

**SECOND FIVE-YEAR IMPLEMENTATION  
PLAN FOR THE TOWN CENTER AND  
SOUTH CENTRAL REDEVELOPMENT  
PROJECT AREAS  
(FY 2000-2001 to 2004-2005)**

**Tustin Community Redevelopment Agency  
January, 2000**

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**FIVE YEAR IMPLEMENTATION PLAN**

**INTRODUCTION**

**FIGURE I-1**  
**SUMMARY OF LEGAL REQUIREMENTS**

California Community Redevelopment Law, Article 16.5, Section 33490

Section 33490 of the California Community Redevelopment Law requires each redevelopment agency to adopt an implementation plan every five years that includes:

- Agency goals and objectives for its redevelopment project areas.
- Specific Agency programs, projects, and expenditures for the next five years (FY 2000-2001 through 2004-2005).
- An explanation of how these goals, objectives, projects, and expenditures will eliminate blight in the Project Areas.
- An explanation of how these specific goals, objectives, projects and expenditures will implement the low and moderate-income housing requirements mandated by law, including the following:
  1. An annual Housing Program for the five-year term that provides sufficient detail to measure performance of the Low and Moderate Income Housing Fund requirements.
  2. An enumeration of the number of housing units to be rehabilitated, assisted, price restricted, or destroyed during the term of the respective redevelopment plans for the Town Center and South/ Central redevelopment projects.
  3. An outline of the Agency's plan in using the Housing Trust Fund including annual deposits, transfer of funds, or accruals for special projects.
  4. An identification of programs and projects that will result in the destruction of existing affordable housing (if any) and the proposed locations for replacement housing.
  5. The Agency's Ten-Year Housing Affordability Compliance Plan as required by California Community Redevelopment Law, Sections 33413 and 33490 (a)(2).

This document has been prepared by the Tustin Community Redevelopment Agency ("Agency") pursuant to Article 16.5 of California Community Redevelopment Law ("CRL" or "State Law") (Figure I-1). It is the second Five-Year Implementation Plan ("Plan") for the Redevelopment Plans ("Redevelopment Plan(s)") for the Town Center and South Central Redevelopment Projects ("Project(s)" or "Project Areas") in the City of Tustin. Redevelopment agencies are required to adopt an Implementation Plan every five years.

The Implementation Plan may include more than one project area. The purpose of the Plan is to revisit the redevelopment goals and objectives of each Project Area and provide an explanation of how proposed programs and expenditures will eliminate blight and provide for affordable housing. While specific programs, including potential projects, and estimates of expenditures proposed to be made are required under State Law, the Plan should be viewed as a policy and program document. The intent is not to restrict the Agency's activities.

The Agency's first Implementation Plan was adopted in 1994. A mid-term review and public hearing occurred in 1998 as required by State Law. This second Implementation Plan is intended to update information pertaining to the Agency's financial resources, planned programs, potential projects, and proposed expenditures. This Plan will also be subject to a mid-term review by the Agency Board of Directors.

This Five-Year Implementation Plan presents summary information for the Agency's Town Center and South/Central Project Areas including a review of proposed plans, programs and expenditures, and an explanation of how these will eliminate blight within the Project Areas and implement the low and moderate-income housing requirements.

This Plan is composed of two major components: a Five-Year Implementation Plan for Redevelopment Activities and a Five-Year Implementation Plan for Housing Activities.

