



Redevelopment Implementation Plan for the Buellton Improvement Project

Strategic Plan: 2010 through 2014
Housing Plan: 2010 through 2019



Adopted by the City of Buellton Redevelopment Agency
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REDEVELOPMENT IMPLEMENTATION PLAN

PART ONE: STRATEGIC PLAN

SECTION I: INTRODUCTION

Redevelopment Orientation: By the authority of California Redevelopment Law (“CRL”) codified in the California Health and Safety Code (Section 33000 et. seq.), the Buellton Improvement Project was established in 1993 by adoption of Ordinance No. 93-15 and encompasses 180 acres of land. The boundaries generally coincide with Central Avenue on the west, Freear Drive on the east, the southerly terminus of McMurray Road to the south, and the intersection of Avenue of Flags with U.S. Highway 101 to the north (the “Project Area”, Figure 1).

The Buellton Improvement Project is governed by a Redevelopment Plan that identifies the range of activities that will be undertaken within the Project Area, the financial means by which to implement the Plan, and the duration of time required to complete the overall process. The overriding goal of the Redevelopment Plan for the Buellton Improvement Project is to eliminate blighting influences and promote revitalization within the Project Area with principal focus on commercial properties along the Avenue of Flags and Highway 246. Specific programs and projects designed to accomplish this objective are summarized below.

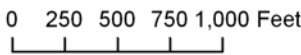
- **Avenue of Flags Revitalization.** Strengthen the Avenue of Flags commercial core area through the consolidation and reuse of undersized or blighted properties. This will be further refined in the upcoming Buellton Public Visioning Process.
- **Highway 246 Commercial Projects.** Provide for the rehabilitation of existing buildings, install landscaping, and implement design guidelines to achieve coherent streetscapes.
- **Residential Rehabilitation.** Provide for the rehabilitation of substandard and functionally obsolete dwellings through the provision of low interest property improvement loans.
- **Affordable Housing.** Increase the supply of housing affordable to target income households with particular emphasis on preservation of existing affordable dwellings. Target income households are defined in Part Two: Housing Plan of this document.
- **Public Improvements.** Upgrade public facilities serving the Project Area including roads, pedestrian amenities, storm drainage, wastewater collection, and water distribution systems. Specific projects include:
 - Signalization and/or intersection improvements at Avenue of Flags/Highway 246.
 - Relocation and/or modification of the north-south Highway 101 ramps at Highway 246.

Figure 1:
Redevelopment Project Area



Legend

-  Parcels
-  Redevelopment Project Area



- Widening or other improvements to the freeway over-crossing (Damassa Road) at the north end of Avenue of Flags.
- Relocation of the southbound Highway 101 off ramp at Avenue of Flags.
- Highway 246 improvements east of Highway 101.
- Circulation and parking improvements in the Avenue of Flags district.

Administrative Structure: The Redevelopment Agency of the City of Buellton (“RDA”) is constituted under the authority of Section 33100 et. seq. of the California Health and Safety Code and was activated by the adoption of City Council Ordinance No. 93-3 on January 21, 1993. A series of City Council and RDA resolutions were adopted one month later on February 26, 1993, subsequently appointing the City Council to serve as the five-member RDA and establishing bylaws for operation. Though a Cooperation Agreement between the City and RDA, administrative personnel of the City provide staff support to the RDA, with the City Manager serving as Executive Director. The RDA is an independent public corporation and is uniquely different from the City in two important ways:

- **Property Acquisition.** The City and RDA both have the power to acquire private property. However, the ability of the RDA to use eminent domain has expired. However, the City’s authority to acquire private property is strictly limited to specified public purposes such as the development of parks and installation of streets. The RDA, on the other hand, may acquire property for a broader array of purposes such as the removal of blighted buildings and the development of commercial or industrial facilities in partnership with private parties.
- **Tax Increment.** At present, the City of Buellton receives roughly 17% of all property taxes that are collected. The other 83% of property taxes flow to other taxing entities such as the County of Santa Barbara. The RDA has no power to levy taxes of any kind. However, once a project area is established, the majority of property taxes that are derived from the growth in assessed valuation go to the RDA. In summary, redevelopment provides a means for the City to regenerate blighted areas by utilizing the very revenues that result from public and private reinvestment.

Redevelopment Plan: By law, a Redevelopment Plan must be adopted for every Project Area and provides the basic framework to carry out the broad statutory authorities entrusted to redevelopment agencies. The Redevelopment Plan for the Buellton Improvement Project was initially adopted by Ordinance No. 93-15 on December 27, 1993, and was subsequently amended on March 10, 2005, with the adoption of Ordinance No. 05-02 (also known as “Plan Amendment No. 1”). The 2005 amendment serves to: (i) implement and achieve internal consistency with the City’s adopted Housing Element along with applicable state and federal laws concerning relocation assistance, replacement housing, affordable housing funds and inclusionary requirements;

(ii) align the Redevelopment Plan with the City’s General Plan with respect to the Land Use Map; and (iii) provide a one-year extension to the duration of Plan Effectiveness and time limit for repaying debt as allowed under state statute. The Plan, as amended, is now entitled the “Amended and Restated Redevelopment Plan for the Buellton Improvement Project.”

Implementation Plan: The Redevelopment Implementation Plan is a requirement of the CRL codified in Section 33490 of the California Health and Safety Code. In contrast to the broad-based and long-range nature of Redevelopment Plans, Implementation Plans are short range and strategic. Beginning in 1994, and each five years thereafter, every redevelopment agency is required to adopt an Implementation Plan that: outlines the agency’s goals and objectives for each project area; describes programs, potential projects and estimated expenditures over the next five years; explains how these activities will aid in the elimination of blight; and addresses needs for new affordable housing and replacement of units lost due to redevelopment.

Practical Effect: Redevelopment is dynamic and the Implementation Plan is not intended to impede this process. Instead, it is intended to serve as a statement of near-term priorities while allowing sufficient flexibility for the RDA to respond to changing circumstances, refine priorities through ongoing public outreach and take advantage of specific redevelopment opportunities as they arise. The General Plan was updated in 2005 (Land Use, Circulation), 2007 (Open Space, Conservation, Noise, Safety, Economic Development, Parks and Recreation, Public Facilities and Services), and 2009 (Housing) that designated sites that are targeted for affordable housing, and implementing a variety of programs identified in the City’s 2004 Housing Element. The CRL expressly anticipates change and requires that a mid-term hearing on the Implementation Plan must be held to review progress and make adjustments as appropriate. It is both anticipated and recommended that the mid-term review be undertaken with the expressed purpose of incorporating important policy and programmatic changes embodied in these complimentary planning efforts, including those resulting from the Buellton Public Visioning Process slated to begin in 2010.

Table 1: Statutory Cross Reference

California Health & Safety Code Section	Implementation Plan Requirements	
	Description of Statutory Requirements	Report Section
33490(a)(1)(A)	The Implementation Plan shall document “...the specific goals and objectives of the agency for the project area, the specific programs, including potential projects, and estimated expenditures proposed to be made during the next five years, and an explanation of how the goals and objectives, programs, and expenditures will eliminate blight within the project area and implement the requirements...[associated with the preservation, replacement and construction of housing affordable to low and moderate income households].”	Part One Sections III and IV
33490(a)(2)(A)	The Implementation Plan shall document the agency’s housing responsibilities including “...(i) the amount available in the Low and Moderate Income Housing	Part Two Section II

	Fund and the estimated amounts which will be deposited in the Low and Moderate Income Housing Fund during each of the next five years; (ii) a housing program with estimates of the number of new, rehabilitated, or price-restricted units to be assisted during each of the five years and estimates of the expenditures of moneys from the Low and Moderate Income Housing Fund during each of the five years; and (iii) a description of how the housing program will implement the requirement for expenditures of moneys in the Low and Moderate Income Housing Fund over a 10-year period for various groups <i>[relative to age and income].</i> ”	
33490(a)(2)(B)	To the extent that inclusionary housing requirements of the CRL apply, the Implementation Plan shall include: “...(i) estimates of the number of new, substantially rehabilitated or price-restricted residential units to be developed or purchased...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 in order to meet the <i>[inclusionary housing]</i> requirements 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...which meet the <i>[inclusionary housing]</i> requirements; (iv) estimates of the number of agency developed residential units which will be developed during the next five years, if any...; and (v) estimates of the number of agency developed units...to meet <i>[inclusionary housing requirements].</i> ”	Part Two Section II
33490(a)(2)(C) (i), (ii) and (iii)	In order to evidence benefit to income groups and household types in proportion to the needs possessed by such persons in relation to the community at large, the Implementation Plan shall document: “...(i) the number of housing units needed for very low income persons, low-income persons, and moderate-income persons as each of those needs have been identified in the <i>[City’s Housing Element]</i> and the proposed amount of expenditures from the Low and Moderate Income Housing Fund for each income group during each year of the implementation plan period; (ii) the total population of the community and the population under 65 years of age as reported in the most recent census of the United States Census Bureau; and (iii) a housing program that provides a detailed schedule of actions the agency is undertaking or intends to undertake to ensure expenditure of the Low and Moderate Income Housing Fund in <i>[proportion to needs relative to income and age].</i> ”	Part Two Section II

