

Winters Community Development Project Implementation Plan



**WINTERS COMMUNITY DEVELOPMENT AGENCY
2009 – 2013**

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2009 – 2013 Five Year Implementation Plan Executive Summary

The project area of the Winters Community Development Project Area Plan includes approximately 669 acres, or 41 percent of the total land area of the City of Winters. The Winters City Council adopted the Community Development Project Area Plan in 1992, and the Winters Community Development Agency (CDA) oversees the Plan.

The CDA has adopted the following mission statement as an overall framework for its redevelopment activities:

“To maximize the abundant potential of Winters’s land, assets and people, with positive physical change that creates vibrant retail commerce, diverse and highly desirable residential neighborhoods and quality employment opportunities.”

CDA Goals

The State Community Redevelopment Law enables a local government to form a Community Development (Redevelopment) CDA when it determines that physical, social or economic problems, identified as “blight” or “blighting influences” in the State Community Development Law, exist within a community. Blight and blighting influences encompass a broad spectrum of definitions in the State Law, ranging from inadequate public improvements, to economic conditions that inhibit sound use or development of property, to physically deteriorated and dilapidated structures and facilities.

The Community Development Agency (CDA) of the City of Winters proposes to use the authority provided to it by this Plan to eliminate or reduce blight and blighting influences presently existing with the City and the Project Area, as set forth in this Plan.

This action is necessary because within the Project Area there presently exists an inadequate circulation system; mixed and shifting land uses; inappropriate and fragmented parcelization; physical deterioration of property; and inadequate public improvements, including needed flood control and storm drainage facilities, recreation improvements, traffic signalization, street reconstruction, curb, gutter and sidewalk construction, parking facilities, street lighting, and municipal services facilities – all of which inhibit proper and desirable development of the Project Area.

The overall goal of the CDA is to maximize the potential benefits of the CDA to the community, while preserving the historical ambiance and quality of life in Winters.

CDA Objectives

In order to achieve these goals, the CDA has identified objectives that are designed to alleviate blighting conditions in the project area:

- To provide a stable, diversified and stronger economic base for the Project Area and Community.
- To provide safer, more efficient, and economical movement of persons and goods within the Project Area and community.
- To conserve and improve existing public facilities and to provide such new facilities as needed for the improvement of the Project Area.
- To enhance the physical environment of the Project Area and to emphasize its favorable environmental characteristics.
- To maximize opportunities for the revitalization, expansion and development of commercial and industrial uses within the Project Area.

- To improve and increase the community's supply of affordable housing in a manner consistent with the Housing Element of the General Plan and the policies of the Community Redevelopment Law.
- To accomplish these goals with minimum displacement of any property owner, resident or business person who may wish to remain within the Project Area.

CDA Programs

To achieve these goals and objectives, the CDA will continue to implement current redevelopment projects and activities in the project area during the five-year period of the 2009-2013 Implementation Plan. The programs and projects fall under the following categories:

- Public infrastructure;
- Public facilities;
- Economic development;
- Project area planning; and
- Property disposition and development.

CDA Accomplishments 2003-2008 (previous 5-year Plan)

The overall goal of the CDA is to maximize the potential benefits of the CDA to the community, while preserving the historical ambiance and quality of life in Winters. Since the adoption of the 2003 - 2008 Implementation Plan, the CDA has undertaken and participated in a number of projects and activities toward meeting the goals and objectives identified in the 2003-2008 Implementation Plan. Some of the notable accomplishments as they relate to the CDA Objectives identified in the 2003-2008 Implementation Plan include (a complete list of projects is provided in Section II.C):

- Attraction of Palms Playhouse and Lease Assistance Program;
- Preparation of Downtown Master Plan and beginning of implementation. The CDA authorized \$1.35 Million toward Phase I of the Downtown Pedestrian Improvement Project anticipated to be completed fall of 2008. The CDA also authorized \$185k toward Phase II of the Downtown Pedestrian Improvement Project anticipated to commence immediately following the completion of Phase I and completed during the fall of 2009;
- In 2006/07, the CDA expended \$725,000 toward the development of a City/School District swimming pool;
- In 2006/07, the CDA expended over \$600,000 toward the development of the Rotary Park parking lot and restrooms, the Community Center shade structure, downtown bike racks, and the Downtown Façade program;
- In September of 2004, the CDA approved the Downtown Façade Improvement Program and continues to provide funds for this program each year;
- In February of 2007, the CDA purchased 23 Main Street in downtown Winters which will provide a Main Street to alleyway walk-through to improve pedestrian path of travel in Winters;
- In October of 2004, the CDA purchased property at East Baker Street for the development of the Winters II Affordable Housing project. The CDA also provided over \$1.5m in grants and loans for this project which was leased up in early 2008;
- In 2004/05 and 2005/06, the CDA provided almost \$500k toward the successful rehabilitation of the 1906 dilapidated and abandoned Southern Pacific Railroad trestle bridge which is now in use for pedestrian and cyclist transit and experiencing Putah Creek;
- Other projects funded by the CDA over the life of the 2003-2008 Plan included: \$250k toward the Rominger Softball Field; almost \$350k toward the rehabilitation of the Winters Parent Nursery School; downtown streetlights; water tower logo; Little League lights; and holiday lights;
- In September 2004, the CDA purchased a 18,949 square foot property on Railroad Avenue between Main and Abbey Streets for future in-fill development of downtown Winters. The CDA is currently negotiating a Disposition and Development Agreement with Monticello Investors for the

development of a 47,000 square foot mixed use development including commercial and residential uses;

- The CDA provided almost \$150,000 in grants and loans toward the Senior Rehabilitation Program and the First Time Home Buyer Program.

Estimated Cost of the Five Year Non-Housing Program

Over the next five years, the CDA plans to implement the following redevelopment projects and programs. The list below describes the projects proposed which would actualize the CDA's proposed goals and objectives. The CDA's estimated cost share of the five-year program of non-housing activities is \$11,328,900 for the period of FY 2009 to FY 2013. The CDA anticipates that sufficient funds (through the issuance of tax increment bonds and the use of non-CDA funding sources) will be available to accomplish the proposed five-year program of non-housing activities.

- Public Safety Building design and construction. This will include the development of a joint use facility for the Police and Fire Departments.
- Water and Sewer improvements to include major upgrades to mains, pumping stations and telemetry.
- City wide traffic circulation and safety improvements, including traffic lights and calming features.
- Completion of the downtown design and zoning code.
- The construction of a new joint use library to be co-located and operated at Winters High School.
- Downtown Signage Program
- Construction of Water Well #7 at the corner of West Main Street and Grant Avenue
- Revitalization of the Downtown
- Rehabilitation of existing public facilities including the Community Center
- Various Street and alleyway improvements including the Downtown Pedestrian Improvement Project
- Park facility improvements
- Development and Implementation of Economic Development strategy and programs including branding and marketing programs
- Property acquisition and site development
- Rehabilitation of possible downtown sites
- Feasibility study and rehabilitation assistance for downtown historic structures
- Downtown Master Plan implementation
- Incentive programs for new business and new job development
- Continuation of the Façade Improvement Program

Below is a table showing a financial summary of net non-housing funds available for programs during the Five Year Implementation Plan period. Additionally, remaining funds from the March 2004, CDA \$7.8 million Tax Allocation Bond issue and the June, 2007 \$11 million issue will go toward the construction of the Public Safety Facility, sewer expansion and other capital and housing projects.

**Table ES-1
Projected Tax Increment Funds Available for Projects**

Fiscal Year	Projected Non-Housing Tax Increment	Projected Admin	Projected Pass Throughs	Projected Debt Service	Net Available for Projects
2008-2009	\$ 1,654,956.00	\$ 351,055.00	\$ 356,666.78	\$ 785,723.50	\$ 161,510.72
2009-2010	1,737,703.80	359,831.38	374,469.97	941,986.00	\$ 61,416.45
2010-2011	1,824,588.99	368,827.16	393,163.32	939,338.50	\$ 123,260.01
2011-2012	2,043,818.44	378,047.84	606,431.66	936,058.50	\$ 123,280.44
2012-2013	2,146,009.36	387,499.03	636,723.09	936,838.50	\$ 184,948.73
Total	\$9,407,076.59	\$1,845,260.41	\$2,367,454.83	\$4,539,945.00	\$ 654,416.35

Statutory Affordable Housing Requirements

The major statutory affordable housing requirements imposed on redevelopment agencies by the California Redevelopment Law (CRL) may be categorized generally as:

- Housing Production Requirement – Specified minimum percentages of new or rehabilitated housing units in a project area are to be available at a specified affordable housing cost. This is sometimes referred to as an “Inclusionary” requirement.
- Replacement Housing Requirement – Agencies must replace housing units removed from the housing stock as a result of redevelopment activities.
- Housing Fund Requirement – Redevelopment agencies are required to expend specified percentages of tax increment revenue for the provision of affordable housing.

The Winters Community Development Agency has historically met its legal obligations under the CRL and Housing Element Law. The housing production and replacement housing numbers used in this report represent the best available information to date.

Housing Production Requirement

From the inception of the project area in July 1992 and up until July 2008, the CDA has met the CRL housing production requirement that 15 percent of the housing units newly developed or substantially rehabilitated in the project area must be affordable to very low, low and moderate income households, of which six percent of units developed or rehabilitated must be affordable to very low income households earning 50 percent of the median income or less. The CDA intends to meet its affordable housing production requirements in the next ten years and throughout the life of the project to 2033.

- Historically, since the inception of the project area in 1992, the CDA estimates that 473 dwelling units have been produced in the project area: 425 new units and 48 substantially rehabilitated units. Of these, 190 are affordable to very low, low and moderate income households. These 473 units “produced” generated an inclusionary housing obligation of 73 units, which was far exceeded through the provision of 190 affordable units, representing forty percent of total production.
- Between 2009 and 2013 the CDA projects that a total of 97 dwelling units will be constructed in the project area. Of these, 15 will be affordable to very low, low and moderate-income households.
- From 2009 until the end of the Project (2033), the CDA estimates that 392 new or substantially rehabilitated dwelling units will be developed within the project area. Of these, 60 will be affordable to very low, low and moderate-income households.

Replacement Housing Requirement

Historical

- To date, the CDA's activities have not resulted in the loss of any housing units from the housing stock. As a result, the CDA has yet to incur any replacement housing obligations.

Projected

- The CDA does not anticipate removing any housing units from the housing stock during the term of the Implementation Plan (2009 – 2013).

Housing Fund Requirement

Since 1992, the CDA has committed at least 20 percent of its tax increment revenues, which are deposited into the housing set-aside fund (housing fund) to support the production of very low, low and moderate-income housing and will continue to do so in the future.

- The CDA projects depositing tax increment bond proceeds in the housing fund, between 2009 and 2013 (Fiscal Years 2008/2009 through 2012/2013), meeting its 20 percent obligation. The CDA anticipates expending all of these funds on housing activities, leaving the housing fund with a zero balance at the end of Fiscal Year 2012/2013.

Annual Goals

Over the next ten years, the Community Development CDA will continue to dedicate its housing activities to assist in the achievement of the City's goals, policies and programs described in the City's *Draft 2008 Housing Element Update*.