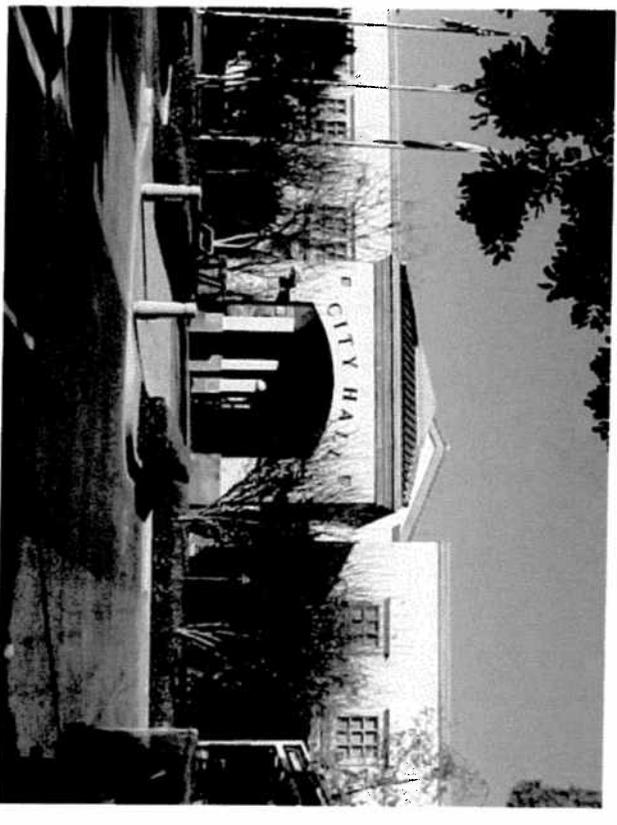
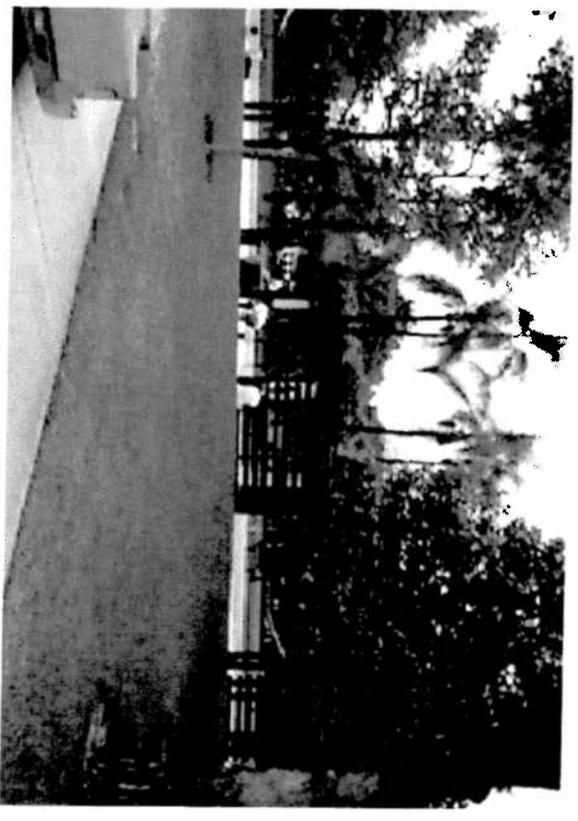
The Five-Year Implementation Plan for Redevelopment Activities:

- revisits the goals and objectives of each Redevelopment Plan;
- defines the Agency's strategy to achieve the goals and objectives of each Redevelopment Plan;
- presents the programs, potential projects and estimated expenditures (other than those relating to low and moderate-income housing) that are proposed to attain the goals and objectives; and
- describes how the goals and objectives, programs and expenditures will eliminate blight within each of the Project Areas.

The Five-Year Implementation Plan for Housing Activities:

- shows how the statutory requirements for the set-aside and expenditure of tax increment for housing purposes will be met; and
- shows how residential development will be implemented in the Project Areas per the Agency's established goals and in compliance with the requirements of the CRL.

The intent of this Implementation Plan is not to restrict the Agency activities to the goals and objectives, programs, projects and expenditures that are described herein, since conditions, values, expectations, resources, and needs of the Projects may change from time to time. Rather, this Plan outlines the current expectations of the Agency for the next five years. The boundaries for the Town Center and South Central Redevelopment Project Areas are shown in Figures I-2 and I-3 respectively.



