FIVE YEAR IMPLEMENTATION PLAN
(2005 – 2009)

FOR THE PLEASANT HILL COMMONS AND SCHOOLYARD REDEVELOPMENT PROJECTS

Pleasant Hill Redevelopment Agency

November 2004

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FIVE-YEAR IMPLEMENTATION PLAN (2005 – 2009) FOR THE PLEASANT HILL COMMONS AND SCHOOLYARD REDEVELOPMENT PROJECTS

I. INTRODUCTION

In accordance with Section 33490 of the California Community Redevelopment Law ("CRL"), beginning in 1995 redevelopment agencies have been required to adopt an implementation plan for each redevelopment project every five years. The Pleasant Hill Redevelopment Agency (the "Agency") adopted prior implementation plans for the periods 1995-1999 and 2000-2004 and must adopt its third Five-Year Implementation Plan for the Pleasant Hill Commons and Schoolyard Redevelopment Projects for the period 2005-2009 (the "Implementation Plan") prior to December 31, 2004.

The Implementation Plan is required to include the following:

- A description of the Agency's specific goals and objectives for a project area, specific programs (including potential projects), and estimated expenditures for the next five years.
- An explanation of how these goals, objectives, programs and expenditures will eliminate blight within the project area or implement the housing requirements of the CRL.
- A housing component addressing the Agency's low and moderate income housing fund, inclusionary housing and replacement housing obligations, and the new Agency housing income category and age proportional spending requirements.

A public hearing must be held on this Implementation Plan prior to its adoption by the Agency. In addition, between two and three years after its adoption, a public hearing is required to review the Pleasant Hill Commons and Schoolyard Redevelopment Plans and this Implementation Plan in order to evaluate the progress of the Pleasant Hill Commons and Schoolyard Redevelopment Projects.

This Implementation Plan is a multi-year program planning document rather than a specific project document. Its purposes are to plan the redevelopment program activities the Agency intends on undertaking during the five-year period which will meet the Agency's goals and objectives of eliminating blight, and to develop a plan for increasing, preserving and rehabilitating low and moderate income housing which will comply with the Agency's housing requirements under the CRL.

II. BACKGROUND OF THE PROJECT AREAS

A. Pleasant Hill Commons Redevelopment Project

The Pleasant Hill Commons Redevelopment Plan (the "Commons Redevelopment Plan") was adopted by the Pleasant Hill City Council on May 21, 1974. It has been subsequently amended several times. The most significant amendments were the adoption of a property tax increment revenue limit of $346 million in November 1990 and the addition of a 64-acre area

known as the Monument Boulevard Area in June 2000. A map of the Commons Redevelopment Project Area is attached as Exhibit A.

The general goals and objectives of the Commons Redevelopment Plan are: to eliminate blight conditions; to renew and create economic stimulation within the Commons Redevelopment Project Area in order to create an environment which will establish this area as the center of community activity; to create a functioning balance of commercial (retail and office) and public space as well as residential uses which will re-establish the aesthetic, economic and social viability of the Commons Redevelopment Project Area; and to increase or improve the supply of low and moderate-income housing in the community.

Blight conditions identified in the Commons Redevelopment Project Area include deteriorated structures, incompatible uses, inadequate recreation/open space, depreciated values and impaired investments, economic obsolescence, parcels of inadequate size or shape for proper development, and deteriorated or inadequate utilities and public improvements.

To date, the Agency has invested approximately $27,500,000 of property tax increment revenues in the Commons Redevelopment Project, which has helped create a current Project Area assessed value of $264 million, a nearly five-fold increase from the assessed value of $54 million at the time of adoption of the Commons Redevelopment Project in 1974. The Agency has made considerable progress toward eliminating blight with the completion of construction of the Downtown Project portion of the Commons Project; however, there are still several vacancies in the Downtown Project buildings and there are other portions of the Commons Project Area on the west side of I-680 that have vacant parcels or buildings that are deteriorated and underutilized. In addition, the Agency is in the initial planning and project initiation phase for redevelopment of the portion of the Commons Project Area on the east side of the I-680 freeway (the "Monument Boulevard Area").

The Agency has combined its Commons and Schoolyard Affordable Housing Funds and, through its expenditure of those monies throughout the community, has exceeded its affordable housing production obligations under the CRL. To date, the Agency has provided assistance resulting in the provision of 172 additional dwelling units available to persons of very low, low and moderate incomes. The Agency has also provided 85 residential rehabilitation loans or grants, totaling over $2,000,000, to very low and low-income homeowner occupants throughout the community since the inception of its Housing Rehabilitation Program in 1992.

B. Schoolyard Redevelopment Project Area

The Schoolyard Redevelopment Plan ("Schoolyard Redevelopment Plan") was adopted by the Pleasant Hill City Council on October 2, 1978. It has been amended several times, to extend or increase financial limits, to make certain land uses changes consistent with the General Plan, and to extend the time limit of the Agency's authority to acquire property by eminent domain. A map of the Schoolyard Redevelopment Project Area is attached as Exhibit B.

The general goals and objectives of the Schoolyard Redevelopment Plan are: to eliminate blight conditions; to provide for the development of the old Oak Park elementary School site; to provide for improvements to Cleaveland Road; to, jointly with other public bodies, participate in the development of flood control programs; and to increase and improve the supply of low and moderate-income housing.

Due to the severe blight conditions in the Schoolyard Redevelopment Project Area, getting the private sector to invest in the area was initially a very difficult process. However, following adoption of the 1997 amendment to the Schoolyard Redevelopment Plan which enabled the Agency to provide assistance that would attract more private investment, numerous deteriorated structures were removed from the Schoolyard Project Area and 131 new residential units for seniors were developed (Chateau III), a deteriorated 100-unit multi-family apartment complex (99 units of which were made affordable for low and very low-income persons through the Agency's assistance) was rehabilitated (Hookston Manor), 133 new single-family residential townhouse units (12 units of which were made affordable for moderate-income persons) were developed (Gallery Walk), and commercial areas along North Main Street (since renamed as Contra Costa Boulevard) were developed (Navlet's Garden Center, Mark Scott Construction Company offices). To date, the Agency has invested approximately $335,000 of property tax increment revenues in the Schoolyard Redevelopment Project, which has helped create a current Project Area assessed value of $88 million, nearly doubling the assessed value of $45 million at the time of adoption of the Schoolyard Redevelopment Project in 1978.

In spite of the progress being made, certain blight conditions still remain in the Schoolyard Redevelopment Project Area, including: deteriorated structures, incompatible uses, inadequate recreation/open space, depreciated values and impaired investments, economic obsolescence, parcels of inadequate size or shape for proper development, and deteriorated or inadequate utilities and public improvements. In order to be able to continue its efforts to eliminate blight and assemble adequate parcels for additional redevelopment, the Agency may amend the Schoolyard Redevelopment Plan to extend the time limit for the Agency's authority to acquire property by eminent domain.

