

# **Five-Year Implementation Plan 2009-2014**

(Including Health & Safety Code Section 33413(b)(4) Housing Compliance Plan)

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## **I. Introduction and Background**

### **A. Requirement for Implementation Plan/Regulatory Framework – AB 1290**

Assembly Bill 1290, which took effect on January 1, 1994 and is now codified in the California Health and Safety Code (the “H & S Code” or the “CCRL”), contains provisions (Section 33490 of the H & S Code) requiring redevelopment agencies or development commissions to adopt a five-year implementation plan. The requirement for an Implementation Plan reflects a legislative concern that redevelopment agencies should address the blight that justified the adoption of the redevelopment plan(s) within the boundaries of the respective communities. Each agency that had adopted a redevelopment plan prior to December 31, 1993 was required to adopt, after a public hearing, an Implementation Plan on or before December 31, 1994. Thereafter, a new Implementation Plan must be adopted every five years. In addition, at least once during the five-year period, a public hearing on each Implementation Plan is required.

Among other requirements, an Implementation Plan must describe the specific goals and objectives for the agency for the project area(s), specific programs, including potential projects and estimated expenditures to be made during the next five years, and explain how these goals, objectives, programs and expenditures will eliminate blight remaining in the project area(s) and implement the requirements of H & S Code Sections 33334.2, 33334.4, 33334.6 and 33413.

The Implementation Plan must further describe how the Agency will implement both the requirement to increase, improve and preserve low and moderate-income housing and satisfy the inclusionary housing requirement. The section of the Implementation Plan addressing the low and moderate-income housing fund (in Pasadena this fund is referred to as the Housing Trust Fund and will herein be termed the “Trust Fund”) must describe the amount of funds available and the estimated amounts which will be deposited into the Trust Fund during each of the next five years. If an Implementation Plan contains a project that would result in the destruction or removal of very low-, low-, or moderate income housing which must be replaced pursuant to H & S Code Section 33413, the Agency is required to identify in the Implementation Plan proposed locations suitable for replacement dwellings.

The Pasadena Community Development Commission (“Commission”) adopted its initial Five-Year Implementation Plan (“Initial Implementation Plan”) on December 19, 1994 (Resolution No. CDR-131) and heard public testimony on the Initial Implementation Plan at a public hearing on December 1, 1997. The Commission’s second Implementation Plan was adopted on March 20, 2000; its third Implementation Plan was adopted by the Commission on August 1, 2005 (Resolution No. CDR-238) pursuant to the requirements of H & S Code, Section 33490. This Implementation Plan is the fourth plan adopted by the Commission and is adopted pursuant to the requirements of H & S Code, Section 33490.

## B. Conformity of Implementation Plan with Other Housing Documents

Contemporaneously with the adoption of this Implementation Plan by the Commission, the City of Pasadena ("City") is also updating and adopting the Housing Element of its General Plan, its Consolidated Plan, and its Public Housing Agency (PHA) Five-Year Plan ("Housing Documents"). Section IV of this Implementation Plan is the Housing Compliance Plan required by H & S Code Section 33413 (b)(4). The Housing Compliance Plan describes the Commission's "affordable" housing activities to date and establishes the blueprint for the Commission's expenditures for such housing for the next five fiscal years. As such, the Housing Compliance Plan reflects the Commission's contributions to the overall municipal effort to provide affordable housing in the community. In this light, every effort has been made to integrate and coordinate the housing programs and expenditure opportunities available to the Commission with those set forth in the Housing Documents.

To the extent possible, this Implementation Plan and the Housing Documents utilize the same data sources and defined terms so that readers of the various Housing Documents will enjoy the use of consistent base data and defined terms. The glossary included in this Implementation Plan (please see Appendix 1) provides terms which are used throughout the Housing Documents.

## C. Organization of this Plan

State law requires that the Implementation Plan describe Commission activities (i.e. those activities funded from the Commission's general redevelopment fund and from its Housing Trust funds) during the next five year period. However, simply starting from the present and describing future projected activities does not show the full range of activities the Commission has engaged in during and before the term of its previous Implementation Plans. Furthermore, it is impossible to establish the Commission's current and projected obligations relating to affordable housing production (as set forth in State law) without describing housing development (both new construction and substantial rehabilitation) during the entire term of the various redevelopment plans. Therefore, a substantial portion of this Implementation Plan will describe existing and historic conditions of blight in the various project areas, the goals and objectives approved by the Commission whose implementation would lead toward the elimination of that blight, and the Commission's specific projects and programs which implement its goals and objectives.

This Implementation Plan is divided into four major sections as follows: i) Section I, which provides background information, ii) Section II, which reviews the Commission's general redevelopment activities during the term of the previous Implementation Plan (2004-2009), iii) Section III, which describes the Commission's projected general redevelopment programs and projects during the term of this Implementation Plan (2009-2014), and iv) Section IV which is the Housing Compliance Plan required by state law.

For practical reasons and to make the housing component of this Implementation Plan easily accessible to those who are interested only in the Commission's affordable housing programs, the Housing Compliance Plan includes discussion of Commission housing activities undertaken during the term of the Third Implementation Plan (2004-2009) and those projected to be accomplished during the term of this Implementation Plan (2009-2014).

#### D. Record of Plan Adoption and Amendments: 1959-Present

The Pasadena Redevelopment Agency (the "Agency" and predecessor in interest to the Commission) was established on August 19, 1959 for the primary reasons of effecting the elimination of blight and stimulating the City's economic base. The Agency and then later the Commission adopted nine redevelopment plans between 1964 and 1993. These features and each plan's objectives and proposed redevelopment activities are summarized below.

The Board of Directors of the City of Pasadena ("Board") adopted its first redevelopment plan on September 11, 1964 (Ordinance No. 4677) for the then **Pepper Redevelopment Project Area**. The Board amended the Pepper Redevelopment Plan on May 14, 1968 (Ordinance No. 4870) and again on November 28, 1972 (Ordinance No. 5094). The Board amended the redevelopment plan a third time on July 21, 1986 to increase the size of the project area and change its name to the **Fair Oaks Avenue Redevelopment Project**. The amended plan set out nineteen goals and objectives for the territory added by the amendment which, in summary, called for the elimination and prevention of the spread of blight, improved urban design (including historic resources), crime reduction and other "human services programs", private sector investment, business retention, job creation, public infrastructure improvements, "retention and stabilization" and expansion of low and moderate income housing, and provisions for increased municipal revenues.

The Board adopted its second redevelopment plan on December 29, 1970 (Ordinance No. 5005) for the **Downtown Redevelopment Project** with the express intent to "eliminate and prevent the spread of blight in the Project area" through six identified actions. In summary, these actions included the acquisition and disposition of real property, infrastructure improvements, and the demolition of improvements and the relocation of occupants. The third redevelopment plan adopted by the Board was for the **Villa-Parke Redevelopment Project**, which was adopted on December 26, 1972 by Ordinance No. 5097. Section 400 of this redevelopment plan includes objectives to eliminate and prevent the spread of blight, redevelop the Project area, remove structurally substandard buildings, provide land for public uses, produce decent, safe and sanitary housing (including the provision of low and moderate income housing), provide incentives to landowners, provide social and physical improvements in the project area, create jobs, improve the public infrastructure, assemble land, and provide for improved urban design. This redevelopment plan also included a number of "redevelopment actions" which are similar to those listed above for the Downtown Redevelopment Project.

The Board adopted two redevelopment plans in early 1973, the **Orange Grove Redevelopment Plan** on January 23 (Ordinance No. 5103) and the **San Gabriel Redevelopment Plan** of February 27 (Ordinance No. 5106). The objectives of the Orange Grove Redevelopment Plan and the “redevelopment actions” for both the Orange Grove and the San Gabriel Redevelopment Plans are similar to those listed above for the Villa-Parke Redevelopment Plan. The San Gabriel Redevelopment Plan was effective for only 20 years and terminated on February 27, 1993.

By the time the Board adopted its sixth redevelopment plan, the **Lake/Washington Redevelopment Plan**, on June 15, 1982 (Ordinance No. 5571), it had made the Commission the successor to the Agency (Ordinance No. 5510, adopted April 21, 1981). The objectives of the Lake/Washington Redevelopment Plan included correcting and preventing the spread of blighting conditions in the project area, redevelopment of the project area, modification of land uses and parcelization, public facilities and infrastructure, job creation and improved urban design.

On July 19, 1983, the Board adopted the **Old Pasadena Redevelopment Plan** (Ordinance No. 6025). This, the seventh redevelopment plan, represented a “new, more restricted approach to redevelopment” with a limited focus identified as “the provision of parking as the first priority and primary focus of redevelopment activities.” The redevelopment plan provides that the redevelopment of the project area is intended to eliminate and prevent the spread of blight, improve public infrastructure and urban design, provide for public facilities, protect residential properties, improve transportation and public transit opportunities and provide for job creation.

On July 21, 1986, the Board adopted its eighth redevelopment plan for the **Lincoln Avenue Redevelopment Project** (Ordinance No. 6175). Generally, the goals and objectives of this plan call for the elimination and prevention of the spread of blight, prompting private sector investment, particularly minority-owned businesses, improved urban design, crime reduction, business expansion and retention, infrastructure improvements, expansion of the supply of low and moderate-income housing outside the project area, and reducing the City’s costs for public services.

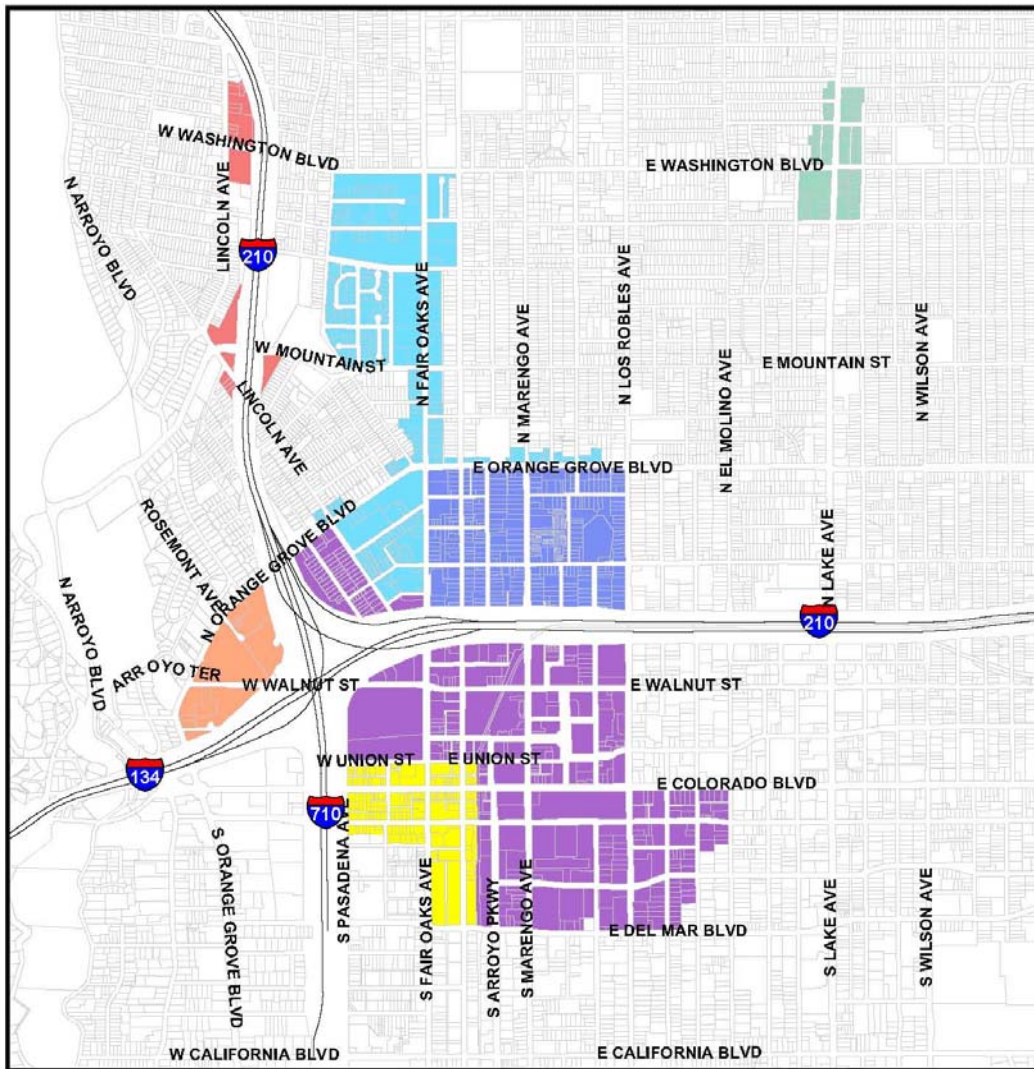
The Board adopted its ninth and latest redevelopment plan, for the **Halstead/Sycamore Redevelopment Project** on November 17, 1993 (Ordinance No. 6563). It should be pointed out that this redevelopment plan does not provide for tax increment financing; therefore, the obligation to establish a low and moderate income housing fund pursuant to H & S Code Section 33334.2(a) does not accrue to this project area. However, pursuant to H & S Code Section 33334.2(f), the Commission must still comply with the “replacement” and “inclusionary” obligations found in H & S Code Section 33413 for this project area.

All of the above plans were amended to extend the Plan Effectiveness Dates pursuant to SB 1045 and SB 1096 on February 23, 2009 (Ordinance No. 7158).

#### E. Project Area Location and Boundaries

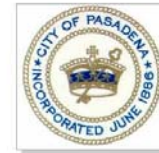
The locations of each of the eight currently active redevelopment project areas in the City are listed on the following pages.



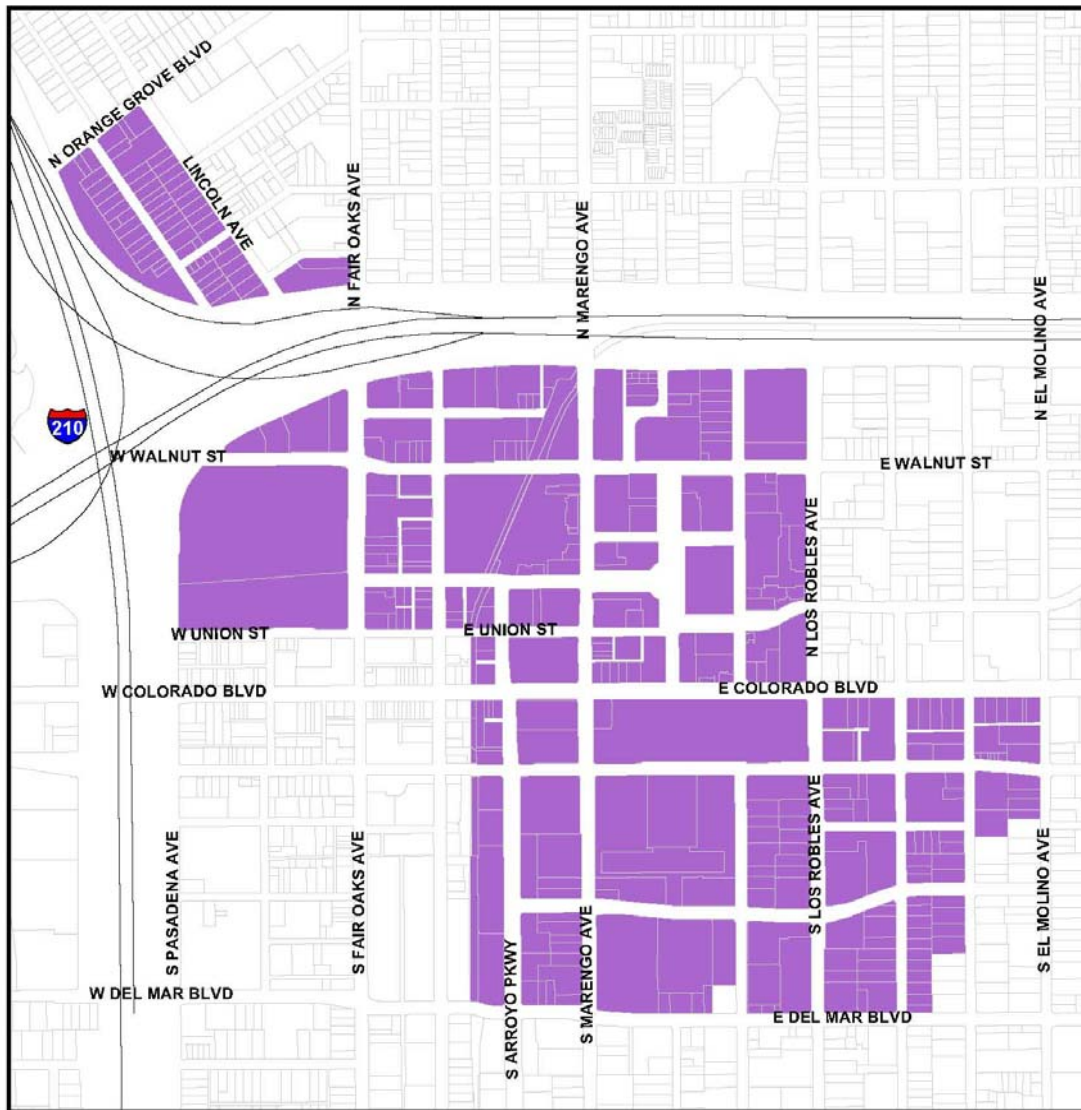


### City of Pasadena Redevelopment Project Areas

- Downtown
- Old Pasadena
- Fair Oaks Avenue
- Lincoln Avenue
- Lake/Washington
- Villa-Parke
- Orange Grove
- Halstead Sycamore



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### City of Pasadena Downtown Redevelopment Project Area

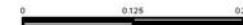
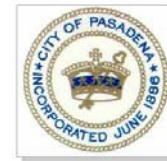
Adoption Date: December 1970  
(Ordinance #5005)

Term of Plan: 35 Years; Extended to 40 years  
(Ordinance #6807); Amended via  
Ordinance 7158 extending 3 additional years.