During the five-year period covered by this Implementation Plan, it is possible that the CDA will undertake some but not all of the projects listed. All costs and time frames listed for the programs and projects are estimates only and may differ from the actual costs and time frames. Specific projects may also be modified or added depending on actual circumstances, including but not limited to changing needs of the CDA, actual costs of the projects and the availability of funding. The Implementation Plan will not be further amended as the result of any such addition or modification, so long as the projects are: 1) permitted by the Community Redevelopment Law (California Health and Safety Code Section 33000 et seq.); 2) consistent with the Redevelopment Plan for the Winters Community Development Project Area; and 3) consistent with the goals and objectives set forth in the Implementation Plan.

I. INTRODUCTION

The California Community Redevelopment Law (CRL) requires each Community Development Agency administering a redevelopment plan to prepare and adopt a five-year implementation plan. The principal goal of the Implementation Plan is to guide an agency in implementing its redevelopment programs to help eliminate blighting influences. In addition, the affordable housing component of the Implementation Plan provides a mechanism for a Community Development Agency to monitor its progress in meeting both its affordable housing obligations under the CRL and the affordable housing needs of the community. In effect, the Implementation Plan is a guide, incorporating the goals, objectives and potential programs of an agency for the next five years, while providing flexibility so the agency may adjust to changing circumstances and new opportunities.

This document constitutes the Implementation Plan for the Winters Redevelopment Project Area. This Implementation Plan outlines the proposed program of revitalization, economic development, and affordable housing activities of the Winters Community Development Agency for the required five-year planning period that includes FY 2008/09 through FY 2012/13. In addition, information for later years is also provided where it is available or required.

A. ORGANIZATION

Generally, the Implementation Plan must contain the following information:

- Specific goals and objectives for the next five years for both the housing and non-housing activities.
- Specific programs and expenditures for the next five years for both housing and non-housing activities.
- An explanation of how the goals, objectives, programs and expenditures will assist in the elimination of blight and in meeting affordable housing obligations.
- Other information related to the provision of affordable housing.

These Implementation Plan requirements cover two broad categories of redevelopment activities. Consequently, this Implementation Plan is organized into two parts. Chapter II sets forth the requirements for non-housing activities and related expenditures. Chapter III addresses affordable housing activities and expenditures and charts agency progress in meeting its affordable housing obligations. Chapter III also includes the Affordable Housing Production Plan (also known as the AB 315 Plan).

B. INTERPRETATION

This Implementation Plan is intended to provide general guidance for the implementation of the agency's programs and activities. It is expected that particular constraints and opportunities, not fully predictable at this time, will arise in the course of undertaking the programs and activities described in this Implementation Plan over the next five years. Therefore, the CDA intends to use and interpret this Implementation Plan as a flexible guide. The CDA acknowledges that specific programs and activities as actually implemented over the next five years may vary in their precise timing, location, cost, expenditure, scope and content from that set forth in this document.

II. NON-HOUSING IMPLEMENTATION PLAN

A. DESCRIPTION OF REDEVELOPMENT PROJECT AREA

The redevelopment project area includes 669 acres, or 41.6 percent of the total land area of the City of Winters. Generally, the project area includes most of the City south of Grant Avenue and portions of the City north of Grant. (See Table II-1 for a summary of the project area and Figure I for a map of the project area.)

The Winters City Council adopted the project area in 1992 and established the Community Development Agency to oversee and have jurisdiction over the Redevelopment Project. The Winters City Council established the Redevelopment Plan for the project area through Ordinance No. 92-08.

On January 15, 2008, the Winters City Council passed and adopted Ordinance No. 2008-01 which did the following: 1) As allowed under SB 211, the Ordinance eliminated the existing time limit on incurring debt; 2) As allowed under SB 1045, the Ordinance amended the time limit on the effectiveness of the Redevelopment Plan, extending the effectiveness of the Redevelopment Plan to July 19, 2033; and 3) as allowed under SB 1045, the Ordinance amended the time limit which the CDA may pay indebtedness or receive property taxes, extending the date to July 20, 2043.

**Table II-1
Summary Description**

Acres	669
Adopted	July 20, 1992
Base Assessed Value	\$61,667,954
Time Limits under AB 1290	
Incurring Debt ¹	Eliminated as allowed under SB 211
Project Activities	July 19, 2033 (includes SB 1045 amendment)
Tax Increment Receipt	July 19, 2043 (includes SB 1045 amendment)
Time Limit for Use of Eminent Domain	
Eminent Domain Expiration	July 20, 2004
Financial Capacity (As of 7/01/08)	
Tax Increment Cap	\$121,000,000
Bonded Indebtedness Cap	\$25,000,000
Tax Increment Received FY 2008	\$1,746,952
Bonded Indebtedness Outstanding	\$18,060,000

Source: Winters Community Development Agency, 2008.

B. PROJECT AREA GOALS AND OBJECTIVES

1. Goals

The Implementation Plan provisions of the CRL require the CDA to establish goals and objectives for the project area for the five-year planning period.

The CDA has adopted the following mission statement as an overall framework for its redevelopment activities:

"To maximize the abundant potential of Winters' land, assets and people, with positive physical change that creates vibrant retail commerce, diverse and highly desirable residential neighborhoods and quality employment opportunities."

¹ Ten-year extension available if necessary to eliminate remaining blight.

This mission statement provides the basis for the following set of redevelopment goals:

- Alleviate and prevent the spread of blight and deterioration through redevelopment, rehabilitation and development.
- Construct needed capital improvements and facilities to benefit all segments of the project area.
- Attract additional retail and industrial development to serve the Winters community and the greater region.
- Support development of new housing and rehabilitation of existing housing for all income levels.
- Provide the necessary assistance to increase local employment opportunities, primarily through the development of vacant or underutilized land

2. General Objectives

To achieve these goals the CDA identified specific objectives designed to alleviate the blighting conditions in the project area that constrain development. These objectives include:

- Construct needed public facilities and improvements, including civic improvements for public safety, libraries, and the general community.
- Upgrade, expand, and rebuild non-existent and/or aging infrastructure systems to support new development, including improvements to storm water collection and drainage systems, street lights, pedestrian circulation improvements, passive and active open space, and similar public improvements.
- Provide mechanisms to upgrade existing private residential and commercial buildings to ensure their preservation and enhancement and to increase their economic life and value. Use redevelopment funds as leverage for grants such as Community Development Block Grant (CDBG) Housing Rehabilitation and Business Loan Programs.
- Pursue specific opportunities to attract development to the project area through market analysis, specific plans, and, marketing efforts.
- Implement an effective economic development strategy designed to attract and retain employers to the project area.
- Improve the traffic circulation system, which has constrained development and divided neighborhoods.

3. Redevelopment Activities

The CDA identified a number of programs and projects to achieve the goals and objectives of the Redevelopment Plan. The CDA will continue to implement these programs and projects during the five-year period of the 2009-2013 Implementation Plan. A number of these programs continue to be dependent upon the response of the private sector to CDA initiatives. Other program elements are dependent upon funding sources not under CDA control and other factors. Programs identified include the following:

- Public Infrastructure: Improve, construct and reconstruct major public systems, such as streets, roads, water, and wastewater and storm drainage systems.
- Public Facilities: Rehabilitate, develop and improve parks, recreational facilities and public buildings and facilities.
- Economic Development: Design and implement projects, activities, and programs to strengthen existing industrial and commercial enterprises and retailers, and attract new businesses which will provide quality jobs.
- Property Disposition and Development: Improve and arrange for development of property by private sector developers that will promote and support the City's redevelopment efforts.
- Project Area Planning: Implement planning projects that guide land use, transportation, public facilities, and recreation development. Maintain the City's balance between commercial, residential and industrial developments with thoughtful planning.

The program activities are described in Table II-2. Table II-3 correlates these project activities to the non-housing redevelopment goals listed above.

**Table II-2
Non-Housing Program Activities**

Program Activities	Summary Descriptions	Estimated Costs
Public Infrastructure		
Various Water Improvements	Install new water mains and complete other improvements at locations throughout the project area; see specific locations and detailed descriptions in Appendix A, Table 1-A.	\$350,000 - \$500,000
Various Wastewater Improvements	Install new sewer mains at locations throughout the project area; see specific locations and detailed descriptions in Appendix A, Table 2-A.	
Various Road and Sidewalk Improvements	Reconstruct failed streets (sections of McArthur Avenue and Mermod Place, and other failed streets in project area), rehabilitate or replace the two vehicle bridges on Railroad Avenue, and complete other roadway improvements at locations throughout the project area; see specific locations and detailed descriptions in Appendix A, Table 3-A. Various sidewalk improvements in the project area. Grant Avenue Improvements	\$165,600 - \$300,000
Public Facilities		
Construct New Facilities	Construct a civic center.	
	Construct a joint-use fire and police facility.	\$6,800,000
	Construct a joint-use library with Yolo County and the Winters Joint Unified School District.	\$457,418,67
	Construct joint-use facilities with the Winters Joint Unified School District.	
	Construct a senior citizen center.	
	Relocate the City's Public Works and the Winters Joint Unified School District's Corporation Yards to a joint facility.	
Revitalize Existing Facilities	Improve the Community Center and other community facilities as needed.	
Parks		
Construct New Parks	Construct a multi-sports field active park facility at the City's Landfill.	
	Acquire land and construct park facilities within the project area.	
Revitalize Existing Facilities	Complete improvements to City, Valley Oak, Blue Oak, Putah Creek park area, and Rotary Parks.	
	Continue efforts to improve the Putah Creek Nature Park with native plantings, trails, access points, interpretive signage, and other amenities.	
Economic Development		
Downtown Revitalization	Provide economic incentives for infill development and historic rehabilitation projects, facilitate CDA property disposition for in-fill mixed use development, facilitate seismic retrofits in downtown business district, improve streetscapes (sidewalks, landscaping, furnishings, etc.), upgrade building facades, construct a parking facility in or adjacent to the central business district, facilitate and encourage other economic development initiatives such as downtown festivals and events, art programs, tourism incentives, etc.	\$1,070,000 - \$1,500,000

Project Area Marketing	Increase visibility and attractiveness of project area to prospective businesses and developers. Develop and implement economic development strategy including a branding and marketing strategy.	
Project Area Planning		
Master Plan	Continue to implement Downtown Master Plan projects, programs and activities including: Downtown Signage program, Downtown Improvement Projects, street and alley improvements, completion of Downtown Form Based Code, etc.	\$1,635,000
Property Disposition and Development		
Property Acquisition	Acquire available lands to advance goals of the CDA.	\$1,500,000

**Table II-3
Redevelopment Goals and Program Activities Matrix**

Program Activities					
Redevelopment Goal	Public Infrastructure	Public Facilities	Economic Development	Project Area Planning	Property Disposition/Development
Alleviate and prevent spread of blight and deterioration.	✓	✓	✓	✓	✓
Attract additional retail/industrial development.	✓	✓	✓	✓	✓
Eliminate obstacles to development of office space and retail uses.	✓	✓	✓	✓	✓
Support development of housing for all income levels.	✓		✓	✓	✓
Provide necessary assistance to increase local employment opportunities.			✓	✓	✓

Source: Winters Community Development Agency, 2003.

C. CDA ACCOMPLISHMENTS OVER LAST FIVE YEARS

Since the adoption of the 2003 - 2008 Implementation Plan, the CDA has undertaken and participated in a number of projects and activities to directly meet the objectives identified in the 2003-2008

Implementation Plan. Below are some of the notable accomplishments as they relate to the CDA Objectives identified in the 2003-2008 Implementation Plan:

- 1) Objective: To provide a stable, diversified and stronger economic base for the Project Area and Community.