33490(a)(2)(C)(iv)	For the previous five-year period, the Implementation Plan shall document...”(i) the amounts of Low and Moderate Income Housing Fund moneys utilized to assist units affordable to, and occupied by, extremely low income households, very low income households, and low-income households; (ii) the number, the location, and level of affordability of units newly constructed with other locally controlled government assistance and without agency assistance and that are required to be affordable to, and occupied by, persons of low, very low, or extremely low income for at least 55 years for rental housing or 45 years for homeownership housing; and (iii) the amount of Low and Moderate Income Housing Fund moneys utilized to assist housing units available to families with children, and the number, location, and level of affordability of those units.”	Part Two Section II
33490(a)(3)	If the agency causes the destruction or removal of dwelling units that will have to be replaced, the Implementation Plan shall “...identify proposed locations suitable for those replacement dwelling units.”	Part Two Section III
33490(a)(4)	For project areas that are within six years of the time limit on the effectiveness of the redevelopment plan, the Implementation Plan shall: “...address the ability of the agency to comply, prior to time limit on the effectiveness of the redevelopment plan, with <i>[inclusionary and replacement housing requirements]</i> ...and the disposition of the remaining moneys in the Low and Moderate Income Housing Fund.”	Part Two Section III
33490(a)(5)	Taking into account the original date of Redevelopment Plan adoption and all subsequent amendments thereto, the Implementation Plan shall identify the fiscal year that each of the following time limits are expected to expire: “...(i) the time limit for the commencement for eminent domain proceedings to acquire property within the Project Area; (ii) the time limit for the establishment of loans, advances, and indebtedness to finance the redevelopment project; (iii) the time limit for the effectiveness of the redevelopment plan; and (iv) the time limit to repay indebtedness with the proceeds of property taxes.”	Part One, Table 2

Table 2: Project Summary

	Operative Limits	Land Use	Acres		Parcels	
			#	%	#	%
Date of Plan Adoption	12/27/1993	Vacant	21.35	12%	16	9%
Area of Project (Acres)	180	Residential	13.81	8%	65	37%
Project Termination	12/27/2034	Commercial	52.53	29%	78	44.50%
Tax Increment Limit	\$105 million	Village Specific Plan	23.91	13%	1	0.5%
Bond Debt Limit	\$27 million	Other	8.55	5%	17	9%
Deadline to Establish Debt	12/27/2014	Subtotal Land	120.15	67%	177	100%
Deadline to Repay Debt	12/27/2044	Streets	59.85	33%	n/a	n/a
Deadline for Eminent Domain	Not authorized	Grand Total	180	100%	n/a	n/a

Source: Amended and Restated Redevelopment Plan for the Buellton Improvement Project, City of Buellton, January 2005; Assessor Parcel Database, County of Santa Barbara, 2009; Buellton Geographic Information System, MNS Engineers, 2009; and Windshield Survey, 2009.

Note: The Land Use Category entitled “Other” includes institutional properties, easements, private alleys, medians, and unclassified parcels; the Land Use Category “Village Specific Plan” includes 8 acres of commercial, 12 acres of residential, and 1.8 acres of parks; are devoted to “Streets” is estimated

SECTION II: BLIGHT CONDITIONS

Statutory Parameters: The fundamental purpose of the CRL is to protect and promote the sound development and redevelopment of “...blighted areas and the general welfare of the inhabitants of the communities in which the area exists by remedying such injurious conditions through employment of all appropriate means (California Health and Safety Code Section 33037).” As a prerequisite to establishing a redevelopment project, redevelopment agencies must make three fundamental findings: (i) the project area is predominately urbanized; (ii) a majority of the properties within the project area exhibit debilitating physical and economic blight that neither the private sector nor municipal government, acting alone, can remedy; and (iii) the redevelopment program is financially feasible. In specific regard to blight, the conditions: (i) must be prevalent and substantial throughout the area; (ii) must cause a reduction of, or lack of, proper utilization of the area; (iii) place a serious burden on the community; and (iv) cannot be remedied without redevelopment agency assistance. The criteria used to define blight under current law are described below.

- **Physical Conditions**

- **Substandard Buildings.** Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious code violations, dilapidation and deterioration, defective design or physical construction, faulty or inadequate utilities, or other similar factors.
- **Functional Obsolescence.** Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots. This condition can be caused by substandard design, inadequate size given present standards and market conditions, lack of parking or similar factors.
- **Incompatible Uses.** 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.
- **Substandard Lots.** The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness that are in multiple ownership.

- **Economic Conditions**

- **Depressed Valuation.** 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.
- **Capital Disinvestment.** 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.
- **Inadequate Services.** A lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, and banks and other lending institutions.
- **Neighborhood Impacts.** Residential overcrowding or an excess of bars, liquor stores, or other businesses that cater exclusively to adults that has led to problems of public safety and welfare.
- **Criminal Activity.** A high crime rate that constitutes a serious threat to the public safety and welfare.

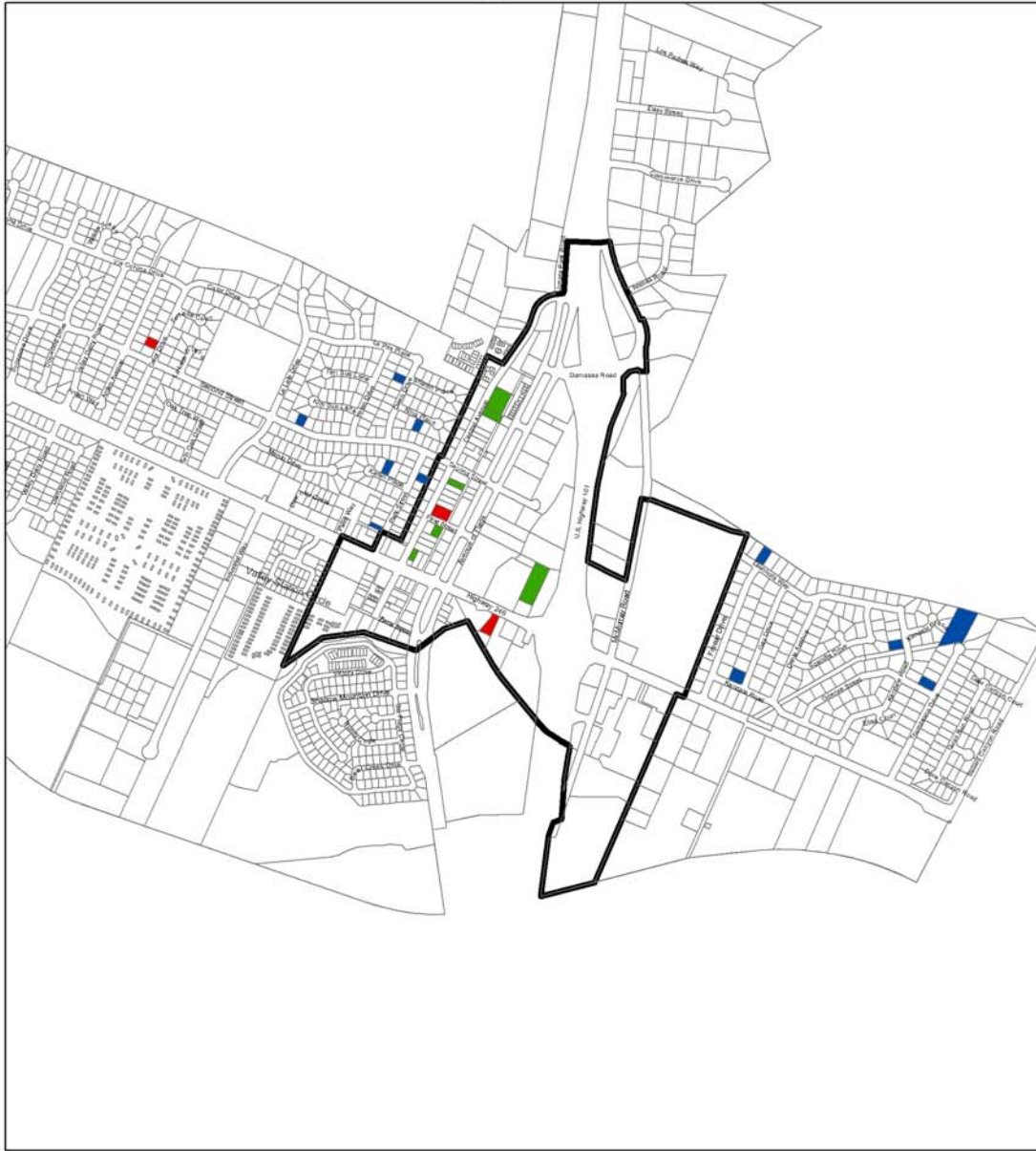
Baseline Conditions: At the time of Plan adoption, the Project Area exhibited varying degrees of non-conforming land uses, old or obsolete buildings, undersized parcels and inadequate public improvements. Many of the older commercial and residential buildings were deemed substan-

