

**STRONG NEIGHBORHOODS INITIATIVE REDEVELOPMENT PROJECT AREA
FIVE-YEAR IMPLEMENTATION PLAN**

A. Introduction

The San Jose Redevelopment Agency (“Agency”) previously adopted the Initial Implementation Plan for the Strong Neighborhoods Initiative Redevelopment Project Area. This document is the new plan which must be adopted, pursuant to Health and Safety Code section 33490, every five years. The 5 year Implementation Plan is based on the Agency’s Strong Neighborhoods Initiative Plan, adopted in June 2002, and the individual Neighborhood Improvement Plans.

This Five-Year Implementation Plan (“Plan”) describes specific goals and objectives of the San Jose Redevelopment Agency (“Agency”), specific programs including potential projects, estimated expenditures proposed to be made within the next five years of the Strong Neighborhoods Initiative Redevelopment Plan (“SNI Plan”), and an explanation of how the goals and objectives, programs, and expenditures will eliminate blight within the SNI Project Area. The Plan implements the requirements of Health and Safety Code sections 33334.2, 33334.4, 33334.6 and 33413.

An implementation plan is a policy and program document; it does not identify specific project locations. The Agency’s housing responsibility is discussed in the Housing sections C (9) and D, set forth below. This Plan conforms to the requirements of Sections 33352(c) and 33490 of the California Community Redevelopment Law (“CRL”).

B. Goals and Objectives

- 1. Goal:** Provide quality community facilities serving the diverse population of the Project Area

Objectives:

- Rehabilitate and expand existing community facilities.
- Build new community, senior and youth centers, cultural facilities and neighborhood libraries.
- Develop childcare facilities.

2. **Goal:** Provide quality parks, community gardens and trail connections in the neighborhoods

Objectives:

- Preserve and restore existing parks.
- Create open space and assist in park development through acquisition and construction
- Develop community gardens.
- Connect existing trail infrastructure in order to provide links to open space areas and other city and regional trails.
- Create multi-purpose trails and pedestrian connections.

3. **Goal:** Rehabilitate existing commercial properties

Objectives:

- Restore neglected and vacant commercial buildings.
- Replan, redesign and redevelop underdeveloped areas that are economically stagnant and/or underutilized.
- Through a façade improvement program create more attractive facades and edge treatments that improve the aesthetics and functioning of businesses in the neighborhoods.
- Reconstruct older shopping centers and improve circulation within and near shopping centers.

4. **Goal:** Rehabilitate and preserve existing housing stock

Objectives:

- Implement a first-time homebuyers program and “soft” second mortgages to increase home ownership and expand access to a larger population.
- Implement housing rehabilitation grant/loan program.
- Implement grant programs for fence and exterior paint improvements.
- Create incentives for home/property, building/exterior upgrades.

5. **Goal:** Promote, facilitate and construct residential development

Objectives:

- Assist in the development of low-income and affordable housing.

- Assist in the development of high density housing where it is appropriate.
- Provide for residential infill and intensification that reinforces a sense of neighborhood.

6. Goal: Rehabilitate and preserve historic buildings

Objectives:

- Preserve significant historic structures, both commercial and residential, through rehabilitation programs.
- Promote viable reuse of buildings with historic character.
- Protect historic character in older neighborhoods.
- Encourage adaptive reuse to revitalize underused/deteriorating buildings with new functions.

7. Goal: Create economic development opportunities for business and property owners to strengthen the economic viability of the neighborhoods, and expand existing business, as appropriate

Objectives:

- Encourage development of vacant buildings/lots.
- Work with property owners, developers and business owners to market underutilized or unattractive sites for revitalization, redevelopment and private investment.
- Initiate mixed-use development.
- Use public investment to attract and stimulate private investment.
- Promote development opportunities in commercial areas of the neighborhoods with mixed-use, housing and/or residential serving retail.
- Develop economic development strategies for commercial areas.