III. FIVE-YEAR GOALS AND OBJECTIVES

A. Commons Redevelopment Project

1. Redevelop and rehabilitate the Monument Boulevard Area of the Commons Redevelopment Project.

2. Continue to provide opportunities and assistance to property owners, business owners or other persons interested in improving and redeveloping properties to the highest economic use possible consistent with the Commons Redevelopment Plan.

3. Continue to increase, improve and preserve the supply of affordable low and moderate-income housing in the community and to provide such housing in the income and age categories needed based on the City's share of the region's needs.

4. Develop data on businesses in the community, to serve as a tool for determining the types of businesses that will provide the best economically viable mix within the redevelopment areas of the City and for providing data on the City's website and GIS system that will promote the City's redevelopment areas and attract businesses to the City's redevelopment areas.

B. Schoolyard Redevelopment Project

1. Continue to redevelop and rehabilitate the Schoolyard Project Area.

2. Continue to provide opportunities and assistance to property owners, business owners or other persons interested in improving and redeveloping properties to the highest economic use possible consistent with the Commons Redevelopment Plan.

3. Continue to increase, improve and preserve the supply of affordable low and moderate-income housing in the community and to provide such housing in the income and age categories needed based on the City's share of the region's needs.

4. Develop data on businesses in the community, to serve as a tool for determining the types of businesses that will provide the best economically viable mix within the redevelopment areas of the City and for providing data on the City's website and GIS system that will promote the City's redevelopment areas and attract businesses to the City's redevelopment areas.

IV. PROPOSED PROGRAMS

A. Commons Redevelopment Project Programs

Commercial Development Assistance Program. The purpose of this program is to provide incentives, when necessary, to property owners, developers or investors to participate in the redevelopment of the Commons Project Area through either new commercial construction or rehabilitation. Agency activities under this program may include: acquisition of property to assemble adequate sized parcels for development in accordance with the Commons Redevelopment Plan, relocation of occupants, site clearance and preparation costs, and the provision of certain public improvements and rehabilitation loans. The major project currently underway is the redevelopment of the Contra Costa Shopping Center. The Agency is currently negotiating with the property owner of the northern portion of the Contra Costa Shopping Center for redevelopment of the Montgomery Ward building as a Kohl's Department Store and the development of other retail buildings and parking improvements. The Agency and City intend to prepare and adopt a Specific Plan for the remaining portion of the Contra Costa Shopping Center that will ensure coordinated design and redevelopment of the Contra Costa Shopping Center Area as a whole.

Residential Development Assistance. The purpose of this program is to provide incentives, when necessary, to property owners, developers or investors to participate in the redevelopment of the Commons Project Area through either new residential construction or rehabilitation. Agency activities under this program may include: acquisition of property to assemble adequate sized parcels for development in accordance with the Commons Redevelopment Plan, relocation of occupants, site clearance and preparation costs, the provision of certain public improvements, and the provision of grants, loans or subsidies as may be required and as permitted under the

CRL. The two specific projects the Agency hopes to accomplish during this Implementation Plan period are redevelopment of the 2.6-acre Jewell Lane Target Area with approximately 56 residential dwellings, and the disposition of an Agency-owned parcel on Woodsworth Lane for development of two units affordable to low-income persons.

Housing Rehabilitation Program. This is a joint Commons and Schoolyard program. Its purpose is to provide loans of up to $60,000 to owner-occupied households of very low and low-income within the community for the rehabilitation of their dwellings and to provide both administrative and technical assistance to persons participating in the program in applying for the loan, identifying the rehabilitation work needed and having the rehabilitation work completed in an acceptable manner.

Affordable Housing Program. This is a joint Commons and Schoolyard program. Its purpose is to provide incentives, when necessary, to property owners, developers or investors to develop new low and moderate income housing within the community and, if needed, to provide incentives to property owners of existing housing to participate in this program by agreeing to restrict their rents to an "affordable housing rent" for at least the duration of the Commons Redevelopment Plan. Agency activities under this program may include: acquisition of property to assemble adequate sized parcels for development in accordance with the Commons Redevelopment Plan, relocation of occupants, site clearance and preparation costs, the provision of certain public improvements, and the provision of grants, loans or subsidies as may be required and as permitted under the CRL. A specific new project within the Commons Project Area for which this program will be used is the proposed residential project within the Jewell Lane Target Area. The Jewell Lane Target Area and Katie Court Target Area (located in the Schoolyard Project Area) will be combined as a project in order to make it economically feasible for a developer to provide an estimated 14 affordable units. In addition, funds from this program will continue to assist the 70 very low-income units at Grayson Creek, located outside the Commons and Schoolyard Project Areas, and the 12 moderate-income units at Gallery Walk, located within the Schoolyard Project Area.

Economic Development Assistance Program. This is a joint Commons and Schoolyard program. Its purpose is to focus on the development of a community assessment and Geographic Information System (GIS) during the first year of the program. The community assessment process will assist the Agency in identifying what is needed to retain and maintain existing business and job revenue, as well as to identify new market opportunities to aid in the implementation of both the Commons and Schoolyard Redevelopment Plans. The development of a GIS will assist the Agency in targeting the types of business operations that will strengthen the economic base of the Commons and Schoolyard Project Areas. Agency activities after the first year of the program will include updating of GIS and business-related data that will assist the Agency in remaining competitive in attracting and retaining businesses that will ensure the continued economic vitality of the Commons and Schoolyard Redevelopment Project Areas throughout the life of the Redevelopment Plans.

B. Schoolyard Redevelopment Project Programs

Residential Development Assistance. The purpose of this program is to provide incentives, when necessary, to property owners, developers or investors to participate in the redevelopment of the Schoolyard Project Area through either new residential construction or rehabilitation. Agency activities under this program may include: acquisition of property to assemble adequate sized parcels for development in accordance with the Schoolyard Redevelopment Plan, relocation of occupants, site clearance and preparation costs and the provision of certain public improvements, and the provision of grants, loans or subsidies as may be required and as permitted under the CRL. The two specific projects the Agency hopes to accomplish during this Implementation Plan period are redevelopment of the Katie Court Target Area for the development of approximately 21 new residential units, and redevelopment of the Beatrice Road Target Area for the development of approximately 111 new residential units. Approximately 17 of these 111 units will be affordable for very low, low and moderate-income households through the Affordable Housing Program.