ard by virtue of older construction and non-compliance with current building codes, fire regulations and seismic safety standards. Aged construction also leads to physical obsolescence in the form of undersized electrical panels, inadequate building area, lack of parking and similar deficiencies. These conditions inhibit the range of commercial merchandising and/or manufacturing operations. Building deterioration and dilapidation was also noted for residential properties, principally in the 500 block of Avenue of Flags and residences along Central Avenue. The 500 block of Avenue of Flags was subsequently redeveloped with a new mixed use project (Vintage Walk). Close adjacency of incompatible land uses was also observed, with attendant conflicts in noise, odors, fire safety and parking. A number of buildings exceed lot coverage standards, thereby reducing accessibility for commercial deliveries, emergency vehicle access and off-street parking. Economic blight was observed in the form of undersized and irregularly configured lots that inhibit proper utilization of land and buildings. Again, these conditions constrict the range of uses and development potential of affected property. Public infrastructure deficiencies were also noted in the form of inadequate drainage facilities, lack of curb/gutters/sidewalks and inadequate street pavement. These conditions impede private reinvestment and have a downward effect on property valuation. Finally, it was noted that some properties within the downtown core are underutilized, depriving the City of tax revenues from sales, real estate and transient occupancy.

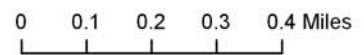
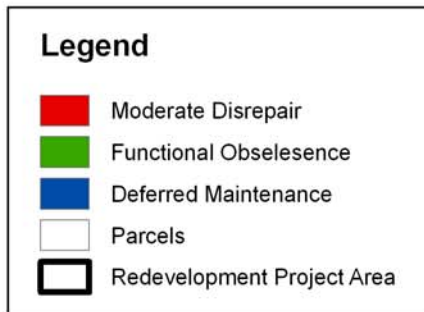
Remaining Blight: Since the Buellton Improvement Project was created in 1993, the RDA has been preoccupied with building the financial wherewithal to undertake redevelopment activities. Until only recently, the lack of private reinvestment to ramp up property values has impeded the growth of tax increment. This is underscored by the amount of land that is vacant, underutilized or underdeveloped. Such land represents about 40% of total area within the Project Area (net of streets) compared to less than 25% of the land located outside the redevelopment boundaries (Source: 2009 Housing Element). The Project Area has seen a net gain of 12 dwellings over the 16-year life of redevelopment compared to a development potential of 582 units. As a consequence, significant blight remains. One set of indicators are housing conditions surveys that were conducted in 2008 in conjunction with the City's 2009 Housing Element update.

The 2008 survey shows that less than 3% of the City's entire inventory of residential dwellings was deficient, with 13 units outside of the Project Area and 28 inside the Project Area identified as deficient. Moreover, the severity of conditions was far greater within the Project Area as opposed to outside. Finally, all of the substandard properties within the Project Area are absentee owned as compared to all of the substandard properties located outside the redevelopment boundaries being owner occupied.

Figure 2:
Housing Conditions



Source: City of Buellton Housing Element, 2009



2005 through 2009 RDA Accomplishments: During the period 2005 through 2009, the following projects and programs were implemented:

- The Vintage Walk mixed use project was constructed and occupied and replaced sub-standard housing units on the property. The project included 11 retail spaces, 11 market rate residential condominiums, and six affordable apartments now managed by the Housing Authority of Santa Barbara County. The RDA contributed funds for street and alley public improvements along with undergrounding of overhead utility lines.
- A Housing Conservation Loan Program for repairs of low-income owner occupied single family homes was established. Loan funds come from the housing set-aside monies. The program is administered by Habitat for Humanity of Northern Santa Barbara County. One home owner has received a \$20,000 loan under this program.
- A Rental Rehabilitation Loan Program was established. Owners of rental housing with the City were contacted but none have taken advantage of the program.
- The housing set-aside percentage was increased from 20% to 25%.
- Improvement of two public medians and some street frontages within the Urban Design Plan area within the RDA boundary with landscaping, pedestrian paths, street furniture, and public art.
- Purchase of a commercial space within the Vintage Walk project with a subsequent lease of the space to the Buellton Chamber of Commerce/Visitor's Bureau. In exchange for the rent free lease space, the Buellton Chamber of Commerce/Visitor's Bureau is required to perform economic development activities on behalf of the City.
- The Redevelopment Plan was amended with respect to matters concerning relocation assistance, replacement housing, setaside funds, inclusionary requirements and integration of Housing Element goals.

SECTION III: IMPLEMENTATION STRATEGY

Goals and Objectives: The Buellton Improvement Project Area suffers from an assortment of physical and economic conditions that cannot be remedied by private enterprise acting alone. Problems include defective design and character of physical construction, building age and obsolescence, deterioration and dilapidation, mixed character of buildings, faulty exterior spacing, lots of irregular form and shape for proper usefulness and development, areas of inadequate public improvements and depressed values and economic maladjustment. To remedy these conditions, the following goals and objectives have been identified:

- The elimination of blighting influences and the correction of environmental deficiencies in the Project Area, including, among others: small and irregular sized or shaped lots; faulty exterior spacing; deteriorated, dilapidated, obsolete and aged building types; mixed character of buildings; incompatible and uneconomic land uses; and inadequate or deteriorated public improvements, facilities and utilities.
- The assembly of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area.
- The replanning, redesign and development of undeveloped areas which are stagnant or improperly utilized.
- The providing of opportunities for participation by owners and tenants in the revitalization of their properties.
- The strengthening of retail and other commercial functions in the commercial core area of the Project Area.
- The strengthening of the economic base of the Project Area and the community by the installation of needed site improvements to stimulate new commercial/light industrial expansion, employment and economic growth.
- The provision of adequate land for parking and open spaces.
- The establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project.
- The expansion and improvement of the community's' supply of target income housing.
- Update the Implementation Plan as necessary to reflect the results of the Buellton Public Visioning Process as directed by the RDA.

Financial Resources: Tables 3, 4, and 5 present existing and forecasted RDA revenues. Table 5 shows the projected forecast over the next five years and is based on the historical increase in assessed valuation and tax increment growth per Tables 3 and 4. The completion of the Vintage Walk project in FY2007-2008 shows up as a large increase in the tax increment revenue. As shown in Table 5, approximately \$1,200,000 will accrue to the RDA's Low and Moderate Income Housing Fund ("LMIHF"). By law, not less than 20% of all tax increment revenue allocated to the RDA must be exclusively earmarked for the purpose of increasing, improving and preserving the community's supply of housing available at affordable housing cost to persons and families of low and moderate income. In its adoption of Plan Amendment No. 1, the City Council increased the statutory minimum by an additional 5%, resulting in a total commitment of 25% to support affordable housing. Of the tax increment that remains, \$854,150 will be paid to taxing agencies as dictated by statutory formula or prior agreement with the RDA. A net balance totaling \$2.7 million represents funds available to finance assorted redevelopment activities.

Table 3: Project Valuation

	Assessed Valuation	Annual Increase	
		Amount	Percent
FY2004-05	\$77,856,250	\$2,751,535	3.66%
FY2005-06	\$83,248,025	\$5,391,775	6.93%
FY2006-07	\$88,061,626	\$4,813,601	5.78%
FY2007-08	\$96,572,121	\$8,510,495	9.66%
FY2008-09	\$112,675,992	\$16,103,871	16.68%
		5-Year Total	42.71%
		Average Annual	8.54%

Source: Annual Tax Increment Reports, County Auditor-Controller, FY2004-05 to FY2008-09; Annual RDA Financial Transactions Report, State Controller's Office, FY2004-05 to FY2008-09.

