / Airport Gateway			
Airport Gateway - Airport Access Road	1,208,835	1,208,835	-
Airport Gateway - Doolittle	750,000	750,000	-
Airport Gateway - Hegenberger Road	292,921	80,000	212,921
Airport Gateway - 98th Avenue	1,228,141	1,228,141	-
Airport Connector Intermediate Station Design	1,000,000	-	1,000,000
Hegenberger East Gateway Streetscape	900,000	900,000	-
Subtotal	\$5,379,897	\$4,166,976	\$1,212,921
Coliseum BART Station Area			
Coliseum InterCity Rail Platform	1,729,000	1,729,000	-
Coliseum Transit Hub Streetscape Improvements	130,000	130,000	-
San Leandro Street Utility Under- grounding	1,670,000	1,670,000	-
Coliseum Gardens HOPE VI - Infrastructure	4,000,000	4,000,000	-
Coliseum BART Station Area Plan	18,700	-	18,700
Coliseum Complex / BART Area Site Assembly	40,000	-	40,000
Subtotal	\$7,587,700	\$7,529,000	\$58,700
Neighborhood Improvements and Other Catalyst Projects			
Railroad Avenue Street Improvement	1,000,000	1,000,000	-
Technology Incubator Project	1,610,000	1,610,000	-
Neighborhood Commercial Revitalization	104,612	104,612	-
Coliseum Capital Project Support:			-
Coliseum Shoreline	107,859	15,451	92,408
I-880 Industrial Strategy	31,230	27,650	3,580
Master Plan	1,364	-	1,364
Subtotal	\$2,855,065	\$2,757,713	\$97,352
GRAND TOTAL	\$23,985,066	\$22,603,689	\$1,381,377

In addition to the tax increment forecast estimate there is redevelopment funding remaining of about \$22.6 million in tax allocation bond and capital funding balances from prior years, which will be spent on about nine capital projects and one new neighborhood program over the remaining two years, 2004-2006. The summary of the project expenditures by project area group include:

- Over 99% of the funds for the Coliseum Shoreline capital project were expended.
- All of the funds for the Fruitvale area were expended including the Fruitvale Village and 29th Avenue Gateway project funds.
- Over 77% of funding for the Airport Gateway projects were committed or expended.
- Over 99% of funding for the Coliseum BART Station area were committed or expended.
- Over 96% of funds for the Neighborhood Improvement and Catalyst Projects were committed or expended.
- Overall 94% of funds for the Coliseum Capital program were committed or expended in 2003-04.

As set forth in the planning process future expenditures are allocated on a percentage basis across various categories of investment. The projected budget is based on tax increment growth estimates made in the 2004 and calculated to grow at 2% per year and project but one scenario of growth. Actual tax increment growth may vary from these estimates over the years.

The \$24 million available for capital project and program expenditures has been drawn down during fiscal years FY 2003-2004 and the remaining balance is expected to be spent from FY 2004-2006 with an emphasis on implementing projects planned in earlier years. These project expenditures will largely be aimed toward improving transportation and infrastructure, improving obsolete and underutilized properties, and furthering the transit village development in the neighborhoods surrounding the Coliseum and Fruitvale BART stations. Additional investments will be made to improve security, improve linkages between area employers and potential area employees, retain and attract business, and revitalize neighborhood residential and commercial areas throughout the redevelopment project area.

FUTURE EXPENDITURES (FY 2004-09)

<u>Project and Goals</u>	<u>Funding Level</u>
<ul style="list-style-type: none"> • Marketing and Economic Development Programs (1%) <i>Goals E, H</i> 	\$700,900
<ul style="list-style-type: none"> ▪ Improve Public Safety (2%) <i>Goal C</i> 	\$1,401,800

• Improve Public Transportation, Facilities and Infrastructure (38%) <i>Goals F, G, & H</i>	\$26,634,200
• Stimulate Development by Improving Obsolete, Underutilized and Vacant Properties (35%) <i>Goals G, I</i>	\$24,531,500
• Neighborhood Improvement and Revitalization (18%) <i>Goals C, G, H</i>	\$12,616,200
• Other Brownfield, Neighborhood programs (5%) <i>Goals D, E. & G</i>	\$3,504,500
• <u>Business Retention (1%) <i>Goal I</i></u>	<u>\$700,900</u>
Total Projected Expenditures for FY 2004-09	\$70,090,000

IV. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL ELIMINATE BLIGHT

Coliseum Redevelopment Project Area Five-Year Spending Plan for FY 2004-09

The Coliseum Redevelopment tax allocation bond and tax increment revenue will provide funds to complete the plans, capital projects and programs during the next five years. These projects will mitigate the physical and economic blight to assist in the revitalization of the Coliseum Project Area and include:

- Supporting transit villages at both the Coliseum and Fruitvale BART station areas.
- Design and installation of infrastructure projects for:
 - ❖ the Coliseum Transit Hub along San Leandro Street
 - ❖ the Airport Gateway along Doolittle Drive and Airport Access Road
 - ❖ the Hegenberger East streetscape and
 - ❖ Railroad Avenue.
- Implementing the Coliseum Transit Oriented Development Concept Plan at the Coliseum BART Station area.
- Funding the completion of design and construction gaps for the Coliseum Intercity Amtrak Rail Platform and supporting the Oakland Airport Connector project.
- Contributing a subdivision infrastructure grant to the Coliseum Gardens Hope VI Project.
- Creating a new program to contribute to Neighborhood Improvement in the Project Area.

The Coliseum Redevelopment Project Area will use catalyst development projects, infrastructure and transportation investment and major transit village planning and investment to revitalize the Project Area. Additional public outreach to obtain community input for a new program to

support neighborhood capital projects has been conducted. In response to community input the Coliseum Area Redevelopment Project team has developed a new Neighborhood Improvement Program to support neighborhood capital projects for both residential and commercial districts of the Project Area. The new emphasis on neighborhood projects will complement the large scale project efforts and balance the investment pattern as well.

The leading indicators of blight in the Coliseum Redevelopment Project Area include obsolete and underutilized land, poor transportation circulation and connections, and lack of private investment. Staff plans to continue the strategies developed with the business and neighborhood communities in the Project Area to correct these blighting factors including:

- public expenditures to improve roadways and intermodal transportation opportunities,
- improve underutilized properties and incompatible uses by assisting with environmental assessments, clean-up, land assembly and screening,
- improve security in the Project Area, and
- stimulate private investment in the neighborhoods, commercial and industrial areas throughout the Coliseum Redevelopment Project Area.

V. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL FULFILL THE LOW/MODERATE INCOME HOUSING REQUIREMENTS

A. Implementation Plan Requirements

This Housing Component of the Implementation Plan is required by Article 16.5 of the California Redevelopment Law ("CRL") as contained in Sections 33000, *et seq.*, of the California Health and Safety Code. (All citations in this portion of the Implementation Plan are to the Health and Safety Code unless otherwise specified.)

The Housing Component presents those components of the Agency's intended program for the Project Area that deals with the expenditure of funds and activities relating to the production of housing at affordable housing cost to persons and families of low and moderate ("low-mod") income. Low income and moderate income are defined in the CRL by reference to Section 50093, which specifies the following income levels:

- Moderate income is defined as a household income from 80 percent to 120 percent of median income for the applicable household size (Section 50093);
- Low income is defined as an income from 50 percent to 80 percent of median income for the applicable household size (Section 50079.5); and
- Very low income is defined as an income less than 50 percent of median income for the applicable household size (Section 50105).

Affordable housing cost is defined in Section 50052.5 as shown in the following table. Housing cost for rental housing includes rent plus an allowance for tenant-paid utilities. Housing cost for owner-occupied housing includes principal, interest, insurance, taxes, utilities, homeowner association dues, and maintenance.

Definition of Affordable Housing Cost

Income Level	Rental Housing	Owner-Occupied Housing
Very Low Income	30% of 50% of AMI	30% of 50% of AMI
Low Income	30% of 60% of AMI	30% of 70% of AMI
Moderate Income	30% of 110% of AMI	35% of 110% of AMI, but no less than 28% of actual income

AMI = "Area Median Income," which is the Median Family Income, adjusted for family size, for the metropolitan area (Alameda and Contra Costa Counties combined), as determined by the U.S. Department of Housing and Urban Development

The CRL provides that, in addition to the removal of blight, a fundamental purpose of redevelopment is to expand the supply of low-mod housing (Section 33071). To accomplish this purpose, the CRL contains numerous provisions to guide redevelopment agency activities with regard to low-mod housing. These provisions divide a redevelopment agency's housing responsibilities into three major categories:

- The production and/or replacement of low-mod housing depending upon activities undertaken by an agency within its project areas;
- The set-aside and expenditure of specified amounts of tax increment revenue for the express and exclusive purpose of increasing and improving the community's supply of low-mod housing; and
- Preparing reports on how the agency has met, or preparing plans on how the agency will meet its responsibilities with regard to the first two items.

This Housing Component is part of the Agency's responsibilities under the third major category. Its contents address how the Agency's plans for the project area will achieve many of the housing responsibilities contained in the first and second major categories of Agency housing activities. Article 16.5 requires that the housing portion of an Implementation Plan address the applicable items presented in the list below:

1. Production of Housing Based on Activities in the Project Area:

- The requirement that, for certain project areas, at least 30 percent of all new and substantially rehabilitated dwelling units developed by a redevelopment agency over a 10-year period must be available at affordable housing cost to persons and families of low and moderate income, and must be occupied by these persons and families (Section

33413(b)(1)). At least 50 percent of these units must be available to very low income households.

- The requirement that, for certain project areas, at least 15 percent of all new residential units dwelling units developed within a project area under the jurisdiction of an agency by public or private entities or persons other than the agency over a 10-year period must be available at affordable housing cost to persons and families of low or moderate income, and must be occupied by these persons or families (Section 33413(b)(2)). At least 40 percent of these units must be available to very low income households.
- The requirement that, for certain project areas, at least 15 percent of all substantially rehabilitated units that have received agency assistance over a 10-year period must be available at affordable housing cost to persons and families of low or moderate income, and must be occupied by these persons or families (Section 33413(b)(2)(iii)). At least 40 percent of these units must be available to very low income households.
- The requirement that an agency must replace, on a one-for-one basis, all units destroyed or removed from the low and moderate income housing stock caused by agency activities in a project area, within four years of the destruction or removal (Section 33413(a)). Suitable locations must be identified for replacement housing units rehabilitated, developed or constructed pursuant to Section 33413(a), if the destruction of removal of low-mod units will result from a project contained in the implementation plan.