Accomplishment: On August 16, 2005, the CDA authorized the lease and sublease of the second floor and a portion of the first floor of a property in downtown Winters, for a period of 10-years in order to retain the Palms Playhouse (the "Palms") in downtown Winters. The Palms acts as an anchor tenant for the downtown, attracting a significant number of visitors from the region, expanding the "open" hours of the downtown, and bringing vibrancy thereby benefiting other downtown businesses and promoting economic development. The lease savings realized by the Palms is required to be re-invested in the Palms production for marketing, on-going improvements and toward an improved sound system which enables the Palms to attract a higher level of musical talent.

- 2) Objective: To provide safer, more efficient, and economical movement of persons and goods within the Project Area and community.

Accomplishment: In March 2006, the City Council approved the Downtown Master Plan which provides a vision for the overall economic and capital development of the central business district of downtown Winters. This adopted document includes a variety of plans and policies which represent key steps in achieving the overall build-out of the area including pedestrian improvements, street improvements, parking improvements, alleyway improvements etc. On October 17, 2006 the CDA authorized a \$20,000 budget to begin the implementation of programs for the economic development projects as outlined in the Master Plan. In March of 2007, the CDA released a Request for Proposal for Engineering and Design Services for the Downtown Streetscape Improvement Project. Through an agreement approved on August of 2007, and amended October of 2007, the CDA authorized \$1.3 million for Rick Engineering to take the CDA through the construction document phase for the Downtown Streetscape Improvement Program. Improvements include pedestrian improvements and bulb-outs at Main Street and Railroad Avenue. It is anticipated that the project will be constructed by the fall of 2008.

Accomplishment: In 2004/05 and 2005/06, the CDA provided almost \$500k toward the successful rehabilitation of the 1906 dilapidated and abandoned Southern Pacific Railroad trestle bridge which is now in use for pedestrian and cyclist transit and experiencing Putah Creek.

- 3) Objective: To conserve and improve existing public facilities and to provide such new facilities as needed for the improvement of the Project Area.

Accomplishment: In 2005, the CDA provided almost \$125,000 toward the rehabilitation of the City tennis court.

Accomplishment: In 2006/07 the CDA expended \$725,000 toward the development of a City/ School District swimming pool and over \$600,000 toward the development of the Rotary Park / City Parking Lot and restrooms, the Community Center Shade structure, downtown bike racks, and the Downtown Façade program. The Rotary Park /City Parking Lot project resulted in the creation of a Downtown Park at one of the City's main corners which acts as a gathering place for activities and events such as harvest markets, tree lighting ceremonies, etc. attracting visitors and patrons to the downtown and benefitting local businesses. The Project resulted in a net gain of 57 new parking spaces, from 65 on-site/off-site spaces to 122 on-site/off-site spaces (56 additional on-site spaces and 1 additional off-site space).

Accomplishment: Other projects funded by the CDA over the life of the 2003-2008 Plan included: \$250k toward the Rominger Softball Field and almost \$350k toward the rehabilitation of the Winters Parent Nursery School.

- 4) Objective: To enhance the physical environment of the Project Area and to emphasize its favorable environmental characteristics.

Accomplishment: On September 7, 2004, the CDA approved the Downtown Façade Improvement Program (DFIP), including the Guidelines, Agreement, Application, Rebate Claim Form, and Sample Façade Maintenance Easement needed to implement the program; and authorized CDA tax increment funds for its implementation. The CDA has continued to offer and provide funds for this program each year.

Accomplishment: In March 2006, the CDA completed the Downtown Master Plan providing a comprehensive plan to describe policy changes and capital improvement projects that will help downtown Winters to attract investment and grow while maintaining its historic, small-town character. The CDA is currently out to bid for Phase I of the Downtown Pedestrian Improvement project, identified in the Downtown Master Plan. This is a \$1.3M project. The CDA will also contribute \$185k toward Phase II which received a \$495k grant from SACOG. Phase II is anticipated to move forward immediately following completion of Phase I in the fall of 2008.

Accomplishment: Other projects funded by the CDA over the life of the 2003-2008 plan include funding for: downtown streetlights, water tower logo, little league lights, holiday lights.

- 5) Objective: To maximize opportunities for the revitalization, expansion and development of commercial and industrial uses within the Project Area.

Accomplishment: In February 2007, the CDA purchased 23 Main Street in downtown Winters from the Barbour/Whitworth Family for \$174,178.45. The CDA intends to provide for a permanent ten foot access easement through the property from the alley to Main Street for pedestrian purposes, as identified in the Downtown Master Plan. The Winters Center for the Arts has the option to lease back or purchase the property provided they have a bona fide development proposal for the construction of an Art Center building on the site which would be used by the Winters Center for the Arts and the public.

Accomplishment: In September 2004, the CDA purchased a 18,949 square foot property on Railroad Avenue between Main and Abbey Streets for future in-fill development of downtown Winters. The CDA is currently negotiating a Disposition and Development Agreement with Monticello Investors for the development of a 47,000 square foot mixed use development including commercial and residential uses.

- 6) Objective: To improve and increase the community's supply of affordable housing in a manner consistent with the Housing Element of the General Plan and California Community Redevelopment Law of the State of California, Health & Safety Code Sections 33000 et seq., policies to increase, improve, and expand the community's supply of affordable housing.

Accomplishment: On October 19, 2004, the CDA authorized the expenditure of funds, for the purchase a 1.71 acre vacant parcel at 110 East Baker (the Property"), at its \$460,000 appraised value, for the development of the Winters II Affordable Housing Project. The CDA became the owner on title on November 19, 2004. On March 1, 2005, the CDA entered into an Agreement to Negotiate Exclusively with the Community Housing Opportunities Corporation ("CHOC") to

prepare a Disposition and Development Agreement with respect to the Property. In August of 2006, the CDA approved a Ground Lease with Bruhn Orchards Housing Associates, L.P., a California Limited Partnership that was established by CHOC, which provides for a long term lease of the Property for \$1.00 per year and which provides for the development of the Property. The CDA provided a predevelopment loan in the amount \$50,000, a development loan in the amount \$150,000, and a grant of \$1,400,000 for the project. The two loans are on favorable terms. The CDA also picked up a portion of closing costs for the project. Additionally, the City of Winters was awarded a HOME grant in 2005 and the City is loaning \$2,850,280 of the HOME funds to CHOC for the Winters II project under favorable terms. The Winters II project was completed and leased up in January 2008.

Accomplishment: The CDA provided almost \$150,000 in grants and loans toward the Senior Rehabilitation Program and the First Time Home Buyer Program.

- 7) Objective: To accomplish these goals with minimum displacement of any property owner, resident or business person who may wish to remain within the Project Area.

Accomplishment: No property owners, residents or business owners were displaced due to CDA efforts.

D. FIVE YEAR PLANNING PERIOD REVENUES

Over the next five years, the CDA will undertake those activities that can be financially supported by its revenue stream. The CDA has three basic revenue sources:

- Tax Increment Revenues
- Bond issuance proceeds
- Non-CDA financial resources

1. Tax Increment Bond Issuance Proceeds

Bond proceeds will be the principal source of revenue to finance the proposed non-housing projects over the five year planning period. In March 2004, the CDA issued \$7.8 million in Tax Allocation Bonds to begin financing the development and housing programs in the project area. In its overall fiscal strategy, the CDA has determined that the use of tax allocation bonds to fund major improvements should occur to spur both economic development and produce needed public improvements. In June, 2007 the CDA issued an additional \$11 million, which will go toward the construction of the Public Safety Facility, sewer expansion and other capital and housing projects. It is anticipated that the majority of these bond proceeds will be encumbered during the 2008/09 fiscal year.

2. Co-Funding of Projects

Wherever possible, the CDA will leverage other funds in connection with its redevelopment efforts. The CDA has targeted local, state and federal funding sources to assist with the financing of eligible projects. As permitted by law, possible funding sources include government grants and assistance programs, as well as private sector sources. The CDA will pursue funds from a number of sources including the following:

- Federal/State CDBG (Community Development Block Grant) funds
- State CalHFA (California Housing Finance Agency) funds
- Federal/State HOME funds
- Federal TEA 21 (Transportation Equity Act for the 21st Century) funds
- Federal EDA (Economic Development Administration) funds
- Various State Parks and Recreational Facilities grants
- Sacramento Area Council of Government (SACOG) MTP grants

E. PROPOSED FIVE-YEAR NON-HOUSING PROGRAMS AND CDA EXPENDITURES

The CDA has developed programs to implement its goals and objectives during the five-year Implementation Plan period. Table II-4 presents estimated expenditures for each program. These programs and activities are the result of the process to create an effective overall development and redevelopment strategy for the Winters Redevelopment Project.

In March 2004, the CDA issued \$7.8 million in Tax Allocation Bonds and in June, 2007 the CDA issued an additional \$11 million. Of this amount, \$12,664,316.37 (or 68 percent) is allocated to non-housing programs and expenditures while \$4,528,472.61 (or 24 percent) is allocated to affordable housing programs. Table II-4 provides information on the estimated five-year expenditure levels for non-housing programs. The total expenditures are based on the availability of \$10,674,484 in funds from a bond issuance, \$654,416 in tax increment not reserved for bond debt service and in anticipation of an additional bond issue in 2012 or 2013. If remaining funds are available, the CDA will use its annual budget process to establish funding priorities for these funds.

Table II-4

PROPOSED FIVE-YEAR NON-HOUSING PROGRAMS AND EXPENDITURES	
Program Activities	Estimated Funding Level
Public Infrastructure	\$2,150,600
Public Facilities	\$7,257,419
Parks	\$
Economic Development	\$1,050,000
Project Area Planning	\$20,000
Property Acquisition/Disposition and Cleanup	\$1,500,000
Marketing	\$52,500
TOTAL	\$12,030,519

Source: Winters Community Development Agency, 2008.

F. LINKAGE BETWEEN PROGRAMS AND ELIMINATION OF BLIGHTING INFLUENCES

The Implementation Plan must provide an explanation of how the goals, objectives, programs and expenditures for the next five years will serve to eliminate blighting conditions in the project area. To provide this explanation, it is first useful to summarize the blighting influences that continue to affect the Winters Redevelopment Project.

1. Blighting Conditions in the Project Area

When the project area was adopted by the City of Winters in 1992, the project area suffered from a number of significant blighting influences. Despite the CDA's implementation of its program to date, many of these conditions remain and continue to impair the project area's development. This is largely a result of the size of the project area and the extent of blighting conditions present in it.

Specifically, the following conditions remain and continue to act as a detriment to development in the project area.

- Obsolete, aged, deteriorated, vacant, and under-utilized buildings as well as buildings with empty second floors (Buckhorn Restaurant, Putah Creek Café, Masonic Hall, and Greenwood buildings).
- Inadequate and deteriorated public improvements, including water delivery systems, storm drains, sewer collection systems, roadways, and sidewalks throughout the project area.
- Deteriorated housing conditions and a lack of quality housing opportunities for a wide range of income levels. A lack of neighborhood-serving retail uses and services for the residents of the project area and adjacent neighborhoods.

2. Linkage Between Programs and Elimination of Blighting Influences

The CDA's proposed goals, objectives, programs and expenditures, as outlined in Sections B and E above, will help eliminate blighting influences in the Winters Community Development Project Area in the following manner:

a. Public Infrastructure

Various Water Improvements

Within the project area are a number of water mains that are either under-sized, significantly old (with some mains in excess of 100-years-old), or a combination of the two. Replacement of these water mains will significantly improve the water distribution system, assist existing residential areas, and improve the commercial development potential of the project area.