8. Goal: Improve neighborhood serving retail and commercial uses

Objectives:

- Develop neighborhood serving retail and commercial uses such as pharmacies, banks and supermarkets.
- Develop residential and/or office uses above retail uses where appropriate.
- Attract neighborhood-serving businesses to fill vacant commercial buildings.

- Encourage development of community-oriented businesses where residents can meet (i.e., cafes, bookstores, and bagel shops).

9. Goal: Ensure safe streets for pedestrian, bicycle and vehicular traffic while minimizing congestion

Objectives:

- Reduce traffic congestion, speeding and cut-through traffic in the neighborhoods.
- Implement traffic calming measures as appropriate in the neighborhoods to reduce speeding and increase pedestrian safety.
- Improve traffic circulation in commercial areas.
- Install drop-off and pick-up areas at schools and safe school commute corridors.
- Develop pedestrian corridors and bike lanes.
- Install pedestrian improvements and connections, such as crosswalks and sidewalks, to create cohesive, connected neighborhoods.

10. Goal: Create a safe and inviting pedestrian environment that will improve pedestrian accessibility for all residents

Objectives:

- Install sidewalks and handicapped accessible ramps
- Develop pedestrian over crossings
- Install street trees.

11. Goal: Improve access to public transit in the neighborhoods

Objectives:

- Build park and ride lots with bike racks and lockers adjacent to light rail stations.
- Install bus shelters.
- Develop mixed-use projects and opportunities to reduce reliance on and necessity of single occupancy auto use.
- Encourage high density development near Transit stops

12. Goal: Improve parking in the neighborhoods

Objectives:

- Provide adequate off-street parking in commercial and residential areas.
- Provide additional parking at schools and community centers.

13. Goal: Create attractive and well-maintained streets and public spaces

Objectives:

- Install streetscape improvements.
- Install public art in the neighborhoods.
- Improve median/island landscaping.
- Install street lighting.
- Landscape public rights-of-way in both commercial and residential areas of the neighborhoods.

14. Goal: Provide public infrastructure improvements

Objectives:

- Relocate or underground utilities.
- Improve storm drainage in problem flooding areas.
- Install sidewalks, curbs (including handicap accessible curb cuts) and gutters.

15. Goal: Develop neighborhood gateway monuments that create a sense of place and design unity

Objectives:

- Install monuments, signage or sculptural pieces of artwork identifying a neighborhood.

16. Goal: Create job opportunities for San José Residents

Objectives:

- Assist in locating office, commercial and industrial development in the SNI Project Area
- Develop city owned facilities that create jobs
- Develop clean tech industries that provide job opportunities
- Develop environmental and clean tech incubators to expand workforce possibilities for area residents

C. Specific Programs and Potential Projects

The following describes the proposed projects and programs to be undertaken in the SNI Redevelopment Project Area during the next five years covered by this Implementation Plan. A summary of the linkage of these potential programs with conditions of blight are described below.

1. Façade Improvement Program

The Façade Improvement Program (FIP) provides financial support to owners and businesses for the purposes of storefront improvements and façade treatments. This program provides assistance to owners and businesses in Redevelopment Project Areas to encourage restoring, modernizing and improving the facades of commercial structures to enhance the attractiveness and visibility of the area. Typical improvements would include paint, signage, lighting, awnings, window and door replacement, limited parapet additions, edge treatments, finishes and decorative features designed to highlight building characteristics.

Blighting conditions addressed and how the program will eliminate blight:

Implementation of the Façade Improvement Program will reduce the blighting conditions noted in Table 1. By eliminating physical deterioration and improving the substandard appearance of the commercial/industrial buildings and surrounding sites, more patrons will be attracted to participating businesses, which will improve declining retail sales. The increased business activity should slow the rate of business closures and attract new businesses to the Project Area. In addition, by improving the buildings, property values should increase. Façade improvement projects will enable certain existing business owners to upgrade their properties and to expand and modernize their facilities so they are no longer obsolete and can effectively compete in the commercial marketplace.