Commercial Development Assistance Program. The purpose of this program is to provide incentives, when necessary, to property owners, developers or investors to participate in the redevelopment of the Project Area through either new commercial construction or rehabilitation. Agency activities under this program may include: acquisition of property to assemble adequate sized parcels for development in accordance with the Schoolyard Redevelopment Plan, relocation of occupants, site clearance and preparation costs, the provision of certain public improvements and rehabilitation loans. The Agency may provide assistance, if warranted, to plan and implement redevelopment of the Oak Park School site.

Housing Rehabilitation Program. This is a joint Commons and Schoolyard program. Its purpose is to provide loans of up to $60,000 to owner-occupied households of very low and low-income within the community for the rehabilitation of their dwellings and to provide both administrative and technical assistance to persons participating in the program in applying for the loan, identifying the rehabilitation work needed and having the rehabilitation work completed in an acceptable manner.

Affordable Housing Program. This is a joint Commons and Schoolyard program. Its purpose is to provide incentives, when necessary, to property owners, developers or investors to develop new low and moderate-income housing within the community and, if needed, to provide incentives to property owners of existing housing to participate in this program by agreeing to restrict their rents to an "affordable housing rent" for at least the duration of the Schoolyard Redevelopment Plan. Agency activities under this program may include: acquisition of property to assemble adequate sized parcels for development in accordance with the Schoolyard Redevelopment Plan, relocation of occupants, site clearance and preparation costs, the provision of certain public improvements, the provision of grants, loans or subsidies and the acquisition of covenants, as may be required and as permitted under the CRL. A specific new project within the Schoolyard Project Area for which this program will be used is the 17 affordable low and moderate-income units to be provided as part of the proposed residential project within a portion of the Beatrice Road Target Area. In addition, funds

from this program will continue to assist the 70 very low-income units at Grayson Creek, located outside the Commons and Schoolyard Project Areas, and the 12 moderate-income units at Gallery Walk, located within the Schoolyard Project Area. It should also be noted that although the Katie Court Target Area is not planned to include affordable housing units, it is anticipated that combining it with the Jewell Lane Target Area will make it economically feasible to provide for an estimated 14 additional affordable units within the Jewell Lane Target Area.

Economic Development Assistance Program. This is a joint Commons and Schoolyard program. Its purpose is to focus on the development of a community assessment and Geographic Information System (GIS) during the first year of the program. The community assessment process will assist the Agency in identifying what is needed to retain and maintain existing business and job revenue, as well as to identify new market opportunities to aid in the implementation of both the Commons and Schoolyard Redevelopment Plans. The development of a GIS will assist the Agency in targeting the types of business operations that will strengthen the economic base of the Commons and Schoolyard Project Areas. Agency activities after the first year of the program will include updating of GIS and business-related data that will assist the Agency in remaining competitive in attracting and retaining businesses that will ensure the continued economic vitality of the Commons and Schoolyard Redevelopment Project Areas throughout the life of the Redevelopment Plans.

V. REVENUE SOURCES AND ESTIMATED PROPOSED PROGRAM EXPENDITURES

The primary source of revenue available to the Agency for its programs and projects has been and will continue to be property tax increment. Tax increment is created by the increases in assessed value of properties in a project area after adoption of a redevelopment plan due to change of ownership, rehabilitation or new construction. There are other potential revenue sources for the Agency's programs, such as Community Development Block Grant Funds and state and federal programs (e.g., HOME Program); however, most of these other funding sources must be applied for each year and do not provide the long-term financing security needed to accomplish the long-term goals and objectives of redevelopment of a community.

The Agency's proposed expenditures for the five-year period of this Implementation Plan are provided in the following Sections A. and B. The estimated expenditures are based on expenditures that have been adopted by the Agency in its 2004/05 -- 2005/06 Biennial Budget, with projections of similar expenditures for Fiscal Years 2006-09.

A. Commons Redevelopment Project

Program	Estimated Expenditures (2005-2009)
Commercial Development Assistance Program	$4,817,000
Economic Development Assistance Program	50,000
Residential Development Assistance Program	282,000
Housing Rehabilitation Program	400,000
Affordable Housing Program	1,225,000
Debt Service	5,800,000
Payments to Affected Taxing Entities	640,000
ERAF payments	510,000
Agency Administration	1,700,000
Total Estimated Expenditures	**$15,424,000**

B. Schoolyard Redevelopment Project

Program	Estimated Expenditures (2005-2009)
Residential Development Assistance Program	$2,023,000
Commercial Development Assistance Program	0*
Economic Development Assistance Program	50,000
Housing Rehabilitation Program	400,000
Affordable Housing Program	510,000
Payments to Affected Taxing Entities	670,000
ERAF Payments	120,000
Agency Administration	750,000
Total Estimated Expenditures	**$4,523,000**

*The Agency may assist businesses under this program in areas such as expansion or rehabilitation, but does not anticipate the expenditure of Agency funds during this Implementation Plan period.

VI. EXPLANATION OF HOW THE GOALS AND OBJECTIVES AND PROGRAMS AND EXPENDITURES WILL ELIMINATE BLIGHT WITHIN THE PROJECT AREAS OR IMPLEMENT THE HOUSING REQUIREMENTS

A. Commons Redevelopment Project

Each of the programs described in Section IV. A. and the expenditures described in Section V.A. will either assist in the elimination of blight conditions in the Commons Redevelopment Project Area or will address the Agency's housing requirements under the CRL. The chart below indicates the linkage between the Commons Redevelopment Project goals and objectives, the five-year programs/expenditures and the blight conditions that will be alleviated or eliminated or the CRL Housing Requirement that will be implemented as a result of the programs.

Commons Redevelopment Project
Five-Year Goals and Objective and Five-Year Programs/Expenditures Link to Elimination of Blight Conditions or Implementation of CRL Housing Requirements

Five-Year Goals and Objectives	Five-Year Programs/Expenditures	Elimination of Blight Conditions in Commons Project Area or Implementation of CRL Housing Requirements
Redevelopment and rehabilitation of the Monument Boulevard Area	Commercial Development Assistance Program	Inadequate Recreation/ Open Spaces Deterioration & Dilapidation Incompatible Uses Depreciated Values & Impaired Investments Economic Obsolescence Deteriorated/Inadequate Utilities Inadequate Public Improvements
	Economic Development Assistance Program	Impaired Investments Economic Obsolescence
Continue assistance to property owners, business owners and others in the improvement and redevelopment of their properties	Commercial Development Assistance Program	Inadequate Recreation/Open Spaces Deterioration & Dilapidation Incompatible Uses Depreciated Values & Impaired Investments Economic Obsolescence Deteriorated/Inadequate Utilities Inadequate Public Improvements
	Residential Development Assistance Program	Deterioration & Dilapidation Incompatible Uses Depreciated Values & Impaired Investments Economic Obsolescence Deteriorated/Inadequate Utilities Inadequate Public Improvements
Development of data on businesses in the community to serve as a tool for determining the types of businesses that will provide the best economically viable mix within the redevelopment areas of the City and for providing data on the City's website and GIS system that will promote the City's redevelopment areas and attract businesses to the City's redevelopment areas.	Economic Development Assistance Program	Impaired Investments Economic Obsolescence
Continue to increase, improve and preserve affordable low- and moderate-income housing in the community	Housing Rehabilitation Program	Deterioration & Dilapidation Depreciated Values & Impaired Investments Implements CRL Housing Requirements
	Affordable Housing Program	Deterioration & Dilapidation Depreciated Values & Impaired Investments Implements CRL Housing Requirements