Table 4: Tax Increment

	Gross Increment	Annual Increase	
		Amount	Percent
FY2004-05	\$406,323	\$250	0.06%
FY2005-06	\$490,713	\$84,390	20.77%
FY2006-07	\$524,807	\$34,094	6.95%
FY2007-08	\$728,216	\$203,409	38.76%
FY2008-09	\$753,573	\$25,357	3.48%
Total	\$2,903,632	5-Year Total	70.02%
		Average Annual	14.00%

Source: Annual Tax Increment Reports, County Auditor-Controller, FY2004-05 to FY2008-09; Annual RDA Finan-

Table 5: Valuation and Revenue Forecasts

	Assessed Valuation	Gross Tax Increment	Tax Increment Revenues		
			LMIHF Deposits	Tax Agency Payments	Discretionary Project Funds
FY2009-10	\$118,433,735	\$813,859	\$203,465	\$119,391	\$491,003
FY2010-11	\$124,485,699	\$878,968	\$219,742	\$140,882	\$518,344
FY2011-12	\$130,846,918	\$949,285	\$237,321	\$166,240	\$545,723
FY2012-13	\$137,533,196	\$1,025,228	\$256,307	\$196,164	\$572,757
FY2013-14	\$144,561,142	\$1,107,246	\$276,811	\$231,473	\$598,961
Total		\$4,774,585	\$1,193,646	\$854,150	\$2,726,789

Source: Projections based on Tables 3 and 4.

Notes:

1. The average annual rate of increase over the past five years is 8.54% for Assessed Valuation and 14% for Gross Tax Increment. Due to the recent recessionary downturn affecting real estate, it is not expected that the past growth rates will be sustained during the forthcoming five-year cycle. More conservative annualized growth rates are used as follows: (i) Assessed Valuation – 1.05%; and (ii) Gross Tax Increment – 8%.
2. Tax Agency Payments were estimated on an 18% average annual increase for the prior 5 years.

Programs and Activities: Programs and activities that are undertaken pursuant to the Redevelopment Plan can be grouped into one of four broad categories: Public Facilities, Commercial Revitalization, Housing Assistance and Program Operations. Activities grouped under Public Facilities are designed to enhance the physical image of public spaces and rectify public improvement deficiencies. Commercial Revitalization activities provide for land assemblage and reuse of underutilized and deteriorated properties, recruitment of new businesses and inducements to rehabilitate, expand and modernize commercial and industrial building space. Housing Assistance activities provide for the improvement, preservation and expansion of housing that is available, at affordable housing cost, to persons of extremely low, very low, low, and moderate income (target groups). Program Operations encompass planning, budgeting, policy development, public relations, administration and image enhancement. The general scope of each category is described below.

- **Public Facilities.** Public infrastructure activities include urban design improvements, public utilities and street construction. Urban design improvements focus on enhancing the visual and pedestrian environment within public right-of-way that serves the Project Area including curbs, street lights, public spaces, landscaping, street furniture, public art, and undergrounding of overhead utility lines. Utility improvements include the construction, reconstruction and upgrading of water, sewer, storm drain and similar “backbone” infrastructure necessary and appropriate to serve the Project Area. Street construction encompasses a wide variety of vehicular and pedestrian improvements to improve access

and safety, expand parking capacity, and enhance the overall functionality of public rights-of-way.

- **Commercial Revitalization.** Commercial Revitalization activities are broadly grouped into one of two categories: business improvement and retention/attraction. Business improvement activities include: (i) development incentives to facilitate expansion, recruitment, enhancement and retention of commercial businesses; and (ii) assemblage and recycling of properties appropriate for redevelopment. Retention and attraction activities include façade and building renovations and centralized management and marketing. Façade and building renovations assist merchants and property owners in modernizing facilities for improved merchandizing while creating an attractive environment for patrons. Centralized management and marketing allows a focused and responsive outreach to Project Area merchants and provide assistance and coordination of redevelopment, rehabilitation and other support efforts.
- **Housing Assistance.** Tax increment revenues deposited into the LMIHF are expressly reserved for purposes of increasing, improving and preserving the community's supply of target income housing. Although these funds are statutorily restricted, they may be used to finance a broad array of activities including: (i) site assemblage, new construction and rehabilitation of affordable housing; (ii) provision of loans and/or grants for the rehabilitation of existing homes and apartments; and (iii) down payment assistance for first time home purchases; and (iv) incentives for infill and mixed use projects. The RDA may also supplement the LMIHF with non-restricted tax increment to serve a broader population base and provide greater flexibility in structuring forms of assistance.
- **Program Operations.** Program operations are broadly grouped into one of three categories: administration, planning, and debt service. Administrative activities include the preparation and administration of overall redevelopment programs, including budgeting, monitoring, reporting and auditing services. Planning activities include land use and pre-development studies, policy formulation, community relations and special promotions/events. Debt service consists of the repayment of borrowed funds including City advances, tax allocation bonds and similar indenturements used to finance redevelopment activities.

Five-Year Priorities: The five-year priorities summarized below represent a refinement and continuation of the Implementation Plan for the period of 2005-2009. The prior Plan placed emphasis upon four basic activities: (i) redevelopment of 575-595 Avenue of Flags; (ii) façade renovation for selected commercial properties; (iii) streetscape improvements along the Avenue; and (iv) housing programs for persons and families of low and moderate income. Significant progress has been made in each of these categories, including:

- The redevelopment of 575-595 Avenue of Flags has been completed

- A façade renovation program has been made available for businesses within the Project Area. Olivera’s Garage at 611 Avenue of Flags has taken advantage of this program and renovated their building. The On-Site Computer building and the Senior Thrift Store have shown interest in participating but have not done so at this time.
- Two streetscape improvement projects along the Avenue have been completed and a third is underway
- A Housing Conservation Loan Program for repairs of low-income owner occupied single family homes was established
- Agency-assisted site renovation at Pea Soup Andersen’s was completed in connection with adjacent streetscape improvements
- A reciprocal easement across the rear parking lot at Pea Soup Andersen’s was procured, implementing secondary access parallel to Avenue of Flags in furtherance of the Urban Design Plan.

Additional events have bearing on setting priorities for the forthcoming five-year period: (i) the outcome of the Buellton Public Visioning Process slated to start in 2010; (ii) an update of the 2002 Avenue of Flags/Highway 246 Urban Design Plan (Figure 3); (iii) final HCD certification of the 2009 Housing Element; and (iv) updates to the Buellton Zoning Ordinance, including the mixed use regulations. It is expressly noted that the projects and activities summarized below are not exclusive and do not preclude the funding of other redevelopment programs and activities authorized in the Redevelopment Plan. Furthermore, expenditure estimates appearing in Table 6 reflect the general priority and anticipated cost associated with each program element and neither commit funds nor bind the RDA to these specific allocations.

- **Public Facilities**

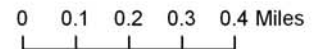
1. Continue implementation of circulation improvements set forth in the Urban Design Plan for Avenue of Flags/Highway 246: (i) pursue acquisition of right-of-way easements for interconnection of driveways and parking behind commercial parcels fronting the easterly side of the Avenue, creating secondary access between Highway 246 and Damassa Road; (ii) renovate alleyways behind commercial parcels fronting the westerly side of the Avenue; (iii) identify opportunities and pursue development of public parking lots, with particular emphasis on the area in the vicinity of Second Street; and (iv) update plan as necessary as a result of the Buellton Public Visioning Process.

Responsible Agency/Department: Planning Department, Public Works Department

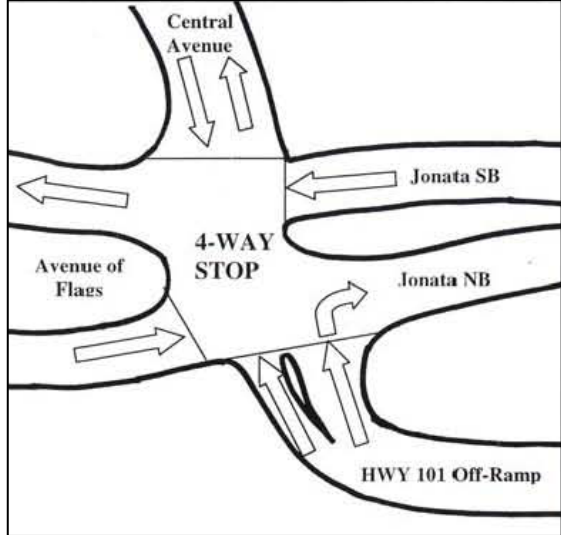
Timeframe: Ongoing

Funding: Tax Increment, Developer Fees, Measure D Funds, Other Sources.

