

# Midterm Review of the San Jacinto and Soboba Springs Redevelopment Implementation Plan



City of San Jacinto Redevelopment Agency

# Five Year Implementation Plan

On December 16, 2004, the Redevelopment Agency of the City of San Jacinto adopted the Five-Year Implementation Plan for the period 2004-05 through 2008-09 (the “Plan”), which includes a Ten-Year Housing Compliance Plan for the Project Areas.

The Agency’s current Implementation Plan identifies the following goals:

- Eliminate blight;
- Encourage economic development;
- Maintain an attractive and viable downtown commercial center; and,
- Ensure decent housing for all income levels.

# Midterm Review

- Summarizes Agency actions and activities since adoption of the Plan.
- Addresses revisions to Redevelopment Law, if any, since adoption of the Plan.
- Reviews and updates, if necessary, the Plan's Ten-Year Housing Compliance Plan to address affordable housing activities.
- Identifies new programs and proposed projects that the Agency staff recommends be added.

# Non Housing Tax Increment Revenues

**Table 1 - Non Housing Redevelopment Fund Cash Flow Projections**

	Actual			Estimated		Total
	2004-05	2005-06	2006-07	2007-08	2008-09	
<b>Beginning Fund Cash Balance</b>	<b>1,623,291</b>	<b>3,384,026</b>	<b>4,385,807</b>	<b>6,004,707</b>	<b>8,229,229</b>	<b>\$ 1,623,291</b>
Total Revenues	8,710,066	4,037,611	5,762,812	6,270,269	6,954,138	<b>\$ 31,734,896</b>
Total Expenditures	6,949,331	3,035,830	4,143,912	4,045,747	4,367,569	<b>\$ 22,542,389</b>
<b>Net Cash Flow</b>	<b>1,760,735</b>	<b>1,001,781</b>	<b>1,618,900</b>	<b>2,224,522</b>	<b>2,586,569</b>	<b>\$ 9,192,507</b>
<b>Ending Fund Cash Balance</b>	<b>\$3,384,026</b>	<b>\$4,385,807</b>	<b>\$6,004,707</b>	<b>\$8,229,229</b>	<b>\$10,815,798</b>	<b>\$ 10,815,798</b>
<i>Est. future tax increment growth at 10% per year; est. interest earnings based on an estimated 3.5% rate.</i>						

## Agency Indebtedness as of June 30, 2007

- ❑ As of June 30, 2007, the remaining balance on the 2005 TABS for the San Jacinto Project Area was \$9,245,000, and in August 2007, \$190,000 in principal was paid bringing the balance down to \$9,055,000. Annual debt service on this issue ranges between \$569,985 to \$582,709.
- ❑ As June 30, 2007, the remaining balance on the 1999 TABS for the Soba Springs Project Area was \$485,000 and in August 2007, \$209,800 in principal was paid, bringing the balance down to \$278,200. Annual debt service on this issue ranges between \$69,150 to \$73,213.

# Housing Compliance Plan Overview

The Ten-Year Housing Compliance Plan addresses:

- ❑ The Agency's estimated deposits to the Low and Moderate Income Housing Fund ("LMIHF");
- ❑ The Agency's housing production requirements during the period from 2004-05 through 2013-14 ("Compliance Period");
- ❑ The Agency's replacement housing requirements;
- ❑ The Agency's LMIHF proportional expenditure requirements; and,
- ❑ Proposed new affordable housing programs, projects, and estimated expenditures to fulfill the Agency's obligations under the CRL.

# LMIHFF Expenditure Requirements

- ❑ LMIHF monies must be used for housing made available to and for occupancy by very low, low and moderate income persons at affordable housing costs, as defined in the CRL.
- ❑ The CRL requires agencies to spend LMIHF monies for very low- and low-income housing in least the same proportion to the community's affordable housing needs that are identified in the community's RHNA and Housing Element of the General Plan, as well as limits expenditures by agencies for assisting senior housing to reflect the same percentage of persons over the age of 65 to the community's total population.
- ❑ LMIHF expenditure obligations must be met during each ten-year compliance period.

# Inclusionary Housing Production Requirements

- ❑ At least 15% of all units newly constructed or substantially rehabilitated within a Redevelopment Project Area developed by private entities or persons other than the Agency must be made available at affordable housing cost to persons of very low-, low- and moderate-income.
- ❑ Of these units, at least 40% must be made available to very low-income households (6% of the total newly developed units).
- ❑ Inclusionary Housing units must remain affordable for a minimum of 45 years for ownership housing and 55 years for rental housing.
- ❑ Affordable housing production requirements must be met during each ten-year compliance period.