Total Project Area: 340 acres

Base Year: 1970-71

Project Expiration: December 29, 2013



Coordinate System: State Plane California Zone V FIPS 401 (feet) Datum: NAD 83  
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**City of Pasadena  
Old Pasadena Redevelopment  
Project Area**

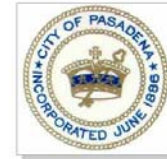
Adoption Date: July 19, 1983  
(Ordinance #6025)

Term of Plan: 35 Years; Extended to 40 Years  
(Ordinance # 6810 & #6811)  
Amended via Ordinance 7158 extending  
3 additional years.

Total Project Area: 73 acres

Base Year: 1982-83

Project Expiration: July 19, 2026



Coordinate System: State Plane California Zone V, FIPS 461 (feet) Datum: NAD 1983  
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**City of Pasadena  
Fair Oaks Redevelopment  
Project Area**

Adoption Date: September 11, 1964  
(Ordinance #4677)  
1st Amendment: May 14, 1968  
(Ordinance #4870)  
2nd Amendment: November 28, 1972  
(Ordinance #5094)  
3rd Amendment: May 19, 1986  
(Ordinance #6154)

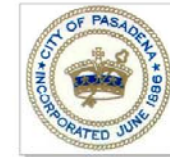
Term of Plan: 35 Years; Extended to 40 Years  
(Ordinance #6805 and #6806)  
Fair Oaks Added Area:  
Amended via Ordinance 7158  
extend extending 1 additional year.  
Fair Oaks Original Area:  
Amended via Ordinance 7158  
extending 3 additional years.

Total Project Area: 157 acres

Fair Oaks Added Project Expiration:  
May 19, 2027

Fair Oaks Original Area Project Expiration:  
January 1, 2012

Base Year: 1964-65



Coordinates: UTM Zone 18N, Pasadena, California Zone 18N, 405 (East), Datum: NAD 1983  
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**City of Pasadena  
Lincoln Avenue Redevelopment  
Project Area**

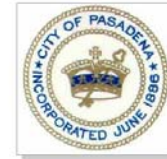
Adoption Date: July 21, 1986  
(Ordinance #6175)

Term of Plan: 35 Years;  
Extended to 40 Years  
(Ordinance #6808 & #6809)  
Amended via Ordinance 7158 extending  
1 additional years.

Total Project Area: 17 acres

Base Year: 1985-86

Project Expiration: July 21, 2027



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**City of Pasadena  
Lake Washington Redevelopment  
Project Area**

Adoption Date: (Ordinance #5571)

Term of Plan: 35 Years; Extended to 40 Years  
(Ordinance #6804)  
Amended via Ordinance 7158  
extending 3 additional years.

Total Project Area: 31 acres

Base Year: 1982-83

Project Expiration: June 15, 2025



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**City of Pasadena  
Villa Parke Redevelopment  
Project Area**

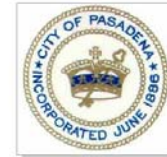
Adoption Date: 1972 (Ordinance #5097)

Term of Plan: 30 Years;  
Extended to 40 Years (Ordinance #6813)  
Amended via Ordinance 7158  
extending 3 additional years.

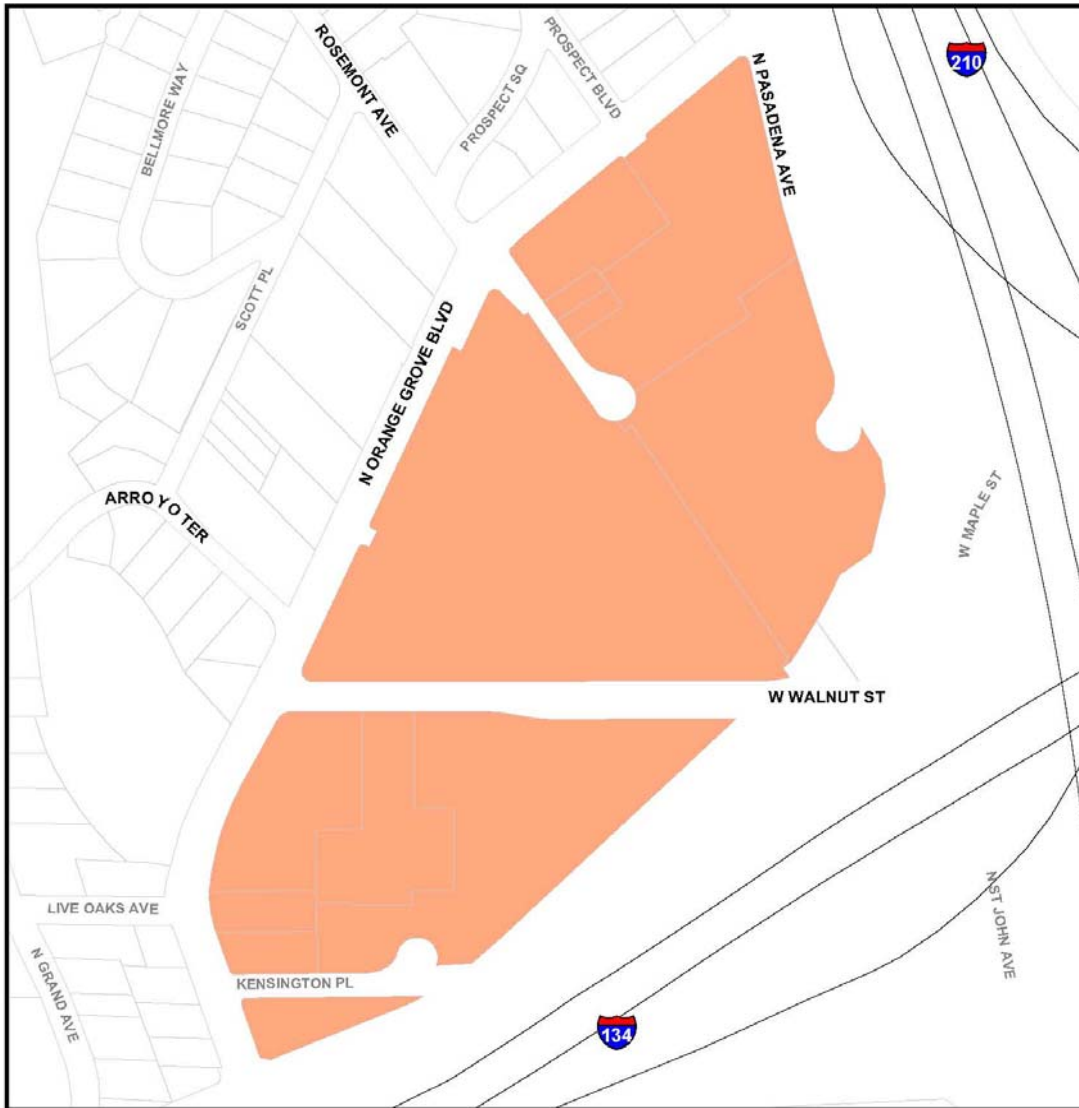
Total Project Area: 180 acres

Base Year: 1972-73

Project Expiration: December 26, 2015



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**City of Pasadena  
Orange Grove Redevelopment  
Project Area**

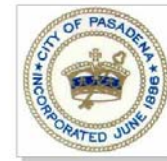
Adoption Date: January 1973  
(Ordinance #5103)

Term of Plan: 30 Years;  
Extended to 40 Years (Ordinance #6812)  
Amended via Ordinance 7158 extending  
3 additional years.

Total Project Area: 41 acres

Base Year: 1972-73

Project Expiration: January 23, 2016



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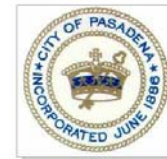
**City of Pasadena  
Halstead Sycamore Redevelopment  
Project Area**

Adoption Date: November 16, 1993  
(Ordinance #6563)

Term of Plan: 45 Years

Total Project Area: 4.5 acres

Base Year: 1993-94



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## II. Review of Commission Activities During the Term of the Third Five-Year Implementation Plan (2004-2009)<sup>1</sup>

### A. Second Implementation Plan Goals and Objectives

As part of its Second Implementation Plan, the Commission adopted goals and objectives for each of the nine redevelopment project areas. These goals and objectives, by project area, can be found in the Second Implementation Plan on file in the offices of the Commission. A review of these original goals and objectives will show that, although many addressed the Commission's intentions for the next five years in the Second Implementation Plan, most of these statements were essentially replicas of each other for each of the various project areas.

The Commission's goals for most project areas were to I) eliminate conditions of blight (all project areas), ii) provide for economic development (all project areas), iii) provide public facilities (all project areas), and iv) provide "affordable" housing (in eight of the project areas, San Gabriel would be "citywide" and Halstead/Sycamore does not receive tax increment revenue). Additional goals were to I) provide reasonable preferences to existing occupants as a part of development participation activities (applicable to four project areas), and ii) provide a residential rehabilitation program (Villa-Parke).

### B. Redevelopment Activities Digest: Plans Adoption Through 2009

The Commission, since its inception as the Pasadena Redevelopment Agency, has completed an extensive and impressive list of activities. The previous Implementation Plans identified major activities accomplished by the Commission through and including 2009. These activities are listed, by project area, in the Third Implementation Plan. The Implementation Plans are on file in the Commission offices and should be referred to for a more complete discussion of those projects and programs completed by the Commission prior to and including 2009.

Subsequent to 1999 and through the period of the Third Implementation Plan, the Commission has completed another impressive list of projects and programs directed towards implementing its proposed development actions and fulfilling the goals and objectives identified in the Third Implementation Plan. All of the general redevelopment projects and programs initiated by the Commission, to date, have been implemented to address the Commission's overriding commitment to reduce and eliminate blight in the project areas and have worked towards: I) providing assistance to meet Pasadena's economic development, business retention and expansion needs; and ii) correcting public infrastructure deficiencies and inducing new construction in the project areas. Following is a discussion of the Commission's major general redevelopment projects and programs. The housing projects and programs which the Commission has completed during the term of the Second Implementation Plan are discussed in Section IV of this Implementation Plan.

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<sup>1</sup> As described above, this Section II excludes all discussion of the Commission's affordable housing activities. A complete discussion of housing activities is found in Section IV of this Implementation Plan.

## **Economic Development, Business Retention and Expansion**

### Small Business Assistance

The Commission manages and provides staff support for a Small Business Assistance Loan Program, utilizing CDBG funds, which is designed to provide loans, counseling, technical assistance, business planning, and loan packaging to small businesses which require such assistance in order to locate or remain within the City of Pasadena. A majority of the permanent jobs created and/or retained are to be made available to low and moderate income persons. During the five-year reporting period (2004-2009) a total of \$1,269,529, in loan funds were utilized to fund 59 business loans. A total of 157 jobs were retained and 35 jobs were created.

The Commission and Pasadena Chamber of Commerce co-sponsor a workshop series entitled *The Art of Small Business Survival*. The workshops provide free training and educational seminars on a variety of topics aimed at fostering a stronger business community.

The Commission also funded a *Façade Improvement Program*, a grant program which provides matching grant funding for façade improvements in the Downtown, Fair Oaks, Lincoln Avenue, Lake/Washington, and Villa-Parke Redevelopment Project Areas.

### Business Development Program

The Business Development Program is designed to strengthen a business environment focusing on business retention, expansion and recruitment, and to provide outreach to existing businesses. City and Commission staff conducts targeted outreach and retention to specific industry types such as biotechnology, to both create and retain quality employment opportunities in the community.

### Specific Project Assistance

The Commission has invested a great deal of time and effort in the economic development of the City as a whole and plans on continuing those efforts with the specific projects listed below. The degree to which continuity of projects and programs move forward is contingent on the California Supreme Court's decision on whether or not the State can legally take redevelopment funds from local agencies to balance the State's budget. If the Court rules in the State's favor, this would mean a \$13 million dollar reduction in PCDC funding over the next two years thereby severely reducing the Commission's efforts in economic development assistance. Assistance of the following projects for 2010-2012 will be significantly impacted.

- Storefront Improvement Program
- Kiosk Installation

#### Business Retention

The Commission provides assistance to various business entities in return for their commitment to remain in the City, thus retaining quality employment opportunities within the community.

#### Business Recruitment

The Commission actively recruits a number of both high tech and other types of employers to relocate into the City. A particular focus area for the City as the present time is to recruit biotechnology-related businesses.

#### Business Outreach

During the term of the Third Implementation Plan the Commission continued its partnership efforts with Pasadena businesses. These efforts are aimed primarily at maintaining an active dialogue with community business groups, business improvement districts, and interested business representatives to assist in facilitating their initiatives through the City's review and approval process.

#### Marketing/Advertising

During the term of the Third Implementation Plan the Commission drafted and circulated a number of various marketing and advertising documents. Additionally, the Commission and City staff actively participates in hosting or participating in conferences, seminars, and workshops where economic development and redevelopment are the focus of discussion.

#### Special Districts

There are a number of special districts in the City created and funded to provide a variety of services relating to economic development and business retention and expansion. The Commission provided assistance to four of these districts/zones in the following manner:

##### ***Enterprise Zone***

Parts of the City are included in a local Enterprise Zone. Staffing for the Enterprise Zone effort is integrated into the Planning & Development Department, which during the term of the Third Implementation Plan: 1) continued to provide

assistance to business with information regarding federal, state, local, and private business programs; ii) continued to provide Financial Assistance and Business Counseling Programs; iii) provided vouchers for employees; iv) assisted non-profit organizations either to locate or do business in the Enterprise Zone, and v) provided marketing material for the Enterprise Zone. The Enterprise Zone is located generally in the Fair Oaks Avenue, Lincoln Avenue, Villa-Parke and Lake/Washington redevelopment project areas with the boundary also covering a portion of the Downtown redevelopment project area.

#### ***Recycling Market Development Zone***

The Commission established and provided a number of low interest loans to companies that use recycled materials in their final product.

#### ***Business Improvement Districts***

The Commission has provided financial organizational support to the Playhouse District Association and the Old Pasadena Management District for each district's efforts in ongoing administration of the property-based business improvement districts.

#### **Infrastructure Improvements and New Construction**

During the term of this Plan, the Commission has initiated planning and negotiation for streetscape and hardscape projects proposing improvements in the Old Pasadena Historic District.

Taken together, the projects and programs listed above have implemented many of the Commission's stated goals and objectives and have furthered the Commission's efforts to eradicate blight in the Project Areas.

### **III. Plan for the Implementation of Commission Programs and Projects to Continue the Eradication of Blight in the Project Areas (2009-2014)<sup>2</sup>**

As described in Subsection A below, there remains blight in various Project Areas. The Commission will be guided in its efforts to eradicate this blight by the goals and objectives identified in Subsection B. Subsection C below describes the funds projected to be available over the next five fiscal years to implement the Commission's identified goals. Finally, Subsection D describes the proposed actual programs and projects which the Commission can fund over the next five years in order to implement its goals and objectives to eradicate blight.

#### **A. Identification of Currently Existing Blighting Conditions**

Effective January 1, 1994, the definition of blight used by redevelopment agencies to adopt redevelopment plans was substantially changed. All redevelopment plans adopted by the Agency and Commission were adopted prior to this date and therefore qualified under the previous definitions. The conditions of blight in the various Project Areas are described in detail within the Commission's various reports to the City Council required by H & S Code Section 33352 for each redevelopment plan adoption. These reports are on file with the City Clerk of the City and are incorporated herein by reference.

Conditions within the various Project Areas, with the exception of improvements caused by the implementation of Commission-sponsored projects and programs and other projects that have been implemented without Commission assistance, remain substantially the same as when each redevelopment plan was adopted. It is the Commission's intent to continue its focus on the remedy of the remaining conditions of blight.

Blighting conditions that remain in the Project Areas, identified as either physical blight or economic blight, are shown in Table 1 below. Please note that inadequate infrastructure improvements are included in both categories of blight as a secondary blighting factor pursuant to H & S Code Section 33030 (c).

In spite of the Commission's ongoing activities as described in Section II, Table 1 shows that conditions of blight remain in the various Project Areas. The balance of this Section III will describe how the Commission intends to work to eradicate this blight during the next 5-year period.

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<sup>2</sup> This Section III excludes all discussion of the Commission's affordable housing activities. A complete discussion of housing activities is found in Section IV of this Implementation Plan.