2. Set-Aside and Expenditure of Tax Increment for Housing Purposes:

- The requirement to set-aside at least 20 percent of tax increment revenue into a Low and Moderate Income Housing Fund to increase, improve, and preserve the community's supply of low-mod housing at an affordable housing cost (Sections 33334.2 and 33334.6).
- The proportional expenditure of Low and Moderate Income Housing Funds on moderate, low, and very low income housing and family housing (Section 33334.4).
- The transfer of housing funds to other public entities producing housing in the community (a possible outcome of the provisions of Sections 33334.12 et seq.).

3. Additional Requirements:

- Estimates of the balances and deposits into the Low and Moderate Income Housing Fund.
- A housing program identifying expenditures from the Low and Moderate Income Housing Fund.
- An indication of housing activity that has occurred in the project area.

- Estimates of housing units that will be produced in the project area for each of the various income categories.

B. Applicable Low and Moderate Income Housing Requirements

1. Applicable Housing Production Requirements

The date of adoption of the redevelopment plan, the existence of low-mod housing units, and the potential for residential development are the primary determinants of the legal and practical applicability of the various housing provisions of the CRL. Only the low-mod housing provisions applicable to the Coliseum Project Area are discussed below:

a. Replacement Housing Obligation:

In connection with the Coliseum Gardens project, which will be assisted by the Agency, 178 units of housing affordable to very low income households will be demolished. The Agency has adopted a Replacement Housing Plan that specifies that 167 units will be replaced with comparable new units to be built on the project site. An additional 11 units of replacement housing will be provided in the Mandela Gardens development, located at 1364 and 1420 7th Street in West Oakland.

b. Housing Production Obligation:

The Agency is required to comply with the housing unit production requirement of Section 33413(b). Subparagraph (1) of the Section requires that 30 percent of all housing units developed by the Agency be affordable to low-mod persons. The Agency does not plan to develop housing in the next five years, rather the Agency will assist in private sector affordable housing development. Thus, the Agency is not anticipated to incur any obligations under this provision of the CRL.

The Agency will assist the private sector in developing affordable housing and it is possible that there will be some residential infill within the Project Area that is not Agency-assisted. As a result, the Agency will need to create low-mod housing in order to comply with the provisions of subparagraph (2) of Section 33413(b). Subparagraph two requires that 15 percent of all housing developed in the Project Area (inclusive of restricted units) be low-mod housing. Of these low-mod units, at least 40 percent must be affordable to persons and families of very-low income.

To determine the number of units that must be developed in order to comply with this requirement, and to identify how much of this requirement will be satisfied by the activities included in this Implementation Plan, a brief review of past and anticipated housing development activity in the Project Area is presented below.

(1) Housing Construction Activity in the Project Area Prior to 2004:

From the inception of the Project Area in 1995 through 2004, 668 units of housing have been newly constructed or substantially rehabilitated. In addition to the affordable projects listed below, there have been a number of significant market-rate developments, including the 265-unit Durant Square project and the Fruitvale Transit Village, which included 37 market-rate units in addition to 10 affordable units.

(2) Estimate of Future Housing Construction Activity in the Project Area:

The Agency estimates that over the next 10 years, an additional 1,400 units will be developed in the Project Area, as follows:

Project Name	Units	Type	Year
Estuary Project	100	Families	2005
Ford St. Lofts	81	Families	2005
Coliseum Gardens	383	Families	2007
Coliseum Transit Village	502	Families	2009
Seven Directions	38	Families	2005
Fruitvale Transit Village	47	Families	2004
Derby Live/Work	34	Families	2005
Pulte Homes	365	Families	2006
Scattered Site Infill/Undetermined	215		
TOTAL	1,765		

(3) Estimated Number of Units Required for Housing Production Obligation

The Agency’s housing production obligation is based on the number of units already constructed plus those units expected to be constructed in the next ten years. This will be a total of 2,433 units. At least 15 percent of the units (365 units) must be affordable to very low, low and moderate income households. At least 40% of those units, which equates to 146 units, must be restricted to very-low income households.

(4) How the Housing Production Obligation Will be Met

The following illustrates how the housing production obligations will be fulfilled:

Project Name	Units	Type	Year	Affordability Level			
				Very Low	Low	Mod	Above Mod
Allen Temple Gardens	50	Seniors	2001	49	0	0	1
Allen Temple Manor	24	Disabled or HIV/AIDS	2001	23	0	0	1
Coliseum Gardens Phase I	115	Families	2005	91	22	0	2
Coliseum Gardens Phase II	129	Families	2006	39	90	0	0
Coliseum Gardens Phase III	106	Families	2007	32	74	0	0
Edes Avenue Homes	26	Homeownership	TBD	0	26	0	0

Fruitvale Transit Village	47	Families	2004	3	7	0	37
Habitat for Humanity	3	Homeownership	2001	0	3	0	0
Habitat Village	40	Homeownership	2001	0	40	0	0
International Blvd Family Housing	30	Families	2002	4	25	0	1
Las Bougainvilleas	67	Senior	1998	67	0	0	0
Paul Wang (2003 DDA)	1	Homeownership	2004	0	1	0	0
Paul Wang II	2	Homeownership	2004	0	2	0	0
Paul Wang II	1	Homeownership	2004	0	1	0	0
Paul Wang II	1	Homeownership	2004	0	0	0	1
Seven Directions	38	Families	TBD	24	13	0	1
Stanley Avenue Apartments	24	Families	2003	23	0	0	1
TOTAL	704			355	304	0	45

Based on these projections, the Agency will exceed its production obligation, as shown below.

Housing Production Requirement	Very Low/Low/Moderate (15% of all production)	Very Low (40% of affordable units)
Total Units Required	365	146
Estimated Production	704	355
Total Surplus (Deficit) Units	339	209

It should be noted that all of the affordable units will be located in the Project Area and therefore can be counted on a one-for-one basis toward the production obligation. To the extent that more affordable units are produced than are required, the excess can be applied, on a two-for-one basis, toward production requirements in other Project Areas.

2. Applicable Provisions Regarding Low and Moderate Income Housing Set-Aside

a. Set-Aside of Tax Increment

The Agency must comply with the Section 33334.2 and 33334.6 requirement to allocate at least 20 percent of the gross tax increment to affordable housing activities. The set-aside is required to be deposited into a Low and Moderate Income Housing Fund created to hold the monies until expended.

However, the Redevelopment Agency has adopted a policy by resolution that 25 percent of all tax increment revenue from each project area be allocated to the Low and Moderate Income Housing Fund, if certain conditions are met. The projections of deposits into the Low and Moderate Income Housing Fund from the Coliseum Project Area that are included in the following section assume that the full 25 percent set-aside will be deposited into the Low and Moderate Income Housing Fund in each of the years covered by this Implementation Plan.

b. Proportional Expenditures of Housing Fund Monies

The Coliseum Project Area is subject to the Section 33334.4 requirement that the Agency expend Low and Moderate Income Housing Fund monies in accordance with an income proportionality test and an age restriction proportionality test. These proportionality tests must be met every ten years through the termination of the Project Area life. These tests do not have to be met on an annual basis.

(1) Very Low and Low Income Housing Expenditures

The income proportionality test requires the Agency to expend Low and Moderate Income Housing Funds in proportion to the housing needs that have been determined for the community pursuant to Section 65584 of the Government Code. The proportionality test used in this Implementation Plan is based on the 2000 Regional Housing Needs Assessment (RHNA) prepared by the Association of Bay Area Governments. Based on the 2000 RHNA for the City of Oakland, the Agency's minimum required allocation for very low and low income expenditures, and maximum moderate income housing expenditures are:

Category	RHNA	Threshold
Very Low Income	2,238	At least 43%
Low Income	969	At least 19%
Moderate Income	1,959	No more than 38%
Total	5,166	

Section 33334.4 requires that at least 43 percent of the Low and Moderate Income Housing Fund monies from the Coliseum Project Area dedicated to projects and programs be spent on housing for very low income households. In addition, at least 19 percent of these funds must be spent on housing for low income households, and no more than 38 percent of the funds can be spent on moderate income households. However, the Agency is entitled to expend a disproportionate amount of the funds for very low income households, and to subtract a commensurate amount from the low and/or moderate income thresholds. Similarly, the Agency can provide a disproportionate amount of funding for low income housing by reducing the amount of funds allocated to moderate income households. In no event can the expenditures targeted to moderate income households exceed the established threshold amount.

The Agency will allocate Coliseum Low and Moderate Income Housing Funds in such a way that these percentages are met over the ten-year period from 2004 through 2014. In addition, the City and other entities may provide assistance for the construction of units affordable to very low and low income households that may also be counted toward meeting the requirements of Section 33334.4.

(2) Age Restricted Housing Expenditures

Section 33334.4 also requires that the Agency assist housing that is available to all persons, regardless of age, in at least the same proportion as the population under age 65 bears to the City's total population as reported in the most recent census of the United States Census Bureau. The 2000 Census indicates that 89.5 percent of the City's population is under 65 years of age. As such, at least 89.5 percent of the Agency expenditures on affordable housing projects from Low and Moderate Income Housing Fund monies from the Coliseum Project Area must be spent to assist projects that do not impose age restrictions on the residents. The following summarizes the allocation of Low and Moderate Income Housing Fund monies.

Age Category	Percentage of Funds
Senior	10.5% Maximum
Unrestricted	89.5%
Total	

The Agency will ensure that over the ten-year period from 2004 through 2014, not more than 10.5 percent of its expenditures on affordable housing projects from Low and Moderate Income Housing Fund monies from the Coliseum Project Area are for projects that exclusively serve seniors.

c. Transfer of Housing Funds to Other Providers

The Project Area is subject to the CRL provisions requiring the transfer of housing funds to other housing producers in the Oakland area in certain circumstances. Such transfers could possibly occur if the Low and Moderate Income Housing Fund contains "excess surplus." Excess surplus means any unexpended and unencumbered amount in a project area's Low and Moderate Income Housing Fund that exceeds the greater of \$1,000,000 or the aggregate amount deposited into the Low and Moderate Income Housing Fund during the project's preceding four fiscal years.