Various Wastewater Improvements

Several of the wastewater mains in the project area are aged and inadequately sized. Replacement of these wastewater mains will increase the wastewater collection system capacity to assist existing residential areas and improve the commercial development potential of the project area.

Various Road Improvements

The project area contains a number of street sections that have deteriorated to the point of failure and will require reconstruction. In addition, two roadway bridges in the project area are in need of rehabilitation or reconstruction). Reconstruction of the street sections and rehabilitation or replacement of the bridges will improve the traffic circulation in the project area.

b. Public Facilities

Fire and Police Facility

Both current fire and police facilities are of inadequate size and lack areas to expand. An adequately sized joint-use fire and police facility will accommodate additional staff as the City grows, provide economies of scale for the office and other operations, increase the on-site training capabilities, and free up properties in the project area that can be better utilized for commercial and other uses.

Library Facility

The Winters Branch of the Yolo County Library is housed in a cinderblock building built 50 years ago originally as an office for the U.S. Bureau of Reclamation during its construction of the Monticello Dam. The population of the City has more than tripled since construction of the building. A new joint-use facility with participation by Yolo County, the Winters Joint Unified School District, and the City of Winters will provide a library with sufficient floor space to serve a population of approximately 2000 grade school children, the Winters Community in general, and allow for a dedicated parking area for the library's visitors. With the construction of a joint-use library facility, the existing building, which lies in the heart of the project area and on the edge of the central business district, can then be converted to another use.

c. Parks

Construction of New Parks

Both the City and project area suffer from the limited amount of park acreage – particularly athletic fields for youth and adult soccer, baseball, and softball. Construction of a multi-sports field active park facility at the City's Landfill will alleviate this problem.

d. Economic Development

Central Business District Improvements

Various improvements to the central business district (pedestrian improvements, streetscapes, building façade upgrades, etc.) will improve the appearance and functionality of this key commercial area and will attract additional business and result in the upgrade of existing structures. The provision of economic incentives for infill development and historic rehabilitation projects, disposition of CDA property for in-fill mixed use development, seismic retrofit improvements construction of additional parking in or adjacent to the central business district, facilitating and encouraging other economic development initiatives such as downtown festivals and events, art programs, tourism incentives, etc. will serve to increase the visibility and attractiveness of the project area to prospective businesses and developers. Development and

implementation of an economic development strategy, including a branding and marketing strategy, will greatly address the issue of obsolete, aged, deteriorated, vacant and under-utilized buildings and empty second floors which are the underlying factors of blight in the Project Area.

e. Project Area Planning

Downtown “DNA” – Form Based Code for Central Business District

The preparation of a Downtown “DNA” – a Form Based Code for a portion of the central business district will provide increased planning flexibility for the revitalization of this key commercial area.

f. CDA-Owned Property Disposition and Development

Disposition and development of a mixed use project on the CDA owned property on Railroad between Main Street and Abbey Street will bring new business to Winters, add new jobs, strengthen the existing commercial businesses and contribute to Winters ability to attract visitors.

Table II-5 provides a matrix linking the CDA's goals with specific blighting conditions each goal is designed to address. Table II-6 provides a similar linkage concerning the CDA's objectives. Table II-7 links each program activity with existing blighting conditions.

Table II-5

Redevelopment Goals and Blight Linkage					
<i>Blighting Conditions in the project area</i>	GOALS				
	<i>Alleviate/Prevent the spread of blight and deterioration</i>	<i>Attract add'l retail & industrial development</i>	<i>Eliminate obstacles to the development of office space and retail uses</i>	<i>Support development of housing for all income levels</i>	<i>Provide the necessary assistance to increase job opportunities</i>
Obsolete, aged and deteriorated buildings	✓	✓	✓		✓
Incompatible uses		✓	✓	✓	✓
Inadequate and deteriorated public improvements	✓		✓	✓	
Deteriorated hsng conditions, lack of qual. hsng opprtnties for range of income levels	✓			✓	
Lack of neighbrhd-srvng retail uses and services		✓	✓		✓

Source: Winters Community Development Agency, 2008.

Table II-6

Redevelopment Objectives and Blight Linkage					
<i>Blighting Conditions in the project area</i>	Objectives				
	<i>Improve traffic circulation system</i>	<i>Upgrade, expand and rebuild infrastructure systems</i>	<i>Provide mechanisms to upgrade private buildings</i>	<i>Pursue specific opportunities to attract development to the project area</i>	<i>Implement an effective economic development strategy</i>
Obsolete, aged and deteriorated buildings	✓	✓	✓	✓	✓
Incompatible uses			✓	✓	✓
Inadequate and deteriorated public improvements	✓	✓	✓	✓	
Deteriorated housing conditions and lack of quality housing opportunities for wide range of income levels	✓				
Lack of neighborhood-serving retail uses and services	✓			✓	✓
Inadequate public facilities, including public safety, civic center, and library facilities				✓	✓

Source: Winters Community Development Agency, 2008.

Table II-7

Redevelopment Activities and Blight Linkage						
<i>Blighting Conditions in the project area</i>	Programs and Activities					
	<i>Public Infrastructure</i>	<i>Public Facilities</i>	<i>Economic Development</i>	<i>Project Area Planning</i>	<i>Property Disposition and Development</i>	<i>Marketing</i>
Obsolete, aged and deteriorated buildings		✓	✓	✓	✓	
Incompatible uses		✓	✓	✓		✓
Inadequate and deteriorated public improvements	✓		✓	✓		
Deteriorated housing conditions and lack of quality housing opportunities for wide range of income levels	✓		✓	✓	✓	✓
Lack of neighborhood-serving retail uses and services		✓	✓	✓	✓	✓

Source: Winters Community Development Agency, 2008.

III. WINTERS HOUSING IMPLEMENTATION PLAN

The Community Redevelopment Law (CRL) requires the housing portion of the Implementation Plan to set forth specific goals and objectives for the five-year planning period, outline specific projects and expenditures planned for the five years and explain how the stated goals, objectives, projects and expenditures will produce affordable housing units to meet its obligations. In addition the CDA recognizes the important role of housing programs and activities in its redevelopment program. The proposed affordable housing programs, therefore, should be viewed not simply as the means of implementing the CDA's stated goals and objectives related to affordable housing, but as key elements in its overall revitalization efforts.

A. CDA Accomplishments

On October 19, 2004, the CDA authorized the expenditure of funds, for the purchase a 1.71 acre vacant parcel at 110 East Baker (the Property"), at its \$460,000 appraised value, for the development of the Winters II Affordable Housing Project. The CDA became the owner on title on November 19, 2004. On March 1, 2005, the CDA entered into an Agreement to Negotiate Exclusively with the Community Housing Opportunities Corporation ("CHOC") to prepare a Disposition and Development Agreement with respect to the Property. In August of 2006, the CDA approved a Ground Lease with Bruhn Orchards Housing Associates, L.P., a California Limited Partnership that was established by CHOC, which provides for a long term lease of the Property for \$1.00 per year and which provides for the development of the Property. The CDA provided a predevelopment loan in the amount \$50,000, a development loan in the amount \$150,000, and a grant of \$1,400,000 for the project. The two loans are on favorable terms. The CDA also picked up a portion of closing costs for the project. Additionally, the City of Winters was awarded a HOME grant in 2005 and the City is loaning \$2,850,280 of the HOME funds to CHOC for the Winters II project under favorable terms. The Winters II project was completed and occupied in January of 2008 and offers a total of 34 very-low income units: 7 at 35% of median income; 7 at 40% of median income; and 20 at 50% of median income.

Additionally, the CDA provided almost \$150,000 in grants and loans toward the Senior Rehabilitation Program and the First Time Home Buyer Program.

B. Overview of Legal Requirements

This section presents an overview of the legal obligations of the Winters Community Development Agency related to the provision of affordable housing in the Winters Redevelopment Project Area (project area). Appendix B presents a more detailed description of these requirements.

1. Implementation Plan Requirements: Housing Activities

The affordable housing planning components required by the CRL to be contained in the Implementation Plan include:

- The number of housing units projected to be rehabilitated, price-restricted, assisted or destroyed.
- The amount available in the Low and Moderate Income Housing Set-Aside Fund, estimates of deposits into the Housing Set-Aside Fund during the next five years and a plan for using annual deposits to the low- and moderate-income housing set-aside fund.
- An identification of proposed locations for replacement housing, if units are projected to be removed.
- The project area's Affordable Housing Production Plan, as described below.
- An explanation of how the goals, objectives, projects and expenditures set forth in the Implementation Plan will implement the affordable housing requirements of the CRL, including a housing program for each of the five years of the Implementation Plan.

2. Major Statutory Provisions of CRL for Affordable Housing

The major statutory affordable housing requirements imposed on redevelopment agencies by CRL may be categorized generally as:

- Housing Production Requirement – Specified minimum percentages of new or rehabilitated housing units in a project area are to be made available at a specified affordable housing cost and income levels.
- Replacement Housing Requirement – Agencies must replace housing units (or bedrooms) removed from the housing stock as a result of redevelopment activities.
- Housing Fund Requirement- Redevelopment agencies are required to expand specified percentages of tax increment revenue for provision of affordable housing.
- Programs Requirement – Agencies must explain how its housing program(s) will implement the affordable housing requirements of the CRL, including a program for each of the five years of the Implementation Plan.

Each of these legal requirements and how the CDA meets them is discussed in the following sections. More detail on legal requirements is found in Appendix B.

C. AFFORDABLE HOUSING PRODUCTION (INCLUSIONARY) OBLIGATIONS AND HOUSING PRODUCTION PLAN

This section constitutes the Housing Production Plan of the Implementation Plan. Housing developed or substantially rehabilitated in a project area by public or private entities other than the CDA, including entities receiving CDA assistance, 15 percent of the total number of units must be affordable to very low-, low- and moderate- income households. Of those units, 40 percent must be affordable to very low income households. This 40 percent requirement for very low, translates to 6% of the total units developed or substantially rehabilitated in the project area. (See Appendix B for more detail on inclusionary obligations.) The remaining 60 percent must be affordable to low and moderate income households. This 60 percent requirement for low and moderate, translates to 9% of the total units developed or substantially rehabilitated in the project area. The CRL requires that 30 percent of all housing developed or substantially rehabilitated by a CDA must be available at affordable housing cost to very low, low and moderate-income households. Of those units, 50 percent must be affordable to very low-income households. The 50 percent very low income requirement translates to 15 percent of the total units developed or rehabilitated by the agency (50 percent of 30 percent equals 15 percent). This 30% requirement applies only to units developed directly by the CDA. As the CDA has not developed or substantially rehabilitated any units, there are no projects subject to the 30 percent inclusionary requirement.

The City adopted Ordinance 94-10 in May of 2004 which requires that 15% of all new housing to be available to affordable households to encourage the provision of new affordable housing in order to meet the housing needs of citizens of Winters. Because this requirement has been onerous on smaller developments and has in effect prevented the implementation of General Plan and Master Plan policies encouraging smaller in-fill development, the City is currently researching a possible amendment to Ordinance 94-10 which would allow for an exemption to smaller in-fill projects.

The CRL requires agencies to report on historical production and adopt a plan for each project area showing how the agency intends to meet its Housing Production Requirement (the “Housing Production Plan”) for the following time periods:

- Historical production from the adoption of the Plan through 2003 (first ten year period)
- Historical production from 2004 through 2013 (second ten year period)
- Annual production over the next five years (2009 – 2013)
- Production over the next ten years (2009 – 2018)
- Production through the life of the Plan (2018 to 2033, the end of the life of the Plan)

The Housing Production Plan must include estimates of the number of new or rehabilitated residential units to be developed within the project area and the number of units for very low income households and low and moderate income households which will be developed in order to meet the requirements of Section 33413.