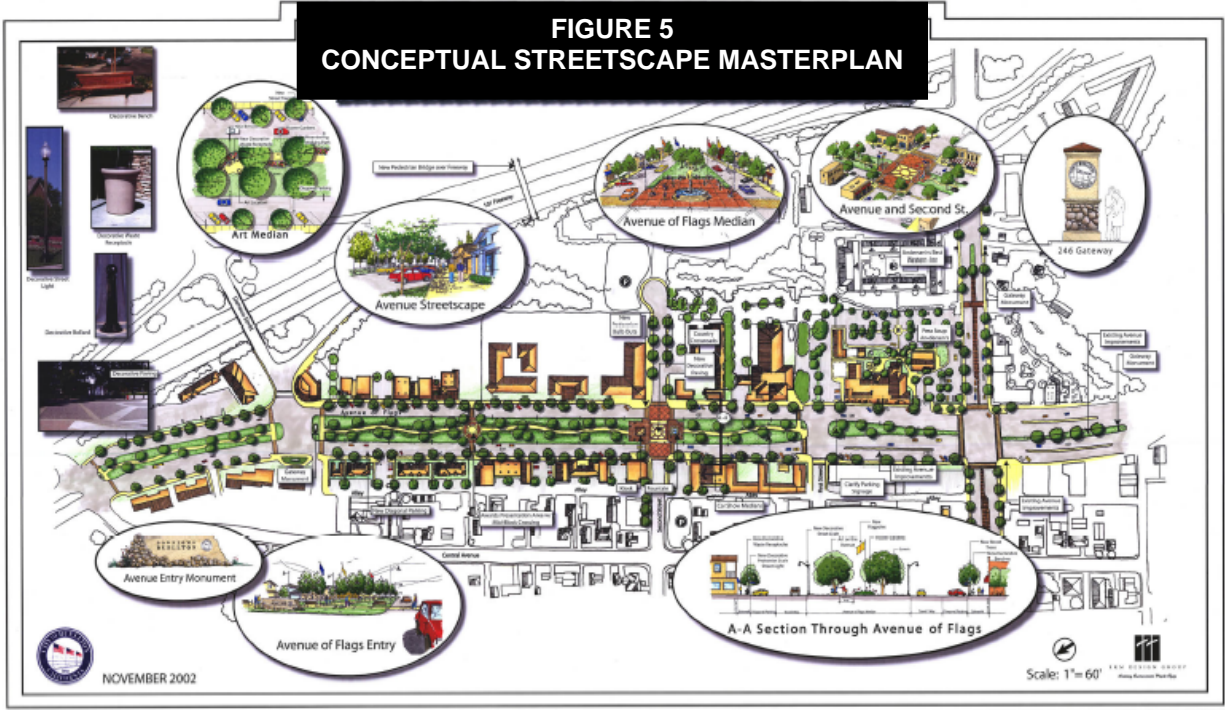
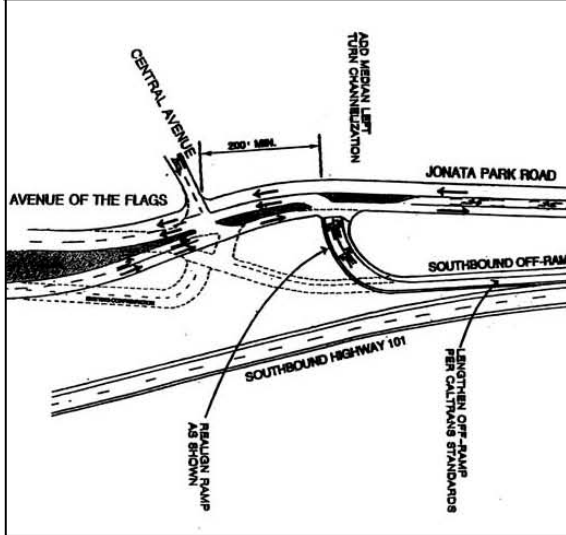
Figure 3:
Avenue Revitalization Area



**FIGURE 4
RECONFIGURATION OF HIGHWAY
101/JONATA PARK ROAD OFF-RAMP
(EXAMPLE #1)**



**FIGURE 4
RECONFIGURATION OF HIGHWAY
101/JONATA PARK ROAD OFF-RAMP
(EXAMPLE #2)**



2. Study the possibility of reconfiguring the south-bound US 101 freeway off-ramp at Jonata Park Road to achieve traffic calming at Avenue of Flags by one of several means (Figure 4): (i) form a four-way stop, aligned with Central Avenue; (ii) lengthen the off-ramp and move the point of connection with Jonata Park Road a minimum of 200 feet from the Central Avenue intersection; or (iii) a combination of the foregoing.

Responsible Agency/Department: Planning Department, Public Works Department, Caltrans

Timeframe: 2014

Funding: Developer Fees, Measure D funds, Other Sources.

3. Continue implementation of streetscape and pedestrian improvements set forth in the Urban Design Plan for Avenue of Flags/Highway 246 (Figure 5): (i) renovate medians and adjacent right-of-way, staged to coincide with new development; (ii) reconfigure the Avenue from Highway 246 to Jonata Park Road from four to two travel lanes and install angular on-street parking; (iii) install gateway monumentalization to signify points of entry to downtown; (iv) develop a pedestrian walkway along Zaca Creek; and (v) update plan as necessary as a result of the Buellton Public Visioning Process.

Responsible Agency/Department: Planning Department, Public Works Department, Caltrans

Timeframe: Ongoing

Funding: Tax Increment, Developer Fees, Measure D Funds, Other Sources.

- **Commercial Revitalization**

4. Implement the following recommendations from the February 28, 2008, Economic Assessment of the City of Buellton from the California Association for Local Economic Development (CALED): (i) invest in obtaining consensus on the vision for the Avenue of Flags; and (ii) incorporate urban entertainment principles into the planning, design, and development of the Avenue of Flags.

Responsible Agency/Department: Planning Department, Economic Development Task Force

Timeframe: Ongoing

Funding: General Fund and Tax Increment

5. In collaboration with the City, update the preliminary facility analysis performed in conjunction with the Urban Design Plan for Avenue of Flags/Highway 246, af-

firm the range of users and space utilization, quantify building and site requirements, determine infrastructure needs, define site selection criteria, prepare schematic development plans, reconcile facility programming with financial resources and tenant availability, and pursue development of a new Civic Center.

Responsible Agency/Department: Planning Department, City Manager

Timeframe: 2014

Funding: General Fund and Tax Increment

6. Actively pursue opportunities for public/private collaboration throughout the Project Area with particular emphasis on eliminating non-conforming uses, consolidating irregularly sized parcels facilitating mixed-use development, constructing affordable housing, and fostering overriding objectives of the Redevelopment Plan. Provide incentives for private property renovation through property improvement loans and grants.

Responsible Agency/Department: Planning Department

Timeframe: Ongoing

Funding: General Fund and Tax Increment

7. Identify those properties within the Avenue Revitalization Area (Figure 5) that are inherently in conflict with the Urban Design Plan and seek cooperative resolution through owner participation, property rehabilitation, cooperative acquisition and compliant redevelopment. This can be accomplished through the Buellton Public Visioning Process slated to begin in 2010.

Responsible Agency/Department: Planning Department, City Manager

Timeframe: 2010-2011

Funding: Tax Increment

- **Housing Assistance**

8. Develop and implement a financial assistance program, subsidizing multifamily infill projects within the Project Area by refunding all tax increment derived from construction of affordable units, less pass through payments to other tax agencies. *[Supports implementation of Program 7 of the 2009 Housing Element]*

Responsible Agency/Department: Planning Department

Timeframe: Ongoing

Funding: Tax Increment

9. In collaboration with the City, actively pursue opportunities for public/private collaboration for the development of affordable housing including: (i) assisting in the review and preparation of concept drawings; (ii) analyzing development proforma

and identifying gap financing; (iii) fast tracking the environmental review and entitlement permit process; (iv) utilizing the City's police powers to provide necessary land use and zoning; (v) supporting applications submitted to funding agencies; (vi) providing direct financial or development assistance; and (vii) employing the RDA to assemble land for development.

[Supports implementation of Program 9 of the 2009 Housing Element]

Responsible Agency/Department: Planning Department

Timeframe: Ongoing

Funding: General Fund and Tax Increment

10. In collaboration with the City: (i) continue financial support of the mobile home repair program; (ii) continue its financial support of the low income single family home repair program (the Housing Conservation Program) (iii) evaluate expansion of emergency repair assistance to encompass low and very low income single family owner occupants, adaptive retrofit needs of disabled persons and inclusion of energy conservation features; (iv) conduct a focused outreach to owners of sub-standard rental property to identify interest/willingness to engage in cooperative rehabilitation; (v) establish a budget and seek grant funds to underwrite these endeavors; and (vi) prioritize funds according to the severity of need and link affordable housing covenants to the amount of funds required.