The Agency does not anticipate having an excess surplus during the current Implementation Plan cycle or throughout the subsequent remaining Coliseum Project life.

3. Housing Goals and Objectives of the Implementation Plan

The primary goal of the Agency is to comply with the affordable housing requirements imposed by the CRL in a responsible manner. The affordable housing activities identified in this Implementation Plan will explicitly assist in accomplishing the intent of the CRL in regards to the provision of low-mod housing.

The CRL establishes that certain housing expenditures, and preservation and production requirements, be attained during five and ten year increments. The housing production

requirement, if applicable, must be met every 10 years, while the proportionality tests must be achieved over the next 10 years, and then again through the end of the Project life. It is the Agency's goal and objective for this Implementation Plan to accomplish sufficient activity and expenditures over the Implementation Plan term, and through the remaining term of the Project, to comply with the applicable requirements.

4. Estimated Housing Fund Revenues and Expenditures

The following table presents the projected future deposits into the Low and Moderate Income Housing Fund from the Coliseum Project Area. As shown below, \$17,522,000 in revenues are projected to be available over the five-year term of this Implementation Plan.

**Estimate Housing Set-Aside Revenue
2004-2009
(\$'000s)**

Plan Year	Fiscal Year	Housing Set Aside
1	2004-05	\$3,367
2	2005-06	\$3,434
3	2006-07	\$3,503
4	2007-08	\$3,573
5	2008-09	\$3,645
Total		\$17,522

5. Anticipated Housing Program Activities

The Agency may assist in a variety of programs to increase, improve and preserve affordable housing in the Project Area or the City of Oakland, such as the following:

b. Production

The Agency can make loans and grants from the Low and Moderate Income Housing Fund to non-profit and for-profit developers for the new construction or rehabilitation of affordable housing. Loans can be made on a deferred payment and/or below market interest rate basis.

The Agency can also participate in land acquisition, land cost write-down, developer recruitment, credit enhancement, and other participation to cause affordable housing to be developed. This is normally accomplished after identification of a housing site, development of a housing concept, and issuance of a Request for Proposals for development of housing. Such affordable housing could be rental or ownership housing. The Agency may also acquire land and directly build housing.

c. Rehabilitation

The Agency may offer low-interest or no-interest loans or grants to assist low- and moderate income homeowners in making repairs to existing residences. Such repairs could consist of correcting health and safety violations, re-landscaping, and re-painting. This preserves the affordability of the housing and extends its lifespan, as well as improving the neighborhood. Additionally, such programs can be extended to owners of rentals properties to make repairs to affordable rental housing. In either case, covenants must be recorded to keep these properties affordable for the time period required by the CRL.

d. Affordability Assistance

The Agency may provide direct subsidies to lower the cost of producing housing or first-time homebuyer programs to assist very-low to moderate income families with mortgage assistance for the purchase of a home. The latter can take the form of a deferred loan with a low interest rate and equity sharing provisions. When the home is sold, the loan and equity share would be used to help another first-time homebuyer.

e. Preservation of Existing Affordable Housing

The Agency may offer loans, grants or other forms of investment to assist in the preservation of existing assisted housing that is otherwise threatened with conversion to market rate. Such assistance would be coupled with affordability restrictions of 55 years for rental housing and 45 years for owner-occupied housing.

6. Allocation of Housing Funds over Previous Implementation Period

While Agency housing set-aside funds are tracked individually for each project area, the funds from all of the Agency's project areas are combined into a single Low and Moderate Income Housing Fund. The Agency has made findings that affordable housing activities in any part of the City of Oakland are of benefit to all of the redevelopment project areas. As a result, Low and Moderate Income Housing Funds from the Coliseum Project Area may be used both inside and outside the Project Area. In addition, the City of Oakland also provides assistance from its own funds for the development, improvement and preservation of affordable housing.

The tables on the following page provides information for the period 1999-2004 regarding:

- *the amounts of Low and Moderate Income Housing Fund monies utilized to assist units affordable to, and occupied by, extremely low income households, very low income households, and low income households, including units available to families with children; and*
- *the number, the location, and the level of affordability of units newly constructed with other locally-controlled government assistance and without Agency housing fund assistance and that are required to be affordable to, and occupied by, persons of low, very low, or extremely low income for at least 55 years for rental housing or 45 years for homeownership housing.*

Redevelopment Agency Assisted Housing Activities Completed or Underway, 1999 - 2004

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
10211 Byron	Families	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 386,550
1574-1590 7th Street	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 136,846
2001 Linden Street	TBD	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 148,500
3701 MLK Jr.	Families	Underway	Broadway/ MacArthur/ San Pablo	TBD	TBD	TBD	TBD	\$ 109,510
5825 Foothill	Homeownership	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 701,000
Adeline Lofts	Families	2002	West Oakland	31	6			\$ 70,179
Allen Temple Gardens	Seniors	2001	Coliseum	49			1	\$ 1,951,000
Altenheim Phase I	Senior	Underway	None	66			1	\$ 1,778,560
Calaveras Townhomes	Homeownership	Underway	None				28	\$ 3,858,500
Casa Velasco	Seniors	2003	Central City East	20				\$ 908,000
Chestnut Court Ownership	Homeownership	2003	Oak Center and none		15			\$ 1,727,000
Chestnut Court Rental	Families	2003	Oak Center		71		1	\$ 2,976,000
Coliseum Gardens Phase I	Families	Underway	Coliseum	91	22		2	\$ 1,500,000
Courtyards at Acorn	Families	2000	Acorn		87			\$ 604,500
CURA-North	Disabled or HIV/AIDS	2001	None	8				\$ 587,876
Drachma	Families	2003	West Oakland	19				\$ 1,712,000
Eastmont Court	Disabled or HIV/AIDS	Underway	Central City East	18			1	\$ 1,427,000
Edes Avenue Homes	Homeownership	Underway	Coliseum		26			\$ 2,075,000
Effie's House	Families	1999	None	4	16			\$ 225,000
Faith Housing	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 689,598
Habitat Fruitvale Homes	Homeownership	2003	None		4			\$ 112,000
Habitat Village	Homeownership	2001	Coliseum		40			\$ 981,048
Horizon Townhomes	Homeownership	Underway	Central City East		4	10		\$ 1,767,000
Irene Cooper Terrace	Seniors	2000	Central City East	39			1	\$ 560,000
Lake Merritt Apartments	Senior	2004	Central City East	11	43		1	\$ 1,900,000
Leola Terrace II	Homeownership	Underway	Central City East		8			\$ 200,000
Lincoln Court	Senior	Underway	None	24	57			\$ 2,000,000
Linden Court Rental	Families	2003	West Oakland		78		1	\$ 3,224,000
Madison Lofts	Families	Underway	Central District	TBD	TBD	TBD	TBD	\$ 1,498,000
Mandela Gateway Ownership	Homeownership	Underway	West Oakland		8	6		\$ 1,146,100
Mandela Gateway Rental	Families	Underway	West Oakland	95	71		2	\$ 2,500,000
MLK MacArthur BART Sr.	Senior	Underway	Broadway/ MacArthur/ San Pablo	32			1	\$ 2,080,850
MLK Plaza Homes	Homeownership	2002	None		6	5		\$ 1,287,175
Mortgage Assistance Program	Homeownership	multiple	Citywide	51	225	11		\$11,000,000
Northgate Apartments	Families	2003	None	21	20		1	\$ 349,229
Oak Park Homes	Families	Underway	Central City East	16	18		1	\$ 3,419,000
Oak Street Terrace Senior	Senior	Underway	Central District	21	17		1	\$ 2,072,000
Oakland Point Limited Partnership	Families	2002	West Oakland	31				\$ 1,451,606

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level(2)				Agency Funding \$(1)
				Very Low	Low	Moderate	Above Moderate	
Palm Court	Homeownership	Underway	Acorn		12			\$ 855,400
Palm Villa	Homeownership	2003	None		78			\$ 6,725,000
Percy Abrams Jr. Senior	Senior	Underway	None	43			1	\$ 1,000,000
San Pablo Gateway	Homeownership	2000	Broadway/ MacArthur/ San Pablo		7	10		\$ 1,473,792
Santana	Families	2004	Central City East	30				\$ 713,000
Sausal Creek	Homeownership	Underway	None		9	8		\$ 2,329,000
Seven Directions	Families	Underway	Coliseum	24	13		1	\$ 3,289,000
Southlake Towers	Senior		Central District	26	103		1	\$ 445,300
Sylvester Rutledge Manor (North Oakland Senior)	Seniors	2003	West Oakland	64			1	\$ 2,551,750
Town Center at Acorn	Families	2000	Acorn	102	104			\$ 250,000
UniDev	Families	Underway	Citywide	TBD	TBD	TBD	TBD	\$ 25,000

(1) Agency Funding includes all funding provided from Low and Moderate Income Housing Fund over the life of the project. Some funding may have been provided prior to 1999.

(2) TBD = "to be determined" – specific affordability levels have not yet been established.

**Housing Units Newly Constructed in Redevelopment Project Areas,
Assisted With Locally-Controlled Government Assistance and
No Redevelopment Agency Housing Financing, 1999 – 2004**

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (1)			
				Very Low	Low	Moderate	Above Moderate
Allen Temple Manor	Disabled or HIV/AIDS	2001	Coliseum	23			1
Bayporte Village	Homeownership	1999	Acom		69	2	
Bishop Nichols Senior Housing (Downs)	Seniors	2003	Stanford/Adeline	16			1
Coliseum Gardens Phase II	Families	TBD	Coliseum	39	90		
Coliseum Gardens Phase III	Families	TBD	Coliseum	32	74		
Fruitvale Transit Village	Families	2004	Coliseum	3	7		34
Habitat for Humanity	Homeownership	2001	Coliseum		3		
International Blvd Family Housing	Families	2002	Coliseum and none	4	25		1
NCLT Homeownership Program	Homeownership	2003	West Oakland		4		
Paul Wang (2003 DDA)	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	TBD	Broadway/MacArthur				2
Paul Wang II	Homeownership	2004	Coliseum		2		
Paul Wang II	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	2004	Coliseum				1
Paul Wang II	Homeownership	2004	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland				1
Pukatch Infill Project	Homeownership	TBD	West Oakland				4
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
Stanley Avenue Apartments	Families	2003	Coliseum	23			
Swans Market Housing	Families	1999	Central District		18		

(1) TBD = "to be determined" – specific affordability levels have not yet been established.