Additionally, the Housing Production Plan must include estimates of the number of units the agency itself will develop during the time period of the plan, including the number of very low, low and moderate income units. The Housing Production Plan is to be reviewed every five years in conjunction with updating the housing element.

The first part of this section describes the historical housing production within the project area from the adoption of the Plan in 1992 through 2008. The second section discusses future housing production and CDA obligations within the project area. The third section discusses affordable housing production in the project area and the CDA's strategy for meeting its inclusionary obligation.

1. Historical Housing Production in the Project Area

While 263 residential units were constructed in the project area during the period from 1992 (after the July 20, 1992 adoption of the project area) through 2008 (based on the issuance of certificates of completion or final inspection approvals in some instances), most of the future construction of residential units will occur outside of the project area. Although the project area is large, it includes only a small amount of the City's undeveloped residential parcels.

Table III-1 shows the historical annual housing production in the project area from July 21, 1992 through July, 2008 of all types of housing (affordable, market rate, new construction and substantial rehabilitation).

TABLE III-1
Housing Production Summary
Historical and Projected

Year	Total Units Produced ¹		
	New	Substantial Rehabilitation	Total
1992 ²	0	0	0
1993	8	0	8
1994	2	0	2
1995	12	0	12
1996	17	0	17
1997	3	0	3
1998	15	0	15
1999	50	1	51
2000	35	1	36
2001	39	0	39
2002	82	2	84
2003	80	44	124
2004	35	0	35
2005	1	0	1
2006	3	0	3
2007	42	0	42
2008 (as of July)	1	0	1
Subtotal	425	48	473

Source: Winters Community Development Agency, 2008.

¹ Total units produced are based on a certification of occupancy (or final inspection approval in some instances) for new or substantially rehabilitated units.

² For 1992, new and substantial rehabilitation units reported occurred after the July 20 adoption of the project area.

**Table III-2
Project Area Housing Production and Affordable Housing Obligation
Historical and Projected¹**

		Affordable Obligation		Affordable Production (Units developed and projected development)		Reserve Affordable Production ²	
Year	Total Units Developed	Very Low 6%	Low & Moderate 9%	Very Low	Low & Moderate	Very Low	Low & Moderate
Historical							
1992- 2008	473	29	42	87	103	58	60
Projected							
2009- 2013	97	6	9	6	9		
2014- 2033 ³	295	17	27	18	27		
Totals							
1992- 2033	865	52	78	111	139		

Source: Winters Community Development Agency, 2008.

2. New Construction – Multi-family

Since 1992, two multi-family affordable apartment developments were constructed in the project area. The mixed-use project entailed the substantial rehabilitation of the Cradwick Building and resulted in the construction of six units on the second floor of the building affordable to low-income households in 1998. In 2007, construction was completed on the Winters II Apartments, which resulted in 34 units affordable to very low-income households, including 7 units reserved for households at 35% of Area Median Income (AMI) and 7 units reserved for households at 40% of AMI.

3. New Construction– Single Family

Since 1992 (after the July 20, 1992 adoption of the project area), 385 single-family homes, 106 of which are affordable, have been completed in the project area.

4. Rehabilitation

Based on analysis of building department records, affordable housing covenants and loan programs since 1992, 48 units in the project area were substantially rehabilitated, four of these units have no long-term affordability restrictions.

In 2003, the City provided financial assistance to Community Housing Opportunity Corporation (CHOC) to aid the non-profit developer and manager of multifamily affordable housing projects, with the

¹ The CRL requires that at least 15% of total units are affordable to very low, low or moderate income households and that at least 40% of the 15% are affordable to very low-income households (equal to 6% of total units).

² The reserve includes 21 very low and 19 low units from the Rural California Housing Corporation (now part of Mercy Housing) sweat equity very low-income and low-income home ownership project.

³ The year 2032 is the time limit for project activities.

rehabilitation of the Winters Apartments. The Winters Apartments is a 44-unit multifamily complex that serves very low- and low-income households in Winters. The City's redevelopment agency also provided a grant toward the purchase of the Winters Apartments as the apartment complex was at risk of converting to a market-rate facility. Affordability restrictions are now in place on the 44 units for a 55-year period.

5. Projected Future Housing Production and CDA Obligations

Based on an analysis of the carrying capacity of sites in the project area, the potential for federal and state funding, and the anticipated timing of development, the CDA has developed a projection for the number of market rate units that are likely to be built in the project area over the next ten years, as well as those that are likely to be built thereafter. Appendix Tables B-2, B-3, and B-4 provide more detailed future housing production numbers over the next five years, the following five years and through the end of the Project. Since most available sites are privately owned, the actual number of new and substantially rehabilitated market rate and affordable housing could be much less.

New Units 2009 to 2013

Between 2009 and 2013, the CDA projects that a total of 260 new or rehabilitated dwelling units will be developed in the project area. During the first five years (2008-2013), the CDA projects that 163 new units will be developed in the project area. During the next five years (2014 through 2018), the CDA estimates that 97 units will be developed in the project area.

New Units 2014 to 2033 (End of the Plan)

Based on the inventory of remaining developable residential land, the CDA estimates that 198 new or substantially rehabilitated dwelling units will be developed within the project area from 2014 until the end of the life of the project in 2033.

6. Affordable (Inclusionary) Housing Production

Historically, the CDA has met its 15 percent affordable housing production (inclusionary) requirements and anticipates being in compliance through the end of the Project. Table III-2 shows the inclusionary obligation incurred by the CDA. Table III-4 shows affordable construction by development in the project area, including those units that meet inclusionary, settlement and replacement obligations.

One hundred-ninety (190) units constructed within the project area from 1992 to July 2008 count toward Inclusionary and 87 are affordable to very low-income households and the remaining 103 are affordable to low and moderate income households.

The CDA is confident that it will meet its affordable obligation over the 10-year compliance period through 2013. However, the actual number of affordable units will be less if private, market-rate units are less than projected.

**Table III-3
Residential Units Removed
Historical and Projected**

Historical	Units Removed				Year Replaced
Year(s)	V. Low	Low	Mod.	Total	
1992	0	0	0	0	
1993	0	0	0	0	
1994	0	0	0	0	
1995	0	0	0	0	
1996	0	0	0	0	
1997	0	0	0	0	
1998	0	0	0	0	
1999	0	0	0	0	
2000	0	0	0	0	
2001	0	0	0	0	
2002	0	0	0	0	
2003	0	0	0	0	
2004	0	0	0	0	
2005	0	0	0	0	
2006	0	0	0	0	
2007	0	0	0	0	
2008 (through July)	0	0	0	0	
Subtotal	0	0	0	0	
2003-2008	0	0	0	0	
Projected					
2009-2013	0	0	0	0	
Subtotal	0	0	0	0	
Total	0	0	0		

Source: Winters Community Development Agency and Winters Building Department Records, 2008.

D. Replacement Housing Obligation

When residential units housing very low, low and moderate income persons are destroyed or taken out of the low and moderate income market as part of a redevelopment project, the CDA must replace those units with new or newly rehabilitated very low, low and moderate-income units. This Replacement Housing Requirement applies to project areas established by the redevelopment plans adopted on or after January 1, 1976. (For more detail on the Replacement Housing Requirement, please refer to Appendix B). The CDA has two choices as to how to arrange for replacement of the units removed. The CDA can elect to replace units on a unit per unit basis, or the CDA can replace units removed on a bedroom per bedroom basis. For example, if the CDA removes three 2-bedroom units, those units can be replaced by two 3-bedroom units.

Table III-3 shows the total historical and projected number of dwelling units removed from the project area. To date, the CDA has not removed or assisted developments that have removed any very low, low and moderate income dwelling units.

TABLE III-4
Historical Project Area Affordable Housing Construction
1992 - 2008

Development Name	Construction Type			Affordability			Purpose	
	Total Affordable Units	New Construction	Rehab	Very Low	Low	Moderate	Inclusionary	Replacement
Cradwick ¹	6	6	0	0	6	0	6	0
RCHC ²	76	76	0	38	38	0	76	0
Winters I ³	44	0	44	9	34	1	44	0
Winters II ⁴	34	34	0	34	0	0	34	0
Cottages at Carter Ranch ⁵	30	30	0	6	13	11	30	0
TOTAL 1992 – 2002	190	146	44	87	91	12	190	0

Winters Community Development Agency, 2008.

E. HOUSING SET-ASIDE FUND

The CRL requires the CDA to set aside, in a separate low and moderate income housing fund (the “housing fund”), at least 20% of all tax increment revenue generated from the project area for the purpose of increasing, improving and preserving the community’s supply of low and moderate income housing. Table III-5 presents an estimate of the resources anticipated to be available to the CDA’s housing set-aside fund.

The CDA has made deposits into the Housing Set-Aside Fund in an amount not less than 20 percent of the gross tax increment revenue allocated to the Agency during the previous planning period. On June 30, 2007, the CDA’s Housing Set-Aside Fund did not have an excess surplus for FY 2007/2008. The unencumbered balance in the Housing Set-Aside Fund at the end of FY 2007/2008 is estimated at \$-0- See Table III-5.

¹ Six residential units affordable to low-income households were constructed on the second floor of the Cradwick Building in 1998.

² The Rural California Housing Corporation (which is now part of Mercy Housing) constructed 76 sweat equity single-family homes during the 1998 – 2001 time period. Half of the homes (38) are affordable to very low-income households and the remaining half (38) is affordable to low-income households.

³ The Community Housing Opportunity Corporation (CHOC) acquired and rehabilitated an at-risk multifamily project, the Winters Apartments. Nine (20%) of the 44 units are affordable to very low-income households, and the remaining 34 units affordable to low income households (exclusion for the manager’s apartment – 1 unit).

⁴ CHOC completed the construction of the 34-unit Winters II Apartments multifamily project late 2007. All 34 units are affordable to very low-income households, with 7 units restricted to 35% of Area Median Income (AMI), 7 units restricted to 40% AMI, and the remaining 20 units restricted to 50% of AMI.

⁵ Assisted by the City of Winters, DUC Housing Partners Inc. constructed 30 single family dwellings for sale with affordability restrictions with 6 units restricted to very low-income households, 13 units restricted to low-income households and 11 units restricted to moderate-income households.

**Table III-5
Housing Set Aside Fund Excess Surplus**

Fiscal Year	Previous FY Ending Balance	Prev 4 YR Deposit Total	Excess Surplus
2000/2001	\$373,039	\$294,581	-0-
2001/2002	491,943	344,782	-0-
2002/2003	600,137	427,976	-0-
2003/2004	458,517	600,636	-0-
2004/2005	670,473	798,666	-0-
2005/2006	443,952	1,046,060	-0-
2006/2007	459,104	1,321,963	-0-
2007/2008	759,671	1,441,834	-0-

State law requires that funds be committed within three years of becoming "excess surplus", which is defined as an unencumbered balance that exceeds the greater of \$1,000,000 or the total of the previous four years' 20 percent deposits to the Fund. The law allows an agency to offset the "excess surplus" with the previous year's expenditures and encumbrances.