2. Public/Private Development

Public/private coordination occurs when the Redevelopment Agency participates in significant private development projects. Through an Owner Participation Agreement or Disposition and Development Agreement the Redevelopment Agency may grant or loan money to assist new commercial development or expansion of existing commercial facilities. This program may be used to fund acquisition, construction, landscaping, façade upgrades, parking improvements and Public Works development requirements (e.g. fire hydrants or traffic mitigation projects, etc.)

Blighting conditions addressed and how the program will eliminate blight:
Implementation of public/private development projects will reduce the blighting conditions noted in Table 1. This type of coordination will help to attract neighborhood serving commercial facilities such as banks, grocery stores and drugstores to the area. By assembling small parcels the Agency will reduce the number of inadequate-sized parcels in multiple ownership and provide adequate space to develop contemporary facilities or expand existing buildings to accommodate a wider variety of uses.

3. Community Centers, School Enhancement, Park and Open Space Projects

Community-based projects focus on the need for new or improved community facilities such as parks, community centers, libraries, public schools, community gardens, open space and cultural facilities. Projects are anticipated for development using Redevelopment Agency and/or other funds from the City, State and Federal governments. These projects are intended to encourage further investment in the neighborhoods and make the neighborhoods more desirable places to visit and live.

Blighting conditions addressed and how the program will eliminate blight:
Implementation of the community centers, school enhancements, park and open space projects will reduce the blighting conditions noted in Table 1. These projects are intended to encourage further investment in the neighborhoods and make them more desirable places to visit and live. By increasing investment in neighborhoods there will be an added benefit of assisting the rehabilitation of deteriorated buildings and alleviating the existence of substandard structures. Also, by providing additional recreation facilities certain crimes related to gang activity should be reduced.

4. Infrastructure Improvements

Infrastructure improvements cover a variety of public works projects ranging from correcting utilities, traffic capacity projects and new streets, undergrounding overhead transmission lines, storm drainage and sanitary sewers, bridges and under or over crossings, flood control improvements, creek stabilization and enhancements, freeway noise walls, and many other assorted capital projects.

Blighting conditions addressed and how the program will eliminate blight:

Implementation of an infrastructure improvement programs will reduce the blighting conditions noted in Table 1. Improvements to the public infrastructure system will provide an environment to stimulate revitalization and growth in the Project Area. The ability of an area to attract new investors and to encourage existing businesses and property owners to maintain and reinvest in their properties depends not just on the quality of the surrounding buildings but on the quality of the infrastructure serving the building stock.

5. Streetscape and Gateway Improvements

The streetscape program includes constructing new curbs, gutters and sidewalks where they do not exist or where broken curbs, gutters and sidewalks require replacement; installing street trees and shrubs; constructing both decorative and handicapped accessible crosswalks; constructing new medians with landscaping; adding visual and safety improvements to existing medians; installing street furniture, such as trash receptacles and newspaper racks; and improving area lighting by increasing the number of luminaries, increasing the wattage of individual streetlights or adding pedestrian streetlights.

Like streetscapes, gateways into an area are desirable for announcing a transition from one area to another. Gateways can be accomplished through banners, entry features, public art, architecture or a variety of other ways.

Blighting conditions addressed and how the program will eliminate blight:

Implementation of a streetscape and gateway improvement program will reduce the blighting conditions noted in Table 1. The streetscape program will provide improved public health, safety and welfare due to improved night visibility and street lighting and enhanced aesthetics through streetscape design and construction and improvement of safety by removing tripping hazards and other dangerous conditions. Street landscaping improvements and the installation of gateways will also substantially enhance the appearance of the Project Area, making it more attractive to private investment and encourage development and rehabilitation.

6. Traffic Calming, Transit and Parking Improvements

Traffic calming projects generally involve the construction of roadway design features that are intended to reduce vehicular speeds or volume of traffic, particularly within residential neighborhoods and near schools.