<b>Table 1 Summary of Blight Conditions Remaining Within the Project Areas</b>	
PHYSICAL CCRL Section 33031 (a)	ECONOMIC CCRL Section 33031 (b)
<ul style="list-style-type: none"> <li>▪ Deterioration, Dislocation, or Disuse of Buildings (Unsafe/Unhealthy Buildings).</li> <li>▪ Lack of Parking</li> <li>▪ Incompatible Land Uses</li> <li>▪ Irregularly Shaped Parcels and Inadequately Sized Parcels (Multiple Ownership)</li> <li>▪ Other Similar Factors that Affect Use or Capacity of Buildings/Lots (Poor Site Conditions, Shifting of Uses, Poor Circulation)</li> <li>▪ Inadequate Public Improvements</li> </ul>	<ul style="list-style-type: none"> <li>▪ Depreciated or Stagnant Property Values</li> <li>▪ High Vacancies</li> <li>▪ Lack of Commercial Facilities</li> <li>▪ Inadequate Public Improvements</li> </ul>
Source: Ordinances approving and adopting various Plans.	

**B. General Redevelopment Goals and Objectives (2009-2014)<sup>3</sup>**

H & S Code Section 33490 (a)(1) states, in part, that an implementation plan shall contain an Agency’s specific goals and objectives for the project area. As previously discussed in this Implementation Plan, by providing specific goals and objectives for each of its project areas, the Commission adopted goals and objectives in its Third Implementation Plan. A review of these goals and objectives shows that the majority of the Project Areas fall into four similar categories: blight elimination, economic development, public facilities and affordable housing. Additionally, the provision of reasonable preferences to existing occupants is a goal in four project areas while residential rehabilitation is identified as a specific goal in the Villa-Parke Project Area.

A review of Sections II and IV of this Implementation Plan shows that the Commission has participated in a number of projects which address all of its goals, as well as, partially or wholly completing many of its stated objectives.

As a consequence, the Commission has determined it is preferable to establish a more concise set of goals and objectives which it could implement in all Project Areas as may be appropriate. These goals and objectives are more focused and reflect the progress the Commission has made in the implementation of its programs to date. Since the state legislature has found the elimination of blight to be a basic goal of all redevelopment agencies throughout the state, this Implementation Plan does not reiterate the goal of eliminating blight.

<sup>3</sup> The Affordable Housing goals and objectives are included under Section IV of this Implementation Plan.

The Commission's 2009-2014 General Redevelopment Fund Goals and Objectives are:

GOAL NO. 1: ENCOURAGE AND AID THE ECONOMIC DEVELOPMENT OF ALL PROJECT AREAS

OBJECTIVES:

- I.1 Preserve and expand Downtown Pasadena as a regional retail/commercial destination by maintaining a desired mix of retail, commercial, and market rate housing.
- I.2 Preserve and expand existing retail/commercial centers throughout the project areas serving local and neighborhood needs.
- I.3 Preserve and expand existing office space catering to national and regional companies.
- I.4 Encourage all forms of private development and redevelopment activities which will provide employment opportunities at all income levels.
- I.5 To further aid economic development, encourage the highest level of urban design and architectural preservation consistent with reasonable use and economic feasibility considerations.
- I.6 Encourage development opportunities adjacent to and benefited by public mass transportation thoroughfares.
- I.7 To further aid economic development, assist, as appropriate, private cultural, sports, and convention facilities.
- I.8 Finance appropriate studies, planning documents, and other necessary activities to help implement Goal No. 1
- I.9 Throughout the project areas promote and assist business retention and expansion activities.

GOAL NO. 2 IMPROVE AND CONSTRUCT INFRASTRUCTURE AND PUBLIC FACILITIES WHICH BENEFIT THE PROJECT AREAS

OBJECTIVES:

- II.1 Provide funding for public facilities, such as parking facilities, cultural, sports and convention facilities, and community facilities.



- II.2 Provide funding for infrastructure improvements in the public way (including sewer, storm drain, water systems, and surface improvements).
- II.3 Provide funding for programs and activities which benefit the project areas by reducing traffic congestion, improving public safety, and reducing parking deficiencies.

H & S Code Section 33490 (a)(1)(A) requires that each implementation plan prepared by an agency contain an "...explanation of how goals and objectives...will eliminate blight within the project area..." Table 2 shows the relationship between the Commission's specific five-year goals and objectives, listed above, and the eradication of the remaining blight within the Project Areas, as identified in Table 1 above.

<b>Table 2 Goals Nexus to Blight Elimination<sup>1</sup></b>									
Goals	Physical Conditions Summary					Economic Conditions Summary			Infrastructure
	Deteriorated, Dislocated, Or Disuse of Buildings (Unsafe/ Unhealthy Buildings)	Lack Of Parking	Incompatible Buildings And Land Uses	Irregular Shaped Inadequately Sized Parcels	Other Similar Factors That Affect Use/ Capacity	Depreciated. Or Stagnant Property Values	High Vacancy	Lack Of Comm. Facilities	Inadequate Public Improvements
Encourage and Aid Economic Development Of All Project Areas	•	•	•	•	•	•	•	•	•
Improve and Construct Infrastructure And Public Facilities Which Benefit The Project Areas		•	•	•	•	•		•	•
1. Complies with CCRL Section 33490(a)(1)(A) 2. Objectives are not shown here. For purposes of this matrix, attainment of Agency goals assumes realization of each of those objectives previously defined in this Implementation Plan									

### C. Projected General Redevelopment Expenditures (2009-2014)

H & S Code Section 33490(a)(1)(A) requires that the Implementation Plan prepared and adopted by each redevelopment agency contain "...the specific programs, including potential projects and estimated expenditures proposed to be made during the next five years..."

In order to appropriately devise the programs to be established by the Commission to implement its general redevelopment goals and objectives, it is important to know the amount of money available for those programs. Identified in Table 3 are the Commission's general redevelopment fund estimated receipts and expenditures for the FY 2009 through FY 2014 planning period (the term of this Implementation Plan) for the various Project Areas.

Table 3 shows the projected total expenditures on an annual basis that are proposed by the Commission to help achieve its five-year specific goals and objectives, thereby helping to alleviate those blighting conditions remaining in the various Project Areas. Annual amounts available for expenditures are from projected tax increment and other available revenues including interest earned.

As shown in this table, the Commission is in a positive position at the beginning of the period of time covered by this Implementation Plan, with approximately \$23.6 million available ("Yearly Beginning Balances"). The Commission received approximately \$28.1 million in tax increment in FY 2009-2010 (projected to be approximately \$29.6 million by FY 2014). The beginning balance and tax increment income, when added to projected interest income, brings the total funds available to the Commission to \$57.5 million available in FY 2010. However, non-program obligations consume the majority of these funds as follows: i) City advance payment, ii) contractual and administrative costs, iii) transfers to the trust fund, and iv) debt service.

A review of the remaining fiscal years shows that these levels of payments to the various line items remain relatively constant, with annual payments to the City and contractual obligations being reduced somewhat over time, and the balance of line item expenditures increasing somewhat. Table 3 shows a "Yearly Ending Balance" in FY 2013-2014 of \$1.3 million.

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TABLE 3  
Estimated General Redevelopment Fund Receipts and Expenditures (1)  
FY 2009-2010 through FY 2013-2014

Fund Activity	FISCAL YEAR				
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Yearly Beginning Balances (2)	\$ 23,691,634	9,388,214	4,710,012	2,849,135	2,119,454
Estimated Receipts					
A) Tax Increments (3)	28,172,095	28,172,095	28,466,661	29,061,683	29,668,605
B) Interest Income	1,071,072	731,000	632,468	694,977	676,799
C) Rental Income	1,036,732	973,900	939,270	940,055	940,857
D) Other	3,593,550	2,594,500	1,448,455	2,596,358	2,626,815
<b>Total Available</b>	<b>57,565,083</b>	<b>41,859,709</b>	<b>36,196,866</b>	<b>36,142,208</b>	<b>36,032,530</b>
Estimated Expenditures					
A) City Advance Payments	1,554,471	1,551,688	1,528,802	1,528,913	1,528,840
B) Contractual Services	3,176,004	4,182,704	4,314,602	4,420,204	4,528,453
C) RDA Project Expenditures	3,165,981	1,133,301	1,044,017	1,065,155	1,086,723
D) Transfer to Trust Fund	3,230,489	2,977,062	3,000,397	3,047,441	3,095,426
E) Administration	2,964,043	3,048,640	2,921,644	3,004,338	3,089,503
F) Bond Debt Service	942,711	933,688	926,426	924,325	935,260
G) Reimbursement to City Pension Plan (4)	19,174,001	18,775,460	18,977,647	19,386,065	19,802,652
H) Property Tax pass-thru	571,500	770,163	573,521	585,638	597,998
I) ERAF Payment to State (5)	10,854,119	2,232,491	-	-	-
J) Other	2,543,550	1,544,500	60,675	60,675	60,675
<b>Total Expenditures</b>	<b>48,176,869</b>	<b>37,149,697</b>	<b>33,347,731</b>	<b>34,022,754</b>	<b>34,725,530</b>
<b>Yearly Ending Balances (6)</b>	<b>\$ 9,388,214</b>	<b>4,710,012</b>	<b>2,849,135</b>	<b>2,119,454</b>	<b>1,307,000</b>

Notes:

- 1 Complies with CCRL Section 33490
- 2 FY 2010 beginning fund balance from Audited Financial Statements and all other amounts provided by City of Pasadena, Finance Department from PCDC Budget
- 3 Based on LA County 2009 Assessed Values
- 4 Annual tax increments transfer to City for debt service payment on the Fire and Police Pension Obligation Bonds
- 5 ERAF payments in 2010 and 2011
- 6 2014 Ending Balance forward to 2015

#### D. Proposed Projects and Programs (2009-2014)

Based upon the Goals and Objectives outlined above, and the funds projected to be available over the term of this Implementation Plan as shown in Table 3, the Commission has identified a number of projects and programs that it intends to initiate or continue over the next five fiscal years. Those projects and programs which the Commission intends to continue have been identified in detail in Section II of this Implementation Plan and are only listed below by title. Readers interested in reviewing more complete descriptions of these continuing projects and programs are directed to Section II of this Implementation Plan.

##### **Continued Projects and Programs**

1. Economic Development, Business Retention, and Expansion: Including emphasis on: i) small business assistance, ii) business development, iii) specific projects assistance, iv) business retention, v) business recruitment, vi) business outreach, vii) marketing and advertising, and viii) assistance for special districts.
2. Infrastructure Improvements and New Construction: Including emphasis on projects in the Old Pasadena and Downtown Project Areas.
3. Storefront Improvement Program: Financial assistance of up to \$25,000 for storefronts with local historic merit to commercial business and property owners in the Project Areas. The purpose of the program is to stimulate efforts to improve business and to restore and preserve the City's many historic storefronts.

##### **New Proposed Projects and Programs**

Table 4 below identifies each new proposed program or project and provides its location and a brief description. The descriptions are brief because: i) those programs and projects which have been fully developed by Commission staff have been discussed in detail in other Commission project materials, ii) those programs and projects which are still in the conceptual stage cannot, by definition, be more fully described, and iii) it is the intent of this Implementation Plan to provide interested citizens with the broad framework for projected Commission activities over the next five-year period; detailed information can be obtained on a project-by-project basis from Commission staff as and when it becomes available for public distribution. Many projects the Commission engages in are dependent upon private market involvement, and as such, their initiation and completion are not wholly controlled by the Commission.

**Table 4  
5 Year Projects  
Projects and Programs Summary (2009-2014)**

Project or Program	Location and/or Description
<b>Downtown Core Area</b>	
<i>Including Old Pasadena Redevelopment Project Area, Civic Center-Mid-Town, Playhouse District</i>	
<b>Downtown Redevelopment Project Area</b>	
Business Improvement Districts (BID)	Continue efforts within the Business Improvement Districts.
NW corner Fair Oaks/Walnut	Develop a strategy in which to best develop the site.
Convention Center Hotel	Pursue the development of a hotel adjacent to the newly expanded Pasadena Convention Center.
Parking Garage for PCOC Hotel	Pursue the development of a hotel adjacent to the newly expanded Pasadena Convention Center.
Parsons	Identify infill development opportunities for surface parking locations on perimeter of site.
MTA Right-of-Way Hardscape Improvements	Hardscape/landscape improvements for right-of-way segment between Holly Street and Green Street.
Downtown Façade Improvement Program	Continue efforts in recruitment of business owners to participate in the program.
Streetcar System	TBD depending on length of system
<b>Civic Center – Mid-Town</b>	
Civic Center/Old Pasadena Linkage	Identify infill development program for undeveloped portions of privately held parcels on Colorado Blvd and Arroyo Pkwy between Arroyo Pkwy and Marengo Ave. to facilitate development continuity between Old Pasadena and Civic Center sub districts
280 Ramona Street (vacant lot)	Water and Power Lot improvements – continue to seek out public/private partnerships in the development of the parcel.
Acquisition/Rehabilitation of former YWCA 78 N. Marengo Avenue	\$15 million - Continue efforts to facilitate the rehabilitation of this historic structure.
Centennial Place – Single Room Occupancy Apts. 235 E. Holly Street	Expand the provision of supportive services for residents; perform building rehabilitation/upgrade work; and enhance financial viability of the 144-unit project. Project owner: Abode Communities
<b>Playhouse District</b>	
Playhouse Parking Structure	(Madison Lot) \$12 million (300 * \$40,000/space)

Playhouse Theatre Building	\$3 - \$5 million as a match to the Theatre; The City controls a portion of the building through an easement and the Tenant (Playhouse Theatre) can exist as long as we maintain the easement which renews automatically every year and only we can terminate it. The property is owned by a third party that prohibits the tenant or City from making any long-term commitments to rehabilitation and reinvestment.
Complete the Playhouse Streetscape Plan	\$750,000 - Continue with streetscape improvements to the Playhouse District including street and sidewalk paving, street lighting, trees, benches, trash receptacles, bollards, public art and signage.
<b>Old Pasadena Redevelopment Project Area</b>	
Old Pasadena Façade Lighting Program	Implement Façade Lighting Program improvements on key historic building facades.
Business Improvement Districts	Continue efforts within the Business Improvement Districts.
Civic Center/Old Pasadena Linkage	Identify infill development program for undeveloped portions of privately held parcels on Colorado Blvd and Arroyo Pkwy between Arroyo Pkwy and Marengo Ave. to facilitate development continuity between Old Pasadena and Civic Center sub districts.
Parsons Parking Opportunities for Old Pasadena/Rose Bowl	
Stats-Raymond/Green	Working with property/business owner, identify infill development program opportunity
MTA Right-of-Way Hardscape Improvements	Hardscape/landscape improvements for right-of-way segment between Holly Street and Green Street.
Support Pasadena Based Research and Development Efforts	
<b>Northwest Pasadena Core Area</b>	
<i>Including Fair Oaks Avenue, Lincoln Avenue, Lake/Washington, and Villa-Parke Redevelopment Project Areas</i>	
<b>Fair Oaks Avenue Redevelopment Project Area</b>	
865-875 North Fair Oaks Avenue	Proposal for a 15,000 square foot office building to be constructed on the site.
859 N. Fair Oaks.	Proposal for 14 units and 3,847 sq. ft of commercial space to be made available at the site.
701-727 N. Fair Oaks Avenue	Determine potential for additional development along with incorporation of storefront improvements for site.
19-25 E. Orange Grove Boulevard 710-790 N. Fair Oaks Avenue	Heritage Square residential component – With community input, establish a Request For Proposal process that will lead to the selection of a developer and the construction of a rental-housing complex for very low-income seniors. This component includes the relocation and adaptive reuse of the historic Decker House structure (750 N. Fair Oaks Avenue). Heritage Square commercial component – Develop a public gathering space to link the commercial and residential developments. Include hardscape/landscape improvements.

1081 N. Fair Oaks Avenue	Identify funding opportunities to complete phase II and III renovations for Robinson Park and renovation of Jackie Robinson Center.
745, 751, & 761 N. Orange Grove Boulevard and 654, 662, & 668 N. Lincoln Avenue	Identify infill commercial/mixed-use project development opportunity on the northeast corner of N. Orange Grove Blvd. and Lincoln Avenue.
Install Fair Oaks/Orange Grove Specific Plan streetscape Improvements	Install decorative crosswalks at intersections identified within the Specific Plan.
Acquisition of nuisance properties	Identify nuisance properties such as liquor stores along the East Orange Grove Corridor.
Orange Grove Boulevard – Electrical System under grounding, Fair Oaks Avenue to Lake Avenue	Fund design and construction implementation of the underground electrical system.
Northwest Project Area Consolidation	Develop a work program and seek approval for the consolidation of all Northwest Pasadena redevelopment project areas.
Fair Oaks Avenue Business Association	Support broad vision for a business association.
Fair Oaks Avenue PBID District	Support creation and implementation of a PBID district.
Fair Oaks Avenue Corridor between E. Hammond Street and E. Washington Blvd.	Identify funding opportunities for infill commercial project development and business attraction opportunities along the Fair Oaks Avenue Corridor.
<b>Lincoln Ave. Redevelopment Project Area</b>	
Lincoln/Washington “A” Site	Identify development and implementation program for the site.
Lincoln Avenue Specific Plan	Develop a strategy for improving residential, commercial, and public facilities along the corridor. Consider possible acquisition of the Pearce Plastics site (1309 Lincoln Ave.), James Holt Properties (1941-1975& 1974-1992 Lincoln Ave.), and Kettle’s Nursery (1944 Lincoln Ave.)
Public Parking Acquisition	Identify a candidate site between Montana and Wyoming Avenues to provide public parking in support of area businesses.
NATHA Redevelopment Site	Develop a strategy for a community recreational and non-profit office use.
Acquisition of nuisance properties	Identify nuisance properties such as liquor stores along the Lincoln Avenue Corridor.
Roadway Repaving on Lincoln Corridor	Resurface the concrete roadway along the Lincoln Avenue corridor with rubberized asphalt.
Install Lincoln Avenue Streetscape Improvements as identified in the Lincoln Avenue Specific Plan	Install decorative crosswalks at intersections identified within the Specific Plan
Route 210 Freeway Soundwalls	Install soundwalls along the 210 Freeway that abut residential neighborhoods.