**Table III-6
Estimated Housing Resources
FY 2007/08-1012/13**

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Housing Set Aside Deposit	\$370,668	\$ 413,739	\$ 434,426	\$ 456,147	\$ 510,955	\$ 536,502
Proceeds From 2004 Tax Increment Bond Issuance	\$1,340,270	\$1,340,270	\$-0-	\$-0-	\$	\$-0-
Proceeds From 2007 Tax Increment Bond Issuance	\$1,486,546	\$1,486,546				
Total Resources	\$3,197,484	\$3,240,555	\$ 434,426	\$ 456,147	\$ 510,955	\$ 536,502

Prepared by the Winters Community Development Agency 2008.

**Table III-7
Estimated Financial Summary of Housing Funds
FY 2009-2013**

	Projected Housing Set Aside	Projected Debt Service	Projected Admin Costs	Net Available
08-09	\$ 413,739	\$ 285,525	\$ 133,931	\$ (5,717)
09-10	434,426	283,475	143,641	7,310
10-11	456,147	281,288	154,055	20,804
11-12	510,955	283,894	157,906	69,155
12-13	536,502	281,200	161,854	93,448
Total	\$ 2,351,769	\$ 1,415,382	\$ 751,387	\$ 185,000

The primary funding sources for the CDA's affordable housing activities during the Implementation Plan period will be proceeds from the March 2004 and the June 2007 tax increment bond issuance and the receipt of the annual affordable housing set-aside tax increment payments.

The CRL also requires that the CDA use housing set-aside funds to assist housing units reserved for households or persons earning less than 120% of area median income, which is very low, low and moderate and targeted to specific income groups based on the fair share of regional housing needs as determined by the Sacramento Area Council of Governments and reported in the City's *Draft* Housing Element. At least 44% of units assisted with housing fund moneys must be for very low income households and at least 29% for low income households. The remaining 27% of units assisted by means of the housing fund may be affordable to very low, low or moderate income categories. (Refer to Appendix B for more detail on Winters' housing fund requirement)

Status and estimated future level of deposits in the housing fund are described below.

1. History and Status

The CDA first deposited moneys into its affordable housing set-aside fund in 1993. In Fiscal Year 2007-2008, the CDA made a deposit of \$370,667 to the housing set-aside fund; the set-aside fund had a balance of \$672,748 at the end of Fiscal Year 2007-2008 (June 30, 2008). Affordable housing units constructed in the project area since the inception of the project and through 2008 are detailed in Table III-4.

2. Deposits During Next Five Years

In preparing this Implementation Plan, the CDA has updated its estimate of future tax increment revenue that will be generated from the project area, and the 20 percent portion of such tax increment revenue that will be deposited in the housing fund. The estimates of tax increment bond proceeds to be deposited in the housing fund during the Implementation Plan period are shown in the Table III-5.

The total five-year (2009-2013) deposit of tax increment bond proceeds into the housing fund is estimated to be approximately \$2,153,114. The CDA will expend its available funds in the next five years leaving a zero balance in the housing set-aside fund by the end of 2013.

The CDA will seek to combine its housing fund revenue with other funding sources devoted to the provision of affordable housing to maximize the number of affordable units that can be developed or rehabilitated with the limited amount of available housing funds. These other funding sources include CDBG funds and HOME Investment Partnership funds from the U.S. Department of Housing and Urban Development, CalHFA and Department of Housing and Community Development (HCD) program funds at the state level and low income housing tax credit equity funds.

2a. Targeting of the Housing Set-Aside Fund

a. Housing Set-Aside Fund Targeting

Under the CRL, Housing Set-Aside Fund money must be targeted to specific income levels. Agencies are specifically required to expend their Housing Set-Aside Funds to assist very low, low and moderate-income households, generally defined as: Very Low Income, incomes at or below 50 percent of area median income, adjusted for family size; Low Income, incomes between 51 percent and 80 percent of area median income, adjusted for family size; Moderate Income, incomes between 81 percent and 120 percent of area median income, adjusted for family size. The income limits that apply in Winters for 2008 are summarized in Table III-8.

**Table III-8
City of Winters/Yolo County
2008 Income Limits**

Household Size (Number of Persons in Household)	1	2	3	4	5	6	7	8
Very Low-Income 50% of AMI	\$24,850	\$28,400	\$31,950	\$35,500	\$38,350	\$41,200	\$44,000	\$46,850
Low-Income 80% of AMI	\$39,750	\$45,450	\$51,100	\$56,800	\$61,350	\$65,900	\$70,450	\$75,000
Median Income 100% of AMI	\$49,700	\$56,800	\$63,900	\$71,000	\$76,700	\$82,400	\$88,000	\$93,700
Moderate- Income 120% of AMI	\$59,600	\$68,200	\$76,700	\$85,200	\$92,000	\$98,800	\$105,600	\$112,500

Agencies are required to expend the monies in the Housing Set-Aside Fund to assist very low and lower income households. Expenditures must be made in at least the proportion as the total number of housing units needed in the community for those two income categories that are not being provided by other governmental programs.

For example, if the Housing Element of a community's General Plan identifies a need for 200 units of housing for very low income households, 200 units for low income households, and 200 units for moderate income households, and no other governmental programs are providing units for very low and lower income households, at least one-third of the Agency's expenditures from the Housing Set-Aside Fund must be used for very low income units and at least one-third must be used for low income units.

The remaining one-third of assisted units may be for very low, lower or moderate income households. If another government program provides very low or lower income units, then the redevelopment agency's very low or lower income obligation would be reduced accordingly. The "targeted assistance" requirement must be met every 10 years.

Winters Housing Element sets out the affordable housing need for the City as identified by the Sacramento Council of Governments (SACOG) in its regional "fair share" allocation. The City has begun updating the Housing Element, which is expected to be completed by March 1, 2009. Additional affordable housing programs and sites will be identified as part of the Housing Element update. The 5-year Implementation Plan can be amended to incorporate the updated Housing Element. The City, SACOG, and the State of California are working on new Regional Housing Needs Allocations for 2007-2014. The table immediately following shows the current draft "fair share" allocation and the targeting objective currently applicable to the Agency. This table also sets forth the number of housing units that have been developed in the City since the 2001-2006 Housing Element. The City has until June 30, 2013 to meet its remaining current requirements.

**Table III-9
Affordable Housing Need (Regional Fair Share by Income Category)**

Income Level	Current Need	Units Built
Very Low Income	96	34
Low Income	64	0
Moderate Income	68	0
Subtotal	228	0
Above Moderate	175	0
Total	403	34

As required by the CRL, the CDA plans to target its 20% Housing Set-Aside Fund to benefit specific income groups based on its fair share of regional housing needs as determined by SACOG. Consequently, over the life of the Plan, at least 20 percent of the 20% Housing Set-Aside Fund money must be expended on very low income households, and at least 43% for low income households to supply its regional fair share of housing as determined by SACOG. The remaining units assisted by means of the 20% Housing Set-Aside Fund may be affordable to any of the three income categories.

CRL Section 33334.4 specifies that the goals for compliance with this section must be taken from the 2000 United States Census Data regarding the percentage of the population over 65 years of age. Approximately 7% of the population is over the age of 65. See Table III-10. The CDA cannot spend more than 7% of funds from the 20% fund on age-restricted affordable housing units.

**Table III-10
Proportion of Senior Population**

Age	%
0-64 Years of Age	93.0 %
65 Years and over	7.0 %
Total	100.0 %

3. Proposed Housing Activities & Projected Expenditures

The CDA priority over the next 10 years is to stimulate the rehabilitation of existing single family and affordable multi-family units. Projected sales prices for new market rate housing, should meet moderate income housing needs without subsidies. The CDA can also continue to provide matching funds to obtain federal and state grants for the rehabilitation of existing housing. A portion of annual deposits to the housing set-aside fund will be used to retire debt on bond proceeds for affordable housing projects.

The CDA will allocate available housing set-aside funds to continue to assist affordable housing programs in the next five years.

In summary, annual deposits to the housing fund for the next five years will be used for the following purposes:

- Assist existing affordable housing programs
- Pay the CDA's share of other affordable housing where funds are available
- Match funds for grants for Housing Rehabilitation (HOME, CDBG and CalHFA's HELP Program)

- Administer housing activities
- Retire debt on bond proceeds

F. Projection for Annual Unit Production in the Project Area

The CDA estimates the following housing production:

- In 2010 the CDA anticipates the Orchard Village Apartments will be completed. This project will result in the construction of 74 rental units 100% restricted to very low-and low-income households;
- In 2011, the CDA anticipates the completion of the Monticello project, a mixed use downtown infill project with 10 luxury residential units;

The following projects are in varying stages of entitlement and could conceivably be developed during the five-year term of this Plan:

- Creekside Estates - 40 single-family residential development, required to provide 4 affordable units and pay an in-lieu fee for 2 units at \$100,000 per unit;
- Hudson-Ogando – 72 single-family residential units, required to provide 11 affordable units;
- Mary Rose Gardens – 26 Single-family homes and one duplex unit, required to provide 4 affordable units;
- Cottages at Carter Ranch, Phase 2 – 6 Single-family residential units, all are proposed to be affordable;
- Casitas at Winters, a 5 unit project, affordable units not yet determined;
- Winters Village West, 10 single family units, required to provide 2 affordable units;
- Anderson Place – 28 mostly attached single-family residences, required to provide 4 affordable units.

G. GOALS, POLICIES AND PROGRAMS

Table III-11 summarizes the housing goals and policies that relate to meeting the housing production and set aside requirements. The table outlines specific housing policies in the Winters *Draft* Housing Element (scheduled for adoption in 2008) that affect housing activities in the project area.

1. Housing Goals

The CDA is committed to assisting the City to achieve its goals, policies and programs presented in the City's *Draft* Housing Element scheduled for adoption in 2008. The City has six goals with respect to housing:

Goal A: To designate adequate land for a balanced range of housing types and densities for all economic segments of the community.

Goal B: To encourage the maintenance, improvement and rehabilitation of the City's existing housing stock and residential neighborhoods.

Goal C: To encourage energy efficiency in both new and existing housing.

Goal D: To ensure the provision of adequate services to support existing and future residential development.

Goal E: To promote equal opportunity to secure safe, sanitary, and affordable housing for all members of the community regardless of race, sex, martial status, national origin or color.

Goal F: Conserve existing affordable housing.

The Community Development Agency will continue to support its housing activities to achieve these goals. Over the next ten years, the CDA intends to facilitate housing rehabilitation activities that will

assist the City in achieving Goals B, C and E. As described earlier, the CDA is proposing to help stimulate other new housing units in the project area. These new housing production activities will particularly assist in achieving Goals A, C, and D. The CDA insists on promoting housing opportunities for all persons in its programs, meeting Goal E.

2. Housing Programs

The housing programs undertaken in the project area by CDA and non-CDA developers will address all of the goals and policies set forth in the housing element.