There are two levels of traffic calming projects. Level 1 projects are intended to address pedestrian safety, speeding or other inappropriate driver behavior. Examples of such projects are traffic circles, road bumps, medians and chokers. Level 2 projects are intended to redirect traffic in order to address excessive traffic volumes. Examples of such projects are full or partial street closures, traffic diversion islands and changing the direction of travel on a street.

Transit improvements include such things as bus shelters and bus stops, park and ride lots, bicycle facilities, and transit center and corridor improvements.

Parking improvements include providing additional parking lots/garages for businesses and apartment complexes, improving parking along public rights-of-way

Blighting conditions addressed and how the program will eliminate blight:

Implementation of traffic calming, transit and parking improvement programs will reduce the blighting conditions noted in Table 1. The construction of traffic calming projects will provide improved public health, safety and welfare due to better traffic circulation and access. The provision of adequate and easily accessible parking will assist in the retention and attraction of businesses within the Project Area. Often, adequate parking can make the difference in the success of a business and the willingness of businesses to locate to an area.

7. Public Art

The purpose of the Public Art Program is to enhance, enliven and give a distinctive face to the many communities within the City. The Program achieves this through directing artists to develop a framework for public art that beautifies, creates a visual identity for the City, develops orienting public art elements such as way-finding art, pocket parks, lighting, gateways, pathways and paving patterns. In addition, artists may create functional elements such as benches, tree guards and grates, manhole covers, clocks, light standards and signage.

Blighting conditions addressed and how the program will eliminate blight:

Implementation of a public art program will reduce the blighting conditions noted in Table 1. The installation of public art will substantially enhance the appearance

of the Project Area, making it more attractive to private investment and encourage development and rehabilitation. Public art can improve the quality of life as well as the image of an area and make it a more desirable place to live and do business.

8. Historic Preservation

Many portions of the SNI Project Area include significant historic buildings. City policy calls for preserving or rehabilitating these resources. The Redevelopment Agency can assist in these efforts through their Façade Improvement Program, Unreinforced Masonry Grant program, and through other forms of Agency assistance.

Blighting conditions addressed and how the program will eliminate blight:

Implementation of a historic preservation program will reduce the blighting conditions noted in Table 1. This program can both preserve important resources and eliminate hazardous conditions in which people live and work by addressing issues such as seismic safety. Rehabilitation of historic buildings provides reuse of valuable properties which may be underutilized or vacant.

9. Housing

As required by State law, 20% of the gross tax increment funds received by the Agency must be deposited into a fund that assists in the preservation and production of affordable housing. Through a cooperation agreement with the Agency, the City's Housing Department is responsible for the administration of these funds. The following are programs implemented by the Housing Department with the assistance of the Agency.

a. First-Time Homebuyer's Program

Through Neighborhood Housing Services Silicon Valley, a first-time homebuyer program assists very low- to moderate- income families, using the California Department of Housing and Community Development's (HCD) income limitations for Santa Clara County, with the down payment and closing costs for the purchase of a home in an SNI neighborhood. This takes the form of a partially-deferred repayment loan.

b. Teacher Homebuyer Program

This program assists San Jose public school teachers with purchasing homes in San Jose. The City of San Jose Department of Housing provides loan assistance of up to \$65,000. This loan is offered at 0% interest and not due and payable until transfer of title to the home or in 30 years.

c. San Jose State University Faculty Homebuyer Program

This program was approved by the City Council in 2006 as a pilot program to assist tenure-track SJSU faculty members purchase a home in San Jose. The \$1 million pilot program is jointly funded by SJSU and 20% Housing Funds, and is administered by the Department of Housing.

d. Affordable Housing Program

The tax increment funds the Agency sets aside are also used for programs to increase the supply of affordable housing primarily through the 20% Housing Program. The goals of these programs and the Agency's housing obligation for all redevelopment project areas are described in Section D, Agency's Housing Responsibility.

e. Owner-Occupied Rehabilitation Loan and Grant Program

The City of San Jose offers a variety of loan and grant programs to assist low-income property owners with repairs and improvements to their single-family, duplex or mobile home. Grants may be available for smaller home repairs, with no-interest and 3% loans available for significant repairs and improvements. An exterior paint grant program for extremely low- and very low-income property owners will be reinstated for the 2007-2008 fiscal year.