APPROVED AS TO FORM AND LEGALITY:
[Signature]
AGENCY COUNSEL

OFFICE OF THE CITY CLERK
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OAKLAND
2009 OCT 28 PM 6:46

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION ADOPTING THE 2004-2009 IMPLEMENTATION PLAN FOR THE OAK CENTER REDEVELOPMENT PROJECT

WHEREAS, Section 33490 of the California Community Redevelopment Law (Health & Safety Code Section 33000, et seq.) requires a redevelopment agency to adopt an implementation plan every five years; and

WHEREAS, the Agency Administrator has prepared and presented to the Agency a five-year Implementation Plan for the Oak Center Redevelopment Project for 2004-2009; and

WHEREAS, the Agency has held a public hearing and received comment on the proposed Implementation Plan; and

WHEREAS, the proposed Implementation Plan as presented to the Agency sets forth the specific goals and objectives for the Oak Center project area, the specific programs, projects and estimated expenditures over the next five years, and an explanation of how the goals, objectives, programs, projects, and expenditures will eliminate blight within the project area and meet low- and moderate-income housing requirements, as required by law; now, therefore, be it

RESOLVED: That the Agency hereby approves and adopts the 2004-2009 Implementation Plan for the Oak Center Redevelopment Project attached to this Resolution as Attachment A; and be it further

RESOLVED: That the Agency Administrator or her designee is hereby authorized to take whatever action is appropriate with respect to the Implementation Plan consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, AND CHAIRPERSON DE LA FUENTE,

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

ATTACHMENT A

OAK CENTER REDEVELOPMENT PROJECT FIVE-YEAR IMPLEMENTATION PLAN 2004-2009

I. BACKGROUND AND INTRODUCTION

The Oak Center Project Area is a 56 block residential community in West Oakland, adjacent to downtown and the Acorn Project, mainly comprised of Victorian style structures. Although many of these turn-of-the century buildings were preserved or rehabilitated through many efforts and a variety of financing techniques, a substantial number of structures were not feasible for rehabilitation, and therefore demolished, resulting in scattered vacant land, most of which has been developed. The Oak Center Redevelopment Plan was adopted in 1965 and amended in 1970.

II. GOALS AND OBJECTIVES FOR THE PROJECT AREA

Although the project is basically completed, there are a couple of vacant parcels remaining to be sold and developed. Plans over the next five years include the development and disposition of any remaining vacant parcels. Ongoing monitoring will ensure compliance with the Oak Center Redevelopment Plan.

In order to enhance development within the area and to further the goals of the Plan, the community requested to have the area designated as a Historic District. The Oak Center Neighborhood Association (OCNA) worked with staff and achieved status as a Historic Preservation Area in July 2003. Historic District designation places the district's Designated Historic Properties (DHPs) on the Local Register of Historical Resources.

The Oak Center Neighborhood Association worked with staff to establish priorities for expenditure of capital funds. The City Council has approved capital improvements in the Project Area to 1) provide signage and landscape improvements it identify the area as a historic preservation district through a design and build professional services agreement, 2) repair and upgrade the Oak Center Cultural Center, 3) provide public and neighborhood improvements, and 4) enter into agreements for designing and building the historic district demarcation.

III. PROJECTS AND EXPENDITURES PROPOSED FOR THE NEXT FIVE YEARS

The following table outlines the projected tax increment revenue for the Oak Center Redevelopment Project Area over the five-year period of this Implementation Plan. The figures assume a 2.5% average growth in tax increment revenue over the 2004 assessed property valuation within the project area. The revenues stated for the last four of the five years proposed,

FY 2005-09, are projections *only* and are contingent upon specific Council authorizations at a later date.

**Projection of Tax Increment Revenue
FY2004-09
(\$'000s)**

	FISCAL YEAR					TOTAL
	2004-05	2005-06	2006-07	2007-08	2008-09	2004-09
Gross Tax Increment Revenue	844	865	886	908	931	4,434
Housing Set Aside Requirement	(211)	(216)	(221)	(227)	(233)	(1,108)
State Education Funds (ERAF)	(75)	(75)	0	0	0	(151)
AB 1290 Pass-Through	0	0	0	0	0	0
Debt Service	(800)	(100)	(100)	(100)	(100)	(1,200)
Personnel and Other O&M	(789)	(299)	(307)	(316)	(326)	(2,037)
Net Tax Increment Revenue	(1,031)	175	258	265	272	(61)

The total projected net tax increment revenue that will be available in the Project Fund during the FY 2004-09 period is estimated to be approximately (\$61,000).

The Redevelopment Agency’s approved 2003-2005 Budget for Oak Center is \$2.2 million, including: \$600,000 in projects and programs, \$1.6 million in debt service and other general activities. Over the following four years, 2006-2009, the Agency will have approximately \$1.2 million for projects and programs, \$400,000 for debt service and other general activities. A portion of the funds identified above will be used for street lighting, neighborhood facility improvements, etc. The specific projects and allocations have been prioritized through a community process.

IV. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL ELIMINATE BLIGHT

The public improvements and neighborhood facilities will improve the quality of life, enhance the areas around completed projects and encourage investment in the remaining unimproved Victorians and other vacant and underutilized property.

V. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL FULFILL THE LOW/MODERATE INCOME HOUSING REQUIREMENTS

A. Implementation Plan Requirements

This Housing Component of the Implementation Plan is required by Article 16.5 of the California Redevelopment Law ("CRL") as contained in Sections 33000, *et seq.*, of the California Health and Safety Code. (All citations in this portion of the Implementation Plan are to the Health and Safety Code unless otherwise specified.)

The Housing Component presents those components of the Agency's intended program for the project area that deals with the expenditure of funds and activities relating to the production of housing at affordable housing cost to persons and families of low and moderate ("low-mod") income. Low income and moderate income are defined in the CRL by reference to Section 50093, which specifies the following income levels:

- Moderate income is defined as a household income from 80 percent to 120 percent of median income for the applicable household size (Section 50093);
- Low income is defined as an income from 50 percent to 80 percent of median income for the applicable household size (Section 50079.5); and
- Very low income is defined as an income less than 50 percent of median income for the applicable household size (Section 50105).

Affordable housing cost is defined in Section 50052.5 as shown in the following table. Housing cost for rental housing includes rent plus an allowance for tenant-paid utilities. Housing cost for owner-occupied housing includes principal, interest, insurance, taxes, utilities, homeowner association dues, and maintenance.

Definition of Affordable Housing Cost

Income Level	Rental Housing	Owner-Occupied Housing
Very Low Income	30% of 50% of AMI	30% of 50% of AMI
Low Income	30% of 60% of AMI	30% of 70% of AMI
Moderate Income	30% of 110% of AMI	35% of 110% of AMI, but no less than 28% of actual income

AMI = "Area Median Income," which is the Median Family Income, adjusted for family size, for the metropolitan area (Alameda and Contra Costa Counties combined), as determined by the U.S. Department of Housing and Urban Development

The CRL provides that, in addition to the removal of blight, a fundamental purpose of redevelopment is to expand the supply of low-mod housing (Section 33071). To accomplish this purpose, the CRL contains numerous provisions to guide redevelopment agency activities with

regard to low-mod housing. These provisions divide a redevelopment agency's housing responsibilities into three major categories:

- The production and/or replacement of low-mod housing depending upon activities undertaken by an agency within its project areas;
- The set-aside and expenditure of specified amounts of tax increment revenue for the express and exclusive purpose of increasing and improving the community's supply of low-mod housing; and
- Preparing reports on how the agency has met, or preparing plans on how the agency will meet its responsibilities with regard to the first two items.

This Housing Component is part of the Agency's responsibilities under the third major category. Its contents address how the Agency's plans for the project area will achieve many of the housing responsibilities contained in the first and second major categories of Agency housing activities. Article 16.5 requires that the housing portion of an Implementation Plan address the applicable items presented in the list below:

1. Production of Housing Based on Activities in the Project Area:

- The requirement that, for certain project areas, at least 30 percent of all new and substantially rehabilitated dwelling units developed by a redevelopment agency over a 10-year period must be available at affordable housing cost to persons and families of low and moderate income, and must be occupied by these persons and families (Section 33413(b)(1)). At least 50 percent of these units must be available to very low income households.
- The requirement that, for certain project areas, at least 15 percent of all new residential units dwelling units developed within a project area under the jurisdiction of an agency by public or private entities or persons other than the agency over a 10-year period must be available at affordable housing cost to persons and families of low or moderate income, and must be occupied by these persons or families (Section 33413(b)(2)). At least 40 percent of these units must be available to very low income households.
- The requirement that, for certain project areas, at least 15 percent of all substantially rehabilitated units that have received agency assistance over a 10-year period must be available at affordable housing cost to persons and families of low or moderate income, and must be occupied by these persons or families (Section 33413(b)(2)(iii)). At least 40 percent of these units must be available to very low income households.
- The requirement that an agency must replace, on a one-for-one basis, all units destroyed or removed from the low and moderate income housing stock caused by agency activities in a project area, within four years of the destruction or removal (Section 33413(a)). Suitable locations must be identified for replacement housing units rehabilitated,

developed or constructed pursuant to Section 33413(a), if the destruction or removal of low-mod units will result from a project contained in the Implementation Plan.

2. Set-Aside and Expenditure of Tax Increment for Housing Purposes:

- The requirement to set-aside at least 20 percent of tax increment revenue into a Low and Moderate Income Housing Fund to increase, improve, and preserve the community's supply of low-mod housing at an affordable housing cost (Sections 33334.2 and 33334.6).
- The proportional expenditure of Low and Moderate Income Housing Funds on moderate, low, and very low income housing and family housing (Section 33334.4).
- The transfer of housing funds to other public entities producing housing in the community (a possible outcome of the provisions of Sections 33334.12 et seq.).