**Table III-11
Affordable Housing Policies
Housing Implementation Plan
Housing Element Policies Affecting the CDA¹**

Goal A: To designate adequate land for a balanced range of housing types and densities for all economic segments of the community.	
Key	Policy
P.19	The City shall continue to promote the development of a broad mix of housing types.
P.19	The City shall maintain an adequate supply of residential land in appropriate land use designations and zoning categories to accommodate Winters' fair share of projected regional growth and have as a goal a residential vacancy rate of at least 5 percent.
P.19	The City shall implement its 15-percent inclusionary housing ordinance for all new housing developments.
P.19	The City shall encourage development in the upper one-quarter of the density range in the Medium High Density Residential designation and require it in the upper one-quarter of the density range in the High Density Residential designation.
P.19	While promoting the provision of housing for all economic segments of the community, the City shall seek to ensure the highest quality in all new residential development.
P.19	To address the needs of low-income large families, the City shall promote the development of multi-family rental units with three or more bedrooms.
P.19	The City shall pursue available and appropriate State and federal funding assistance to achieve the new construction objectives of the Housing Element.
P.19	The Affordable Housing Steering Committee shall review all residential development proposals involving 50 housing units or more and encourage the applicant to include a higher percentage of affordable units than the minimum inclusionary requirement.
P.19	The City shall expedite processing and approval of residential projects that conform to General Plan policies and City regulatory requirements.
P.19	The City shall ensure that its policies, regulations, and procedures do not add unnecessary cost to housing production.
P.19	The City shall continue to provide for the development of secondary residential units, as required by State law, while protecting the single-family character of neighborhoods.
P.19	In accordance with the provisions of State law, the City shall grant density bonuses of at least 25 percent and at least one other specified incentive for qualifying projects to promote the inclusion of lower income and senior citizen housing.
P.20	Residential units that are required to sell or rent at below-market-rates (such as inclusionary or density bonus units) within a housing development that includes market-rate units, the affordable units shall be interspersed within the development and, to the extent reasonable, shall be visually indistinguishable from the market-rate units.
P.20	The City shall allow the installation of mobilehomes and factory-built housing on permanent foundations consistent with the requirements of State law and in accordance with the City's residential design standards.
P.20	The City shall continue to work with the Yolo County Housing Authority in the administration of affordable housing programs.
P.20	The City shall provide incentives to developers to construct ownership housing affordable to low- and moderate-income households.
P.20	The City shall provide incentives for the development of second-story residential uses over commercial and office uses in the Central Business
P.20	The City shall require that 10 percent of the lots in residential subdivisions of 20 or more lots be marketed to local builders or owner-builders.
P.20	The City shall provide incentives to non-profit housing developers to construct housing affordable to very low-, low-, and moderate-income households.

¹ These policies reference the City of Winters General Plan *Draft* Housing Element Update Policy Document that is expected to be adopted in 2008.

Goal B: To encourage the maintenance, improvement and rehabilitation of the City's existing housing stock and residential neighborhoods.	
Key	Policy
P.21	The City shall encourage private reinvestment in older residential neighborhoods and private housing rehabilitation.
P.21	The City shall pursue available and appropriate State and federal funding to meet the rehabilitation objectives of the Housing Element.
P.21	The City shall support the revitalization of older neighborhoods by keeping streets and other municipal infrastructure in good repair.
P.21	The City shall promote the continued upkeep of existing mobilehome parks.
P.21	The City shall require abatement of unsafe structures, giving property owners ample opportunities to correct deficiencies.
P.21	The City shall promote the preservation of architecturally and historically significant residential structures.
P.21	The City shall require rental property owners to provide relocation assistance to tenants displaced by code violations not caused by the tenants.

Goal C: To encourage energy efficiency in both new and existing housing.	
P.21	The City shall require the use of energy conservation features in the design of all new residential structures.
P.21	The City shall promote incorporation of energy conservation and weatherization features in existing homes.

Goal D: To ensure the provision of adequate services to support existing and future residential development.	
Key	Policy
P.22	The City shall pursue appropriate State and federal funds, and use Redevelopment funds, for upgrading infrastructure and other public improvements in very low- and low-income neighborhoods.
P.22	The City shall require that new residential development pay for the cost of infrastructure and public services needed for that development.
P. 22	The City shall plan for necessary public facilities and services (including school facilities) in collaboration with other responsible local agencies, so that these facilities and services are available at the time of demand from new residential development.

Goal E: To promote equal opportunity to secure safe, sanitary, and affordable housing for all members of the community regardless of race, sex, martial status, national origin or color.	
Key	Policy
P.22	The City shall provide incentives to developers to address special housing needs of low-income households including the physically and mentally disabled, large families, farm workers, the elderly, and female-headed households.
P.22	The City shall make information on the enforcement activities of the State Department of Fair Employment and Housing available to the public.
P.22	The City shall work with Yolo County and surrounding jurisdictions to address the needs of the homeless on a regional basis.
P.22	The City shall cooperate with community-based organizations that provide services or information regarding the availability of services to the homeless.

Goal F: Conserve existing affordable housing.	
Key	Policy
P.22	The City shall support the continued use of Section 8 housing vouchers for Winters' residents.
P.22	The City shall seek to maintain the affordability of existing subsidized multi-family rental housing.

Source: Winters Community Development Agency, 2008.

APPENDIX A

TABLE 1-A
WATER IMPROVEMENTS¹

Description	Location	Quantity
Install Water Mains	Fourth Street	1600' of 12"
	Russell Street ²	1700' of 8"
	Third Street	850' of 8"
	Main Street	5600' of 14"
	Grant Avenue (east of Dutton)	800' of 12"
	Railroad Avenue (north of Grant)	850' of 12"
	McArthur Avenue ³	1200' of 8"
	Washington Avenue ⁴	1050' of 8"
	Edwards Street	3800' of 12"
	Abbey Street	2600' of 8"
	Well #2 to East Street	12"
	Lincoln Street	450' of 8"
	Jefferson Street	550' of 8"
	Jackson Street	650' of 8"

¹ The June 1992 Community Development Project Area Plan proposed the water system activities listed in Table 1-A with the CDA generally paying ten-percent of the total costs (of contracting, engineering, legal, and administrative) for the water main work.

² A portion of the Russell Street water main work was completed in 2001 when an 8" main line was installed from the far westerly end of Russell to Emery Street. The remaining portion will be completed during the fall of 2008.

³ McArthur and Jackson Street water main work was completed in 2007 when an 8" main line was installed in all of Jackson and in McArthur from Taylor to Jackson.

⁴ A portion of East Edwards Street from Railroad Avenue to East Street will be completed during the fall of 2008.

TABLE 2-A¹
WASTEWATER IMPROVEMENTS

Description	Location	Quantity
Install Sewer Mains	Grant Avenue (Railroad to East)	24" (100% funding)
	East Street	30"
	Taylor Street	10" (100% funding)
	Washington Avenue	8"
	Washington Avenue	10"
	First Street	8"
	First Street	10"
	First Street	12"
	Railroad Avenue (Anderson Avenue to Moody Slough Road)	8"
	Railroad Avenue	24"
	Railroad Avenue (Anderson to Grant)	12"
	Baker Street	8"
	East Baker Street	8"
	Edwards Street	8"
	Abbey Street	8"
	Alley (Between Abbey & Main)	8"
	Alley (Between Main & Russell)	8"

¹ The June 1992 Community Development Project Area Plan proposed the wastewater system activities listed in Table 2-A with the CDA generally paying 25-percent of the total costs (of contracting, engineering, legal, and administrative) for the sewer main work. In many instances, the work detailed in Table 2-A is not reflected in the Future Wastewater Collection System proposed as part of the 1992 Sewer System Master Plan.

**TABLE 3-A
ROAD IMPROVEMENTS¹**

Description	Location	Quantity
Widen, Acquire ROW, and Striping & Landscaping	Grant Avenue (Dry Creek to West of Timber Crest Rd)	N/A (100% funding)
Signalize Intersection	Grant/East Main Street	N/A (100% funding)
	Grant/Railroad Avenue ²	
Rebuild (Reconstruct)	Railroad (south of Grant)	1300' (100% funding)
Acquire ROW	Railroad (south of Grant)	1300' (100% funding)
Rebuild (Reconstruct)	Railroad (Grant to Anderson Avenue)	800' (partial funding)
	Railroad (Anderson to NASP)	4000' (partial funding)
	Putah Creek Bridge including pedestrian walk	N/A (10% funding)
Construct	New Putah Creek Bridge	N/A (10% funding)
Rebuild (Reconstruct)	Mermod Place (south of Anderson)	N/A (100% funding)
Extend Road	Elliot Street (East Abbey Street to Grant)	3000' (10% funding)
	Jackson Street ³	681'
Other	Assist Grant/Railroad Assessment District ⁴	N/A (partial funding)
Abbey Street Improvements	Abbey Street between RR and Elliot Streets – Parking Imprvmnt	N/A (100% funding)
Streetscape Improvements	Railroad (Grant to Russell)	N/A (100% funding)
	Main Street (First to East)	N/A (100% funding)
Utility Under-grounding	Location(s) not designated ⁵	N/A (25% funding)

¹ The June 1992 Community Development Project Area Plan proposed the road improvements listed in Table 3-A except for the reconstruct work on Jackson Street and McArthur Avenue.

² Grant/Railroad signal was completed in 2006

³ Jackson and McArthur Street were reconstructed in 2007

⁴ The Grant/Railroad Assessment District has not been established.

⁵ The overhead utility lines (street lighting) on Main Street between Second and Railroad was under-grounded in 2002.

APPENDIX B OVERVIEW OF REDEVELOPMENT HOUSING REQUIREMENTS

Community Redevelopment Law (the "CRL") requires redevelopment agencies to assist in the provision of affordable housing as part of their overall redevelopment programs. The discussion below presents the major general statutory requirements governing the Winters Community Development CDA's participation in the production of affordable housing.

Major Statutory Provisions of the CRL for Affordable Housing

The major statutory affordable housing requirements imposed on redevelopment agencies by the CRL may be categorized generally as:

- **Housing Fund Requirement.** Redevelopment agencies are required to expend specified percentages of tax increment revenue for provision of affordable housing.
- **Housing Production Requirement.** Specified minimum percentages of new or rehabilitated housing units in a project area are to be available at a specified affordable housing cost.
- **Replacement Housing Requirement.** Agencies must replace housing units removed from the housing stock as a result of redevelopment activities.

1. Housing Fund Requirement

The CRL requires the CDA to set aside in a separate segregated low and moderate income housing fund (the "housing fund") at least 20 percent of all tax increment revenue generated from its project areas for the purpose of increasing, improving and preserving the community's supply of low and moderate income housing (CRL Section 33334.2). Under the CRL, the preservation of affordable housing includes preserving low and moderate income housing units which previously have received assistance from federal, state or local government and are currently threatened with conversion to market rate.

The CRL authorizes a broad range of uses for the housing fund, including but not limited to: acquisition of land or buildings; construction of buildings, onsite improvements or offsite improvements; rehabilitation of buildings; paying a portion of the principal and interest on bonds issued to finance affordable housing; the maintenance of the community's supply of mobile homes; and provision of subsidies for financing housing affordability (CRL §33334.2 and §33334.3).

Under CRL, housing fund moneys must be targeted to specific income levels. Agencies are specifically required to expend their housing funds to assist very low, low and moderate income households, generally defined as:

Very Low Income: Incomes at or below 50% of area median income, adjusted for family size
Low Income: Incomes between 51% and 80% of area median income, adjusted for family size
Moderate Income: Incomes between 81% and 120% of area median income, adjusted for family size

The assistance must be provided in at least the same proportion that the total number of housing units needed in the community for the very low and low income categories which are not being provided by other governmental programs bears to the total number of units needed in the community for very low, low and moderate income households. The targeted assistance requirement is applicable over the duration of the redevelopment plan. (H&S Code §33334.4)

Housing assisted with housing fund moneys must be "available at an affordable housing cost". (CRL §33334.3) For housing assisted by housing funds after January 1, 1991, the following affordable housing cost definitions apply:

**TABLE 1-B
AFFORDABLE HOUSING COST¹**

Housing receiving assistance after January 1, 1991		
<u>Income Level</u>	<u>Rental Housing</u>	<u>Ownership Housing</u>
Very Low Income	30% of 50%	30% of 50%
Lower Income	30% of 60%	30% of 70%
Moderate Income	30% of 110%	35% of 110% but no less than 28% of actual income

For housing assisted by housing funds prior to January 1, 1991, affordable housing cost is defined as rent or cost for rental or ownership housing that does not exceed 25% of gross income of the upper income limit for the target income category.