Blighting conditions addressed and how the program will eliminate blight:
Implementation of the various housing programs will reduce the blighting conditions noted in Table 1. These programs will make housing more available to more very low, low and moderate income residents in the Project Area, thereby alleviating overcrowding conditions as well as defective design features such as faulty additions and garage conversions. The Owner-Occupied Rehabilitation Loan and Grant Program will help reduce deterioration and poor site conditions of rental properties and affordable housing that would otherwise be left in disrepair.

10. Commercial Building Loan Program

The Commercial Building Loan (CBL) Program enables the Agency to offer financial assistance in the form of low interest or zero-interest participatory loans within Redevelopment Project Areas. The program is designed to assist property owners with rehabilitation of commercial properties to create and improve ground floor retail, and upper floor commercial and/or mixed-use spaces.

Blighting conditions addressed and how the program will eliminate blight:
Implementation of the Commercial Building Loan Program will reduce the blighting conditions noted in Table 1. By providing these loans the Agency will make rehabilitation feasible for many properties for which improvement would not be considered possible because of the unlikelihood of an adequate return on investment. This will also have the effect of attracting businesses thereby reducing vacancies and providing a wide range of commercial uses.

12. Land Assembly and Relocation

The Agency's efforts in assembling land would be applied in selective cases. The Agency could assist in the selective assembly of parcels of land through voluntary purchase, negotiated purchase or acquisition by eminent domain.

Land assembly would likely take place in response to property owner, developer or Agency initiated efforts to assemble property needed for the expansion of existing uses or for the creation of sites capable of development for new uses. The Agency may also choose to participate in the acquisition of property for infrastructure or public facilities purposes, which would primarily benefit the Project Area. The program may also include site preparation activities such as demolition and clearance, and assistance for environmental remediation.

The Agency will provide relocation assistance as required by California State Housing and Community Development Regulations and Agency Guidelines. This will ensure that uniform, fair, and equitable treatment is afforded to displaced businesses and residents as a result of the Agency's land assembly and relocation program. Specific details will be provided in the actual Relocation Plan adopted by the City Council.

Blighting conditions addressed and how the program will eliminate blight:
Implementation of a land assembly and relocation program will reduce the blighting conditions noted in Table 1. The Agency could, through a land assembly program, acquire and where necessary consolidate land parcels of irregular shape and size which would otherwise be inadequate for modern development. In many cases small and underutilized lots are adjoining but held under separate ownership. The program would encourage further development, generate demand for Project Area properties and increase property values. The program would also provide an incentive for existing owners and the private sector to develop or redevelop underutilized and blighted properties.

13. Green Technology Center/Environmental Incubator

The Agency is committed to developing resources that expand green technology and simultaneously create jobs for SNI/city residents. The Agency may assist in siting, rehabilitating or providing equipment for a clean technology center/environmental incubator. In addition, the San Jose Electronic Transportation Development Center may be sited within the Strong Neighborhoods Project Area.

Blighting conditions addressed and how the program will eliminate blight:

By locating a clean technology center/environmental incubator or Electronic Transportation Development Center in the SNI project area, the Agency will directly eliminate blight by encouraging investment in the neighborhood. Rehabilitating a building for the three facilities will remove physical blight and alleviate an existing substandard structure.

D. Agency Housing Responsibility

As required by CRL Section 33490, the information provided in this section covers the Agency housing obligations for the SNI Project Area.

The Housing Department administers the Citywide 20% Tax Increment Housing Program (“20% Housing Program”) and the Agency and Housing Department administers the Inclusionary Housing Program in the Redevelopment Project Areas required by Section 33413.