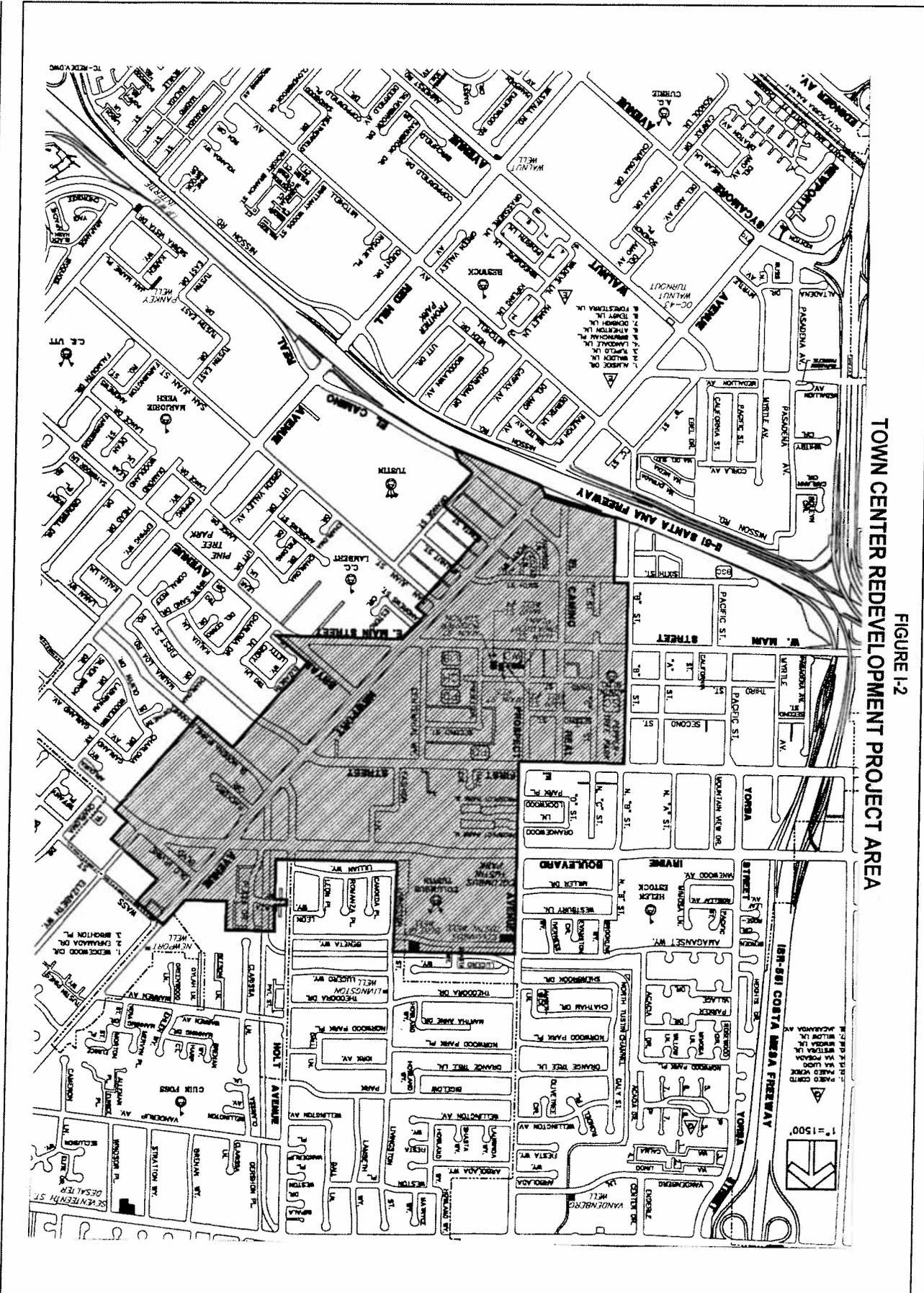


FIGURE I-2  
TOWN CENTER REDEVELOPMENT PROJECT AREA

Justin Community Redevelopment Agency  
Town Center and South Central Redevelopment Projects