The CRL also requires that recorded affordability controls be placed on any new or substantially rehabilitated housing assisted with housing fund moneys. In the case of rental housing, controls must be placed on the assisted housing units requiring them to remain affordable for the longest feasible time but no less than 15 years (H&S Code §33334.3[f][1]). For owner-occupied housing, the units must remain affordable for the longest feasible time, but not less than ten years (H&S Code §33334.3[f][2]). According to statutory definition, the "longest feasible time" requirement includes, but is not limited to, a period of unlimited duration (H&S Code §33334.3[g]). If the units meet an inclusionary or replacement requirement the restriction must be for the life of the CDA.

New or substantially rehabilitated owner-occupied units, however, may be sold without the affordability restrictions if the CDA has a program such as equity sharing or deferred loans, which ensures that the CDA will receive a share of sales proceeds to protect its investment. Those funds must be returned to the CDA's housing fund. Finally, if a CDA utilizes its housing fund to preserve assisted units, the units are required to remain affordable for the longest feasible time and, in any event, beyond the date the subsidies or use restrictions could be terminated and the assisted units converted to market rate rental (H&S Code §33334.3[h]).

The 2008 *Draft* Housing Element Background Report for the City of Winters sets out the affordable housing need as identified by the Sacramento Council of Governments in its regional "fair share" allocation. The Table immediately following shows that "fair share" allocation and the targeting objective currently applicable to the CDA.

**TABLE 2-B
Affordable Housing Need (Regional Fair Share)
Identified in 2008 Winters *Draft* Housing Element By Income Category**

	Units Needed	Required
Income Category	(Fair Share)	Proportion
Very Low Income	188	44%
Low Income	125	29%
Moderate Income	<u>118</u>	<u>27%</u>
Total	431 ²	100%

Source: Winters Community Development Agency, 2003.

¹ The first percentage means the percent of income that can be spent on housing costs. Housing costs for rental housing include rent, utilities, separately charged fees or service charges, possessory interest, taxes or other fees or charges assessed for use of land and facilities. Housing costs for ownership housing include mortgage principal and interest, utilities, property taxes, property and fire insurance, homeowner association dues and space rent, if land is rented. The second percentage means the percent of area median income.

² This is a citywide number.

TABLE 3-B
Units Constructed to Date with Housing Funds
& Proportion by Income Category

<u>Income Category</u>	<u>Units Produced</u>	<u>Actual Percent</u>
Very Low Income	0	0%
Low Income	0	0%
Moderate Income	<u>0</u>	<u>0%</u>
Total	0	0%

Source: Winters Community Development Agency, 2008.

2. Housing Production Requirement

A. INCLUSIONARY REQUIREMENT

Project areas created by redevelopment plans adopted on or after January 1, 1976 and territory newly added to project areas by amendments adopted on or after January 1, 1976 must meet an affordable housing production or inclusionary obligation (the "Housing Production Requirement"). The Housing Production Requirement begins on the date of adoption of a new or amended redevelopment plan.

The CRL requires that 30 percent of all housing developed or substantially rehabilitated by a CDA must be available at affordable housing cost to low and moderate income households (CRL §33413[b][1]). Of those units, 50 percent must be affordable to very low income households. The 50 percent very low income requirement translates to 15 percent of the total units developed or rehabilitated by the CDA (50% of 30% equals 15%). This requirement applies only to units developed directly by the CDA and does not apply to units developed by housing developers pursuant to agreements with a CDA.

When housing is developed or substantially rehabilitated in a project area by public or private entities other than the CDA, including entities receiving CDA assistance, 15 percent of the total number of units must be affordable to low and moderate income households (CRL §33413[b][2]). Of those units, 40 percent must be affordable to very low income households. The 40 percent very low income requirement translates to 6 percent of the units developed and substantially rehabilitated in the project area (40% of 15% equals 6%).

The definition of substantial rehabilitation triggering the Housing Production Requirement is rehabilitation which involves either three or more multi-family rental units, or, one or two rental or owner-occupied single family units which have received CDA assistance and which constitute at least 25 percent of the after-rehabilitation value of the dwelling, inclusive of land value.

Units produced under the CRL's inclusionary provisions must remain affordable to the target households for the longest feasible time, but not less than the period of time the land use controls on the redevelopment plan remain in effect.

The CRL currently permits an agency to count units that are made available at affordable housing cost outside a project area toward the agency's Housing Production Requirements, on a two-for-one basis; that means that two affordable units created outside a project area can be counted the same towards the Housing Production Requirement as one unit created inside the project area.

In addition, the CRL also currently permits an agency to fulfill a portion of the Housing Production Requirement through the use of existing multi-family housing. An agency may meet up to 50 percent of its Production Requirement by acquiring or causing the imposition of long-term price restrictions on existing multi-family units that are either unavailable at affordable housing cost to low and very low income households or that are affordable to these households but that the agency finds cannot reasonably be expected to remain affordable (CRL §33413[b][2][B]). At least 50 percent of these units

must be made available at an affordable housing cost to very low income households and not more than 50 percent of the total units may be counted towards the Housing Production Requirement.

The affordability covenants on these units must be recorded and remain in effect for the longest feasible time, but in no event for less than 55 years for rental units and 45 years for owner-occupied units.

B. Production Plan

The CRL requires agencies to adopt a plan for each project area over each successive ten-year period of the redevelopment program showing how the agency intends to meet its affordable Housing Production Requirement (the "Housing Production Plan") (H&S Code §33413[b][4]). This production plan can be part of the agency's Five Year Implementation Plan. The Housing Production Plan must be consistent with, and may (but need not) be included in the community's housing element, and is to be reviewed and updated as necessary at least every five years in conjunction with the housing element cycle. The CRL also specifies that the Housing Production Plan will be a part of the Implementation Plan.

The Housing Production Plan in general must include the following:

1. Estimates of the number of new, substantially rehabilitated or price-restricted units to be developed or purchased within the project area, both over the life of the redevelopment plan and during the next ten years;
2. Estimates of the number of units of very low, low and moderate income housing required to be developed within the project area to meet the agency's project area housing production obligation, both over the life of the redevelopment plan and during the next ten years;
3. The number of units of very low, low, and moderate income housing that have previously been developed within the project area and meet the agency's project area housing production obligation; and
4. Estimates of the total number of agency-developed units during the next five years and the number of units for very low, low, and moderate income households which will be developed to meet the percentage requirements for affordable agency-developed housing.

If the housing production requirements have not been met at the end of the ten-year period, the agency must meet its production goals on an annual basis until the requirements for the applicable ten-year planning period are met.

3. Replacement Housing Requirement

When residential units housing low and moderate income persons are destroyed or taken out of the low and moderate income 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 must replace those units with new or newly rehabilitated low and moderate income units (H&S Code §33413[a]). The units subject to the Replacement Housing Requirement must be replaced within four years after they are destroyed or removed from the market. The agency may replace destroyed or removed units with a fewer number of replacement units if the total number of bedrooms in the replacement units equal or exceed the number of bedrooms in the destroyed or removed units. Also, the replacement units must be affordable in the same income level of households as the destroyed or removed units.

The CRL requires that, at least thirty days prior to acquiring property or adopting a disposition and development or owner participation agreement that will lead to the destruction or removal of low and moderate income housing units, an agency must adopt by resolution a replacement housing plan (H&S Code §33413.5). A draft of the replacement housing plan must be made available for public review.

The replacement housing plan must include: (a) the general location of the replacement housing; (b) an adequate means of financing the replacement housing; (c) a finding that the replacement housing does not require the approval of the voters pursuant to Article XXXIV of the California Constitution, or that

such approval has been obtained; (d) the number of replacement housing units which will house persons and families of low or moderate income; and the timetable for meeting the plan's objectives.

Currently, the Replacement Housing Requirement applies to project areas established by redevelopment plans (or areas added by amendments) adopted on or after January 1, 1976 and merged project areas regardless of the date of establishment of the individual project areas subsequently merged. Replacement units may be located anywhere within the territorial jurisdiction of the agency (H&S Code §33413[a]). An agency may construct replacement housing itself or cause that housing to be developed through agreements with housing developers.

The basic income and affordability standards for replacement housing are the same as those described for use of housing fund moneys. The units must be available at affordable housing cost to households of low and moderate income. In addition, for dwelling units destroyed or removed after September 1, 1989, the CRL requires that 75% of the replacement units be available at an affordable housing cost to the same income level of households (very low, low or moderate income) as the households displaced from the units removed or destroyed (H&S Code §33413[a]).

For example, if 100 units were destroyed and 50 were very low income units, 30 were lower income units, and 20 were moderate income units, then, of the 100 replacement units, at least 38 (75% of 50) must be affordable to very low income households, at least 23 (75% of 30) to lower income households, and at least 15 (75% of 20) to moderate income households. The remaining 24 replacement units need only be affordable to households with incomes not exceeding 120% of area median income.

Replacement housing must remain affordable the longest feasible time, but not less than the period of time that the land use controls of the redevelopment plan remain in effect (H&S Code §33413[c]). The affordability controls on such units must be made enforceable by recorded covenants or restrictions.

Appendix Table 4-B
Production from Major New Developments
Projection 2008-2013

II. DEVELOPMENT ¹	Total Units ²	Affordable Obligation ³	
		Very Low (6%)	Low & Moderate (9%)
--	--	--	--
TOTAL	--	--	--

Source: Winters Community Development Agency, 2008.

¹ As of February 2003, the City has not received any applications for residential projects of more than 15 units located in the project area.

² Total new and substantially rehabilitated units in project area (both affordable and market rate).

³ The overall affordable housing requirement is 15% of total units: for very low income housing is 6% of total units and low and moderate is 9%. This obligation will be met by the mandatory inclusionary ordinance.

APPENDIX C SETTLEMENT TERMS

In 1994, the Winters Community Development Agency and the City of Winters entered into a settlement agreement to resolve a lawsuit filed in connection with the City's Housing Element. The principal terms of the settlement agreement include the following:

1. The City was required to adopt an inclusionary housing ordinance requiring that at least 15 percent of all new housing units will be affordable to very low-, low- or moderate-income households, with six percent of new housing units being affordable to very low-income households, and nine percent of new housing units being affordable to low- and moderate-income households in proportion to the unmet affordable housing needs for each as identified in the current Housing Element in effect during each four year period.
2. The City is required to ensure that affordable rental and ownership units for very low- and low-income households shall remain affordable for a period of not less than 55 years.
3. The City shall deposit 20-percent of the gross Community Development Agency tax increment allocated to the CDA pursuant to Health & Safety Code § 33670 into the CDA's Low and Moderate Income Housing Fund as required by Health and Safety Code § 33334.2. The "20-percent set aside" from the gross tax increment shall be calculated before the "pass through" of funds to Yolo County and other entities.
4. The City shall provide Legal Services of Northern California annual written reports on its progress towards meeting the 15-percent requirement, in the form of expanded Annual Reports, as currently required by the Community Redevelopment Law at Health & Safety Code § § 33080.1 and 33080.4.