Pursuant to CRL Sections 33334.2, 33334.3, 33334.4 and 33334.6 the Redevelopment Agency deposits 20% of the gross tax increment it collects annually into the Low and Moderate Income Housing Fund (the “20% Fund”). Tax increment will not be collected from the Project Area. However, the Project Area is merged with the San Jose Merged Area Redevelopment Project (Merged Area). Therefore, 20% of the gross tax increment collected for the Merged Area is deposited annually into the 20% Fund for the project area.

Set forth below are details regarding the Agency Housing Responsibility

1. The 20% Fund balance as of June 30, 2007 was \$41,000,000 of which \$8,000,000 was encumbered.

Estimated amounts which will be deposited in the 20% Fund during each of the next five years from the Merged Area:

FY2007-2008:	\$ 36,000,000
FY2008-2009:	\$ 39,800,000
FY2009-2010:	\$ 43,300,000
FY2010-2011:	\$ 47,200,000
FY2011-2012:	\$ 51,600,000

The above estimated amounts include amounts collected from the entire Merged Area. In accordance with state law, the City Housing Department's administrative costs over the term of this Plan will be approximately 6% of the total budget outlined above, which the City Council has found to be an appropriate use of 20% funds.

2. Estimates of the number of new, rehabilitated, and price-restricted units to be assisted during each of the next five years within the City of San Jose and estimates of the expenditures of moneys from the 20% Fund during each of the next five years:

The City Housing Department estimates the number of city-wide new, rehabilitated, and price-restricted affordable housing units assisted, including financed, using 20% funds that will be completed during the Five Year Implementation Plan, as described below. New construction projects continue to be financed using bonds secured by 20% funds.

- FY 2007-08, 706 newly constructed units, and 965 substantially rehabilitated units during this fiscal year.
- FY 2008-09, 754 newly constructed units, and 582 substantially rehabilitated units during this fiscal year.
- FY 2009-10, 813 newly constructed units, and 599 substantially rehabilitated units during this fiscal year.
- FY 2010-11, 892 newly constructed units, and 618 substantially rehabilitated units during this fiscal year.
- FY 2011-12, 995 newly constructed units, and 639 substantially rehabilitated units during this fiscal year.

The City's Housing Department estimates the expenditures of money from the Housing Fund for development projects during each of the next five years, as follows:

- FY 2007-08, \$81,390,421
- FY 2008-09, \$83,000,000
- FY 2009-10, \$84,400,000
- FY 2010-11, \$86,200,000
- FY 2011-12, \$87,900,000

Dollar amounts represent funding commitments for development projects; actual expenditure of funds may not occur in the same fiscal year.

3. Estimates of the number of new, substantially rehabilitated, or price-restricted residential units to be developed or purchased within the Project Area, over the life of the plan and during the next 10 years:

As stated above in the Housing Section, the Housing Department has made significant investments in SNI neighborhoods over the past five years, completing 2,221 units with over \$91 million in financing in loans and grants.

The Housing Department anticipates the development of approximately 7,563 units citywide in the next five years (during the life of the plan). The SNI Project Area is approximately 9% of the entire City square mileage, therefore, approximately 681 of the 7,563 total units will be developed or purchased within the Project Area by the City over the next five years and 1,362 of the 15,126 units over the next ten years.

The City of San Jose Redevelopment Agency anticipates the development of approximately 1,000 units per year; 5,000 units in five years (during the life of the plan). The 1,000 units estimate includes the subset of required price restricted units (including activity in planning). The 1,000 unit estimate is based on the assumption that the majority of all anticipated housing development in the project area will contain at least 15% income restricted units.

In total, the Redevelopment Agency and Housing Department estimate the development of approximately 5,681 housing units over the next five years and 11,362 housing units during the next ten years.

4. Estimates of the number of units of very low, low, and moderate-income households required to be developed within the Project Area to meet the inclusionary housing requirements, over the life of plan and during the next 10 years:

Pursuant to Health and Safety Code Section 33413 (b) (4), the Redevelopment Agency must adopt a plan for each redevelopment area to comply with the inclusionary affordable housing requirements as specified in Section 33413. The newly adopted inclusionary implementation requirement sets forth the various ways the inclusionary requirement can and will be met for the project area.