Implementation Plan II  
Fiscal Year 2000-2001 through 2004-2005

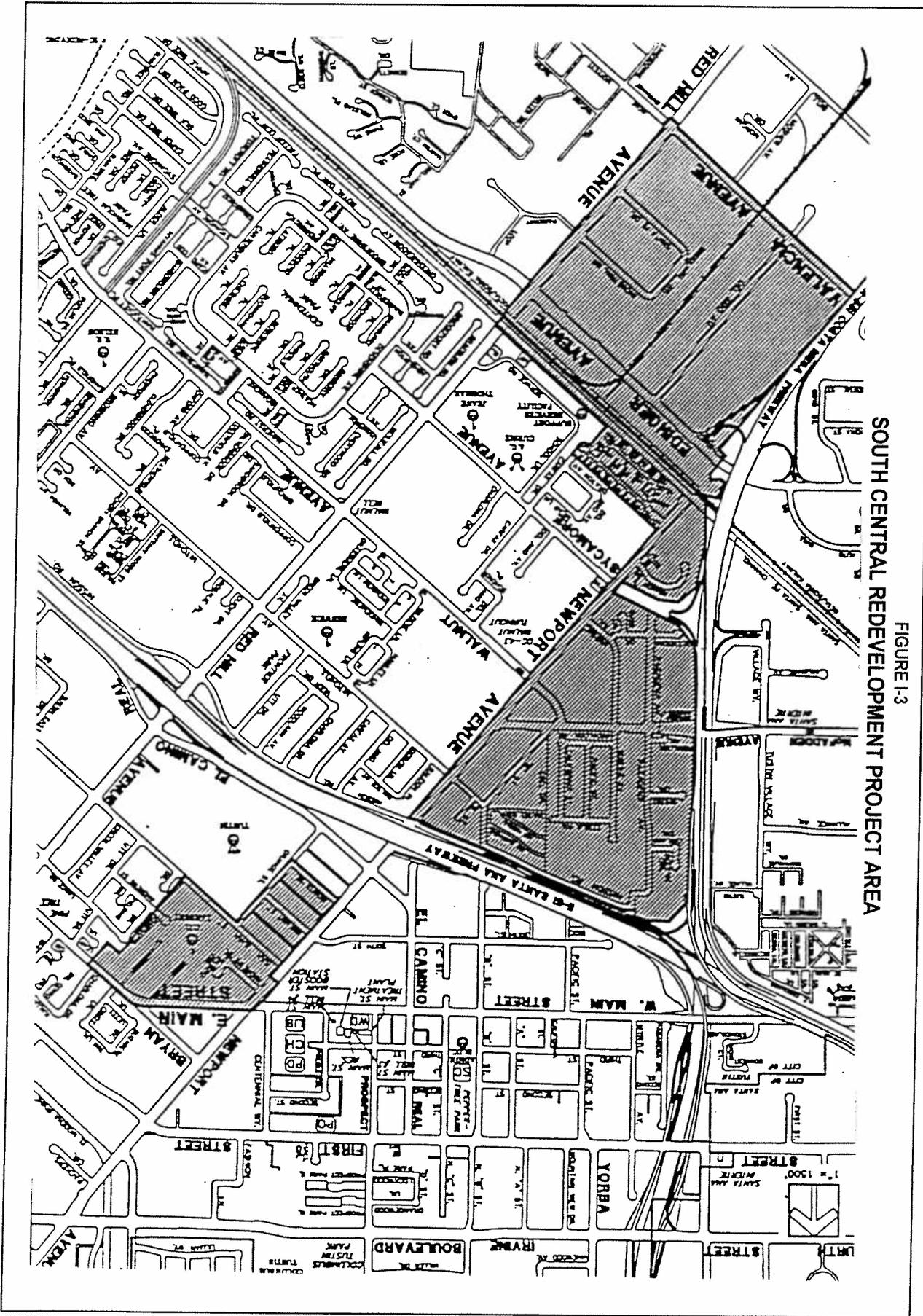


FIGURE I-3  
SOUTH CENTRAL REDEVELOPMENT PROJECT AREA

**FIVE YEAR IMPLEMENTATION PLAN  
FOR  
REDEVELOPMENT ACTIVITIES**

## BACKGROUND

### TOWN CENTER REDEVELOPMENT PLAN

The Town Center Redevelopment Project Area is located in central Tustin and incorporates the historic "Old Town" and civic center and a majority of the commercial properties within the central portion of the City. The Town Center Project Area contains many of the City's retail and office jobs, and is the center of good and services which serve the greater Tustin area. The Project Area is comprised of primarily commercial uses (approximately 90% of the Project Area land use). Relatively few residential uses exist in the Project Area.

The Redevelopment Plan for the Town Center Redevelopment Project Area was adopted on November 22, 1976 (Ord.No. 701). The Redevelopment Plan has been amended three times including: September 8, 1981 for the purpose of increasing the financial limitations, which were determined to be inadequate (Ord.No. 855); March 20, 1989 to revise and update the list of public improvements to include additional and previously unforeseen public improvements needed to further the goals and objectives of the Redevelopment Plan, extend the time limit on eminent domain, and further increase the financial limitations (Ord.No. 1021); and on November 21, 1994 to extend the time limits of the Redevelopment Plan pursuant to the provisions of California Assembly Bill 1290 (Ord.No. 1141). The boundaries of the Town Center Project Area are shown on Figure II-4.

The Redevelopment Plan for the Town Center Redevelopment Project Area lists six goals and objectives described in Figure II-1. Major elements of the Redevelopment Plan are summarized in Figure II-3.

### FIGURE II-1 REDEVELOPMENT GOALS AND OBJECTIVES TOWN CENTER PROJECT AREA

- To create a mixed use Town Center area that combines commercial, office, residential, and public uses, which will serve the needs of the community as well as encourage the healthy growth of the area.
- To encourage residential development by actively seeking private development in the redevelopment area.