[Supports implementation of Program 15 of the 2009 Housing Element]

Responsible Agency/Department: City Manager

Timeframe: Ongoing

Funding: General Fund, Tax Increment, Housing Set-Aside, and State Grant Funds

- **Program Operations**

11. Update the Buellton Zoning Ordinance and Map to: (i) reflect the land use designations and related policies of the Urban Design Plan (Figure 6) as it may be amended through the Buellton Public Visioning Process; (ii) institute flexible development standards governing mixed-use projects, building height limits, lot coverage requirements and on-street parking consistent with the planning principles embodied in the Urban Design Plan as they may be amended through the Buellton Public Visioning Process; and (iii) prevent future instances of non-conforming uses within the Avenue Revitalization Area.

Responsible Agency/Department: Planning Department

Timeframe: 2010-2011

Funding: General fund and redevelopment tax increment

Monitoring: Planning Department

**FIGURE 6
AVENUE OF FLAGS LAND USES**



12. Initiate amendment of the Buellton Improvement Project Redevelopment Plan to institute compulsory design review for all future development within the Avenue Revitalization Area to ensure consistency with the planning principals embodied in the Urban Design Plan, including all changes resulting from the Buellton Public Visioning Process.

Responsible Agency/Department: Planning Department
 Timeframe: 2010-2011
 Funding: Redevelopment tax increment
 Monitoring: Planning Department

Table 6: 5-Year Expenditure Estimates

	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY-2013-14
Resources					
Tax Increment					
Fund Balance	\$3,569,313	\$2,800,280	\$2,058,999	\$1,345,507	\$659,455
New Funds	\$491,003	\$518,344	\$545,723	\$572,757	\$598,961
Interest Earnings	\$7,365	\$7,775	\$8,186	\$8,591	\$8,984
LMIHF					
Fund Balance	\$1,300,771	\$1,013,115	\$741,981	\$488,689	\$254,668
New Funds	\$203,465	\$219,742	\$237,321	\$256,307	\$235,965
Interest Earnings	\$3,052	\$3,296	\$3,560	\$3,845	\$3,539
Total Resources	\$5,574,969	\$4,562,553	\$3,595,769	\$2,675,696	\$1,761,573
Expenditures					
Public Facilities	\$764,243	\$764,243	\$764,243	\$764,243	\$764,243
Comm. Revitalization	\$376,418	\$376,418	\$376,418	\$376,418	\$376,418
Housing Assistance	\$444,755	\$444,755	\$444,755	\$444,755	\$444,755
Program Operations	\$176,157	\$176,157	\$176,157	\$176,157	\$176,157
Total Expenditures	\$1,761,573	\$1,761,573	\$1,761,573	\$1,761,573	\$1,761,573

NOTES:

1. Fund Balance for Tax Increment and LMIHF in FY2009-10 is derived from Audit Report and Financial Statements for the Buellton RDA for the period ending June 30, 2009.
2. Program Operation are based on a cost allocation of 10% of Total Resources.
3. Expenditure estimates for Public Facilities are based a cost allocation of 67% of Tax Increment, less 10% for Program Operations.
4. Expenditure estimates for Commercial Revitalization are based a cost allocation of 33% of Tax Increment, less 10% for Program Operations.
5. Expenditure estimates for Housing Assistance are based total resources available to the LMIHF, less 10% for Program Operations.

6. Expenditure forecasts are based on annual average; actual amount will vary from year to year.

Blight Relationship: In general, activities grouped under Public Facilities are designed to enhance the physical image of public spaces and rectify public improvement deficiencies. Commercial Revitalization activities provide for land assemblage and reuse of underutilized and deteriorated properties, recruitment of new businesses and inducements to rehabilitate, expand and modernize commercial building space. Housing Assistance activities provide for the improvement, preservation and expansion of housing that is available, at affordable housing cost, to persons of low, very low and moderate income. Program Operations are designed to attract customers to commercial areas within boundaries of each Project Area. The relationship between specific activities and blight elimination is summarized in Table 7.

Table 7: Program-Blight Elimination Relationship

	Public Facilities	Comm. Revitalization	Housing Assistance	Program Operations
The elimination of blighting influences and the correction of environmental deficiencies in the Project Area, including, among others: small and irregular sized or shaped lots; faulty exterior spacing; deteriorated, dilapidated, obsolete and aged building types; mixed character of buildings; incompatible and uneconomic land uses; and inadequate or deteriorated public improvements, facilities and utilities.	X	X	X	X
The assembly of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area.		X	X	
The replanning, redesign and development of undeveloped areas which are stagnant or improperly utilized.	X	X		
The providing of opportunities for participation by owners and tenants in the revitalization of their properties.		X		
The strengthening of retail and other commercial functions in the commercial core area of the Project Area.		X		X
The strengthening of the economic base of the Project Area and the community by the installation of needed site improvements to stimulate new commercial/light industrial expansion, employment and economic growth.	X	X		X
The provision of adequate land for parking and open spaces.	X			X

The establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project.				X
The expansion and improvement of the community's supply of low- and moderate-income housing.			X	

REDEVELOPMENT IMPLEMENTATION PLAN

PART TWO: HOUSING PLAN

SECTION I: INTRODUCTION

Planning Framework: This segment of the Implementation Plan provides a planning framework for the expressed purpose of affirmatively furthering housing, at an affordable cost, for persons and families of target incomes (Table 8). Specifically, the housing portion of the Implementation Plan has two primary objectives: (i) to provide for the appropriate and timely use of LMIHF revenues; and (ii) to evidence compliance with applicable inclusionary housing, replacement housing and proportionality requirements stipulated in the CRL. The scope of topics and material covered in this section includes: (i) an accounting of affordable dwelling units, either constructed, substantially rehabilitated or price restricted within the Project Area; (ii) an estimate of dwelling units to be developed, substantially rehabilitated or price restricted within the Project Area, separately tabulated for unassisted and RDA-developed projects; (iii) a forecast of revenue potentially available to the RDA for financing affordable housing; and (iv) integration of relevant goals, objectives and programs of the City’s adopted 2009 Housing Element.

Operative Terms: Affordability is a function of household income and housing costs, with adjustments for family size and bedroom count. The thresholds for determining household income are pegged against the area-wide median and are displayed in Tables 8 and 9. Housing costs include mortgage, rent, taxes, insurance, maintenance and utilities. The limits placed on housing costs are benchmarked against area-wide income and vary according to income category and housing unit type.

Table 8: 2009 Target Income Limits for Santa Barbara County

Income Limits	Household Size (No. of Persons)			
	1	2	3	4
Extremely Low (30% of AMI)	\$16,350	\$18,700	\$21,000	\$23,350
Very Low (50% of AMI)	\$27,250	\$31,100	\$35,000	\$38,900
Lower (80% of AMI)	\$43,600	\$49,800	\$56,050	\$62,250
Median (AMI)	\$49,300	\$56,300	\$63,350	\$70,400
Moderate (120% of AMI)	\$59,150	\$67,600	\$76,050	\$84,500

Source: State Housing and Community Development Department (2009)
AMI = Area Median Income

Table 9: Definition of Terms

Income	Income Limits	Housing Cost Thresholds	
		For Sale	Rental
Extremely Low	30% of AMI	30% of 30% of AMI	30% of 30% of AMI
Very Low	50% of AMI	30% of 50% of AMI	30% of 50% of AMI
Lower	80% of AMI	30% of 70% of AMI	30% of 60% of AMI
Moderate	120% of AMI	30% of 110% of AMI	30% of 110% of AMI

Source: State of California, Health and Safety Code, and Title 25, Section 6932 of the California Code of Administrative Regulations
AMI = Area Median Income

Regulatory Parameters:

- Housing Setaside.** With limited exceptions, not less than twenty percent (20%) of tax increment revenues derived by a redevelopment agency must be deposited into a Low and Moderate Income Housing Fund (commonly referred to as “Housing Setaside” and abbreviated as “LMIHF”). For the Buellton Improvement Project, this statutory percentage was increased from 20% to 25% as a result of the Settlement Agreement with California Rural Legal Assistance in 2003. Funds on deposit in the LMIHF are expressly reserved for purposes of increasing, improving and preserving the community’s supply of low and moderate income through a broad array of activities including: (i) site assemblage, new construction and rehabilitation of affordable housing; (ii) provision of loans and/or grants for the rehabilitation of existing homes and apartments; and (iii) down payment assistance for first time home purchases; and (iv) incentives for infill and mixed use projects. Agencies are not allowed to accrue more than \$1 million in the LMIHF or an amount greater than the sum of annual deposits over the preceding four fiscal years; otherwise, they are potentially subject to penalties and forfeiture.
- Inclusionary Housing.** Redevelopment projects adopted after 1976 must assure that at least 30% of all new or substantially rehabilitated units developed by a redevelopment agency are available at affordable costs to target income households. Of this 30%, not less than 50% must be available at affordable costs to very low-income households. Further, for all units developed in the project area by entities other than a redevelopment agency, the CRL requires that at least 15% of all such dwellings be made available at affordable costs to target income households. Of these, not less than 40% of the dwelling units are required to be available at affordable costs to very low-income households. These requirements, referred to as "inclusionary housing," are applicable to dwelling units as aggregated, and not on a project-by-project basis to each dwelling unit created or substantially rehabilitated unless so required by an agency.