Orange Grove Corridor Improvements	Develop strategy for improving commercial properties along the corridor.
Northwest Project Area Consolidation	Develop a work program and seek approval for the consolidation of all Northwest Pasadena redevelopment project areas.
Northwest Community Plan	Completion of Draft Northwest Plan in an effort to gain public comments.
Northwest Marketing Plan	Creation of a Northwest Marketing Plan through the Northwest Commission work plan
Lincoln Avenue Business Association	Support broad vision for a business association.
Lincoln Avenue PBID District	Support creation and implementation of a PBID district.
<b>Lake/Washington Redevelopment Project Area</b>	
Washington Theater	Identify rehabilitation and implementation program for historic community theater structure.
Lake Avenue Parking Study	Identify parking strategies and an implementation program.
Lillian Wamsley -1376-92 North Lake Avenue	Identify rehabilitation
700 E. Washington Boulevard	Construct Washington Park New community center building
Acquisition of nuisance properties	Identify nuisance properties such as liquor stores along the North Lake Ave. Corridor.
Northwest Project Area Consolidation	Develop a work program and seek approval for the consolidation of all Northwest Pasadena redevelopment project areas.
North Lake Avenue Village Business District	Continue to support broad vision for a business association.
North Lake Avenue PBID District	Support creation and implementation of a PBID district.
<b>Villa-Parke Redevelopment Project Area</b>	
Orange Grove Center 208 E. Orange Grove Boulevard	Identify infill commercial project development opportunity along Orange Grove Boulevard.
672 N. Summit Ave. and 140 East Orange Grove Blvd.	Identify development and storefront improvement for the site.
488 E. Villa Street - Wilkin Property	Identify development opportunity for the site.
363 E. Villa Street	Provide funding for Villa Parke Renovations
Acquisition of nuisance properties	Identify nuisance properties such as liquor stores along the East Orange Grove Corridor.
Parke Street Apartments – 270 E. Parke Street	Restructure scope of work and financial terms of approved affordable rental housing project comprised of an eight-unit apartment building. Project owner: Affordable Housing Services.
Northwest Project Area Consolidation	Develop a work program and seek approval for the consolidation of all Northwest Pasadena redevelopment project areas.



Install pedestrian lighting along Villa Street	Install pedestrian lighting on Villa Street between N. Fair Oaks Ave. and N. Los Robles Ave.
<b>Other Citywide Initiatives</b>	
Explore Opportunities for Development of the Caltrans Properties	As they arise, assist with identifying development/rehabilitation opportunities on the sites.
South Fair Oaks Area Bio-Tech Campus	Continue to support broad vision for a business cluster on South Fair Oaks Avenue.
Downtown Museum Block Improvements	Identify comprehensive development program for Pacific Asia Museum block.
Support Pasadena Based Research and Development Efforts	
Ongoing funding of Economic Development Activities – Business Outreach, Economic Collaboration, City-Wide Marketing and Technology Initiatives	
Technology Incubator Collaboration with Cal-Tech and PCC	
Open Space/Parkland	
Nuisance properties	Acquisition of properties for redevelopment
Pasadena Enterprise Center	Support and improve Incubator Center.
Inclusionary Housing Ordinance	Continue to implement the affordable housing requirements under this citywide ordinance and formulate modifications to enhance effectiveness.
Homebuyer Loan Assistance	Continue to provide citywide homebuyer loan assistance utilizing State CalHome, federal HOME, loan repayment proceeds, and other funding sources as may be available.

The adoption of this Implementation Plan does not constitute an approval of any specific program, potential project or estimated expenditure and shall not change the need to obtain any required approval of a specific program, potential project or estimated expenditure of the Commission, the City, or any agency or department thereof. One or more of the proposed or potential projects or the projected expenditures identified herein may fail to be realized as a result of subsequent studies, reviews, or market forces. Furthermore, the projects and programs listed allow the Commission to make the determination required in H & S Code Section 33490(a)(1)(A). As new opportunities or constraints arise during the course of the term of this Implementation Plan, the Commission may choose to initiate new projects or programs.

E. Description of How Programs and Projects Eliminate Blight in the Project Areas

H & S Code Section 33490(a)(1)(A) requires that the implementation plan prepared by each agency provide an explanation of how the programs and expenditures, projected to be completed during the term of the Implementation Plan, will eliminate blight within the project area. Table 5 shows the relationship of the proposed projects/program categories to the eradication of remaining blight, as shown in Table 1, within the various Project Areas.

<b>Table 5 General Redevelopment Program and Expenditures Nexus to Blight Elimination</b>									
Physical Conditions Summary					Economic Conditions Summary				Infrastructure
Programs & Expenditures	Deteriorated, Dislocated, or Disuse Of Buildings (Unsafe/ Unhealthy Buildings)	Lack Of Parking	Incompatible Buildings And Land Uses	Irregular Shaped/ Inadequately Sized Parcels	Other Similar Factors That Affect Use or Capacity	Depreciated Or Stagnant Property Value	High Vacancies	Lack of Commercial Facilities	Inadequate Public Improvements
Economic Development	•	•	•	•	•	•	•	•	•
Infrastructure		•	•	•	•	•			•
Complies with CCRL Section 33490(a)(1)(A)									

However, adoption of this Implementation Plan does not constitute approval of any specific program, project or expenditure and does not change the need to obtain the necessary approvals from the Commission.

**IV. Housing Compliance Plan**

H & S Code Section 33413(b)(4), requires each redevelopment agency to adopt a compliance plan as part of the implementation plan required by Section 33490, indicating how the Agency will comply with the requirements set forth in that section and H & S Code Section 33490. This Section IV of the Implementation Plan complies with this requirement and is the Commission's Housing Compliance Plan.

The Housing Compliance Plan is organized much the same way as are Sections II and III above except that the Compliance Plan its own set of introductory and background information in Subsection A below. Subsection B below describes the Commission's goal and objectives for producing affordable housing, Subsection C describes the funds projected to be available over the next five fiscal years to implement the Commission's identified goal, and Subsection D describes the proposed actual programs and projects which the Commission can afford to fund over the next five years in order to implement its goal and objectives to provide affordable housing. Subsection E provides the nexus between housing programs and the provision of affordable housing, Subsection F describes how the Commission complies with certain state-mandated housing replacement and inclusionary provision, and Subsections G through I describe various technical issues relating to the provision of affordable housing.

#### A. Introduction and Background to Housing Compliance Plan

##### **Consistency with City's Housing Element and Other Housing Documents**

The Housing Compliance Plan must be consistent with the Housing Element of the City's General Plan. It must be reviewed and amended at least every five years, in conjunction with either the Housing Element Cycle or the Implementation Plan Cycle. The Housing Compliance Plan must ensure that the requirements of the H & S Code Section 33413(b) are met every ten years.

As described in Section I.B. above, the City, Commission and Housing Authority are jointly adopting four (4) separate but inter-related Housing Documents which serve the dual function of complying with various laws and regulations, and providing the Board and interested citizens with a comprehensive "snapshot" of the City's overall affordable housing programs. To the extent possible, this housing compliance plan conforms with conventions which are common to all Housing Documents.

##### **Requirement to Fund Housing Programs**

H & S Code Sections 33334.2 and 33334.3(a) require that not less than 20 percent of all tax increment generated from within the various Project Areas be deposited into the Commission's Trust Fund to increase, improve and preserve the community's supply of very-low, low- and moderate income housing available at affordable housing cost (the 20 percent set-aside"). Over the years the Commission has made contributions into the Trust Fund as required by applicable statutes.

## **Definition of Affordable Housing**

Most governmental programs and all Housing Documents define housing as affordable when the household is paying no more than 30 percent of housing income for housing (generally, payment of utilities, and for homeowners, property tax, is included in the 30 percent amount). To calculate this amount, HUD determines a median income based on household size for each county or other statistical area within the nation. The statistical area for Pasadena is Los Angeles County. Since governmental programs are intended to provide affordable housing for specific income groups, target groups of very low (50 percent of County median income), low (between 50 percent and 80 percent of County median income) and moderate (between 80 percent and 120 percent of County median income) are also calculated.

## **Use of Fund Monies Outside the Project Areas**

H & S Code Section 33334.2(g) makes provision for redevelopment agencies to use housing set-aside funds outside of a redevelopment project area if the redevelopment agency and the City Council find that the use of these funds outside the project area(s) will be of benefit to the project(s). The Commission and City Council have adopted the prerequisite resolutions that enable the Commission to use its housing trust fund monies outside of the Project Areas. However, H & S Code Section 33413(b)(2)(A)(ii) provides that dwelling units developed by the Commission outside a project area by agreement or regulation which are to be credited toward inclusionary requirements require two such units outside a project area for each unit that otherwise would have had to have been made available inside a project area.

### **B. Affordable Housing Goal and Objectives (2009-2014)**

As discussed above, the Third Implementation Plan established goals and objectives for each of the Commission's Redevelopment Project Areas. Each project area, with the exception of the Halstead/Sycamore Redevelopment Project Area, included one "housing goal" which called for the "development of affordable housing" in the project area. Similarly, affordable housing objectives for all project areas call for the creation of new housing opportunities "...at various affordability levels..."

The Commission's 2009-2014 affordable housing goals, objectives and policies are set forth below. Please note that Goals I and II, the general redevelopment goals, have already been addressed above.

GOAL NO. III: INCREASE, IMPROVE AND PRESERVE THE SUPPLY OF QUALITY AFFORDABLE HOUSING AVAILABLE FOR ALL SEGMENTS OF THE COMMUNITY.

OBJECTIVE III.A:

As permitted by law, continue to help meet the housing needs of Special Needs Populations including, i) assisted living, physically disabled, iii) homeless, iv) persons with AIDS or HIV positive, v) mentally disabled, and v) seniors.

Policy III.A.1: The Commission shall promote the implementation of a “continuum of care” which includes outreach/assessment, coordination and collaboration of emergency shelters and transitional housing with support services, permanent service-enriched housing and permanent housing, for addressing homelessness and priority needs of homeless individuals and families.

Policy III.A.2: The Commission shall encourage a balanced geographical dispersal of additional emergency shelter, transitional housing, service-enriched permanent housing, independent living, permanent housing including community integration of supportive social services for individuals/households, and other special housing needs populations such as HIV/AIDS infected, seniors, and mentally disabled.

Policy III.A.3: The Commission shall promote and strengthen a comprehensive strategy which addresses the needs of our homeless and at-risk populations.

OBJECTIVE III.B:

Continue efforts to increase, i) construction of new ownership housing, and ii) home buyer assistance programs.

Policy III.B.1: As required by law, the Commission shall ensure continued affordability of new units which are financially assisted by the Commission.

Policy III.B.2: Provide assistance in ownership housing projects for qualified households up to the moderate-income level.

OBJECTIVE III.C:

Continue efforts to increase, i) construction of new rental housing, ii) rental assistance, and iii) rental to ownership conversion programs.

Policy III.C.1: As required by law, the Commission shall ensure continued affordability of new rental and rental to ownership converted units which are financially assisted by the Commission.

Policy III.C.2: The Commission shall increase opportunities for renters to become homeowners by providing financial assistance and education programs.

Policy III.C.3: The Commission shall assist rental housing projects with preference given to very-low and low-income affordability groups.

OBJECTIVE III.D:

Continue to seek out partnerships with other public agencies; Housing Department, Planning & Development Department and other City departments; and for-profit and non-profit organizations and developers to retain affordability, and/or acquire and rehabilitate single- and multi-family units, and support and promote development of affordable housing.

Policy III.D.1: As required by law, the Commission shall ensure continued affordability of rehabilitated units which are financially assisted by the Commission.

Policy III.D.2: The Commission shall focus its rehabilitation and preservation efforts on units occupied by very low- and low-income persons, and larger-sized households.

Policy III.D.3: The Commission shall coordinate with the Housing Department and the Planning & Development Department to establish policies which support Commission/City housing goals.

Policy III.D.4: The Commission shall promote local and regional planning strategies, and the sharing of resources to address affordable housing needs.

Policy III.D.5: The Commission shall advocate changes in public policy that accomplish the City's affordable housing goals.

Policy III.D.6: The Commission shall address barriers that prevent the City from meeting its affordable housing goals.

Policy III.D.7: The Commission shall give priority to all forms of assisted affordable housing development within specific development plans where allowed by the General Plan, and as permitted by redevelopment law.

Policy III.D.8: The Commission shall target identified neighborhood revitalization areas for housing rehabilitation financial assistance.

OBJECTIVE III.E:

Continue to conduct outreach and education programs for the development community, property owners, and potential homebuyers.

Policy III.E.1: The Commission shall endeavor to educate the public about affordable housing and the community need for the same.

Policy III.E.2: The Commission shall target Pasadena residents in marketing plans for occupancy of assisted projects.

Policy III.E.3: The Commission shall continue supporting Fair Housing opportunities and services, which prohibits discrimination in sale, rental, and financing of dwellings based on color, religion, sex, or national origin.

OBJECTIVE III.F:

Continue to encourage and support infill residential development as a way to reduce urban sprawl and to better utilize available land resources and existing urban infrastructure systems..

Policy III.F.1: The Commission shall only participate in the development of infill housing projects whose design and density are compatible with adjoining land uses and consistent with the architectural and historic character of the neighborhood.

Policy III.F.2: The Commission shall select developers through a notice of funding availability (NOFA) or a request for proposals (RFP) competitive selection process for infill projects involving Commission/City owned properties. Whenever feasible the NOFA or RFP process should coincide with funding cycles or other financing sources.

OBJECTIVE III.G:

Continue to promote balanced geographic dispersal of all forms of assisted affordable housing development throughout the City in accordance with the General Plan, and as permitted by redevelopment law, and address barriers to this objective.

Policy III.G.1: The Commission shall continue to encourage and facilitate an income/affordability mix in assisted projects.

OBJECTIVE III.H:

Identify and effectively utilize all available financing sources available to the Commission.

Policy III.H.1: The Commission shall continue to leverage other financing sources such as tax-exempt bonds, tax credits, California Housing Finance Agency funding, and affordable housing incentives (density bonus, fee waivers) with Commission/City financial resources.

Policy III.H.2: The Commission shall assist developers and property owners to identify all available supplemental funding sources for projects.

Due to the fact that the City is adopting its other Housing Documents after the Commission adopts this Implementation Plan, the above goal, objectives and policies have been drafted prior to the completion of complementary policy statements and goals contained in the other Housing Documents. To the extent any policy statements, yet to be adopted as part of any other Housing Documents, conflict with the above goals, objectives and policies the Commission may, but is not required to, review and modify the above goal, objectives, and policies. It should be noted, however, that policy statements adopted by the Commission need not be exactly the same as those adopted by either the Board or the Housing Authority since all entities have different regulations and requirements and different, but complementary, methods of resolving issues providing affordable housing in Pasadena.

C. Projected Housing Trust Fund Expenditures (2009-2014)

Section 33490(a)(2)(A)(i) of the H & S Code requires that each agency show the amount of money available in its housing fund and the estimated amounts which will be deposited into the housing fund during each of the next five years. Estimated tax increment deposits are equal to 20 percent of the project gross tax increment and are increase annually based upon estimated annual increases in assessed valuations. H & S Code Section 33490 (a)(2)(A)(ii) requires that an Agency provide, in addition to the



estimate of the number of new, rehabilitated or price restricted units to be assisted, an estimate of the expenditures of monies from its housing fund during each of the five years. Table 6 is included herein for the purpose of providing the required information.

Table 6 shows the Commission beginning the 2009-2014 planning period with a total housing funds balance of more than \$17.36 million (including approximately \$4.26 million in tax increment funds); tax increment income of \$3.23 million; approximately \$448,000 in interest income; and approximately \$3.14 million of other income. During fiscal year 2009-10, the Commission may disburse or allocate over \$18.89 million for programs and projects, and approximately \$874,000 for Commission administration costs.

In fiscal years 2010-11 through 2013-14 Commission allocations for affordable housing programs and projects range from approximately \$1.16 million in FY 2010-11 to approximately \$2.34 million in FY 2013-14 with the cost of administration increasing annually by three percent to a total annual expenditure in FY 2013-14 of \$984,000.