- To increase the level of capital improvements such as the development of the Columbus-Tustin Park, parking facilities, sidewalk and street landscaping, street improvements, and related public improvement projects.
- To improve controlled development of the area to aid in harmonious and efficient development of the redevelopment area.
- To improve traffic circulation and access in the Town Center area as a means of reducing congestion, encouraging business development, attracting new customers to the area, alleviating pass-through traffic congestion and conflict, and improving safety.
- To revitalize and develop amenities in the Project Area, both publicly and privately financed, as a means of aiding the revitalization of the El Camino Real section of the Old Town district in particular.

## **SOUTH CENTRAL REDEVELOPMENT PLAN**

The South/Central Redevelopment Project Area is located adjacent to and south of the Town Center Project Area and is comprised of the original area and the added area. The Project Area contains residential uses, neighborhood-serving commercial uses, industrial/business park uses, and vacant land.

The Redevelopment Plan for the South/Central Redevelopment Project Area was adopted on August 1, 1983 (Ord.No. 890) in response to the need for basic public improvements, concern for deteriorating conditions of the residential neighborhoods, and the circulation deficiencies in the Project Area. On July 15, 1985, the City Council amended the Redevelopment Plan to add the adjacent industrial area south of the AT&SF railroad right-of-way to Valencia Avenue (Ord.No. 939). The added area ("Amended Area") was included because development of the property was constrained until the proposed public improvements for the South/Central Redevelopment Project Area, particularly the Newport Avenue extension and a new on/off ramp at Edinger Avenue and State Route 55 freeway were funded and completed. The Redevelopment Plan has been amended two additional times including: November 21, 1994 to extend the time limits of the Redevelopment Plan pursuant to the provisions of California Assembly Bill 1290 (Ord.No. 1142); and November 1, 1999 to re-establish the Agency's authority for eminent domain for a twelve-year period (Ord.No. 1223). The boundaries of the South Central Project Area are shown on Figure II-5.