# Agency's Inclusionary Housing Obligations

**Table 2 - Housing Fund Cash Flow Projection**

	Actual			Estimated		5-Year Total
	2004-05	2005-06	2006-07	2007-08	2008-09	
<b>Beginning Fund Cash Balance</b>	<b>2,220,343</b>	<b>6,460,894</b>	<b>6,251,343</b>	<b>6,292,881</b>	<b>6,729,323</b>	
Total Revenue	4,651,236	992,838	1,434,415	1,432,272	1,568,749	<b>\$ 10,079,510</b>
Total Expenses	410,685	1,202,389	1,392,877	995,830	1,004,609	<b>\$ 5,006,390</b>
<b>Net Cash Flow</b>	<b>4,240,551</b>	<b>(209,551)</b>	<b>41,538</b>	<b>436,442</b>	<b>564,140</b>	<b>\$ 5,073,120</b>
<b>Ending Fund Cash Balance</b>	<b>\$6,460,894</b>	<b>\$6,251,343</b>	<b>\$6,292,881</b>	<b>\$6,729,323</b>	<b>\$7,293,463</b>	<b>\$ 5,073,120</b>

**Table 3 - Housing Fund Cash Flow Projection**

	Estimated					Cum 10-Year Total
	2009-10	2010-11	2011-12	2012-13	2013-14	
<b>Beginning Fund Balance</b>	<b>\$7,293,463</b>	<b>\$8,001,584</b>	<b>\$8,871,739</b>	<b>\$9,923,936</b>	<b>\$11,180,338</b>	
Total Revenue	\$1,721,817	\$1,893,255	\$2,085,031	\$2,299,310	\$2,538,481	<b>\$ 20,617,403</b>
Total Expenses	\$1,013,696	\$1,023,100	\$1,032,833	\$1,042,908	\$1,053,334	<b>\$ 10,172,261</b>
<b>Net Cash Flow</b>	<b>\$708,121</b>	<b>\$870,155</b>	<b>\$1,052,197</b>	<b>\$1,256,402</b>	<b>\$1,485,146</b>	<b>\$ 10,445,142</b>
<b>Ending Fund Balance</b>	<b>\$8,001,584</b>	<b>\$8,871,739</b>	<b>\$9,923,936</b>	<b>\$11,180,338</b>	<b>\$12,665,485</b>	<b>\$ 10,445,142</b>

# City 2006 RHNA & Proportional Expenditure Limits

**Table 4 - City of San Jacinto Regional Housing Needs**

Income Group	Number		5-Yr Expenditures	Cum 10-Yr Expenditures
	Units	Percent		
Very Low-Income (0-50% AMI)	2,707	39.6%	\$4,870,742	\$8,164,492
Low-Income (51 - 80% AMI)	1,931	28.2%	\$3,468,559	\$5,814,108
Moderate-Income (81-120% AMI)	2,206	32.2%	\$3,960,553	\$6,638,804
Total	6,844	100%	\$12,299,853	\$20,617,403
Low Income Senior Housing		11%	\$917,323	\$1,537,646

*Source: Southern California Associations of Governments 2006 Regional Housing Needs Allocation*

*Note: Totals include FY 04-05 Beginning Fund Balance.*

# Affordable Housing Production

Table 5 - Inclusionary Housing Production

	Developed by Agency/Private	Total Units Produced	Total VL, Low & Mod Income Units Required	Very Low Income Units	Low & Mod. Income Units
Built from date of adoption (1983) through Dec. 1994	Private	854	128	52	76
Built from 1/1/95 through 6/30/04	Private	250	38	16	22
<b>CUM TOTAL through 6/30/04</b>		<b>1,104</b>	<b>166</b>	<b>68</b>	<b>98</b>
Built 7/1/04 through 6/30/07	Private	181	27	11	16
<b>CUM TOTAL REQUIRED TO DATE</b>		<b>1,285</b>	<b>193</b>	<b>79</b>	<b>114</b>
<b>Affordable Units Built To Date</b>			227.5	91.5	136
<b>Affordable Units Surplus (Decifit)</b>			34.5	12.5	22.0
Estimated 7/1/07 through 6/30/2014	Private	1,369	217	88	129
<b>TOTAL through 6/30/2014</b>		<b>2,654</b>	<b>183</b>	<b>76</b>	<b>107</b>
Extimated Over Remaining Project Term	Private	2,500	375	150	225
<b>TOTAL REMAINING OVER TERM OF PLAN</b>		<b>3,604</b>	<b>558</b>	<b>226</b>	<b>332</b>

# Housing Production Needs and Funding Summary

- ❑ An estimated additional 183 inclusionary housing units through 2014.
- ❑ Of which 76 are required to be for very low-income households.
- ❑ A projected total of \$20.6 million dollars in gross LMIHF deposits.
- ❑ An estimated \$10.2 million in expenses leaving an available cash fund balance of about \$10.4 million for housing project expenditures.
- ❑ Reflects about \$57,075 per unit available to assist in producing the estimated additional 183 affordable housing units.

# New Programs & Proposed Projects

The following new programs and projects have been approved by the Agency or recommended by Staff since adoption of the Five Year Implementation Plan.

**Developer Assistance Acquisition and Rehab Program.**

Exploring with non-profit developers acquisition of affordable rental properties, which could be rehabilitated with establishing or re-establishing 55-year affordability restrictions.

**Santa Fe Village Apartments**

New construction of 80 rental units with 30 very low, 30 low and 18 moderate income units restricted for 55 year period. (Completion estimated in April 2008)

**Habitat for Humanity**

Working with non-profit developer to locate additional sites for affordable housing units,

**Down Payment Assistance Program**

Agency is exploring creation of a program to assist first time homebuyers earning not more than 120% of the area median income in purchasing residential ownership units in the City. (Expected to go the Agency for consideration in early 2008)

# Thank You