B. Schoolyard Redevelopment Project

Each of the programs described in Section IV. B. and the expenditures described in Section V.B. will either assist in the elimination of blight conditions in the Schoolyard Redevelopment Project Area or will address the Agency's housing requirements under the CRL. The chart below indicates the linkage between the Schoolyard Redevelopment Project goals and objectives, the five-year programs/expenditures and the blight conditions that will be alleviated or eliminated or the CRL Housing Requirement that will be implemented as a result of the programs.

Schoolyard Redevelopment Project
Five-Year Goals and Objective and Five-Year Programs/Expenditures Link to Elimination of Blight Conditions or Implementation of CRL Housing Requirements

Five-Year Goals and Objectives	Five-Year Programs/Expenditures	Elimination of Blight Conditions in Schoolyard Project Area or Implementation of CRL Housing Requirements
Continue the rehabilitation of structures within the Schoolyard Project Area.	Residential Development Assistance Program	Deterioration & Dilapidation Depreciated Values & impaired Investments Deteriorated/Inadequate Utilities
Continue assistance to property owners, business owners and others in the improvement and redevelopment of their properties	Commercial Development Assistance Program	Inadequate Recreation/Open Spaces Deterioration & Dilapidation Incompatible Uses Depreciated Values & Impaired Investments Economic Obsolescence Deteriorated/Inadequate Utilities Inadequate Public Improvements
	Residential Development Assistance Program	Deterioration & Dilapidation Incompatible Uses Depreciated Values & Impaired Investments Economic Obsolescence Deteriorated/Inadequate Utilities Inadequate Public Improvements
Development of data on businesses in the community to serve as a tool for determining the types of businesses that will provide the best economically viable mix within the redevelopment areas of the City and for providing data on the City's website and GIS system that will promote the City's redevelopment areas and attract businesses to the City's redevelopment areas.	Economic Development Assistance Program	Impaired Investments Economic Obsolescence

Five-Year Goals and Objectives	Five-Year Programs/Expenditures	Elimination of Blight Conditions in Schoolyard Project Area or Implementation of CRL Housing Requirements
Continue to increase, improve and preserve affordable low- and moderate-income housing in the community	Housing Rehabilitation Program	Deterioration & Dilapidation Depreciated Values & Impaired Investments Implements CRL Housing Requirements
	Affordable Housing Program	Deterioration & Dilapidation Depreciated Values & Impaired Investments Implements CRL Housing Requirements

VII. HOUSING REQUIREMENTS

This portion of the Implementation Plan addresses the Agency's housing requirements under the CRL and sets forth the Agency's plan for meeting its housing obligations. The Agency is required to: (1) deposit at least 20% of its tax increment revenues in a Low and Moderate-Income Housing Fund (the "Housing Fund") for the purpose of increasing, improving or preserving the community's supply of affordable low and moderate-income housing, and to spend the Housing Fund monies for very low and low income-housing units in proportion to the need as determined by the regional housing needs assessment and for those age groups under 65 in proportion to the community's population as determined by the most recent census; (2) provide that 15% of all new, substantially rehabilitated or price-restricted housing units developed or purchased within the Project Areas by entities other than the Agency and 30% of all new, substantially rehabilitated or price-restricted housing units developed or purchased by the Agency be available at an affordable housing cost to persons of low and moderate-income for the longest feasible time ("Inclusionary Housing"); and (3) provide that whenever a low and moderate-income housing dwelling unit is destroyed or removed as part of a redevelopment project, such unit will be replaced within four years of its destruction or removal ("Replacement Housing"). Each of these three Agency housing requirement components are addressed below.

A. Low and Moderate-Income Housing Fund Requirements

This component of the Implementation Plan must include the following:

- The estimated amount of monies in the Housing Fund as of 7/1/2004 and the estimated amount of monies to be deposited in the Housing Fund in each year of this Implementation Plan's five-year period (2005-2009). See Table 1 below for this information.

- An estimate of the number of new units to be assisted with Housing Fund monies and the estimated annual expenditure of Housing Fund monies for these units for the five-year period (2005-2009). See Table 2 below for this information.

- An estimate of the number of rehabilitated units to be assisted with Housing Fund monies and the estimated annual expenditure of Housing Fund monies for this assistance for the five-year period (2005-2009). See Table 3 below for this information.

- The estimated number of price-restricted units to be assisted with Housing Fund monies and the estimated annual expenditure of Housing Fund monies for this assistance for the five-year period (2005-2009). There are no price-restricted units planned during this Implementation Plan period.

- A description of how the proposed Housing Fund expenditures will be in compliance with the proportional spending requirements over the ten-year compliance period (2005-2014) (the "Compliance Period"). See Tables 4, 5 and 6 below.

Table 1: Estimated Annual Deposits to Affordable Housing Fund for Plan Period 2005-2009 and Current Balance Combined Commons and Schoolyard Projects

Year	Commons	Schoolyard	Total
2004-05	$464,000	$137,000	$601,000
2005-06	486,000	140,000	626,000
2006-07	495,000	143,000	638,000
2007-08	505,000	145,000	650,000
2008-09	515,000	148,000	663,000
Total Deposits	**$2,465,000**	**$713,000**	**$3,178,000**
		Current Balance as of 7/1/2004	$1,176,000
		Deferred Deposit Repayment*	290,000
		Grand Total	**$4,644,000**

*As allowed by the CRL, the Agency initially deferred $1.2 million in Deposits to the Affordable Housing Fund. The Agency is now making Annual Repayments of approximately $58,000. The obligation will be paid off in FYE 2022.

Table 2: Estimated New Units Assisted and Annual Expenditures for 2005-2009 Plan Period Combined Commons and Schoolyard Projects

Year	Estimated New Units Assisted	Estimated Expenditures
2004-05	*	$312,000
2005-06	*	312,000
2006-07	14	341,000
2007-08	*	341,000
2008-09	17	430,000
Total	**31**	**$1,736,000**

*Units were provided in prior Implementation Period; however, Agency annual expenditures for those prior units are on-going.