Total Commission expenditures for programs and projects for the term of this Implementation Plan are projected to equal approximately \$25.89 million while total administrative costs are projected to equal \$4.64 million.

The Commission's expenditures on affordable housing programs will meet or exceed the 20 percent requirement established by H & S Code Section 33334.2.

**Table 6**  
**Estimated Commission LMI Fund Receipts and Expenditures**  
**FY 2009-10 Through FY 2013-14**

[Complies with CCRL Section 33490(a)(2)(A)(i) and (ii)]

FUND ACTIVITY	FISCAL YEAR					
	2009-10	2010-11	2011-12	2012-13	2013-14	TOTAL
<b>Yearly Beginning Balances</b>	\$17,368,589 <sup>1</sup>	\$0	\$0	\$0	\$0	\$17,368,589
<b>Estimated Receipts</b>						
A. Tax Increment (L/M Income HTF)	\$3,230,489	\$3,254,894	\$3,279,445	\$3,304,237	\$3,329,280	\$16,398,345
B. Federal and State Funds <sup>2</sup>	\$1,940,609	\$1,040,609	\$1,040,609	\$1,040,609	\$1,040,609	\$6,103,045
C. Inclusionary Housing In-Lieu Fees	\$315,569	\$315,569	\$315,569	\$315,569	\$315,569	\$1,577,845
D. Loan Proceeds	\$431,700	\$431,700	\$431,700	\$431,700	\$431,700	\$2,158,500
E. Interest/Investment/Rental Income	\$447,528	\$78,841	\$78,841	\$78,841	\$78,841	\$762,892
<b>Total Estimated Receipts</b>	\$6,365,895	\$5,097,208	\$5,097,208	\$5,097,208	\$5,097,208	\$26,754,727
<b>Total Funds Available</b>	\$23,734,484	\$5,121,613	\$5,146,164	\$5,170,956	\$5,195,999	\$44,369,216
<b>Estimated Expenditures</b>						
A. Projects and Programs						
1. Real Estate Acquisition	TBD	TBD	TBD	TBD	TBD	TBD
2. Affordable Housing <sup>3</sup>	\$18,890,057	\$1,181,533	\$1,160,346	\$2,466,000	\$2,442,520	\$26,140,456
3. Emergency Shelter <sup>4</sup>	\$256,000	\$256,000	\$256,000	\$256,000	\$256,000	\$1,280,000
B. Housing Administration	\$874,374	\$900,605	\$927,623	\$955,452	\$984,116	\$4,642,170
C. Project Mgmt./ Planning/Consult.	\$605,807	\$623,981	\$642,701	\$661,982	\$681,841	\$3,216,312
D. Debt Payments <sup>5</sup>	\$3,108,246	\$2,159,494	\$2,159,494	\$831,522	\$831,522	\$9,090,278
<b>TOTAL EXPENDITURES</b>	\$23,734,484	\$5,121,613	\$5,146,164	\$5,170,956	\$5,195,999	\$44,369,216
<b>Yearly Ending Balance</b>	\$0	\$0	\$0	\$0	\$0	\$0
<sup>1</sup> The Yearly Beginning Balance for FY 2009-10 includes Tax Increment Low/Moderate Income Housing Trust Funds in the amount of \$4,259,034 <sup>2</sup> Federal HOME and Emergency Shelter Grant entitlement programs plus (in FY 2010 only) State CalHome funds <sup>3</sup> Affordable Housing includes previously approved project encumbrances still outstanding; projects in the FY 2010 pipeline; new affordable housing production and rehabilitation projects, and homebuyer loan assistance. <sup>4</sup> Emergency Shelter program is NOT funded with Tax Increment Low/Moderate Income Housing Trust Funds <sup>5</sup> Debt Payments include payments on tax allocation bonds, Fannie Mae American Communities Fund loan, and State CalHFA HELP loans.						

D. Housing Projects and Programs (2004-2009 and 2009-2014)

**Housing Projects and Programs Active During the Second Implementation Plan (2004-2009)**

The Commission oversaw and administered a number of programs designed to provide permanent affordable housing and temporary emergency housing to qualifying persons and families. These programs varied in scope and size from providing short-term rental assistance to providing long-term housing. Programs that the Commission administered during the term of the Third Implementation Plan are divided into six categories: i) HOME Investment Partnerships Program, ii) Emergency Shelter and Services, iii) Rental Housing and Supportive Services, iv) Housing Production, v) Housing Rehabilitation, and vi) Homebuyer Assistance. Each program is designed to provide housing and services to persons in need of such affordable housing and services. Each program the Commission participated in is listed in greater detail below.

1. HOME Investment Partnerships Program

In general, under the HOME Investment Partnerships Program, the Department of Housing and Urban Development (HUD) allocates funds by formula among eligible state and local governments to strengthen public-private partnerships and to expand the supply of decent, safe, sanitary and affordable housing, with primary attention to rental housing, for very low-income and low-income families. Generally, HOME funds must be matched by non-federal resources. State and local governments that become participating jurisdictions may use HOME funds to carry out multi-year housing strategies through acquisition, rehabilitation and new construction of housing, and tenant-based rental assistance. The City of Pasadena, as a participating jurisdiction, provides assistance in a number of eligible forms, including loans, advances, equity investments, interest subsidies, and other forms of investment that HUD approves.

2. Emergency Shelter and Services

The Emergency Shelter Grant Program (ESG) is a federally-funded program designed to address homelessness in the City by providing for homelessness prevention services, shelter operation, food assistance, counseling/case management, job training, and motel vouchers for persons in desperate need of emergency shelter when other shelter options are not available and/or appropriate.

### 3. Rental Housing and Supportive Services

#### *Housing Choice Voucher Program*

The Housing Choice Voucher Program is a federally funded program that assists very low-income households in obtaining affordable, decent, safe, and sanitary housing. Assistance is in the form of a rental voucher which is used to offset the cost of a suitable rental unit within the City. The program makes monthly housing assistance payments to the property owner who leases the rental unit to the assisted household. The assistance makes up the difference between what the household can afford and actual approved rent of the dwelling unit. Approximately 1,300 households within Pasadena received and continue to receive assistance under this program.

#### *Family Self Sufficiency (FSS)*

The FSS Program enables families receiving Housing Choice Voucher Program assistance to achieve economic self-sufficiency within a five-year time frame. Under FSS, a family receives an interest-bearing escrow savings account which may be utilized as a down payment for a house purchase, transitional resources for economically independent living and opportunities to improve educational attainment, skills levels, and income generating abilities.

#### *Tenant-Based Assistance for Persons with AIDS*

The Commission administered (and continues to administer) two tenant-based assistance programs for persons with HIV/AIDS, the HOPWA and HOME Programs. The HOPWA and HOME Programs provide tenant-based rental assistance to very low-income individuals and families living with HIV/AIDS, plus case management and supportive services. Supportive services address immediate and long-term needs such as health care, mental health, substance abuse, public benefits, private insurance and legal assistance.

#### *Shelter Plus Care*

The Shelter Plus Care program assists homeless individuals with mental disabilities, chronic substance abuse problems and/or HIV/AIDS by providing long-term affordable rental housing and a range of supportive services. The goal of the program is to increase the participant's independent living skills and self-confidence to become a productive member of society.

### *Continuum of Care Supportive Housing*

The Continuum of Care Supportive Housing Program provides affordable, safe, decent and sanitary rental housing as well as an array of supportive services to homeless individuals and families with disabilities including chronic substance abuse, mental illness, and HIV/AIDS.

### *Compliance Monitoring*

The Commission has contracted to provide compliance monitoring for projects throughout the City for which it has affordability covenants. The Commission assures that all units maintain their affordability covenants on an annual basis.

## 4. Housing Production

Housing production projects ranged from the preservation of historically significant single-family homes to the construction of new infill rental and ownership housing during the term of the Third Implementation Plan. The Commission was, and remains, committed to encouraging and assisting developers in constructing new housing units, especially those developers willing to construct new affordable housing units, which positively contribute to neighborhood revitalization and community development. The Commission encourages and assists developers in providing affordable housing throughout the City in two ways.

### *Request for Proposals (RFP)*

Under the RFP process, developers are invited to submit proposals and compete to acquire Commission-owned project sites for affordable housing development.

### *Notice of Funding Availability (NOFA)*

Under the NOFA process, the Commission invites developers and housing sponsors to compete for Commission housing funds which could be used for affordable housing activities, including new construction and rehabilitation citywide.

5. Housing Rehabilitation

*Homeowner Residential Rehabilitation*

Pasadena Neighborhood Housing Services Inc. (PNHS) administers the CDBG-funded Neighborhood Impact program which provides loans and grants for the rehabilitation of owner-occupied homes.

*Rebuilding Together\*Pasadena (formerly Christmas in April, Pasadena)*

The Commission provides annually provides funding assistance to Rebuilding Together\*Pasadena which uses volunteer labor to complete minor rehabilitation work on selected low-income residences during April of each year. The program provides assistance for between five and ten homes annually.

*Rehabilitation Loans for Multi-Family Rental Properties*

The Commission provides assistance for the rehabilitation of multi-family rental properties occupied by very low- and low-income tenants.

6. Homebuyer Assistance

*Homebuyer's Club*

Funded by the Commission and administered by Pasadena Neighborhood Housing Services, Inc., the Homebuyer's Club program offers comprehensive homebuyer education workshops and seminars and, beginning in FY 2009, foreclosure intervention counseling and services.

*Homebuyer Loan Assistance*

The Commission provides subordinate trust deed loans to assist low- and moderate- income first-time homebuyers. The loans are funded from various sources including the Low-Moderate Income Housing Trust Fund, City Inclusionary Housing funds, federal HOME funds, and State CalHome funds. The loans carry a below-market interest rate and a term of up to 45 years. Monthly payments may be deferred and, upon resale of the property or loan maturity, the borrower must repay the loan amount plus a share of any appreciation.

### *Mortgage Credit Certificate (MCC) Program*

The MCC Program provides first-time homebuyers with a federal income tax credit which increases their ability to qualify for a mortgage. The amount of the tax credit is equal to 15 percent of the homebuyer's annual mortgage interest payment. The Commission participates in this program which is administered by the County of Los Angeles.

### **Proposed Housing Projects and Programs (2009-2014)**

Based upon the goal and objectives outlined above, and the funds available as described in Subsection C above, the Commission is proposing to both continue and initiate the programs and projects outlined below in its efforts to provide affordable housing to all segments of the Pasadena community.

#### 1. Continuing Proposed Projects and Programs

Subject to funding availability, those housing programs which the Commission intends to continue are listed below.

*Federal and State Funded Programs Assisted by the Commission:* These programs include CDBG, ESG, Housing Choice Voucher Program, FSS, tenant-based assistance for persons with AIDS, SPC, and Continuum of Care Supportive Housing. The Commission will continue to provide assistance, both financial and "in-kind" for these programs. For FY 2010 to FY 2011 the Commission will implement projects and programs funded under the federal ARRA program.

*Housing Production:* The Commission will continue to issue RFP's and NOFA's when and as sites and funds become available for properties both inside and outside the various Project Areas.

*Housing Rehabilitation:* The Commission will continue to fund housing rehabilitation loans for single-family homes and multi-family rental properties.

*Homebuyer Assistance:* The Commission will continue to provide funding for homebuyer loan assistance, homebuyer education, and foreclosure counseling. The Commission will also continue to participate in the MCC Program (subject to MCC funding availability).

#### 2. New Proposed Projects

In addition to the ongoing programs identified above, the Commission is proposing to undertake and/or complete the following activities:

*Heritage Square (19-25 E. Orange Grove Blvd. and 710-790 N. Fair Oaks Ave.):* Mixed-use development on a 2.88 acre site owned by the Commission. The residential component will consist of an apartment complex providing affordable rental housing for very low income seniors. FY 2010 activities include coordinating a community input process and developing a Request For Proposals and developer selection process.

*Hudson Oaks (1267 N. Hudson Ave.):* Rehabilitation of a vacant and sub-standard apartment building to provide 44 units of affordable rental housing for very low income seniors. The developer/property owner is Abode Communities. Anticipated to be placed in service in FY 2011.

*Parke Street Apartments (270 E. Parke St.):* Restructure project scope and financial transaction involving an existing 8-unit property in need of rehabilitation. The developer/property owner is Affordable Housing Services.

*Nehemiah Court (877 N. Orange Grove Blvd.):* Development of a seven-unit permanent supportive housing project serving 12 persons with supportive services. The owner/developer is New Revelation Church/A Community Of Friends. Anticipated to be placed in service in FY 2011.

*American Recovery and Reinvestment Act programs:* Expedite implementation in FY 2010 and FY 2011 of CDBG-R program (\$593,497) and Homelessness Prevention and Rapid Re-housing Program (\$908,395)

*Centennial Place (235 E. Holly St.):* Activities initiated in FY 2010 to secure additional resources for an existing 144-unit single room occupancy rental building. Expected outcomes include expanded provision of supportive services for the residents, capital improvements, and enhanced financial viability of the project. Property owner is Abode Communities.

It is the intent of this Implementation Plan to provide interested citizens with the broad framework for projected Commission housing-related activities over the next five-year period; detailed information can be obtained on a project-by-project basis from Commission staff as and when it becomes available for public distribution.

Many projects the Commission engages in are dependent upon private market involvement and, as such, their initiation and completion are not wholly controlled by the Commission. Each of the programs or projects outlined above implements the



Commission’s affordable housing goal (Goal III) and one or more of its affordable housing Objectives and Policies. The adoption of this Implementation Plan does not constitute an approval of any specific program, potential project, or estimated expenditure and shall not change the need to obtain any required approval of a specific program, potential project or estimated expenditure from the Commission, the City, or any agency or department thereof. One or more of the proposed or potential projects or the projected expenditures identified herein may fail to be realized as a result of subsequent studies, reviews or market forces. Furthermore, the projects and programs listed above are identified purely to allow the Commission to make the determination required in H & S Code Section 33490 (a)(1)(A). As new opportunities or constraints arise during the course of the term of this Implementation Plan, the Commission may initiate new projects or programs for which it will not be necessary to modify or amend this Implementation Plan. Adoption of this Implementation Plan does not constitute approval of any specific program, project or expenditure and does not change the need to obtain the necessary approvals from the Commission.

E. Description of How Housing Programs and Projects Eliminate Blight in the Project Areas

H & S Code Section 33490(a)(1)(A) requires that the implementation plan prepared by each agency provide an explanation of how the programs and expenditures outlined above for affordable housing programs will eliminate blight within the Project Areas. Table 7 shows this relationship.

Programs & Expenditures	Physical Conditions Summary				Other Similar Factors That Affect Use or Capacity	Economic Conditions Summary			Infrastructure
	Deteriorated, Dislocated, or Disuse Of Buildings (Unsafe/ Unhealthy Buildings)	Lack Of Parking	Mixed and Incompatible Buildings And Land Uses	Irregular Shaped/ Inadequately Sized Parcels		Prevalence of Depreciated Values And Impaired Investments	Abnormal Business Conditions, Abandoned Buildings, Excessive Vacant Lots	Lack of Commercial Facilities	Inadequate Public Improvements
Federal and State Funded Programs	•	•	•	•	•	•	•		•
Housing Production	•	•	•	•	•	•	•		•
Housing Rehabilitation	•	•	•		•	•	•		
Homebuyer Assistance	•				•	•	•		

Source: Pasadena Community Development Commission

F. Commission's Compliance with Replacement and Inclusionary Requirements (Plan(s) Adoption Through 2009)

H & S Code Section 33490 (a)(2)(B) requires that the portion of an implementation plan addressing the Agency-developed and project area housing shall contain:

- “(i) Estimates of the number of new, substantially rehabilitated or price-restricted residential units to be developed or purchased within one or more project areas, both over the Life-of-the-plan and during the next ten years.
- (ii) Estimates of the number of units of very low-, low, and moderate income households required to be developed within one or more project areas in order to meet the requirements of paragraph (2) of subdivision (b) of Section 33413, both over the Life-of-the-Plan and during the next 10 years.
- (iii) The number of units of very low-, low-, and moderate-income households which have been developed within one or more project areas which meet the requirements of paragraph (2) of subdivision (b) of Section 33413.
- (iv) Estimates of the number of agency-developed residential units which will be developed during the next five years, if any, which will be governed by paragraph (1) of subdivision (b) of Section 33413.
- (v) Estimates of the number of agency-developed units for very low-, low-, and moderate-income households which will be developed by the Agency during the next five years to meet the requirements of paragraph (1) of subdivision (b) of Section 33413.

This Subsection F complies with these requirements.

**Commission Compliance Requirements**

H & S Code Section 33334.4 provides that over the duration of each redevelopment plan to which the various housing production and replacement requirements accrue, the Trust Fund shall be used to assist housing for persons of low-, and very low- income in at least the same proportion as the total number of housing units needed for those low income groups which are not being provided by other governmental programs bears to the total number of units needed for persons of moderate-, low- and very low-income within the community.