3. Additional Requirements:

- Estimates of the balances and deposits into the Low and Moderate Income Housing Fund.
- A housing program identifying expenditures from the Low and Moderate Income Housing Fund.
- An indication of housing activity that has occurred in the project area.

Estimates of housing units that will be produced in the project area for each of the various income categories.

B. Applicable Low and Moderate Income Housing Requirements

1. Applicable Housing Production Requirements

The date of adoption of the redevelopment plan, the existence of low-mod housing units, and the potential for residential development are the primary determinants of the legal and practical applicability of the various housing provisions of the CRL. Only the low-mod housing provisions applicable to the Oak Center Project Area are discussed below.

a. Replacement Housing Obligation

The Agency does not anticipate undertaking or assisting any actions that would result in the demolition or removal from the market of low and moderate income housing. Therefore there is no replacement housing obligation presently projected.

b. Housing Production Obligation

Because the Redevelopment Plan was adopted prior to 1976, the Agency is not required to comply with the housing unit production requirement of Section 33413(b).

2. Applicable Provisions Regarding Low and Moderate Income Housing Set-Aside

a. Set-Aside of Tax Increment

The Agency must comply with the Section 33334.2 and 33334.6 requirement to allocate at least 20 percent of the gross tax increment to affordable housing activities. The set-aside is required to be deposited into a Low and Moderate Income Housing Fund created to hold the monies until expended.

However, the Redevelopment Agency has adopted a policy by resolution that 25 percent of all tax increment revenue from each project area be allocated to the Low and Moderate Income Housing Fund, if certain conditions are met. The projections of deposits into the Low and Moderate Income Housing Fund from the Oak Center Project Area that are included in the following section assume that the full 25 percent set-aside will be deposited into the Low and Moderate Income Housing Fund in each of the years covered by this Implementation Plan.

b. Proportional Expenditures of Housing Fund Monies

The Oak Center Project Area is subject to the Section 33334.4 requirement that the Agency expend Low and Moderate Income Housing Fund monies in accordance with an income proportionality test and an age restriction proportionality test. These proportionality tests must be met every ten years through the termination of the Project Area life. These tests do not have to be met on an annual basis.

1) Very Low and Low Income Housing Expenditures

The income proportionality test requires the Agency to expend Low and Moderate Income Housing Funds in proportion to the housing needs that have been determined for the community pursuant to Section 65584 of the Government Code. The proportionality test used in this Implementation Plan is based on the 2000 Regional Housing Needs Assessment (RHNA) prepared by the Association of Bay Area Governments. Based on the 2000 RHNA for the City of Oakland, the Agency's minimum required allocation for very low and low income expenditures, and maximum moderate income housing expenditures are:

Category	RHNA	Threshold
Very Low Income	2,238	At least 43%
Low Income	969	At least 19%
Moderate Income	1,959	No more than 38%
Total	5,166	

Section 33334.4 requires that at least 43 percent of the Low and Moderate Income Housing Fund monies from the Oak Center Project Area dedicated to projects and programs be spent on housing for very low income households. In addition, at least 19 percent of these funds must be spent on housing for low income households, and no more than 38 percent of the funds can be spent on moderate income households. However, the Agency is entitled to expend a disproportionate amount of the funds for very low income households, and to subtract a commensurate amount from the low and/or moderate income thresholds. Similarly, the Agency can provide a disproportionate amount of funding for low income housing by reducing the amount of funds allocated to moderate income households. In no event can the expenditures targeted to moderate income households exceed the established threshold amount.

The Agency will allocate Oak Center Low and Moderate Income Housing Funds in such a way that these percentages are met over the ten-year period from 2004 through 2014. In addition, the City and other entities may provide assistance for the construction of units affordable to very low and low income households that may also be counted toward meeting the requirements of Section 33334.4.

2) Age Restricted Housing Expenditures

Section 33334.4 also requires that the Agency assist housing that is available to all persons, regardless of age, in at least the same proportion as the population under age 65 bears to the City's total population as reported in the most recent census of the United States Census Bureau. The 2000 Census indicates that 89.5 percent of the City's population is under 65 years of age. As such, at least 89.5 percent of the Agency expenditures on affordable housing projects from Low and Moderate Income Housing Fund monies from the Oak Center Project Area must be spent to assist projects that do not impose age restrictions on the residents. The following summarizes the allocation of Low and Moderate Income Housing Fund monies.

Age Category	Percentage of Funds
Senior	10.5% Maximum
Unrestricted	89.5%
Total	

The Agency will ensure that over the ten-year period from 2004 through 2014, not more than 10.5 percent of its expenditures on affordable housing projects from Low and Moderate Income Housing Fund monies from the Oak Center Project Area are for projects that exclusively serve seniors.

c. Transfer of Housing Funds to Other Providers

The Project Area is subject to the CRL provisions requiring the transfer of housing funds to other housing producers in the Oakland area in certain circumstances. Such transfers could possibly occur if the Low and Moderate Income Housing Fund contains "excess surplus." Excess surplus means any unexpended and unencumbered amount in a project area's Low and Moderate Income Housing Fund that exceeds the greater of \$1,000,000 or the aggregate amount deposited into the Low and Moderate Income Housing Fund during the project's preceding four fiscal years.

The Agency does not anticipate having an excess surplus during the current Implementation Plan cycle or throughout the subsequent remaining Oak Center Project life.

3. Housing Goals and Objectives of the Implementation Plan

The primary goal of the Agency is to comply with the affordable housing requirements imposed by the CRL in a responsible manner. The affordable housing activities identified in this Implementation Plan will explicitly assist in accomplishing the intent of the CRL in regards to the provision of low-mod housing.

The CRL establishes that certain housing expenditures, and preservation and production requirements, be attained during five and ten year increments. The housing production requirement, if applicable, must be met every 10 years, while the proportionality tests must be achieved over the next 10 years, and then again through the end of the Project life. It is the Agency's goal and objective for this Implementation Plan to accomplish sufficient activity and expenditures over the Implementation Plan term, and through the remaining term of the Project, to comply with the applicable requirements.

4. Estimated Housing Fund Revenues and Expenditures

The following table presents the projected future deposits into the Low and Moderate Income Housing Fund from the Oak Center Project Area. As shown below, \$1,109,000 in revenues are projected to be available over the five-year term of this Implementation Plan.

**Estimate Housing Set-Aside Revenue
2004-2009
(\$'000s)**

Plan Year	Fiscal Year	Housing Set Aside
1	2004-05	\$211
2	2005-06	\$216
3	2006-07	\$222
4	2007-08	\$227
5	2008-09	\$233
Total		\$1,109

5. Anticipated Housing Program Activities

The Agency may assist in a variety of programs to increase, improve and preserve affordable housing in the Project Area or the City of Oakland, such as the following:

a. Production:

The Agency can make loans and grants from the Low and Moderate Income Housing Fund to non-profit and for-profit developers for the new construction or rehabilitation of affordable housing. Loans can be made on a deferred payment and/or below market interest rate basis.

The Agency can also participate in land acquisition, land cost write-down, developer recruitment, credit enhancement, and other participation to cause affordable housing to be developed. This is normally accomplished after identification of a housing site, development of a housing concept, and issuance of a Request for Proposals for development of housing. Such affordable housing could be rental or ownership housing. The Agency may also acquire land and directly build housing.

b. Rehabilitation

The Agency may offer low-interest or no-interest loans or grants to assist low- and moderate income homeowners in making repairs to existing residences. Such repairs could consist of correcting health and safety violations, re-landscaping, and re-painting. This preserves the affordability of the housing and extends its lifespan, as well as improving the neighborhood. Additionally, such programs can be extended to owners of rentals properties to make repairs to affordable rental housing. In either case, covenants must be recorded to keep these properties affordable for the time period required by the CRL.

c. Affordability Assistance:

The Agency may provide direct subsidies to lower the cost of producing housing or first-time homebuyer programs to assist very-low to moderate income families with

mortgage assistance for the purchase of a home. The latter can take the form of a deferred loan with a low interest rate and equity sharing provisions. When the home is sold, the loan and equity share would be used to help another first-time homebuyer.

d. Preservation of Existing Affordable Housing

The Agency may offer loans, grants or other forms of investment to assist in the preservation of existing assisted housing that is otherwise threatened with conversion to market rate. Such assistance would be coupled with affordability restrictions of 55 years for rental housing and 45 years for owner-occupied housing.

6. Allocation of Housing Funds over Previous Implementation Period

While Agency housing set-aside funds are tracked individually for each project area, the funds from all of the Agency's project areas are combined into a single Low and Moderate Income Housing Fund. The Agency has made findings that affordable housing activities in any part of the City of Oakland are of benefit to all of the redevelopment project areas. As a result, Low and Moderate Income Housing Funds from the Oak Center Project Area may be used both inside and outside the Project Area. In addition, the City of Oakland also provides assistance from its own funds for the development, improvement and preservation of affordable housing.

The tables on the following page provides information for the period 1999-2004 regarding:

- the amounts of Low and Moderate Income Housing Fund monies utilized to assist units affordable to, and occupied by, extremely low income households, very low income households, and low income households, including units available to families with children; and
- the number, the location, and the level of affordability of units newly constructed with other locally-controlled government assistance and without Agency housing fund assistance and that are required to be affordable to, and occupied by, persons of low, very low, or extremely low income for at least 55 years for rental housing or 45 years for homeownership housing.