Table 3: Estimated Rehabilitated Units and Annual Expenditures for 2005-2009 Plan Period Combined Commons and Schoolyard Projects

Year	Estimated Rehabilitated Units	Estimated Expenditures
2004-05	4	$160,000
2005-06	4	160,000
2006-07	4	160,000
2007-08	4	160,000
2008-09	4	160,000
Total	20	**$800,000**

Description of How the Proposed Housing Fund Expenditures Will Be in Compliance with the Proportional Spending Requirements Over the Ten-Year Compliance Period (2005-2014)

The Agency is required to spend Housing Fund monies on units in the very low and low-income categories in amounts at least equal to the City's regional share of the proportional need for those income categories. See Table 4 for the income proportional spending requirements and Table 5 for the proposed expenditures in each income category. Based on the Agency's Housing Fund proposed expenditures shown in Table 5, 63% of the expenditures are for very low-income, 21% are for low-income and 16% are for moderate-income. These percentages exceed the proportional spending requirements for the very low and low-income categories. Therefore, the Agency will be in compliance for the 2005-2009 portion of the Compliance Period. The Agency will have a small surplus in the very low and low-income category to apply to the remaining five years of the Compliance Period (2010-2014). In addition, any plans for additional housing units for which the Housing Funds will be used for the remaining five years of the Compliance Period (2010-2014) will be targeted to ensure the Agency's continued compliance with the income-proportional spending requirements.

The Agency is also required to spend Housing Fund monies on housing available to persons and families under 65 years of age in amounts at least equal to the proportion that persons under 65 years of age bears to the total population of the community. See Table 6 for the age-proportional spending requirements. None of the Housing Fund expenditures proposed during this Implementation period (2005-2009) are for housing of persons 65 years of age or older only. Therefore, the Agency will exceed the age-proportional spending requirements for the first five years of the Compliance Period. In addition, any plans for additional housing units for which the Housing Funds will be used for the remaining five years of the Compliance Period (2005-2014) will be targeted to ensure the Agency's continued compliance with the age-proportional spending requirements.

Table 4: Regional Housing Need and Proportional Housing Fund Expenditure Requirement for 2005-2009 Plan Period Combined Commons and Schoolyard Projects

Income Level	Units Needed	Proportional Expenditure
Very Low Income	129	33.7%
Low Income	79	20.6%
Moderate Income	175	45.7%
Total	383	100%

Table 5: Estimated Housing Fund Expenditure for Each Income Group for 2005-2009 Plan Period Combined Commons and Schoolyard Projects

Year	Very Low	Low	Moderate
2004-2005	$315,000	$80,000	$77,000
2005-2006	315,000	80,000	77,000
2006-2007	315,000	109,000	77,000
2007-2008	315,000	109,000	77,000
2008-2009	352,000	146,000	92,000
Total	**$1,612,000**	**$524,000**	**$400,000**

Table 6: Proportional Age Housing Fund Expenditure Requirement for 2005-2009 Plan Period Combined Commons and Schoolyard Projects

Age	Population	Expenditure Requirement
Under 65	28,505	86.8%
Over 65	4,332	13.2%
Total	32,837	100%

B. Inclusionary Housing Requirements

This component of the Implementation Plan must include the following:

- The estimated number of all new, "substantially rehabilitated" or price-restricted units to be developed or purchased in both project areas over the life of the Redevelopment Plans and during the next ten years (2005-2014). See Table 7 for this information.

- The estimated number of very low, low and moderate-income housing units that will be required to be developed to meet the non-Agency developed 15% inclusionary housing requirement for both project areas over the life of the Redevelopment Plans and during the next ten years. See Table 8 for this information.

- The actual number of very low, low and moderate-income housing units that have been developed within both project areas that meet the Agency's 15% inclusionary housing requirement.

- The estimated number of residential units to be developed by the Agency in both project areas during the five-year period. The Agency does not intend on developing any residential units itself, therefore, this does not apply.

- If the Agency will be developing residential units during the five-year period, the estimated number of Agency developed units that will be developed to meet the Agency developed 30% inclusionary housing requirement for both project areas during the five-year period. Since the Agency does not intend on developing any residential units itself, this does not apply.

The estimates of the number of units for the various Agency inclusionary housing requirements described below are based on the following additional requirements, definitions and exemptions.

- Of the non-Agency developed 15% inclusionary housing requirement, at least 40% of that 15% requirement (or 6% of the total units) must be housing affordable to very low income households.

- Of the Agency developed 30% inclusionary housing requirement, at least 50% of that 30% requirement (or 15% of the total units) must be housing affordable to very low income households.

- "Substantially rehabilitated dwelling units" means all units substantially rehabilitated, with Agency assistance.

- "Substantially rehabilitated" means rehabilitation, the value of which constitutes 25 percent of the after rehabilitation value of the dwelling, inclusive of the land value.

- The inclusionary housing requirements do not apply to projects for which a redevelopment plan was adopted before January 1, 1976, therefore the original area

of the Commons Redevelopment Project does not have an inclusionary housing requirement.

Table 7: Estimated Number of New, Substantially Rehabilitated or Price-Restricted Units Over Ten-Year Production Plan 2005-2014 and Over Life of Redevelopment Plans Combined Commons and Schoolyard Projects

Time Period	Original Commons	Commons 1-A	Schoolyard	Total
2005-2014	2	56	228	286
2015-Life of Plans	0	0	0	0
Total Life of Plans	**2**	**56**	**228**	**286**

The areas within the Commons Redevelopment Project Area where new, substantially rehabilitated or price-restricted units are anticipated to occur are designated as Areas A and B on the attached Exhibit C. The areas within the Schoolyard Redevelopment Project Area where new, substantially rehabilitated or price-restricted units are anticipated to occur are designated as Areas A through C on the attached Exhibit D.

Commons Redevelopment Project Area: For the current ten-year production period (2005-2014), a total of 58 residential units are estimated to be produced in the Commons Project Area: 2 residential units are anticipated to be constructed within the Original Commons Area (Area A of Exhibit C) and 56 residential units are anticipated to be constructed in the Commons 1-A Area (Area B of Exhibit C). There are no additional residential units planned from 2015 through the life of the Commons Redevelopment Plan.

Schoolyard Redevelopment Project Area: For the current ten-year production period (2005-2014), a total of 228 residential units are estimated to be produced in the Schoolyard Redevelopment Project Area: 21 residential units planned for within the Katie Court Target Area (Area A of Exhibit D); 96 residential units anticipated for the old Oak Park Elementary School Site (Area B of Exhibit D); and 111 residential units within the Beatrice Road Target Area (Area C of Exhibit D). There are no additional residential units planned from 2015 through the life of the Schoolyard Redevelopment Plan.