- **Replacement Housing.** For redevelopment projects adopted after 1976, and all projects regardless of adoption after December 31, 1995, the CRL requires that whenever dwelling units housing low and moderate income households are destroyed as part of a project assisted by a redevelopment agency, the agency is responsible for ensuring that an equivalent number of replacement units are constructed or substantially rehabilitated within four years. These units must provide at least the same number of bedrooms destroyed, and effective January 1, 2002, 100% of all replacement housing units must be affordable to the same income categories as those displaced by a redevelopment agency. Previously, only 75% of the units had to match the displaced income categories. The agency receives a full credit for replacement units created inside or outside the project area.
- **Miscellaneous Provisions.** Effective January 1, 2002, the CRL now requires that LMIHF expenditures during the prescribed planning period must reflect the community's demographics in terms of income categories and household composition. Proportionality, as it is commonly referred to, is based on regional needs assessment embodied in the community's adopted Housing Element. Also effective January 1, 2002, all new or substantially rehabilitated units developed or assisted with funds on deposit in the LMIHF must be affordable for 55 years (rental units) or 45 years (owner-occupied units). Units rehabilitated or constructed prior to January 1, 2002, may have shorter time limits. Dwelling units that are substantially rehabilitated with agency assistance have differing inclusionary requirements depending upon when the units are rehabilitated. Since January 2007, inclusionary requirements apply to all substantially rehabilitated units consisting of two or more single-family dwellings assisted by the agency.

Planning Horizon: The requirement to prepare Implementation Plans commenced in 1994. Since then, the RDA has adopted three Plans covering a 10-year period through December 31, 2014. The beginning and ending dates of these time periods vary depending upon the date of adoption of redevelopment plans. For purposes of this Implementation Plan, the 10-year planning horizon expires on December 31, 2019.

SECTION II: HOUSING PRODUCTION

Resource Allocation: Table 10 presents a forecast of tax increment to be deposited into the RDA's LMIHF over the next five years. These forecasts are based on the historical increase in valuation and tax increment growth over the previous five years per Tables 3 and 4 in Section I, together with a beginning fund balance of \$1,300,771. The CRL expressly requires that expenditures from the LMIHF benefit target populations in proportion to the needs possessed by these groups relative to the community at large. Specifically, proportionate benefit to low and very low-income households must be achieved within the 10-year planning horizon of the Housing Plan, while proportionate benefit to families and elderly must be accomplished within the five-year planning horizon of the Strategic Plan. New construction goals set forth in the City's adopted 2009 Housing Element serves as the basis for determining income proportionality, while the 2000 U.S. Census provides data on age distribution (see Table 11).

Table 10: LMIHF 2010-2014

	Five-Year LMIHF Revenue Forecasts				
	FY2009-10	FY2010-11	FY2011-12	FY2012-13	FY2013-14
Gross Amount					
Fund Balance	\$1,300,771	\$1,013,115	\$741,981	\$488,689	\$254,668
New Funds	\$203,465	\$219,742	\$237,321	\$256,307	\$235,695
Interest Earnings	\$3,052	\$3,296	\$3,560	\$3,845	\$3,539
Total Resources	\$1,507,288	\$1,236,153	\$982,862	\$748,841	\$494,173
Adjusted Total					
Administration	\$49,417	\$49,417	\$49,417	\$49,417	\$49,417
Expenditures	\$444,755	\$444,755	\$444,755	\$444,755	\$444,755
Carryover	\$1,013,115	\$741,981	\$488,689	\$254,668	-

Source: Table 6

Table 11: Proportionality Requirements

	Income Distribution					
	Extremely Low	Very Low	Lower	Moderate	Other	Total
Income						
Total Unit Goals	32	32	47	46	122	279
% Allocation (Total)	11.5%	11.5%	17%	16%	44%	100%
Target Group Allocation	20.5%	20.5%	30%	29%	n/a	n/a
	Age Distribution					
	65+ Years of Age		<65 Years of Age		Total	
Age						
Total Population	520		3,052		3,572	
% Allocation	15%		85%		100%	

Source: City of Buellton Housing Element (2009), and Housing and Population Data, U.S. Census Bureau (2000)

Housing Program: Housing production and expenditure forecasts over the next five years appear in Table 12. The programmatic categories appearing in Table 12 correspond to the City's current adopted Housing Element: Housing Construction (net RHNA goals), Housing Rehabilitation (loans and grants) and Housing Conservation (affordable covenants). The numeric goals

are also based on the adopted Housing Element; however, the specific numbers assigned to the RDA is a prorated amount of total Housing Element goals based on the amount of land area encompassed by the Buellton Improvement Project compared to the City at large (i.e., [Housing Element Quantified Objectives] x [(Redevelopment Project Area Acreage) / (Total City Acreage)]). Expenditure forecasts reflect the total amount of tax increment to be deposited into the RDA's LMIHF over the next five years, less 10% for general administration and overhead (see Tables 6 and 10). Net revenues are then apportioned among the program categories based on unit goals assigned to each category (e.g., Construction Expenditures = [Net LMIHF Revenues] x [Construction Unit Goals/Total Unit Goals]).

Table 12: Housing Program Forecasts

	Housing Production – Unit Goals										Grand Total
	Family Households					Elderly Households					
	E.L.	V.L.	Low	Mod.	Total	E.L.	V.L.	Low	Mod.	Total	
5-Year Total											
Construction	5	5	7	7	23	1	1	1	1	4	28
Rehabilitation	2	2	3	3	9	0	0	0	0	2	10
Conservation	1	1	1	1	4	0	0	0	0	1	4
Total	7	7	11	10	36	1	1	2	2	6	42
Avg. Annual											
Construction	1	1	1	1	5	0	0	0	0	1	6
Rehabilitation	0	0	1	1	2	0	0	0	0	0	2
Conservation	0	0	0	0	1	0	0	0	0	0	1
Total	1	1	2	2	7	0	0	0	0	1	8
	Expenditure Forecasts (\$000's)										Grand Total
	Family Households					Elderly Households					
	E.L.	V.L.	Low	Mod.	Total	E.L.	V.L.	Low	Mod.	Total	
5-Year Total											
Construction	\$255	\$255	\$373	\$360	\$1,242	\$45	\$45	\$66	\$64	\$219	\$1,461
Rehabilitation	\$94	\$94	\$138	\$133	\$459	\$17	\$17	\$24	\$23	\$81	\$540
Conservation	\$39	\$39	\$57	\$55	\$190	\$7	\$7	\$10	\$10	\$33	\$223
Total	\$387	\$387	\$567	\$548	\$1,890	\$68	\$68	\$100	\$97	\$334	\$2,224
Avg. Annual											
Construction	\$51	\$51	\$75	\$72	\$248	\$9	\$9	\$13	\$13	\$44	\$292
Rehabilitation	\$19	\$19	\$28	\$27	\$92	\$3	\$3	\$5	\$5	\$16	\$108
Conservation	\$8	\$8	\$11	\$11	\$38	\$1	\$1	\$2	\$2	\$7	\$45
Total	\$77	\$77	\$113	\$110	\$378	\$14	\$14	\$20	\$19	\$67	\$445
Proportionality											
Income	20.5%	20.5%	30%	29%	-	20.5%	20.5%	30%	29%	-	

Age					85%					15%	
Overall Blended	17%	17%	26%	25%		3%	3%	5%	4%		100%

SOURCES: Updated Housing Element, Table H-8A, July 23, 2009.

NOTES: Unit and cost distributions reflect the proportionate needs possessed by target income households per Table 11 and reflect average annual expenditures per Table 10; actual performance between and among the programs will vary from year to year. Overall distributions reflect the minimum baseline for compliance with the CRL that must be achieved over ten-years. Totals may not exactly match the sum of individual numbers due to rounding.

Inclusionary Housing: Table 13 provides a forecast of new, rehabilitated and price-restricted residential units to be developed, improved or purchased within the Project Area over the remaining duration of the Redevelopment Plan. New Construction estimates correspond to the maximum residential development potential utilizing baseline data from the recently adopted Housing Element. RDA Program estimates correspond to the housing production goals set forth in Table 12, extrapolated to the year 2034. Table 14 further differentiates this data between RDA and privately-developed housing and breaks down the housing forecasts into two time frames: (i) a ten-year estimate; and (ii) a complete build-out scenario at the end of the Redevelopment Plan (Year 2034). In sum total, a net surplus of deed-restricted affordable units is shown both for the end of the 10-year planning horizon as well as at the end of the Redevelopment Plan. As a precautionary note, the estimates in Tables 13 and 14 assume full build-out of the Affordable Housing Overlay sites designated in the Housing Element and active RDA participation in producing affordable housing beyond the 15% inclusionary percent required by law. Actual results will require regular monitoring to ensure that the RDA does not inadvertently accumulate an unfunded liability in the form of a negative inclusionary accrual.