The following table demonstrates the required number of affordable units over the next five years and over the next ten years:

Of the anticipated 5,681 housing units to be developed over the next five years, 9% (511) are required to target low- and moderate- income households, and 6% (341) are required to target very-low income households totaling 852 inclusionary

housing units. These numbers are doubled to calculate the requirements over the next 10 years.

		Required to be developed over the next 5 years	Required to be developed over the next 10 years
	Percent	Number of units	Number of units
Very Low-Income	6%	341	682
Low/Moderate Income	9%	511	1022
Total Affordable Units	15%	852	1704

5. The number of units of very low, low, and moderate-income households which have been previously developed within the Project Area which meet the inclusionary housing requirements:

From July 1, 2002 to June 30, 2007, 2,221 new housing units have been completed in the SNI area of which 2,029 are affordable to low- and moderate income households. The remaining 192 units are unrestricted units in a bond financed project or unrestricted Manager's units. These units do not have affordability restrictions and the rents are typically below 60% of Area Median Income (AMI).

Inclusionary Requirement Compliance Status Report

The following table demonstrates the required number of affordable units financed or provided pursuant to the inclusionary housing policy to meet the goal:

	Goal Percent (Incl. Req.)	Goal Number	Actual Number	Percent of Goal Achieved
Very Low Income	6%	105	1187	1130%
Low/Moderate Income	9%	157	938	597%
Total Affordable Units	15%	262	2125	811%

6. Estimates of the total number of Agency developed residential units within the Project Area, which will be developed during the next 5 years:

There are no anticipated Agency-developed residential units within the redevelopment project area, which will be developed during the next 5 years. The

Agency has no present plans to develop residential units in the Project Area, as the Agency does not independently develop public housing. The Agency does anticipate assisting the development of market rate housing over the next 10 years.

7. Estimates of the number of Agency developed units for very low, low, and moderate-income households, meeting the agency developer affordable housing percentage requirements, which will be developed by the Agency during the next 5 years:

There are no anticipated Agency-developed residential units within the redevelopment project area, which will be developed during the next 5 years, as the Agency does not independently develop public housing.

8. If the implementation plan contains a project that will result in the destruction or removal of dwelling units that will have to be replaced pursuant to subdivision (a) of Section 33413, the implementation plan shall identify proposed locations suitable for replacement dwelling units:

No housing units are expected to be destroyed or removed from the Project Area. As each project proposed in the Project Area is approved, if housing units are destroyed or removed, a replacement housing plan will be adopted and implemented as required by law.

Estimated Expenditures Proposed During Next Five Years

The Strong Neighborhoods Initiative Redevelopment Project Area is merged with other project areas in the Merged Area. Merging the project areas provides the Redevelopment Agency the ability to expend tax increment collected from one area in any other merged area. As such the Agency has flexibility to fund programs and projects without regard to the amount of tax increment, if any, collected in a particular project area. The Agency does not intend to collect tax increment from the Project Area.

The Redevelopment Agency annually adopts a Five-Year Capital Improvement Program (CIP) Budget as a planning and financing tool. This CIP forms the background for the financial planning of this Implementation Plan. The CIP is incorporated, as amended from time to time, in this Implementation Plan by reference. All references to programs and expenditures in this Implementation Plan are based on the Strong Neighborhoods Initiative Redevelopment Plan and the Five-Year CIP.

In addition to specific programs or implementation methods conceived in these documents, the Agency will take full advantage of programs and funding allowed or made available by law or through federal, state or local assistance. In accordance with

Redevelopment Agency code, the Agency intends to ensure that the expenditure of funds is in proportion to what is required by the code. The Agency will adapt its programs and specific implementation projects and methods based upon economic conditions during the life of this Implementation Plan and financial resources available to the Agency at any given time.

Strong Neighborhoods Initiative Neighborhood Boundary Map