One of the fundamental goals of redevelopment in California is the production, improvement and preservation of a community's supply of housing affordable to very low-, low-, and moderate-income households. This goal is accomplished, in part, through compliance with four different, but interrelated requirements imposed on redevelopment agencies by the CCRL. The requirements are as follows:

- For all redevelopment project areas for which a final redevelopment plan has been adopted or territory added on or after January 1, 1977,<sup>5</sup> an agency must use at least 20 percent of tax increment revenue to increase, improve and preserve the supply of very low-, low-, and moderate income housing in the community (H & S Code Section 33334.2(i));
- For all redevelopment project areas for which a final redevelopment plan has been adopted or territory added on or after January 1, 1977, and for all units in any project area removed or destroyed, as part of a redevelopment project, on or after January 1, 1996,<sup>6</sup> an agency must replace, in equal or greater number, very low- and low- and moderate-income housing units and bedrooms which are destroyed or removed as a result of a redevelopment project (the "replacement rule," H & S Code Section 33413(a));
- For all redevelopment project areas for which a final redevelopment plan has been adopted or territory added on or after January 1, 1976, an agency must ensure that a fixed percentage of all new or substantially rehabilitated dwelling units developed by an agency are affordable to very low-, low-, and moderate-income persons and families (the "inclusionary rule," H & S Code Section 33413(b)(1)). The Commission has not, itself, developed, constructed, or owned any housing units within a redevelopment project area, and does not anticipate doing so; and
- For all redevelopment project area for which a final redevelopment plan has been adopted or territory added on or after January 1, 1976<sup>7</sup>, an agency must ensure that a fixed percentage of all new and substantially rehabilitated

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<sup>5</sup> Pursuant to H & S Code Section 33334.3(i), the territory added by amendment to the Fair Oaks Avenue Redevelopment Project Area in 1986, and the Lake/Washington, Old Pasadena, and Lincoln Avenue Redevelopment Projects must comply with this requirement. Inasmuch as there are no tax increments received by the Commission from the Halstead/Sycamore Redevelopment Project, this project area has no obligation to help fund the Housing Trust Fund.

<sup>6</sup> Pursuant to H & S Code Section 33334.5 the territory added by amendment to the Fair Oaks Avenue Redevelopment Project Area in 1986, and the Lake/ Washington, Old Pasadena, and Lincoln Avenue Redevelopment Projects must comply with this requirement. Inasmuch as there are no housing units to destroy or remove from the Halstead/Sycamore Redevelopment Project, the requirement is moot for this Project Area. However, pursuant to H & S Code Section 33413(d)(1) any units removed or destroyed as part of a redevelopment project in *any other* project area on or after January 1, 1996 must be replaced pursuant to H & S Code Section 33413 (a).

<sup>7</sup> Pursuant to H & S Code Section 33413(d)(1), the territory added by amendment to the Fair Oaks Avenue Redevelopment Project Area in 1986, and the Lake/Washington, Old Pasadena, and Lincoln Avenue Redevelopment Projects must comply with this requirement. Inasmuch as there are no housing units in the Halstead/Sycamore Redevelopment Project, the requirement is moot for this Project Area.

dwelling units developed within the project area by public or private entities or persons other than the Agency are affordable to very low-, low-, and moderate-income persons (the “inclusionary rule”, H & S Code Section 33414(b)(2)).

H & S Code Section 33413(b)(4) requires that, as part of an implementation plan, the Commission shall adopt a plan to comply with the requirements of the inclusionary rule. In addition, H & S Code Sections 33413.5 and 33334.5 require replacement housing plans for compliance with the replacement rule.

More detailed descriptions of the “replacement rule” and the “inclusionary rule” are found in Appendix 4.

### **Terms of Affordability**

H & S Code Section 33413 (c) requires that replacement and inclusionary units shall remain available at affordable housing cost to the income levels indicated for “the longest feasible time”, which includes but is not limited to unlimited duration and is no shorter than the effectiveness of the land use controls in the redevelopment plan.<sup>8</sup>

### **Current Status of Commission Affordable Housing Compliance**

The information presented on Tables 8 through 14 represents analysis of the Commission’s compliance with CCRL affordable housing mandates during the time period covered under the Third Implementation Plan (FY 2004-05 through FY 2008-09). Commission accomplishments prior to FY 2004-05 were described in the Second Implementation Plan.

As has been described above, a number of the redevelopment plans were adopted by the Commission prior to January 1, 1976 and therefore are not subject to the “inclusionary” requirements found in H & S Code Section 33413. These are the Downtown, Villa-Parke, Orange Grove and original territory of the Fair Oaks Avenue Redevelopment Project Areas (the “Non-Obligated Project Areas”). Please note that the San Gabriel Redevelopment Project Area was a Non-Obligated Project Area, however, the redevelopment plan for this project area is no longer effective.

The balance of the redevelopment plans were adopted by the Commission subsequent to January 1, 1976 and therefore must comply with the requirements of H & S Code Section 33413. These are the redevelopment plans for the territory added to the Fair Oaks Avenue, Lake/Washington, Old Pasadena, Lincoln Avenue, and Halstead/Sycamore Redevelopment Project Areas (the “Obligated Project Areas”).

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<sup>8</sup> H & S Code Section 33334.3(f) states that when new or substantially rehabilitated housing units are developed or assisted with money from an agency’s 20 percent affordable housing set-aside fund, the agency shall require that those housing units remain affordable for the longest feasible time, but for not less than 15 years for rental units or 10 years for owner-occupied units. While expenditures pursuant to H & S Code Section 33334.3(f) are appropriately expended from the Trust Fund, they do not provide the Commission with any “replacement” or “inclusionary” credits.

Please note that the Commission's obligations and housing assistance accomplishments for all Project Areas have been identified on one set of tables for ease of reference.

Finally, please note that Tables 8 through 14 count those units assisted by the Commission for which the Commission may receive "replacement" and "inclusionary" credits pursuant to H & S Code Section 33413. That is to say that all units identified in these tables have been income-restricted (for occupancy by either very-low income or low- and moderate-income persons and families) pursuant to covenants recorded against the property for the longest feasible time, but for not less than a term which is at least equal to the term of the effectiveness of redevelopment plan land use controls, except as permitted by law. Units identified in Table 14 have been income restricted and/or assisted by the Commission pursuant to H & S Code Sections 33334.2 and 33334.3.

<b>Table 8                      Combined Project Areas                      Total Units Destroyed or Removed and Inventory of Replacement Dwelling Units Provided                      Plans Adoption Through June 2009<sup>1</sup></b>											
Fiscal Year	Number of Units Destroyed or Removed Affecting				Total No. Bedrooms Destroyed or Removed	Destruction/ Removal Subject to (a, b) <sup>8</sup>	No. of Units Rehabilitated, Developed or Constructed <sup>9,10,11</sup>				Total Number Bedrooms Provided <sup>12</sup>
	Very Low Income <sup>3</sup>	Lower Income <sup>4</sup>	Low-Mod Income <sup>5</sup>	Total <sup>6,7</sup>			Very Low Income	Lower Income	Low-Mod Income	Total	
Balance Forward <sup>2</sup>	0	2	0	2	6	b	0	2	0	2	6
2004-2005	0	0	0	0	0		0	0	0	0	0
2005-2006	0	0	0	0	0		0	0	0	0	0
2006-2007	0	10	0	10	20		0	0	0	0	0
2007-2008	0	0	0	0	0		0	8	0	8	17
2008-2009	0	0	0	0	0		0	0	0	0	0
TOTAL	0	12	0	12	26	b	0	10	0	10	23

<sup>1</sup> through <sup>12</sup> See Appendix 4, Housing Tables General Footnotes for footnotes.

**Table 9  
 Combined Project Areas  
 Total Units Developed and Substantially Rehabilitated Inside Project Areas by Commission<sup>1</sup>  
 Plans Adoption Through June 2009**

Fiscal Year	Type of Construction				Units Made Available at Affordable Housing Cost				Project Area Status					
	1	2	3	4	Very Low <sup>6</sup>		Low-Moderate <sup>6</sup>		Deficit (if any)		Surplus (if any)		Cumulative Difference <sup>7,8</sup> (Deficit [-]/Surplus [+])	
	New Construction	Substantial Rehab <sup>3</sup>	Price Restricted Purchase Existing <sup>4</sup>	Total	5	6	7	8	Very Low	Low Mod	Very Low	Low Mod	Very Low	Low Mod
					Rqd. to be 15% of Col. 3	Actual Units Restricted	Rqd. to be 15% of Col. 3	Actual Units Restricted						
Balance Forward <sup>2</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2004-2005	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2005-2006	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2006-2007	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2007-2008	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2008-2009	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup> through <sup>7</sup> See Appendix 4, Housing Tables General Footnotes for footnotes.  
 Note: Calculation variants in the Cumulative Difference column are due to rounding calculations.

**Table 10  
 Combined Project Areas  
 Total Units Developed and Substantially Rehabilitated Outside Project Areas by Commission<sup>1</sup>  
 Plans Adoption Through June 2009**

Fiscal Year	Type of Construction				Units Made Available at Affordable Housing Cost				Project Area Status					
	1	2	3	4	Very Low <sup>5</sup>		Low-Moderate <sup>6</sup>		Deficit (if any)		Surplus (if any)		Cumulative Difference <sup>7,8</sup> (Deficit [-] Surplus [+])	
	New Construction	Substantial Rehab <sup>3</sup>	Price Restricted Purchase Existing <sup>4</sup>	Total	5	6	7	8	Very Low	Low Mod	Very Low	Low Mod	Very Low	Low Mod
					Rqd. to be 15% of Col. 3	Actual Units Restricted	Rqd. to be 15% of Col. 3	Actual Units Restricted						
Balance Forward <sup>2</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2004-2005	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2005-2006	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2006-2007	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2007-2008	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2008-2009	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0

<sup>1</sup> through <sup>7</sup> See Appendix 4, Housing Tables General Footnotes for footnotes.  
 Note: Calculation variants in the Cumulative Difference column are due to rounding calculations.

**Table 11  
Obligated Project Areas\*  
All Non-Commission Developed and Substantially Rehabilitated Dwelling Units<sup>1</sup>  
Plans Adoption Through June 2009**

Fiscal Year	Units Developed by Others				Non-Commission Developed Units Made Available At Affordable Housing Cost				Project Area Status					
	1	2	3	4	Very Low <sup>5</sup>		Low <sup>6</sup> -Moderate <sup>7</sup>		Annual Deficit (if any)		Annual Surplus (if any)		Cumulat Difference (Deficit Surplus [	
	New Construction	Substantial Rehab <sup>3</sup>	Price Restricted Purchase Existing <sup>4</sup>	Total (1+2+3)	5	6	7	8	Very Low	Low Mod	Very Low	Low Mod	Very Low	
Rqd. to be 6% of Col. 4					Actual Units Restricted	Rqd. to be 9% of Col. 4	Actual Units Restricted							
Balance Forward <sup>2</sup>	147	314	2	463	27.78	335	41.67	27	0	- 14.67	+ 307.22	0	+ 307.22	
2004-2005	17	0	1	18	1.08	0	1.62	1	- 1.08	- 0.62	0	0	+ 306.14	
2005-2006	348	0	0	348	20.88	0	31.32	0	- 20.88	- 31.32	0	0	+ 285.26	
2006-2007	80	0	0	80	4.80	40	7.20	0	0	- 7.20	+35.22	0	+ 320.46	
2007-2008	93	7	0	100	6.00	0	9.00	33	- 6.00	0	0	0	+ 314.46	
2008-2009	16	0	0	16	0.96	0	1.44	0	- 0.96	- 1.44	0	0	+313.5	
TOTAL	701	321	3	1,025	61.50	375	92.25	61					+ 313.5	

\* OBLIGATED PROJECT AREAS:

Fair Oaks (annex): adopted 7/21/86 w/ SB211 extension on 6/30/03  
 Lake/Washington: adopted 6/15/82 w/ SB211 extension on 6/30/03  
 Lincoln Avenue: adopted 7/21/86 w/ SB211 extension on 6/30/03  
 Old Pasadena: adopted 7/19/83 w/ SB211 extension on 6/30/03  
 Orange Grove: adopted 1/27/73 w/ SB211 extension on 6/30/03  
 Villa-Parke: adopted 12/26/72 w/ SB211 extension on 6/30/03

<sup>1</sup> through <sup>8</sup> See Appendix 4, Housing Tables General Footnotes for footnotes.

Note: Calculation variants in the Cumulative Difference column are due to rounding calculations.

<sup>9</sup>See Table 6 for projection of Housing Trust Fund expenditures (CCRL Sections 33413(b)(1) and (2) and 33334.2 and/or 33334.6).



**Table 11.1  
Non-Obligated Project Areas\*  
All Non-Commission Developed and Substantially Rehabilitated Dwelling Units Within the Non-Obligated Project Areas<sup>1</sup>  
Plans Adoption Through June 2009**

Fiscal Year	Units Developed by Others				Non-Commission Developed Units Made Available at Affordable Housing Cost <sup>6</sup>				Project Area Status					
	1	2	3	4	Very Low <sup>5</sup>		Low-Moderate <sup>7</sup>		Annual Deficit (if any)		Annual Surplus (if any)		Cumulative Difference <sup>8,9</sup> (Deficit [-] Surplus [+])	
	New Construction	Substantial Rehab <sup>3</sup>	Purchase Exist Units (e.g. Homebuyer Loan Assist) <sup>4</sup>	TOTAL (1+2+3)	5	6	7	8	Very Low	Low Mod	Very Low	Low Mod	Very Low	Low Mod
					Rqd. to be 6% of Col. 4	Actual Units Restricted	Rqd. to be 9% of Col. 4	Actual Units Restricted						
Balance Forward <sup>2</sup>	1,198	77	7	1,282	N/A	209	N/A	15	N/A	N/A	+ 209	+ 15	+ 209	+ 15
2004-2005	0	0	0	0	N/A	0	N/A	0	N/A	N/A	0	0	+ 209	+ 15
2005-2006	0	0	0	0	N/A	0	N/A	0	N/A	N/A	0	0	+ 209	+ 15
2006-2007	2	0	2	2	N/A	0	N/A	2	N/A	N/A	0	+ 2	+ 209	+ 17
2007-2008	43	0	43	43	N/A	0	N/A	0	N/A	N/A	0	0	+ 209	+ 17
2008-2009	0	0	0	0	N/A	0	N/A	0	N/A	N/A	0	0	+ 209	+ 17
<b>TOTAL</b>	<b>1,243</b>	<b>77</b>	<b>7</b>	<b>1,327</b>	<b>N/A</b>	<b>209</b>	<b>N/A</b>	<b>17</b>					<b>+ 209</b>	<b>+ 17</b>

\*NONOBLIGATED PROJECT AREAS: Downtown – adopted 12/29/70

<sup>1</sup> through <sup>8</sup> See Appendix 4, Housing Tables General Footnotes for footnotes.

Note: Calculation variants in the Cumulative Difference column are due to rounding calculations.

<sup>9</sup>See Table 6 for projection of Housing Trust Fund expenditures (CCRL Sections 33413 (b)(1) and (2) and 33334.2 and/or 33334.6).

**Table 12**

**Total Commission Assisted Units and Inclusionary Credits Earned Outside the Combined Project Areas<sup>1</sup>  
Plans Adoption Through June 2009**

Fiscal Year	Units Which Are Subject to Affordability Covenants				Non-Commission Developed Units Made Available At Affordable Housing Cost <sup>6</sup>				Project Area Status					
					Very Low <sup>6</sup>		Low Moderate <sup>7</sup>							
	1	2	3	4	5	6	7	8	Annual Deficit (if any)		Annual Surplus <sup>9</sup> (if any)		Cumulative Difference <sup>9</sup> (Deficit [-] Surplus [+])	
	New Construction	Substantial Rehab <sup>3</sup>	Purchase Exist Units (e.g. Homebuyer Loan Assistance) <sup>4</sup>	Total (1+2+3)	Rqd. to be 6% of Col. 4	Actual Units Restricted	Rqd. to be 9% of Col. 4	Actual Units Restricted	Very Low	Low Mod	Very Low	Low Mod	Very Low	Low Mod
Balance Forward <sup>2</sup>	238	40	51	329	N/A	200	N/A	125	N/A	N/A	100	62.50	+ 100	+ 62.50
2004-2005	6	1	2	9	N/A	3	N/A	4	N/A	N/A	1.50	2.00	+ 101.50	+ 64.50
2005-2006	169	0	0	169	N/A	0	N/A	0	N/A	N/A	0	0	+ 101.50	+ 64.50
2006-2007	39	0	0	39	N/A	5	N/A	0	N/A	N/A	2.50	0	+ 104.00	+ 64.50
2007-2008	5	2	0	7	N/A	0	N/A	2	N/A	N/A	0	1.00	+ 104.00	+ 65.50
2008-2009	0	0	0	0	N/A	0	N/A	0	N/A	N/A	0	0	+ 104.00	+ 65.50
<b>TOTAL</b>	<b>457</b>	<b>43</b>	<b>53</b>	<b>553</b>	<b>N/A</b>	<b>208</b>	<b>N/A</b>	<b>131</b>					<b>+ 104.00</b>	<b>+ 65.50</b>

<sup>1</sup> through <sup>8</sup> See Appendix 4, Housing Tables General Footnotes for footnotes.