Redevelopment Agency Assisted Housing Activities Completed or Underway, 1999 - 2004

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
10211 Byron	Families	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 386,550
1574-1590 7th Street	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 136,846
2001 Linden Street	TBD	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 148,500
3701 MLK Jr.	Families	Underway	Broadway/ MacArthur/ San Pablo	TBD	TBD	TBD	TBD	\$ 109,510
5825 Foothill	Homeownership	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 701,000
Adeline Lofts	Families	2002	West Oakland	31	6			\$ 70,179
Allen Temple Gardens	Seniors	2001	Coliseum	49			1	\$ 1,951,000
Altenheim Phase I	Senior	Underway	None	66			1	\$ 1,778,560
Calaveras Townhomes	Homeownership	Underway	None				28	\$ 3,858,500
Casa Velasco	Seniors	2003	Central City East	20				\$ 908,000
Chestnut Court Ownership	Homeownership	2003	Oak Center and none		15			\$ 1,727,000
Chestnut Court Rental	Families	2003	Oak Center		71		1	\$ 2,976,000
Coliseum Gardens Phase I	Families	Underway	Coliseum	91	22		2	\$ 1,500,000
Courtyards at Acorn	Families	2000	Acorn		87			\$ 604,500
CURA-North	Disabled or HIV/AIDS	2001	None	8				\$ 587,876
Drachma	Families	2003	West Oakland	19				\$ 1,712,000
Eastmont Court	Disabled or HIV/AIDS	Underway	Central City East	18			1	\$ 1,427,000
Edes Avenue Homes	Homeownership	Underway	Coliseum		26			\$ 2,075,000
Effie's House	Families	1999	None	4	16			\$ 225,000
Faith Housing	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 689,598
Habitat Fruitvale Homes	Homeownership	2003	None		4			\$ 112,000
Habitat Village	Homeownership	2001	Coliseum		40			\$ 981,048
Horizon Townhomes	Homeownership	Underway	Central City East		4	10		\$ 1,767,000
Irene Cooper Terrace	Seniors	2000	Central City East	39			1	\$ 560,000
Lake Merritt Apartments	Senior	2004	Central City East	11	43		1	\$ 1,900,000
Leola Terrace II	Homeownership	Underway	Central City East		8			\$ 200,000
Lincoln Court	Senior	Underway	None	24	57			\$ 2,000,000
Linden Court Rental	Families	2003	West Oakland		78		1	\$ 3,224,000
Madison Lofts	Families	Underway	Central District	TBD	TBD	TBD	TBD	\$ 1,498,000
Mandela Gateway Ownership	Homeownership	Underway	West Oakland		8	6		\$ 1,146,100
Mandela Gateway Rental	Families	Underway	West Oakland	95	71		2	\$ 2,500,000
MLK MacArthur BART Sr.	Senior	Underway	Broadway/ MacArthur/ San Pablo	32			1	\$ 2,080,850
MLK Plaza Homes	Homeownership	2002	None		6	5		\$ 1,287,175
Mortgage Assistance Program	Homeownership	multiple	Citywide	51	225	11		\$11,000,000
Northgate Apartments	Families	2003	None	21	20		1	\$ 349,229
Oak Park Homes	Families	Underway	Central City East	16	18		1	\$ 3,419,000
Oak Street Terrace Senior	Senior	Underway	Central District	21	17		1	\$ 2,072,000
Oakland Point Limited Partnership	Families	2002	West Oakland	31				\$ 1,451,606
Palm Court	Homeownership	Underway	Acorn		12			\$ 855,400

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
Palm Villa	Homeownership	2003	None		78			\$ 6,725,000
Percy Abrams Jr. Senior	Senior	Underway	None	43			1	\$ 1,000,000
San Pablo Gateway	Homeownership	2000	Broadway/ MacArthur/ San Pablo		7	10		\$ 1,473,792
Santana	Families	2004	Central City East	30				\$ 713,000
Sausal Creek	Homeownership	Underway	None		9	8		\$ 2,329,000
Seven Directions	Families	Underway	Coliseum	24	13		1	\$ 3,289,000
Southlake Towers	Senior		Central District	26	103		1	\$ 445,300
Sylvester Rutledge Manor (North Oakland Senior)	Seniors	2003	West Oakland	64			1	\$ 2,551,750
Town Center at Acorn	Families	2000	Acorn	102	104			\$ 250,000
UniDev	Families	Underway	Citywide	TBD	TBD	TBD	TBD	\$ 25,000

(1) Agency Funding includes all funding provided from Low and Moderate Income Housing Fund over the life of the project. Some funding may have been provided prior to 1999.

(2) TBD = "to be determined" – specific affordability levels have not yet been established.

**Housing Units Newly Constructed in Redevelopment Project Areas,
Assisted With Locally-Controlled Government Assistance and
No Redevelopment Agency Housing Financing, 1999 – 2004**

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (1)			
				Very Low	Low	Moderate	Above Moderate
Allen Temple Manor	Disabled or HIV/AIDS	2001	Coliseum	23			1
Bayporte Village	Homeownership	1999	Acorn		69	2	
Bishop Nichols Senior Housing (Downs)	Seniors	2003	Stanford/Adeline	16			1
Coliseum Gardens Phase II	Families	TBD	Coliseum	39	90		
Coliseum Gardens Phase III	Families	TBD	Coliseum	32	74		
Fruitvale Transit Village	Families	2004	Coliseum	3	7		34
Habitat for Humanity	Homeownership	2001	Coliseum		3		
International Blvd Family Housing	Families	2002	Coliseum and none	4	25		1
NCLT Homeownership Program	Homeownership	2003	West Oakland		4		
Paul Wang (2003 DDA)	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	TBD	Broadway/MacArthur				2
Paul Wang II	Homeownership	2004	Coliseum		2		
Paul Wang II	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	2004	Coliseum				1
Paul Wang II	Homeownership	2004	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland				1
Pukatch Infill Project	Homeownership	TBD	West Oakland				4
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
Stanley Avenue Apartments	Families	2003	Coliseum	23			
Swans Market Housing	Families	1999	Central District		18		

(1) TBD = "to be determined" – specific affordability levels have not yet been established.

OFFICE OF THE CITY CLERK
OAKLAND
FILED
2004-07-29
6:45
APPROVED AS TO FORM AND LEGALITY
AGENCY COUNCIL

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION ADOPTING THE 2004-2009 IMPLEMENTATION PLAN FOR THE STANFORD/ADELINE REDEVELOPMENT PROJECT

WHEREAS, Section 33490 of the California Community Redevelopment Law (Health & Safety Code Section 33000, et seq.) requires a redevelopment agency to adopt an implementation plan every five years; and

WHEREAS, the Agency Administrator has prepared and presented to the Agency a five-year Implementation Plan for the Stanford/Adeline Redevelopment Project for 2004-2009; and

WHEREAS, the Agency has held a public hearing and received comment on the proposed Implementation Plan; and

WHEREAS, the proposed Implementation Plan as presented to the Agency sets forth the specific goals and objectives for the Stanford/Adeline project area, the specific programs, projects and estimated expenditures over the next five years, and an explanation of how the goals, objectives, programs, projects, and expenditures will eliminate blight within the project area and meet low- and moderate-income housing requirements, as required by law; now, therefore, be it

RESOLVED: That the Agency hereby approves and adopts the 2004-2009 Implementation Plan for the Stanford/Adeline Redevelopment Project attached to this Resolution as Attachment A; and be it further

RESOLVED: That the Agency Administrator or her designee is hereby authorized to take whatever action is appropriate with respect to the Implementation Plan consistent with this Resolution and its basic purposes.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2004

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID, WAN, AND CHAIRPERSON DE LA FUENTE,

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
CEDA FLOYD
Secretary of the Redevelopment Agency
of the City of Oakland

ATTACHMENT A

STANFORD/ADELINE REDEVELOPMENT PROJECT FIVE-YEAR IMPLEMENTATION PLAN 2004-2009

I. BACKGROUND AND INTRODUCTION

The Stanford Adeline Redevelopment Project Area in North Oakland covers 16.7 acres and serves as a major gateway from the City of Berkeley to the City of Oakland. Adopted in 1973, it is one of Oakland's earliest redevelopment areas. Since inception, property values in the area have increased substantially resulting in tax increment revenue that has been used for economic development, infrastructure improvements and the development of affordable housing.

Major accomplishments since the inception of the Project Area include:

- The development of 23 single-family moderate income homes;
- Reconfiguration of land use for commercial, industrial and residential purposes;
- Improvement of the traffic circulation pattern where three major streets converged.

II. GOALS AND OBJECTIVES FOR THE PROJECT AREA

The initial planned work for the Project was completed in 1987. In order to continue to collect tax increment revenue in the future, the Agency recognized the need to incur debt for the Stanford/Adeline Area before the end of calendar year 2003. Therefore, in October 2003, the Agency purchased a two-unit residence in North Oakland from the City of Oakland for \$415,000. The Agency gave the City a promissory note for \$415,000 with interest at 6% per year in exchange for title to the property. The debt created allows the Agency to collect additional tax increments of about \$66,000 per year revenue for six years up to \$415,000 from the Project Area. Payments began at the end of June 2004.

The funds paid by the Agency's Debt Fund to the City will reimburse the Community Development Block Grant program for the costs incurred to acquire the property. The Agency can use the property as seems best, including selling it to raise funds for Agency use. Most likely, the funds will assist with development of affordable housing through the Agency's Low and Moderate Income Housing Fund.

III. PROJECTS AND EXPENDITURES PROPOSED FOR THE NEXT FIVE YEARS

The following table outlines the projected tax increment revenue for the Stanford/Adeline Redevelopment Project Area over the five-year period of this Implementation Plan. The figures assume a 2% average growth in tax increment revenue over the 2004 assessed property valuation within the project area. The revenues stated for the last four of the five years proposed, FY 2005-09, are projections *only* and are contingent upon specific Council authorizations at a later date.

Projection of Tax Increment Revenue
 FY2004-09
 (\$'000s)

	FISCAL YEAR					TOTAL
	2004-05	2005-06	2006-07	2007-08	2008-09	2004-09
Gross Tax Increment Revenue	96	98	100	102	104	500
Housing Set Aside Requirement	(25)	(25)	(26)	(26)	(27)	(129)
State Education Funds (ERAF)	(9)	(9)	0	0	0	(18)
AB 1290 Pass-Through	0	0	0	0	0	0
Debt Service	(74)	(74)	(74)	(74)	(74)	(370)
Personnel and Other O&M	0	0	0	0	0	0
Net Tax Increment Revenue	(12)	(10)	0	2	3	(17)

At the end of the six years, the Agency will most likely sell the property to raise funds for Agency use. Most likely the funds will go to assist with development of affordable housing via the Agency's Low and Moderate Income Housing Fund.

IV. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL ELIMINATE BLIGHT

The purchase of property to create debt allows the increased collection of tax increment revenues from the area. Eventually these funds will be used to expand assistance to community development programs and assist with the elimination of blight throughout the City.

V. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL FULFILL THE LOW/MODERATE INCOME HOUSING REQUIREMENTS

A. Implementation Plan Requirements

This Housing Component of the Implementation Plan is required by Article 16.5 of the California Redevelopment Law ("CRL") as contained in Sections 33000, *et seq.*, of the California Health and Safety Code. (All citations in this portion of the Implementation Plan are to the Health and Safety Code unless otherwise specified.)

The Housing Component presents those components of the Agency's intended program for the project area that deals with the expenditure of funds and activities relating to the production of housing at affordable housing cost to persons and families of low and moderate ("low-mod") income. Low income and moderate income are defined in the CRL by reference to Section 50093, which specifies the following income levels:

- Moderate income is defined as a household income from 80 percent to 120 percent of median income for the applicable household size (Section 50093);
- Low income is defined as an income from 50 percent to 80 percent of median income for the applicable household size (Section 50079.5); and
- Very low income is defined as an income less than 50 percent of median income for the applicable household size (Section 50105).

Affordable housing cost is defined in Section 50052.5 as shown in the following table. Housing cost for rental housing includes rent plus an allowance for tenant-paid utilities. Housing cost for owner-occupied housing includes principal, interest, insurance, taxes, utilities, homeowner association dues, and maintenance.

Definition of Affordable Housing Cost

Income Level	Rental Housing	Owner-Occupied Housing
Very Low Income	30% of 50% of AMI	30% of 50% of AMI
Low Income	30% of 60% of AMI	30% of 70% of AMI
Moderate Income	30% of 110% of AMI	35% of 110% of AMI, but no less than 28% of actual income

AMI = "Area Median Income," which is the Median Family Income, adjusted for family size, for the metropolitan area (Alameda and Contra Costa Counties combined), as determined by the U.S. Department of Housing and Urban Development

The CRL provides that, in addition to the removal of blight, a fundamental purpose of redevelopment is to expand the supply of low-mod housing (Section 33071). To accomplish this purpose, the CRL contains numerous provisions to guide redevelopment agency activities with regard to low-mod housing. These provisions divide a redevelopment agency's housing responsibilities into three major categories:

- The production and/or replacement of low-mod housing depending upon activities undertaken by an agency within its project areas;
- The set-aside and expenditure of specified amounts of tax increment revenue for the express and exclusive purpose of increasing and improving the community's supply of low-mod housing; and
- Preparing reports on how the agency has met, or preparing plans on how the agency will meet its responsibilities with regard to the first two items.

This Housing Component is part of the Agency's responsibilities under the third major category. Its contents address how the Agency's plans for the project area will achieve many of the housing responsibilities contained in the first and second major categories of Agency housing

activities. Article 16.5 requires that the housing portion of an Implementation Plan address the applicable items presented in the list below:

1. Production of Housing Based on Activities in the Project Area:

- The requirement that, for certain project areas, at least 30 percent of all new and substantially rehabilitated dwelling units developed by a redevelopment agency over a 10-year period must be available at affordable housing cost to persons and families of low and moderate income, and must be occupied by these persons and families (Section 33413(b)(1)). At least 50 percent of these units must be available to very low income households.
- The requirement that, for certain project areas, at least 15 percent of all new residential units dwelling units developed within a project area under the jurisdiction of an agency by public or private entities or persons other than the agency over a 10-year period must be available at affordable housing cost to persons and families of low or moderate income, and must be occupied by these persons or families (Section 33413(b)(2)). At least 40 percent of these units must be available to very low income households.
- The requirement that, for certain project areas, at least 15 percent of all substantially rehabilitated units that have received agency assistance over a 10-year period must be available at affordable housing cost to persons and families of low or moderate income, and must be occupied by these persons or families (Section 33413(b)(2)(iii)). At least 40 percent of these units must be available to very low income households.
- The requirement that an agency must replace, on a one-for-one basis, all units destroyed or removed from the low and moderate income housing stock caused by agency activities in a project area, within four years of the destruction or removal (Section 33413(a)). Suitable locations must be identified for replacement housing units rehabilitated, developed or constructed pursuant to Section 33413(a), if the destruction or removal of low-mod units will result from a project contained in the Implementation Plan.

2. Set-Aside and Expenditure of Tax Increment for Housing Purposes:

- The requirement to set-aside at least 20 percent of tax increment revenue into a Low and Moderate Income Housing Fund to increase, improve, and preserve the community's supply of low-mod housing at an affordable housing cost (Sections 33334.2 and 33334.6).
- The proportional expenditure of Low and Moderate Income Housing Funds on moderate, low, and very low income housing and family housing (Section 33334.4).
- The transfer of housing funds to other public entities producing housing in the community (a possible outcome of the provisions of Sections 33334.12 et seq.).

3. Additional Requirements:

- Estimates of the balances and deposits into the Low and Moderate Income Housing Fund.
- A housing program identifying expenditures from the Low and Moderate Income Housing Fund.
- An indication of housing activity that has occurred in the project area.
- Estimates of housing units that will be produced in the project area for each of the various income categories.

B. Applicable Low and Moderate Income Housing Requirements

1. Applicable Housing Production Requirements

The date of adoption of the redevelopment plan, the existence of low-mod housing units, and the potential for residential development are the primary determinants of the legal and practical applicability of the various housing provisions of the CRL. Only the low-mod housing provisions applicable to the Stanford/Adeline Project Area are discussed below.

a. Replacement Housing Obligation

The Agency does not anticipate undertaking or assisting any actions that would result in the demolition or removal from the market of low and moderate income housing. Therefore there is no replacement housing obligation presently projected.

b. Housing Production Obligation

Because the Redevelopment Plan was adopted prior to 1976, the Agency is not required to comply with the housing unit production requirement of Section 33413(b).

2. Applicable Provisions Regarding Low and Moderate Income Housing Set-Aside

a. Set-Aside of Tax Increment

The Agency must comply with the Section 33334.2 and 33334.6 requirement to allocate at least 20 percent of the gross tax increment to affordable housing activities. The set-aside is required to be deposited into a Low and Moderate Income Housing Fund created to hold the monies until expended.

However, the Redevelopment Agency has adopted a policy by resolution that 25 percent of all tax increment revenue from each project area be allocated to the Low and Moderate Income Housing Fund, if certain conditions are met. The projections of deposits into the Low and Moderate Income Housing Fund from the

Stanford/Adeline Project Area that are included in the following section assume that the full 25 percent set-aside will be deposited into the Low and Moderate Income Housing Fund in each of the years covered by this Implementation Plan.

b. Proportional Expenditures of Housing Fund Monies

The Stanford/Adeline Project Area is subject to the Section 33334.4 requirement that the Agency expend Low and Moderate Income Housing Fund monies in accordance with an income proportionality test and an age restriction proportionality test. These proportionality tests must be met every ten years through the termination of the Project Area life. These tests do not have to be met on an annual basis.

1.) Very Low and Low Income Housing Expenditures

The income proportionality test requires the Agency to expend Low and Moderate Income Housing Funds in proportion to the housing needs that have been determined for the community pursuant to Section 65584 of the Government Code. The proportionality test used in this Implementation Plan is based on the 2000 Regional Housing Needs Assessment (RHNA) prepared by the Association of Bay Area Governments. Based on the 2000 RHNA for the City of Oakland, the Agency’s minimum required allocation for very low and low income expenditures, and maximum moderate income housing expenditures are:

Category	RHNA	Threshold
Very Low Income	2,238	At least 43%
Low Income	969	At least 19%
Moderate Income	1,959	No more than 38%
Total	5,166	

Section 33334.4 requires that at least 43 percent of the Low and Moderate Income Housing Fund monies from the Stanford/Adeline Project Area dedicated to projects and programs be spent on housing for very low income households. In addition, at least 19 percent of these funds must be spent on housing for low income households, and no more than 38 percent of the funds can be spent on moderate income households. However, the Agency is entitled to expend a disproportionate amount of the funds for very low income households, and to subtract a commensurate amount from the low and/or moderate income thresholds. Similarly, the Agency can provide a disproportionate amount of funding for low income housing by reducing the amount of funds allocated to moderate income households. In no event can the expenditures targeted to moderate income households exceed the established threshold amount.

The Agency will allocate Stanford/Adeline Low and Moderate Income Housing Funds in such a way that these percentages are met over the ten-year period from 2004 through 2014. In addition, the City and other entities may provide assistance for the construction of units affordable to very low and low income households that may also be counted toward meeting the requirements of Section 33334.4.

2.) Age Restricted Housing Expenditures

Section 33334.4 also requires that the Agency assist housing that is available to all persons, regardless of age, in at least the same proportion as the population under age 65 bears to the City's total population as reported in the most recent census of the United States Census Bureau. The 2000 Census indicates that 89.5 percent of the City's population is under 65 years of age. As such, at least 89.5 percent of the Agency expenditures on affordable housing projects from Low and Moderate Income Housing Fund monies from the Stanford/Adeline Project Area must be spent to assist projects that do not impose age restrictions on the residents. The following summarizes the allocation of Low and Moderate Income Housing Fund monies.

Age Category	Percentage of Funds
Senior	10.5% Maximum
Unrestricted	89.5%
Total	

The Agency will ensure that over the ten-year period from 2004 through 2014, not more than 10.5 percent of its expenditures on affordable housing projects from Low and Moderate Income Housing Fund monies from the Stanford/Adeline Project Area are for projects that exclusively serve seniors.

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The Project Area is subject to the CRL provisions requiring the transfer of housing funds to other housing producers in the Oakland area in certain circumstances. Such transfers could possibly occur if the Low and Moderate Income Housing Fund contains "excess surplus." Excess surplus means any unexpended and unencumbered amount in a project area's Low and Moderate Income Housing Fund that exceeds the greater of \$1,000,000 or the aggregate amount deposited into the Low and Moderate Income Housing Fund during the project's preceding four fiscal years.

The Agency does not anticipate having an excess surplus during the current Implementation Plan cycle or throughout the subsequent remaining Stanford/Adeline Project life.

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The primary goal of the Agency is to comply with the affordable housing requirements imposed by the CRL in a responsible manner. The affordable housing activities identified in this Implementation Plan will explicitly assist in accomplishing the intent of the CRL in regards to the provision of low-mod housing.