Table 8: Estimated Number of Housing Units Required to Meet 15% Inclusionary Housing Requirement Over Ten-Year Production Plan Period 2005-2014 and Over Life of Redevelopment Plans for the Combined Commons and Schoolyard Projects

Time Period	Original Commons	Commons 1-A	Schoolyard	Total
2005-2014	0	8	34	42
2015-Life of Plans	0	0	0	0
Total Life of Plans	**0**	**8**	**34**	**42**

Commons Redevelopment Project Area: The Original Commons Area is not subject to the Inclusionary Housing Requirements. In the Commons 1-A Area, for the 2005-2014 ten-year production period, an estimated 8 inclusionary housing units are required to be provided (15% of 56 units) for the proposed Jewell Lane Target Area (Area B of Exhibit C). There are no additional inclusionary housing units estimated to be required for the Commons Project Area from 2015 through the life of the Commons Redevelopment Plan.

Schoolyard Redevelopment Project Area: For the 2005-2014 ten-year production period, an estimated 34 inclusionary housing units are required to be provided based on the following: an estimated three units (15% of 21 units) for the proposed Katie Court Target Area (Area A of Exhibit D); an estimated 14 units (15% of 96 units) for the potential units allowable at the Oak Park Elementary School Site (Area B of Exhibit D); and an estimated 17 units (15% of 151 units) for the potential units allowable in the Beatrice Road Target Area (Area C of Exhibit D). There are no additional inclusionary housing units estimated to be required for the Schoolyard Project Area from 2015 through the life of the Schoolyard Redevelopment Plan.

Actual Number of Units Developed (or Provided) Meeting 15% Inclusionary Housing Requirement

To date, the Agency has developed or provided 172 inclusionary housing units, of which 141 have been affordable to very low-income persons. The Agency's total inclusionary housing requirement, based on the actual obligation incurred to date and the estimated obligations for both the Compliance Period and the life of the Redevelopment Plans is 102 units, of which 41 are required to be affordable to very low-income persons. Based on the above, the Agency has already met and exceeded its actual and estimated inclusionary housing obligations. At the end of the life of the Redevelopment Plans, the Agency will have exceeded the required number of inclusionary housing units by 70 units and the number of required very low-income inclusionary housing units by 100 units.

Estimated Number of Agency Developed Units During Five-Year Period

The Agency does not have any plans for developing any residential units itself. The Agency's housing programs and projects all anticipate either providing assistance to encourage development of housing by other entities or providing assistance to existing residential property owners to rehabilitate their residential units.

Estimated Number of Agency Developed Units Meeting 30% Inclusionary Housing Requirement

None, since the Agency does not plan on developing any residential units itself.

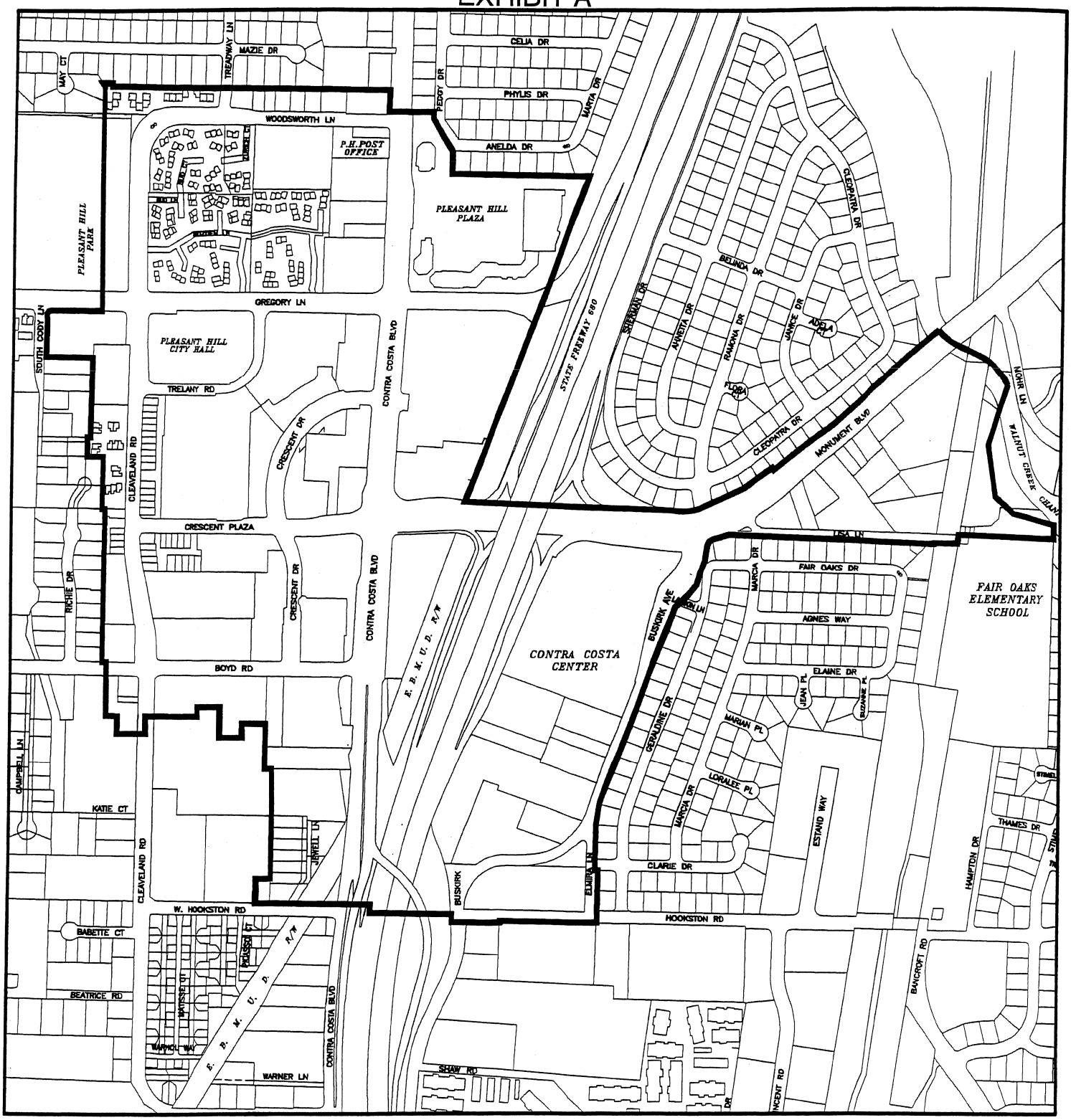
C. Replacement Housing Requirements

If dwelling units housing persons and families of low or moderate-income are destroyed or removed from the low and moderate-income housing market as part of a redevelopment project which is subject to a written agreement with the Agency or where financial assistance has been provided by the Agency, the Agency is required to rehabilitate, develop or construct, or cause to be rehabilitated, developed or constructed, for rental or sale to persons and families of low or moderate-income, an equal number of replacement dwelling units within four years of the destruction or removal. The replacement units must be at the same income level as the income level of the units destroyed or removed. If the Agency is able to proceed with the projects proposed in this Implementation Plan, approximately 25 low or moderate-income housing units may be removed.