Note: Calculation variants in the Cumulative Difference column are due to rounding calculations.

<sup>9</sup>According to CCRL Section 33413, one (1) Inclusionary housing credit can be received for every two Commission-assisted units outside the Project Areas.

**Table 13**  
**Summary of Tables 9 Through 12**

Fiscal Year	Units Developed by Others				Non-Commission Developed Units Made Available At Affordable Housing Cost				Project Area Status	
					Very Low		Low Moderate			
	1	2	3	4	5	6	7	8	Cumulative Difference (Deficit [-] Surplus [+])	
	New Construction	Substantial Rehab	Purchase Exist. Units (e.g. Homebuyer Loan Assist.)	Total (1+2+3)	Rqd. to be 6% of Col. 3	Actual Units Restricted	Rqd. to be 9% of Col. 3	Actual Units Restricted	Very Low	Low Mod
Balance Forward <sup>2</sup>	1,583	431	60	2,074	27.78	644	41.67	104.50	+ 616.22	+ 62.83
Table 9 Totals	NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE	0	NO ACTIVITY					
Table 10 Totals	NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE	0	NO ACTIVITY					
Inclusionary "Obligated Project Areas" (Table 11)	538	7	1	546	32.76	40	49.14	34	+ 7.24	- 15.14
Inclusionary "Non-Obligated Project Areas" (Table 11.1)	45	0	0	45	NOT APPLICABLE	0	NOT APPLICABLE	2	0	+ 2.00
Inclusionary "Outside Project Areas" (Table 12)	219	3	2	224	NOT APPLICABLE	4	NOT APPLICABLE	3	+ 4.00	+ 3.00
<b>COMBINED TOTAL</b>	2,385	441	63	2,889	60.54	688	90.81	143.50	+ 627.50	+ 52.70

<sup>1</sup> through <sup>7</sup> See Appendix 4, Housing Tables General Footnotes for footnotes.  
Note: Calculation variants in the Cumulative Difference column are due to rounding calculations.

**Table 14**  
**Homeownership Units Assisted by Commission with Homebuyer Loans and Rehabilitation**  
**Units Inside and Outside the Project Areas<sup>1</sup>**  
**Plans Adoption Through June 2009**

Fiscal Year	Homebuyer Loan Assistance <sup>8</sup>	Rehabilitation Assistance <sup>9</sup>	Total
Balance Forward	150	74	224
2004-2005	9	10	19
2005-2006	0	10	10
2006-2007	5	13	18
2007-2008	14	10	24
2008-2009	11	12	23
<b>TOTAL</b>	<b>189</b>	<b>129</b>	<b>318</b>

<sup>1</sup> See Appendix 4, Housing Tables General Footnotes for footnotes.

<sup>8</sup> These figures do not include affordable ownership units assisted by Commission on for-sale housing projects constructed pursuant to a development agreement (which units are counted in previous tables included in this report).

<sup>9</sup> Owner-occupied units assisted under Commission housing rehabilitation programs (e.g. Rebuilding Together) which are not counted in the previous tables because they are not covenanted as to continuing affordability.

**Table 8:** Ten units in the Villa-Parke Project Area were destroyed or removed and eight replacement units were provided during the reporting period. In accordance with provisions of H & S Code Section 33413 (a), at least 75 percent of the units counted to replace these units must be at affordable housing cost at the same low income level as those units destroyed. The replacement units are in compliance with Health and Safety Code Section 33413 (a).

**Table 9:** To date, within the combined Project Areas, the Commission has not directly developed or substantially rehabilitated any units.

**Table 10:** To date, outside the combined Project Areas, the Commission has not directly developed or substantially rehabilitated any units.

**Table 11:** This table shows Commission activities relating to the construction, substantial rehabilitation and price restriction of housing inside the Obligated Project Areas, which are: Fair Oaks Avenue (annex), Lincoln Avenue, Lake/Washington, Orange Grove, Villa-Parke, and Old Pasadena. In sum, at the end of the reporting

period, there is a net surplus of 282.25 very low, low, and moderate income units in the Obligated Project Areas.

**Table 11.1** This table shows Commission activities relating to the construction, substantial rehabilitation and price restriction of housing inside the Non-Obligated Project Areas, which consist of the Downtown project area. In sum, at the end of the reporting period, there is a surplus of 209 very low income units and a surplus of 17 low and moderate income units in the Non-Obligated Project Areas.

**Table 12** This table provides information on all Commission-assisted units (new construction, substantially rehabilitated, and price restricted) *outside* the combined Project Areas. H & S Code Section 33413(b)(2)(A)(ii) requires that the Commission must assist two such units located outside a project area for every one unit which would have been made available inside a project area. At the end of the reporting period, there is a surplus of 104 very low income units and a surplus of 65 low and moderate income units in inclusionary credits earned outside the combined project areas, pursuant to H & S Code Section 33413(b)(2)(A)(i) and (c).

**Table 13:** This table summarizes Tables 8 through 12, encompassing all Commission housing activity both inside and outside the combined Project Areas during and before the Third Implementation Plan for those units which the Commission can claim “replacement” or “inclusionary” credit pursuant to H & S Code Section 33413. This table shows that at the end of the reporting period there is an inclusionary surplus of 627 very low-income units and 52 low- and moderate-income units. This inclusionary surplus notwithstanding, it should be pointed out that there remains a substantial unmet need for affordable housing in Pasadena and that this unmet need is identified and quantified in the other Housing Documents.

**Table 14:** Table 14 describes all homeownership units assisted by the Commission pursuant to H & S Code Sections 33334.2 and 33334.3. As shown in this table, in addition to the units already assisted by the Commission resulting in an overall inclusionary credit of 679 units, as summarized in Table 13 above, the Commission has provided “soft” second trust deeds for 189 first-time homebuyers and has assisted in the rehabilitation of 129 other owner-occupied units in Pasadena during the term of the first three Implementation Plans.

### **Status of Projected Commission Affordable Housing Compliance (2009-2014)**

Tables 15 through 20 present an analysis of the Commission’s housing assistance activities projected to occur within the 2009-2014 planning period using the programs and methods of assistance described in the other sections of this Implementation Plan. The information contained in these tables, in concert with the other parts of this Implementation Plan, ensure compliance with H & S Code Sections 33490, 33413, 33334.2, and/or 33334.6, 33334.3, and 33334.4. The tables

represent what is required by law regarding affordability, replacement and inclusionary requirements established in the CCRL and discussed at the beginning of this section of the Implementation Plan.

**Table 15:** This table shows that the Commission does not anticipate the destruction or removal of any residential units from within the combined project areas during the time period covered by this Implementation Plan.

**Table 16:** This table shows that no (0) units have been proposed for development or substantial rehabilitation directly by the Commission inside any of the Project Areas during the 2009-2014 planning period.

**Table 17:** This table shows that no (0) units are proposed to be developed or substantially rehabilitated outside any project area directly by the Commission during the time period covered by this Implementation Plan.

**Table 18:** This table shows currently projected Commission activities relating to the construction, substantial rehabilitation and price restriction of housing inside the Obligated Project Areas, which are: Fair Oaks Avenue (annex), Lincoln Avenue, Lake/Washington, Orange Grove, Villa-Parke, and Old Pasadena. The Commission is projecting a total of 70 newly constructed units and 8 substantially rehabilitated units in the Obligated Project Areas over the term of this Implementation Plan, all of which would be available at Affordable Housing Cost.. These activities are projected to result in an inclusionary housing obligation net surplus of 66.30 very low, low, and moderate income units. These projections are based on best available current information and may be impacted by unforeseen changes in funding levels and economic conditions.

**Table 18.1** This table shows that 100 market rate units are projected to be constructed by private developers inside the Non-Obligated Project Areas. These units do not trigger redevelopment inclusionary requirements.

**Table 19:** This table provides information on all currently projected Commission-assisted housing activities (new construction, substantially rehabilitated, and price restricted) *outside* the combined Project Areas. The Commission is projecting a total of 70 newly constructed units, 51 substantially rehabilitated units, and 28 units purchased with price restrictions in the Obligated Project Areas over the term of this Implementation Plan, of which a total of 106 units would be available at Affordable Housing Cost. These activities are projected to result in an inclusionary housing obligation net surplus of 53 very income units. These projections are based on best available current information and may be impacted by unforeseen changes in funding levels and economic conditions.

**Table 20:** Table 20 summarizes the totals of Table 16 through Table 19, and shows that for the Implementation Plan period, the Commission is anticipating to accrue a net inclusionary housing obligation surplus of 119 very low, low, and moderate income units.

**Table 15**  
**Combined Project Areas**  
**Estimated Total Units to be Destroyed or Removed and Estimated Replacement Dwelling Units**  
**July 2009 – June 2014<sup>1</sup>**

Fiscal Year	No. of Units Destroyed or Removed Affecting				Total No. Bedrooms Destroyed or Removed	Destruction/ Removal Subject to (a, b) <sup>8</sup>	No. of Units Rehabilitated, Developed, or Constructed <sup>9,10,11</sup>				Total No. Bedrooms Provided <sup>12</sup>
	Very Low Income <sup>3</sup>	Lower Income <sup>4</sup>	Low-Mod Income <sup>5</sup>	Total <sup>6,7</sup>			Very Low Income	Lower Income	Low-Mod Income	Total	
Balance Forward	0	12	0	12	26	b	0	10	0	10	23
2009-10	0	0	0	0	0		0	0	0	0	0
2010-11	0	0	0	0	0		0	0	0	0	0
2011-12	0	0	0	0	0	b	70	0	0	70	70
2012-13	0	0	0	0	0		0	0	0	0	0
2013-14	0	0	0	0	0		0	0	0	0	0
TOTALS	0	12	0	12	26	b	70	10	0	80	93

<sup>1</sup>through<sup>11</sup> See Appendix 4 Housing Tables General Footnotes for footnotes.

**Table 16  
 Combined Project Areas  
 Estimate of Total Units to be Developed and Substantially Rehabilitated Inside Project Areas by Commission  
 July 2009 – June 2014**

Fiscal Year	Type of Construction				Units Made Available at Affordable Housing Cost				Cumulative Project Area Status					
	1	2	3	4	Very Low		Low - Moderate		Deficit (if any)		Surplus (if any)		Difference (Deficit(-)/Surplus(+))	
	New Construction	Substantial Rehab.	Price-Restricted Purchase Existing	Total	Req'd To be 15% of Column 3	Actual Units to Be Restricted	Req'd To be 15% of Column 3	Actual Units to Be Restricted	Very Low	Low-Mod	Very Low	Low-Mod	Very Low	Low-Mod
Balance Forward														
2009-10														
2010-11					<b>NONE PROPOSED</b>									
2011-12														
2012-13														
2013-14														
<b>TOTALS</b>														

Note: Calculation variants in the Cumulative Difference column are due to rounding calculations.  
 \*through? See Appendix 4, Housing Tables General Footnotes for footnotes.



**Table 17  
 Combined Project Areas  
 Estimate of Total Units to be Developed and Substantially Rehabilitated Outside Project Areas by Commission  
 July 2009 – June 2014**

Fiscal Year	Type of Construction				Units Made Available at Affordable Housing Cost				Cumulative Project Area Status					
	1	2	3	4	Very Low		Low - Moderate		Deficit (if any)		Surplus (if any)		Difference (Deficit(-)/Surplus(+))	
					5	6	7	8						
	New Construction	Substantial Rehab.	Price-Restrict. Purchase Existing	Total	Req'd To be 15% of Column 3	Actual Units to Be Restricted	Req'd To be 15% of Column 3	Actual Units to Be Restricted	Very Low	Low-Mod	Very Low	Low-Mod	Very Low	Low-Mod
Balance Forward														
2009-10														
2010-11					<b>NONE PROPOSED</b>									
2011-12														
2012-13														
2013-14														
<b>TOTALS</b>														

Note: Calculation variants in the Cumulative Difference column are due to rounding calculations.  
 \*through? See Appendix 4, Housing Tables General Footnotes for footnotes.

**Table 18**  
**Obligated Project Areas**  
**Estimate of All Non-Commission Developed and Substantially Rehabilitated Dwelling Units Within the Project Areas**  
**July 2009 – June 2014**

Fiscal Year	No. of Units Developed by Others				Units Required to be Available at Affordable Housing Cost				MONITORING					
									Cumulative Project Area Status					
	Very Low		Low – Moderate		Annual Deficit (if any)		Annual Surplus (if any)		Difference (Deficit(-)/Surplus(+))					
	1 New Construction	2 Substantial Rehab.	3 Price-Restrict. Purchase Existing	4 Total (1+2+3)	5 Req'd To be 6% of Column 4	6 Actual Units to Be Restricted	7 Req'd To be 9% of Column 4	8 Actual Units to Be Restricted	Very Low	Low-Mod	Very Low	Low-Mod	Very Low	Low-Mod
2009-10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2010-11	0	8	0	8	0.48	2	0.72	6	0	0	+ 1.52	+ 5.28	+ 1.52	+ 5.28
2011-12	70	0	0	70	4.20	70	6.30	0	0	- 6.30	+ 65.80	0	+ 67.32	- 1.02
2012-13	0	0	0	0	0	0	0	0	0	0	0	0	+ 67.32	- 1.02
2013-14	0	0	0	0	0	0	0	0	0	0	0	0	+ 67.32	- 1.02
<b>TOTALS</b>	<b>70</b>	<b>8</b>	<b>0</b>	<b>78</b>	<b>4.68</b>	<b>72</b>	<b>7.02</b>	<b>6</b>					<b>+ 67.32</b>	<b>- 1.02</b>

Notes:  
FY 2011 Substantial Rehabilitation: 8 – Parke Street Apartments  
FY 2012 New Construction: 70 – Heritage Square senior housing

**Table 18.1  
Non-Obligated Project Areas  
Estimate of All Non-Commission Developed and Substantially Rehabilitated Dwelling Units Within the Project Areas  
July 2009 – June 2014**

Fiscal Year	No. of Units Developed by Others				Units Required to be Available at Affordable Housing Cost				MONITORING					
									Cumulative Project Area Status					
	Very Low		Low – Moderate		Annual Deficit (if any)		Annual Surplus (if any)		Difference (Deficit(-)/Surplus(+))					
	1 New Construction	2 Substantial Rehab.	3 Price-Restrict. Purchase Existing	4 Total (1+2+3)	5 Req'd To be 6% of Column 4	6 Actual Units to Be Restricted	7 Req'd To be 9% of Column 4	8 Actual Units to Be Restricted	Very Low	Low-Mod	Very Low	Low-Mod	Very Low	Low-Mod
2009-10	20	0	0	20	N/A	0	N/A	0	0	0	0	0	0	0
2010-11	20	0	0	20	N/A	0	N/A	0	0	0	0	0	0	0
2011-12	20	0	0	20	N/A	0	N/A	0	0	0	0	0	0	0
2012-13	20	0	0	20	N/A	0	N/A	0	0	0	0	0	0	0
2013-14	20	0	0	20	N/A	0	N/A	0	0	0	0	0	0	0
TOTALS	100	0	0	100	N/A	0	N/A	0					0	0

Note: New Construction figures are only projections based upon completed market rate projects in the Downtown Redevelopment Project Area during the five-year period from FY 2005 to FY 2009.