The CRL establishes that certain housing expenditures, and preservation and production requirements, be attained during five and ten year increments. The housing production

requirement, if applicable, must be met every 10 years, while the proportionality tests must be achieved over the next 10 years, and then again through the end of the Project life. It is the Agency's goal and objective for this Implementation Plan to accomplish sufficient activity and expenditures over the Implementation Plan term, and through the remaining term of the Project, to comply with the applicable requirements.

4. Estimated Housing Fund Revenues and Expenditures

The following table presents the projected future deposits into the Low and Moderate Income Housing Fund from the Stanford/Adeline Project Area. As shown below, \$129,000 in revenues are projected to be available over the five-year term of this Implementation Plan.

**Estimate Housing Set-Aside Revenue
2004-2009**

Plan Year	Fiscal Year	Housing Set Aside
1	2004-05	\$25,000
2	2005-06	\$25,000
3	2006-07	\$26,000
4	2007-08	\$26,000
5	2008-09	\$27,000
Total		\$129,000

5. Anticipated Housing Program Activities

The Agency may assist in a variety of programs to increase, improve and preserve affordable housing in the Project Area or the City of Oakland, such as the following:

a. Production

The Agency can make loans and grants from the Low and Moderate Income Housing Fund to non-profit and for-profit developers for the new construction or rehabilitation of affordable housing. Loans can be made on a deferred payment and/or below market interest rate basis.

The Agency can also participate in land acquisition, land cost write-down, developer recruitment, credit enhancement, and other participation to cause affordable housing to be developed. This is normally accomplished after identification of a housing site, development of a housing concept, and issuance of a Request for Proposals for development of housing. Such affordable housing could be rental or ownership housing. The Agency may also acquire land and directly build housing.

b. Rehabilitation

The Agency may offer low-interest or no-interest loans or grants to assist low- and moderate income homeowners in making repairs to existing residences. Such repairs

could consist of correcting health and safety violations, re-landscaping, and re-painting. This preserves the affordability of the housing and extends its lifespan, as well as improving the neighborhood. Additionally, such programs can be extended to owners of rentals properties to make repairs to affordable rental housing. In either case, covenants must be recorded to keep these properties affordable for the time period required by the CRL.

c. Affordability Assistance

The Agency may provide direct subsidies to lower the cost of producing housing or first-time homebuyer programs to assist very-low to moderate income families with mortgage assistance for the purchase of a home. The latter can take the form of a deferred loan with a low interest rate and equity sharing provisions. When the home is sold, the loan and equity share would be used to help another first-time homebuyer.

d. Preservation of Existing Affordable Housing

The Agency may offer loans, grants or other forms of investment to assist in the preservation of existing assisted housing that is otherwise threatened with conversion to market rate. Such assistance would be coupled with affordability restrictions of 55 years for rental housing and 45 years for owner-occupied housing.

6. Allocation of Housing Funds over Previous Implementation Period

While Agency housing set-aside funds are tracked individually for each project area, the funds from all of the Agency's project areas are combined into a single Low and Moderate Income Housing Fund. The Agency has made findings that affordable housing activities in any part of the City of Oakland are of benefit to all of the redevelopment project areas. As a result, Low and Moderate Income Housing Funds from the Stanford/Adeline Project Area may be used both inside and outside the Project Area. In addition, the City of Oakland also provides assistance from its own funds for the development, improvement and preservation of affordable housing.

The tables on the following page provides information for the period 1999-2004 regarding:

- the amounts of Low and Moderate Income Housing Fund monies utilized to assist units affordable to, and occupied by, extremely low income households, very low income households, and low income households, including units available to families with children; and
- the number, the location, and the level of affordability of units newly constructed with other locally-controlled government assistance and without Agency housing fund assistance and that are required to be affordable to, and occupied by, persons of low, very low, or extremely low income for at least 55 years for rental housing or 45 years for homeownership housing.

Redevelopment Agency Assisted Housing Activities Completed or Underway, 1999 - 2004

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderates	
10211 Byron	Families	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 386,550
1574-1590 7th Street	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 136,846
2001 Linden Street	TBD	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 148,500
3701 MLK Jr.	Families	Underway	Broadway/ MacArthur/ San Pablo	TBD	TBD	TBD	TBD	\$ 109,510
5825 Foothill	Homeownership	Underway	Central City East	TBD	TBD	TBD	TBD	\$ 701,000
Adeline Lofts	Families	2002	West Oakland	31	6			\$ 70,179
Allen Temple Gardens	Seniors	2001	Coliseum	49			1	\$ 1,951,000
Altenheim Phase I	Senior	Underway	None	66			1	\$ 1,778,560
Calaveras Townhomes	Homeownership	Underway	None				28	\$ 3,858,500
Casa Velasco	Seniors	2003	Central City East	20				\$ 908,000
Chestnut Court Ownership	Homeownership	2003	Oak Center and none		15			\$ 1,727,000
Chestnut Court Rental	Families	2003	Oak Center		71		1	\$ 2,976,000
Coliseum Gardens Phase I	Families	Underway	Coliseum	91	22		2	\$ 1,500,000
Courtyards at Acorn	Families	2000	Acorn		87			\$ 604,500
CURA-North	Disabled or HIV/AIDS	2001	None	8				\$ 587,876
Drachma	Families	2003	West Oakland	19				\$ 1,712,000
Eastmont Court	Disabled or HIV/AIDS	Underway	Central City East	18			1	\$ 1,427,000
Edes Avenue Homes	Homeownership	Underway	Coliseum		26			\$ 2,075,000
Effie's House	Families	1999	None	4	16			\$ 225,000
Faith Housing	Families	Underway	West Oakland	TBD	TBD	TBD	TBD	\$ 689,598
Habitat Fruitvale Homes	Homeownership	2003	None		4			\$ 112,000
Habitat Village	Homeownership	2001	Coliseum		40			\$ 981,048
Horizon Townhomes	Homeownership	Underway	Central City East		4	10		\$ 1,767,000
Irene Cooper Terrace	Seniors	2000	Central City East	39			1	\$ 560,000
Lake Merritt Apartments	Senior	2004	Central City East	11	43		1	\$ 1,900,000
Leola Terrace II	Homeownership	Underway	Central City East		8			\$ 200,000
Lincoln Court	Senior	Underway	None	24	57			\$ 2,000,000
Linden Court Rental	Families	2003	West Oakland		78		1	\$ 3,224,000
Madison Lofts	Families	Underway	Central District	TBD	TBD	TBD	TBD	\$ 1,498,000
Mandela Gateway Ownership	Homeownership	Underway	West Oakland		8	6		\$ 1,146,100
Mandela Gateway Rental	Families	Underway	West Oakland	95	71		2	\$ 2,500,000
MLK MacArthur BART Sr.	Senior	Underway	Broadway/ MacArthur/ San Pablo	32			1	\$ 2,080,850
MLK Plaza Homes	Homeownership	2002	None		6	5		\$ 1,287,175
Mortgage Assistance Program	Homeownership	multiple	Citywide	51	225	11		\$11,000,000
Northgate Apartments	Families	2003	None	21	20		1	\$ 349,229
Oak Park Homes	Families	Underway	Central City East	16	18		1	\$ 3,419,000
Oak Street Terrace Senior	Senior	Underway	Central District	21	17		1	\$ 2,072,000
Oakland Point Limited Partnership	Families	2002	West Oakland	31				\$ 1,451,606
Palm Court	Homeownership	Underway	Acorn		12			\$ 855,400
Palm Villa	Homeownership	2003	None		78			\$ 6,725,000

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (2)				Agency Funding (1)
				Very Low	Low	Moderate	Above Moderate	
Percy Abrams Jr. Senior	Senior	Underway	None	43			1	\$ 1,000,000
San Pablo Gateway	Homeownership	2000	Broadway/ MacArthur/ San Pablo		7	10		\$ 1,473,792
Santana	Families	2004	Central City East	30				\$ 713,000
Sausal Creek	Homeownership	Underway	None		9	8		\$ 2,329,000
Seven Directions	Families	Underway	Coliseum	24	13		1	\$ 3,289,000
Southlake Towers	Senior		Central District	26	103		1	\$ 445,300
Sylvester Rutledge Manor (North Oakland Senior)	Seniors	2003	West Oakland	64			1	\$ 2,551,750
Town Center at Acorn	Families	2000	Acorn	102	104			\$ 250,000
UniDev	Families	Underway	Citywide	TBD	TBD	TBD	TBD	\$ 25,000

(1) Agency Funding includes all funding provided from Low and Moderate Income Housing Fund over the life of the project. Some funding may have been provided prior to 1999.

(2) TBD = "to be determined" – specific affordability levels have not yet been established.

**Housing Units Newly Constructed in Redevelopment Project Areas,
Assisted With Locally-Controlled Government Assistance and
No Redevelopment Agency Housing Financing, 1999 – 2004**

Project Name	Type	Year Built	Project Area	Number of Units at Each Affordability Level (1)			
				Vary Low	Low	Moderate	Above Moderate
Allen Temple Manor	Disabled or HIV/AIDS	2001	Coliseum	23			1
Bayporte Village	Homeownership	1999	Acorn		69	2	
Bishop Nichols Senior Housing (Downs)	Seniors	2003	Stanford/Adeline	16			1
Coliseum Gardens Phase II	Families	TBD	Coliseum	39	90		
Coliseum Gardens Phase III	Families	TBD	Coliseum	32	74		
Fruitvale Transit Village	Families	2004	Coliseum	3	7		34
Habitat for Humanity	Homeownership	2001	Coliseum		3		
International Blvd Family Housing	Families	2002	Coliseum and none	4	25		1
NCLT Homeownership Program	Homeownership	2003	West Oakland		4		
Paul Wang (2003 DDA)	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	TBD	Broadway/MacArthur				2
Paul Wang II	Homeownership	2004	Coliseum		2		
Paul Wang II	Homeownership	2004	Coliseum		1		
Paul Wang II	Homeownership	2004	Coliseum				1
Paul Wang II	Homeownership	2004	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland		1		
Paul Wang II	Homeownership	TBD	West Oakland				1
Pukatch Infill Project	Homeownership	TBD	West Oakland				4
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
RFP Site	Homeownership	TBD	West Oakland	TBD	TBD	TBD	TBD
Stanley Avenue Apartments	Families	2003	Coliseum	23			
Swans Market Housing	Families	1999	Central District		18		

(1) TBD = "to be determined" – specific affordability levels have not yet been established.