Because Section 33413.5 of the CRL requires that a separate and specific Replacement Housing Plan be prepared and adopted by the Agency before approving a project that will remove or destroy units housing low or moderate-income persons, this component of the Implementation Plan only requires that if a project/program identified in this Implementation Plan will result in the destruction or removal of dwelling units that must be replaced, the proposed locations suitable for the replacement dwelling units be identified. Proposed locations for the replacement dwelling units planned to fulfill the Agency's replacement housing obligations during this Implementation Plan period include: (a) the areas located within the Commons Project Area identified as Areas A and B on Exhibit C; and (b) the areas located within the Schoolyard Redevelopment Project Area, identified as Areas A, B and C on Exhibit D.

* * *

EXHIBIT A



PROJECT AREA BOUNDARY

600 0 300 600 1200

1 inch = 600 ft.

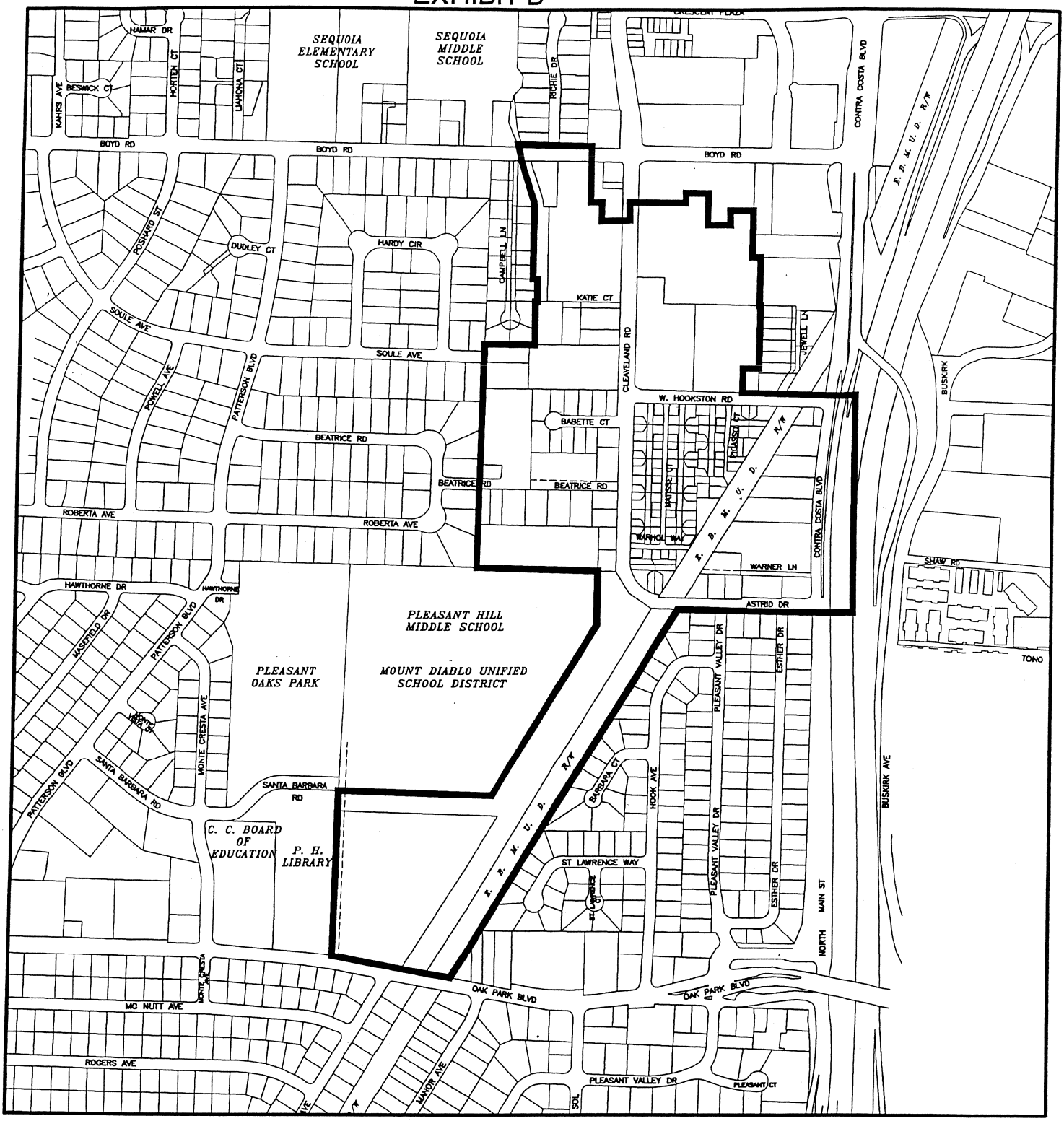
N

PLEASANT HILL COMMONS

REDEVELOPMENT PROJECT

PROJECT AREA

EXHIBIT B



PROJECT AREA BOUNDARY

600 0 300 600 1200

1 inch = 600 ft.