**Table 19  
Estimated Commission-Assisted Units and Inclusionary Units to be Earned Outside Project Areas  
July 2009 – June 2014**

Fiscal Year	Units Which Are Subject to Affordability Covenants				Units Required to be Available at Affordable Housing Cost				MONITORING					
									Cumulative Project Area Status					
	Very Low		Low – Moderate		Annual Deficit (if any)		Annual Surplus (if any)		Difference (Deficit(-)/Surplus(+))					
	1 New Construction	2 Substantial Rehab.	3 Price-Restrict. Purchase Existing	4 Total (1+2+3)	5 Req'd To be 6% of Column 4	6 Actual Units to Be Restricted	7 Req'd To be 9% of Column 4	8 Actual Units to Be Restricted	Very Low	Low-Mod	Very Low	Low-Mod	Very Low	Low-Mod
				N/A		N/A								
2009-10	8	0	13	21	N/A	0	N/A	0	0	0	0	0	0	0
2010-11	15	51	15	81	N/A	59	N/A	0	0	0	+ 29.5	0	+ 29.5	0
2011-12	9	0	0	9	N/A	9	N/A	0	0	0	+ 4.5	0	+ 34.0	0
2012-13	19	0	0	19	N/A	19	N/A	0	0	0	+ 9.5	0	+ 43.5	0
2013-14	19	0	0	19	N/A	19	N/A	0	0	0	+ 9.5	0	+ 53.0	0
TOTALS	70	51	28	149	N/A	106	N/A	0					+ 53.0	0

Notes:

FY 2010 New Construction: 8 - 1350 N. El Molino  
FY 2011 New Construction: 6 – 1150 N. Allen  
FY 2011 New Construction: 9 – Project to be identified through Notice Of Funding Availability  
FY 2011 Substantial Rehab: 6 – Nehemiah Court  
FY 2011 Substantial Rehab: 45 – Hudson Oaks  
FY 2012 New Construction: 9 – Project to be identified through Notice Of Funding Availability  
FY 2013 New Construction: 19 – Project to be identified through Notice Of Funding Availability  
FY 2014 New Construction: 19 – Project to be identified through Notice Of Funding Availability

Table 20 Summary of Tables 16 Through 19										
Fiscal Year	No. of Units Developed by Others				Units Required to be Available at Affordable Housing Cost				Difference <sup>7,8*</sup> (Deficit [-])/(Surplus[+])	
	1	2	3	4	Very Low		Low-Moderate		Very Low	Low-Mod
	New Construction	Substantial Rehab	Price-Restricted Purchase Existing	Total (1+2+3)	Required To be 6% of Column 4	Actual Units to Be Restricted	Required To be 9% of Column 4	Actual Units to Be Restricted		
Table 16 Totals	NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE	NONE PROPOSED				NOT APPLICABLE	NOT APPLICABLE
Table 17 Totals	NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE	NOT APPLICABLE	NONE PROPOSED				NOT APPLICABLE	NOT APPLICABLE
Inclusionary "Obligated Project Areas" (Table 18)	70	8	0	78	4.68	72	7.02	6	+ 67.32	- 1.02
Inclusionary "Non-Obligated Project Areas" (Table 18.1)	100	0	0	100	NOT APPLICABLE	0	NOT APPLICABLE	0	0	0
Inclusionary "Outside Project Areas" (Table 19)	70	51	28	149	NOT APPLICABLE	106	NOT APPLICABLE	0	+ 53.0	0
COMBINED TOTALS	240	59	28	327	4.68	178	7.02	6	+ 120.32	- 1.02

G. Ten-Year and Life-of-the-Plan Housing Requirements

Section 33490 (a)(2)(B) of the H & S Code requires that:

For each project area to which subdivision (b) of Section 33413 applies, the section addressing the agency developed and project area housing shall contain:

- (i) Estimates of the number of new, substantially rehabilitated or price restricted residential units to be developed or purchased within one or more project areas, both over the Life-of-the-plan and during the next 10 years.
- (ii) Estimates of the number of units of very low-, low- and moderate-income households required to be developed within one or more project areas in order to meet the requirements of paragraph (2) of subdivision (b) of Section 33413, both over the Life-of-the-Plan and during the next 10 years.”

As indicated in the program summary contained in Table 18, it is anticipated that the substantial surplus which the Commission enjoys for very low-income units will be sufficient to accommodate any market rate housing development in the Obligated Project Areas during the 2009-2014 planning period.

For the remaining life of the redevelopment plans for the Obligated Project Areas (after 2009), Commission staff estimates that the same conditions will accrue as discussed above for the next ten-year time period; therefore the Commission will have secured sufficient inclusionary units in both its very low-income and its low- and moderate-income housing categories.

#### H. Consistency with City's General Plan Housing Element

Section 33413(b)(4) requires that each agency, "...as part of the Implementation Plan required by Section 33490, shall adopt a (Housing Production) Plan..." Section 33413 (b)(4) requires that "(t)he Plan shall be consistent with...the community's housing element." Additionally, "(t)he Plan shall be reviewed and, if necessary, (be) amended at least every five years in conjunction with either the housing element cycle or the Plan implementation cycle."

Chapter V of the State's General Plan Guidelines (the "Guidelines") states that the term "consistent with" means "agreement with; harmonious with." The general rule of consistency outlined in the Guidelines is that "(a)n action or a program is consistent with the General Plan if, considering all its aspects, it will further the objectives and policies of the General Plan and not obstruct their attainment."

Inasmuch as i) the Commission is working to provide affordable housing for all income levels, and most specifically housing for persons of very low-, low- and moderate incomes; and ii) the Commission is required to spend no less than 20 percent of all tax increment monies on affordable housing programs; iii) the Commission has identified, those housing projects and programs and the number of dwelling units that it projects to develop, rehabilitate or assist development or rehabilitation of, and iv) the Commission enjoys a substantial surplus in its inclusionary obligations in both the very low-income and the low-and moderate-income categories, the Commission hereby determines that its proposed housing five-year goals and objectives, on-going activities, and housing production plan, as outlined in this Plan, will be consistent with the housing element of the City's General Plan when that document is adopted.

## I. Fair Share Housing Allocation

In 1980 Assembly Bill 2853 was adopted requiring all councils of governments to develop regional allocations of housing needs for all income categories (fair share of housing) based on regional housing needs.

Furthermore, H & S Code Section 33334.4 requires that the Commission recognize and address the City's fair share housing needs by requiring that each agency expend, over the duration of its redevelopment plan(s), the moneys in its housing trust fund to assist housing for persons of very low- and low-income in at least the same proportion as the total number of housing units needed for those income groups which are not being provided by other governmental programs bears to the total number of units needed for persons of very low-, low- and moderate-income within the community.

The most recent housing needs assessment for the City of Pasadena has been determined by the Southern California Association of Governments (SCAG) in the 2004 Regional Transportation Plan "preferred growth forecast" for the San Gabriel Valley subregion. In the case of Pasadena, this forecast shows a growth in Pasadena of approximately 1,493 households between 2005 and 2010.

It is beyond the scope of this Implementation Plan to address either of the issues raised above, however the City's other housing documents (e.g, Housing Element, Five-Year Consolidated Plan) will do so.

## V. Conclusion

This Implementation Plan describes the goals, objectives and policies proposed by the Pasadena Community Development Commission as well as the programs and projects which are proposed to be undertaken by the Commission during the next five years in order to assist in the alleviation of blighting conditions existing within the Project Areas. Redevelopment, however, is a very fluid process, subject to a myriad of changing issues and the forces of market dynamics. For these reasons a provision for review and amendment to the Implementation Plan has been included in redevelopment law. The CCRL requires that the Implementation Plan be the subject of periodic public review. This review must be held in a noticed public hearing at least once during the five-year period, no earlier than two years and no later than three years after the adoption of the Plan. In addition to the mandated review, the Agency may review and amend the plan's goals, objectives, policies, programs and projects and corresponding expenditures (following a noticed public hearing) at any time conditions require such an amendment.

## **APPENDICES**



**Appendix 1  
Glossary of Housing Terms**

**AB 1290:**

Community Redevelopment Law Reform Act of 1993 which included major changes to portions of the California Health and Safety Code pertaining to redevelopment.

**California Community Redevelopment Law (CCRL):**

The section of the State of California Health and Safety Code that lists the specifications Redevelopment Agencies must comply with.

**Implementation Plan:**

The adoption of AB 1290 included a requirement that redevelopment agencies prepare and adopt five year implementation plans for each redevelopment project area.

**Project Area:**

“Project Area” means a predominantly urbanized area of a community which is a blighted area, the redevelopment of which is necessary to effectuate the public purposes declared in this part, and which is selected by the planning commission pursuant to 33322. (CCRL Section 33320.1 (a)).

**Predominantly Urbanized:**

(CCRL Section 33320.1)

(b) “Predominantly Urbanized” means that not less than 80% of the land in the project area:

- (1) Has been or is developed for urban uses; or
- (2) Is characterized by the condition described in paragraph (4) of subdivision (a) of Section 33031 (The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership); or
- (3) Is an integral part of one or more areas developed for urban uses which are surrounded or substantially surrounded by parcels which have been or are developed for urban uses. Parcels separated by only an improved right-of-way shall be deemed for the purposes of this subdivision.
- (4)

**Blight:**

(CCRL Section 33030)

(b) A blighted area is one that contains both of the following:

- (1) An area that is predominantly urbanized, as that term is defined in Section 33320.1 (listed above), and is an area in which a combination of conditions set forth in Section 33031 (listed below in Physical and Economic Conditions

at Blight) is so prevalent and so substantial that it causes a reduction of, or lack of, proper utilization of an area to an extent that it constitutes a serious physical and economic burden on the community which cannot reasonably be expected to be reversed or alleviated by private enterprise or governmental action, or both, without redevelopment.

(2) An area that is identified by either of the following:

(A) One or more of the conditions of set forth in any paragraph of subdivision (a) of Section 33031 (listed below in Physical and Economic Conditions at Blight) and one or more conditions set forth in any paragraph of subdivision (b) of Section 33031 (listed below in Physical and Economic Conditions at Blight).

(B) The condition described in paragraph (4) of subdivision (a) of Section 33031 (listed below in Physical and Economic Conditions at Blight).

(c) A blighted area may also be one that contains the conditions described in subdivision (b) and is, in addition, characterized by the existence of inadequate public improvements, parking facilities, or utilities.

**Very Low Income:**

Household earnings less than or equal to 50% of the county median income. (Health and Safety Code Section 50105).

**Low Income:**

Household earnings between 50% and 80% of the county median income. (Health and Safety Code Section 50079.5).

**Moderate Income:**

Household earnings between 80% and 120% of the county median income. (Health and Safety Code Section 50093).

**Affordable Housing:**

Housing units that are affordable to very low, low, or moderate income households, as defined in Health and Safety Code Section 50105, 50079.5, and 50093.

**Substantial Rehabilitation:**

“Substantially rehabilitated” means rehabilitation, the value of which constitutes twenty-five percent (25%) of the after rehabilitation value of the dwelling, inclusive of land value. (CCRL Section 33413 (2) (A) (iv)).

**Inclusionary Housing:**

CCRL Section 33414 (2)(A)(i), requires at least fifteen percent (15%) of all new and substantially rehabilitated dwelling units developed within the project area, shall be made available to persons or families of low or moderate income.

**Physical and Economic Conditions at Blight:**

(CCRL Section 33031)

(a) This subdivision describes physical conditions of blight:

- (1) Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, dilapidation or deterioration, defective design or physical construction, faulty or inadequate utilities, or other similar factors.
- (2) Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots. This condition can be caused by a substandard design, inadequate size given present standards or market conditions, lack of parking, or other similar factors.
- (3) Adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels or other portions of the project area.
- (4) The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership.

(b) This subdivision describes the economic conditions that cause blight:

- (1) Depreciated or stagnant property values or impaired investments, including, but not necessarily limited to, those properties containing hazardous wastes that require the use of agency authority as specified in Article 12.5 (commencing with section 33459).
- (2) Abnormally high business vacancies, abnormally low lease rates, high turnover rates, abandoned buildings, or excessive vacant lots within an area developed for urban use and served by utilities.
- (3) A lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.

- (4) Residential overcrowding or an excess of bars, liquor stores, or other businesses that cater exclusively to adults, which has led to problems of public safety and welfare.
- (5) A high crime rate that constitutes a serious threat to the public safety and welfare.

**Trust Fund:**

Refers to the Pasadena Housing Low and Moderate Income Trust Fund.

## **Appendix 2**

### **Replacement and Inclusionary Rules**

#### The “Replacement Rule”

Section 33413(a) of the CCRL requires that whenever dwelling units housing persons and families of low- or moderate income are destroyed or removed from the very low-, low-, and moderate-income housing market as part of a redevelopment project subject to a written agreement with the agency or having been provided financial assistance by an agency, the agency shall, within four (4) years of the removal of the dwelling units, cause to be developed an equal number of replacement dwelling units which have an equal or greater number of bedrooms as those destroyed or removed units at affordable housing costs within the territorial jurisdiction of the agency.

For affordable units removed prior to September 1, 1989, replacement units must be available at an affordable housing cost (as defined in Health and Safety Code Sections 50052.5 and 50053) to persons and families of low- and moderate-income (very low-income levels excluded therein) without regard to the specific income of the person or family originally occupying the removed dwelling unit. However, for units removed after September 1, 1989, California law requires that 75 percent of the replacement units must be affordable to the same income groups, inclusive of very low-income levels, that occupied the units removed or destroyed.

#### The “Inclusionary Rule”

CCRL Section 33413 (b)(1) requires that at least 30 percent of all dwelling units directly developed by a redevelopment agency shall be available at affordable housing cost to persons and families of low- or moderate-income, and not less than 50 percent of the units shall be available at affordable housing cost to very low-income households. No residential units have been directly developed by the Redevelopment Agency either inside or outside the Project Areas since the adoption of the Redevelopment Plans.

Section 33413 (b)(2) of the CCRL requires that at least 15 percent of all dwelling units developed within a project area by public or private entities or persons other than the redevelopment agency shall be available at affordable housing cost to persons and families of low- or moderate-income, and not less than 40 percent of the affordable units shall be available at affordable housing cost to very low-income households. To illustrate the inclusionary rule in terms of numbers, of every 100 dwelling units developed or rehabilitated by entities other than the agency, 15 shall be affordable, with 9 affordable to persons of low- or moderate-income, and 6 available to persons of very low-income.

To satisfy this requirement an agency may cause, by agreement or regulation, to be available at affordable housing costs to persons and families of low- or moderate-income, or to very low-income households, two units outside a project area for each unit that otherwise would have had to be available inside a project area.

**Appendix 3**  
**Housing Tables General Footnotes**

**Tables 9 and 15:**

# Footnote

- 1 Complies with CCRL Section 33413(a), (c), (d)(1), and 33334.5. The Agency shall require that the aggregate number of replacement units remain available at affordable housing costs to persons and families of low-, moderate-, and very-low income households for the longest feasible time, as determined by the Agency, except as provided for in CCRL Section 33413(c)(1)(2).
- 2 Project Area adoption or January 1, 1976, whichever is later.
- 3 As defined by Health & Safety Code Section 50105.
- 4 As defined by Health & Safety Code Section 50079.5
- 5 As defined by Health & Safety Code Section 50093
- 6 From low- or moderate-income housing market, as part of a redevelopment project. If units planned for destruction or removal, locations for suitable replacement units must be identified.
- 7 Replacement units must be provided within four years of removal or destruction.
- 8 a. Written agreement with Agency; b. Financial assistance provided by Agency.
- 9 Within territorial jurisdiction of Agency; must be an equal number of replacement units as those destroyed or removed provided within 4 years of removal.
- 10 When units are destroyed or removed after 9/1/89, 75% of the replacement units shall replace dwelling units available at affordable housing cost in the same level of very-low income households, lower-income households, and persons and families of low- and moderate-income, as the persons displaced from those displaced units.
- 11 Reference CCRL Section 33413 (c) for applicable covenants.
- 12 Must be an equal or greater number of bedrooms as those removed or destroyed.

**Tables 10, 11, 12, 12.1 and 13**

# Footnote

- 1 Compliance with Sections 33413(b)(1) & (c), 33490 (a)(2)(A)(ii) & 33413(d)(1). The Agency shall require that the aggregate number of inclusionary units remain available at affordable housing costs to persons and families of low-, moderate, and very low income households for the longest feasible time, as determined by the Agency, except as provided for in CCRL Section 33413 (c)(1)(2). New and/or substantially rehabilitated units may be aggregated in one or more Project Areas, subsequent to findings pursuant to CCRL Section 33413 (b)(2)(A)(v). The Agency may cause, by agreement or regulation, to be available, at affordable housing costs, to persons and families of low-, moderate-, or very-low income households, two units outside the Project Area for each unit that otherwise would have had to be available inside the Project Area. If this provision is applicable inclusionary credit must be calculated accordingly in the % of units made available at affordable income levels.
- 2 From Project Area adoption.
- 3 Substantial Rehabilitation means rehabilitation, the value of which constitutes 25% of the after rehabilitation value of the dwelling, inclusive of the land. Inclusionary obligation only arises when multi-family rental units with 3 or more units are substantially rehabilitated, or when single family units with 1 or 2 units are substantially rehabilitated using Agency assistance.
- 4 Pursuant to CCRL Section 33413 an agency may use LMI monies to purchase price restricted covenants on existing units and may receive credit for ½ of an inclusionary unit for each price restricted covenant purchased.
- 5 As defined by Health & Safety Code Section 50105.
- 6 As defined by Health & Safety Code Section 50079.5. Low-Moderate as defined by Health & Safety Code Section 50093.
- 7 Calculated on a cumulative year-to-year basis.
- 8 See Table 5 for projection of LMI Fund expenditures (CCRL Sections 33413(b)(1) and (2) and 33334.2 and/or 33334.6).

**Table 20**

# Footnote

- 1 Complies with CCRL Section 33413(b)(2) & (c) & (d)(1). The Agency shall require that the aggregate number of replacement units remain available at affordable housing costs to persons and families of low-, moderate-, and very low-income households for the longest feasible time, as determined by the Agency, except as provided for in CCRL Section 33413 (c)(1)(2).
- 2 “Substantial Rehabilitation” means rehabilitation, the value of which constitutes 25% of the after rehabilitation value of the unit, inclusive of the land value. Inclusionary obligation only arises when multi-family rental units with 3 or more units are substantially rehabilitated, or when single family units with 1 or 2 units are substantially rehabilitated using Agency assistance.
- 3 As defined by Health & Safety Code Section 50105.
- 4 As defined by Health & Safety Code Section 50079.5.
- 5 As defined by Health & Safety Code Section 50093.
- 6 The Agency may cause, my agreement or regulation, to be available, at affordable housing costs, to persons of low-, moderate-, or very low-income households, two units outside the Project Area for each unit that otherwise would have had to be available inside the Project Area.
- 7 Calculated on a cumulative, year-to-year basis.