Table 13: Residential Dwelling Unit Forecast

	Within Project Area	Affordable Category					Total
		Extremely Low	Very Low	Low	Moderate	Other	
NEW CONSTRUCTION							
Entitled Projects							
Polo Village	No		5 (5)	3 (3)	45		53 (8)
Central Ave. Condos	No					10	10
The Village	Yes		21 (21)	15 (15)	13 (13)	195	244 (49)
AHOZ Potential							
Sites III, VII, IX, X	Yes	13 (13)	14 (14)	20 (20)	20 (20)	267	334 (67)
Sites I, II	No	37 (37)	37 (37)	54 (54)	53 (53)	723	904 (181)
Second Units	No				14		14
Multi-Family Infill	Yes		1 (1)	1 (1)		11	13 (2)
Mixed Use	Yes	2 (2)	2 (2)	3 (3)	3 (3)	56	66 (10)
Multi-Family/Mixed Use	No	5 (5)	6 (6)	8 (8)	8 (8)	152	179 (27)

RDA PROGRAMS							
Construction	Yes	28 (4)	28(4)	41(6)	40(6)		137(20)
Rehabilitation	Yes	15	15	11	11		51
Conservation	Yes	6(6)	6(6)	4(4)	4(4)		20(20)
TOTAL							
Inside Project Area	Yes	64(25)	87(48)	95(49)	91(46)	529	866(168)
Outside Project Area	No	42(42)	48(48)	65(65)	120(61)	885	1,160(216)

Source: July 23, 2009, Housing Element

Notes: Numbers within parenthesis () denote deed-restricted affordable units based on conditions of approval or by operation of the City's existing Affordable Housing Ordinance. Totals may not exactly match the sum of individual numbers due to rounding.

Table 14: Inclusionary Forecasts

	10-Year Forecast (2010-2019)					Life of Redevelopment Plan (2010-2034)				
	Deed-Restricted				Other	Deed-Restricted				Other
	E.L.	V.L.	Low	Mod		E.L.	V.L.	Low	Mod.	
NEW OBLIGATIONS										
New Construction										
Privately Developed Units	6	15	16	14	212	15	38	39	36	529
Agency Developed Units	0	0	0	0	0	0	0	0	0	0
RDA Programs										
Privately Developed Units	4	4	4	4	47	10	10	10	10	118
Agency Developed Units	0	0	0	0	0	0	0	0	0	0
Total										
Total Production	10	19	20	18	259	25	48	49	46	647
Inclusionary Requirements										
15% for Private Projects	-10	-10	-15	-15	0	-24	-24	-37	-37	0
30% for Agency Projects	0	0	0	0	0	0	0	0	0	0
Surplus/Deficit	0	+9	+5	+4	0	+1	+24	+12	+9	0
INCLUSIONARY OFFSETS										
Units Constructed Since 1993										
2000 Central Gardens I		12					12			
2001 533 Central					2					2
2003 419 Central					3					3
2006 Vintage Walk		4	2		11		4	2		11
Total New Construction		16	2		16		16	2		16
Inclusionary Obligations	-1	-2	-2	-1		-1	-2	-2	-1	
Surplus/Deficit	-1	+14	0	-1		-1	+14	0	0	

TOTAL SURPLUS/DEFICIT	-1	+23	+5	+3		0	+38	+12	+9	
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Source: Table 13

Notes: Unit tabulations under RDA Programs excludes Rehabilitation insofar as it is not anticipated that any specific projects will exceed the substantial rehabilitation threshold as to constitute new construction. Totals may not exactly match the sum of individual numbers due to rounding. CRLA does not require a specific goal threshold for Extremely Low Income; rather, the statute treats this as part of Very Low Income. As such, for purposes of statutory compliance, the Extremely Low and Very Low Income categories together show a surplus in both the 10-Year and Plan Life forecasts.

Table 15: Previous Implementation Plan (FY04-05 through FY08-09)

	Family Households (By Income Classification)					Elderly Households (By Income Classification)					Grand Total
	E.L.	V.L.	Low	Mod	Total	E.L.	V.L.	Low	Mod	Total	
Assisted by LMIHF											
Units Produced											
Vintage Walk		4	2		6						6
LMIHF Expenditures (\$000's)		\$6	\$3		\$9						\$9
Non-RDA Assisted											
Units Produced											
453 Kendale (1)			1		1						1
LMIHF Expenditures (\$000's)			\$21		\$21						\$21
Total LMIHF Expenditures (\$000's)		\$6	\$24		\$30						\$30
Proportionality											
Income		20%	80%		100%						
Age					100%					0%	
Notes:											
(1) Includes \$18,143.35 for the Housing Conservation Program Loan plus \$3,015 in administrative fees.											

Proportionality: Section 33334.4. (a) of CRL expressly requires that LMIHF moneys be used to assist housing for persons of low income and very low income in *at least* the same proportion as the total number of housing units needed for each of those income groups bears to the total number of units needed for persons of low and moderate income within the community. As shown in Table 15, LMIHF expenditures for low and very low income together equal 100%, which is more than double the amount that these two income groups represent of the community at large (i.e., see Table 11; 20.5% very low + 20.5% low = 41%). Section 33334.4. (b) of CRL also requires LMIHF expenditures benefit non-elderly *at least* the same proportion as the number of low-income households with a member under age 65 years bears to the total number of low-income households of the community. Again, as shown in Table 15, all of the LMIHF expendi-

tures in the previous Implementation Plan benefited non-elderly households. Thus, in the instance of both income and age, the RDA has complied with proportionality requirements.

SECTION III: MISCELLANEOUS PROVISIONS

Replacement Housing: With respect to project areas adopted or added by amendment on or after January 1, 1976, redevelopment agencies are required to replace low and moderate income housing units destroyed or removed as a result of agency involvement within four years of removal. This requirement also applies to pre-1976 projects with respect to units removed on and after January 1, 1996. An agency may replace destroyed or removed dwellings with fewer units if the replacement units have a greater or equal number of bedrooms and are affordable to the households of the same income level as the destroyed or removed units. In any case where dwelling units are destroyed or removed after September 1, 1989, at least 75% of the replacements units must be available at affordable housing cost to the same income level as persons displaced, and after January 1, 2002, all replacement units must meet this standard. During the previous five years, there were no units destroyed or removed for which the RDA is responsible to replace. Likewise, no projects are presently planned or anticipated that would require replacement in the forthcoming five-year cycle.

Project Expiration: For project areas that are within six years of the time limit on the effectiveness of the redevelopment plan, the CRL requires that the Implementation Plan address unfulfilled obligations if any exist. The Buellton Improvement Project has another 24 years before the authority to engage in redevelopment activities lapses. As such, the RDA is not required to address unfulfilled obligations. More importantly, the RDA has a positive balance in its inclusionary and replacement housing obligations. Since 1993, only 34 dwellings have been developed within the Project Area, creating a new inclusionary requirement of five affordable units. Central Gardens I, a 12-unit very low income rent restricted project, was constructed by the Santa Barbara Community Housing Corporation in 2000 with assistance from the City of Buellton using Housing Trust Funds. Six years later, again with RDA assistance, 17 dwellings were developed as part of the Vintage Walk mixed use project; 35% of the total units are affordable to target income groups. The combined result of these two projects is a net surplus of 14 dwellings.

Plan Amendments: At least once within the five-year term of the Implementation Plan, or as otherwise required by law, the RDA must conduct a public hearing for the purpose of reviewing the Implementation Plan. The review must take place between the second and third year of the Plan following adoption. Notwithstanding such review, the RDA may at any time amend the Plan after conducting a public hearing on the proposed amendment.

The City of Buellton is undertaking a public visioning process to determine the future development and growth of the City. This process is set to begin in 2010 and would most likely include direction to update the 2002 Urban Design Plan and the provisions of the Buellton Zoning Ordinance. Because the Housing Plan is intertwined with the City's Housing Element, and due to the overlapping nature of planning horizons, it is both anticipated and recommended that the mid-

term review be undertaken with the expressed purpose of incorporating important policy and programmatic changes embodied in these complimentary policy documents. It is further noted that the favorable inclusionary housing estimates reported in Table 14 assume aggressive build-out and active RDA implementation of the Housing Element. Actual results will require regular monitoring to ensure that the RDA does not inadvertently accumulate an unfunded liability in the form of a negative inclusionary housing accrual.

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