N

PLEASANT HILL SCHOOLYARD

REDEVELOPMENT PROJECT

PROJECT AREA

EXHIBIT C

Potential Housing Production Sites Within Commons Redevelopment Project Area

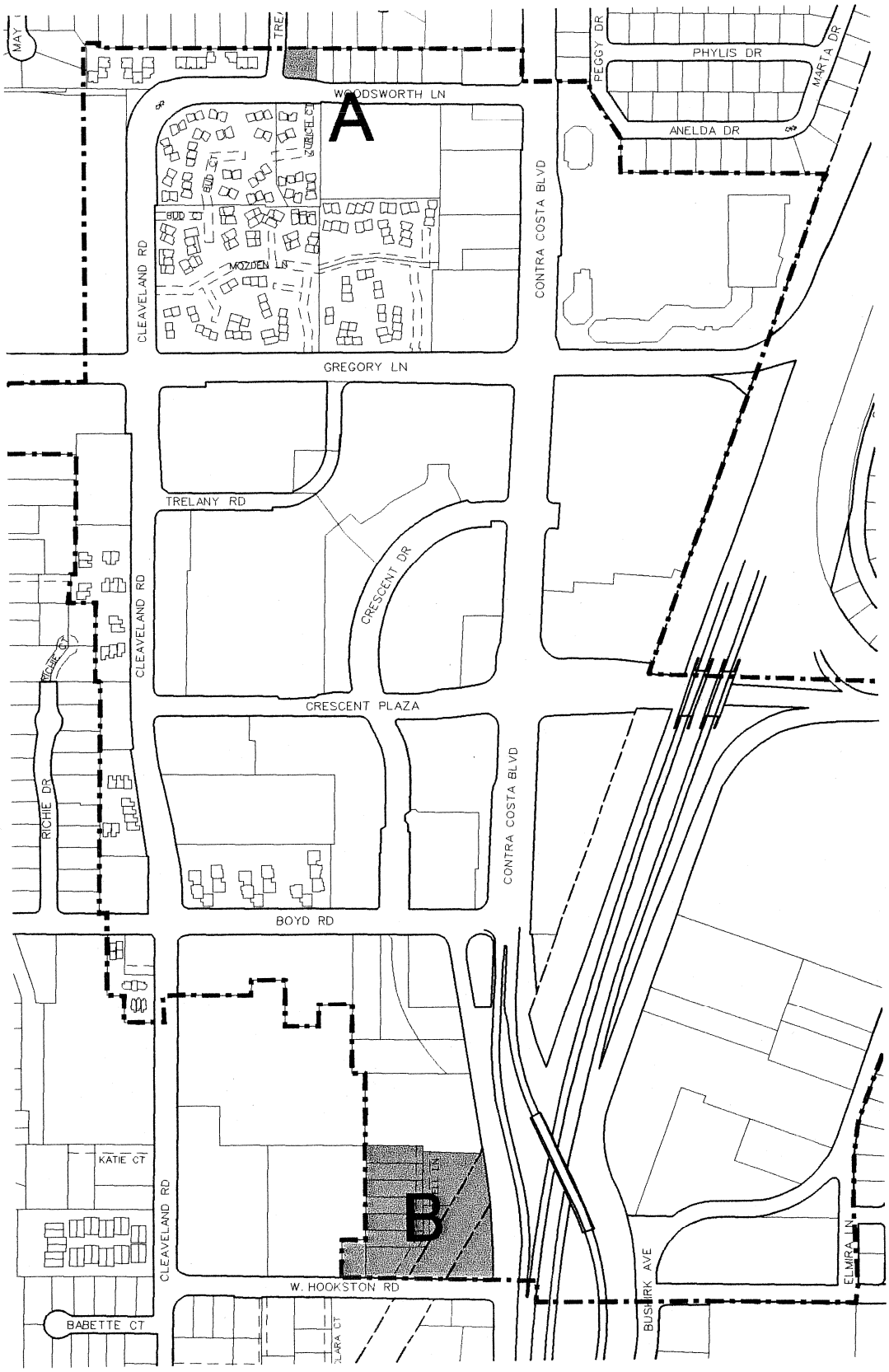
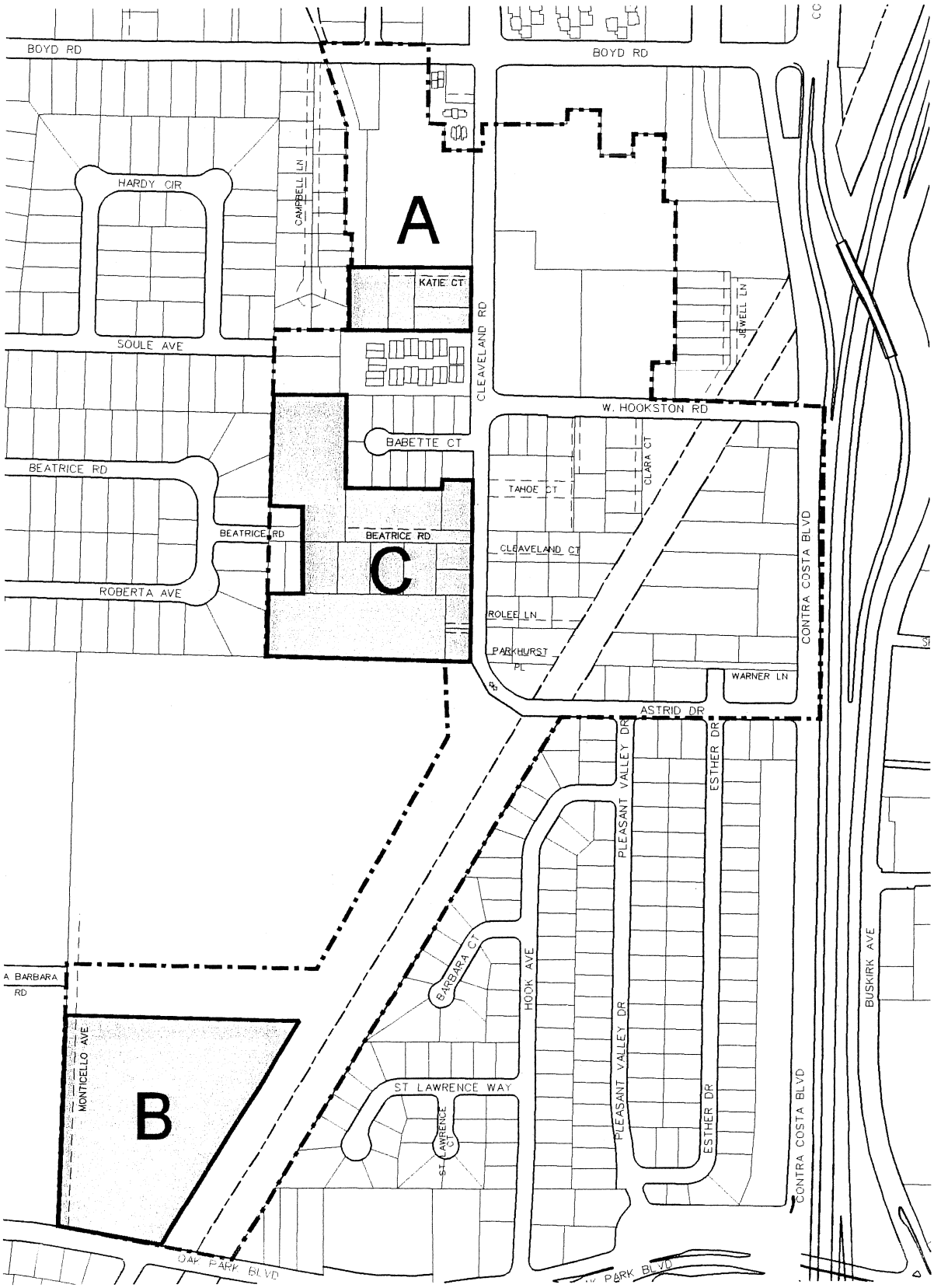


EXHIBIT D

Potential Housing Production Sites Within Schoolyard Redevelopment Project Area