The Redevelopment Plan as amended for the South/Central Redevelopment Project Area lists seven goals and objectives described in Figure II-2. Major elements of the Redevelopment Plan are summarized in Figure II-3.

### **FIGURE II-2 REDEVELOPMENT GOALS AND OBJECTIVES SOUTH CENTRAL PROJECT AREA**

- To acquire funds for housing assistance to low income families.
- To eliminate blight, due to the disuse of the land within the Project Area caused by inadequate public improvements, and the construction of major traffic circulation improvements that could not reasonably be expected to be made by private enterprise acting alone.
- To provide better emergency services to the Project Area with the construction of a grade separation for Newport Avenue and the AT&SF Railroad.
- To provide for development of land areas that cannot be developed due to the inadequacy of public improvements related to traffic circulation and storm drainage.
- To provide increased traffic capacity for Red Hill Avenue and Edinger Avenue and by providing an alternative north/south arterial.
- To extend Newport Avenue to relieve congestion at freeway interchanges and reduce the traffic demand on Red Hill Avenue.
- To redevelop and place abandoned industrial sites back into productive use, thereby creating employment opportunities and increased property values.

**FIGURE II-3  
PROJECT AREA SUMMARY**

<b>Town Center Redevelopment Project Area</b>		<b>South Central Redevelopment Project Area</b>	
Project Area Size, Location and Characteristics		Approximately 360 acres encompassing the central area of Tuslin comprised of residential and commercial uses, including the City's civic center and historic "Old Town" area.	
Project Area Size, Location and Characteristics		Approximately 398 acres south of the Town Center Project Area encompassing the original "Central" area comprised of commercial and residential uses, and the added "South" area comprised of light industrial and commercial uses.	
<b>Redevelopment Plan Elements</b>	<b>Date</b>	<b>Date</b>	<b>Ordinance No.</b>
Redevelopment Plan Adopted (Ordinance Number)	November 22, 1976	August 1, 1983	Ord. No. 890
Redevelopment Plan Amended	September 8, 1981 March 20, 1989 November 21, 1994 (AB 1290)	August 5, 1985 November 21, 1994 (AB 1290) November 1, 1999 (AB 912)	Ord. No. 939 Ord. No. 1142 Ord. No. 1223
<b>Redevelopment Plan Limits</b>		<b>Original Area</b>	<b>Added Area</b>
• Last Date to Incur Project Area Indebtedness	January 1, 2004	January 1, 2004	July 15, 2005
• Redevelopment Plan Expiration Date	November 22, 2016	July 15, 2015	July 15, 2015
• Last Date to Receive Project Area Tax Increment	November 22, 2024	July 15, 2025	July 15, 2025
• Expiration Date for Eminent Domain Authority	April 20, 2001	December 1, 2011	December 1, 2011
• Total Amount of Permitted Bonded Debt	\$35,000,000		\$20,000,000
• Maximum Amount of Tax Increment	\$90,000,000 (80% funds) Exclusive of 20% set-aside		\$2,500,000/annually

# BLIGHT

The primary requirement of a Redevelopment Project and Implementation Plan is to address blight. Figure II-4 provides a summary of physical and economic blight conditions under the CRL. Some of the conditions continue to exist in the Town Center and South Central Project Areas and are described Section II of this Implementation Plan.

**FIGURE II-4**  
**PHYSICAL AND ECONOMIC BLIGHT DEFINED**  
California Community Redevelopment Law, Article 3, Sections 33030 and 33031

Sections 33030 and 33031 of the California Community Redevelopment Law define blight to include:

- Unsafe/Dilapidated/Deteriorated Buildings. Buildings in which it is unsafe or unhealthy for persons to live or work. These conditions can be caused by serious building code violations, dilapidation or deterioration, defective design or physical construction, faulty or inadequate utilities, or other similar factors.
  - Physical Conditions that Limit the Economic Viability and Use of Lots and Buildings. Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots. This conditions can be caused by a substandard design, inadequate size given present standards and market conditions, lack of parking, or other similar factors.
  - Incompatible Uses. Adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels or other portions of the project area.
  - Lots of Irregular Shape, Inadequate Size, and Under Multiple Ownership. The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership.
  - Inadequate Public Infrastructure/Facilities. The existence of inadequate public improvements, parking facilities, open space, or utilities. (1.)
  - Depreciated/Stagnant Property Values, Impaired Investments. Depreciated or stagnant property values or impaired investments, including, but not necessarily limited to, those properties containing hazardous waste that required the use of agency authority as specified in Article 12.5 (commencing with Section 33459).
  - High Business Turnovers and Vacancies/Low Lease Rates/Abandoned Buildings/Vacant Lots. Abnormally high business vacancies, abnormally low lease rates, high turnover rates, abandoned buildings, or excessive vacant lots within an area developed for urban use and served by utilities.
  - Lack of Commercial Facilities. A lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores, drug stores, banks, and other lending institutions.
  - Residential Overcrowding/Excess Bars, Liquor Stores, Adult Businesses. Residential overcrowding or an excess of bars, liquor stores, or other businesses that cater exclusively to adults, that has led to problems of public safety and welfare.
  - High Crime Rates. A high crime rate that constitutes a serious threat to the public safety and welfare.
- (1.) At the time the Town Center and South Central Redevelopment Projects were adopted, Section 33032 of the Law (which was repealed in 1994) provided that a blighted area was one which was characterized by, among other things:  
The existence of inadequate public improvements, public facilities, open spaces, and utilities which cannot be remedied by private or governmental action without redevelopment, and  
A blighted area is currently defined as one that exhibits both physical and economic blight, and is characterized by the existence of inadequate public improvements, parking facilities, or both.

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## MAJOR ACCOMPLISHMENTS

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### TOWN CENTER PROJECT AREA ACCOMPLISHMENTS

In the past 23 years since the Town Center Redevelopment Plan was adopted, the Agency has provided private development assistance for the rehabilitation of substandard and deteriorating structures and for the development of new commercial uses in the Project Area. The Agency has completed vital improvements to upgrade substandard public infrastructure and to provide needed public facilities to serve the surrounding community. The Agency has also provided expenditures for business assistance and outreach programs to support the retention of existing businesses and attraction of new businesses in the Project Area. Both Agency and private sector redevelopment activities have contributed to reducing the prevalence of blighting conditions in the Project Area during this period.

During the past five-year period, the Agency, working with the private sector, has created new residential units in the Project Area and provided assistance to low-income household for the rehabilitation of existing residential units. Figure II-5 lists the accomplishments of the Agency in the Town Center Project Area.



### SOUTH CENTRAL PROJECT AREA ACCOMPLISHMENTS

Since the South Central Redevelopment Plan was adopted and amended sixteen years ago, the Agency's efforts have been primarily centered on planning for redevelopment and addressing immediate needs for improving basic infrastructure in the Project Area. The Agency has completed numerous street, alley, lighting and landscaping improvements, and constructed public facilities to serve the surrounding community. These Agency redevelopment activities along with private sector development have served to reduce the prevalence of blighting conditions in the Project Area such as the disuse of land, substandard infrastructure, and inadequate public facilities.

During the last five-year period, the Agency has provided assistance to low and moderate-income homebuyers to purchase new residential units, loans to owners of single family homes and of rental units to rehabilitate structures, and constructed community facilities benefiting the Project Area. Figure II-6 lists the accomplishments of the Agency and private sector developers in the South Central Project Area.



**FIGURE II-5  
SUMMARY OF MAJOR ACCOMPLISHMENTS TOWN CENTER REDEVELOPMENT PROJECT AREA**

**TOWN CENTER PROJECT AREA**

PROJECT	PROJECT ADDRESS	UNITS OR BUILDING SQ. FT APPROX	PERMIT VALUATION (\$)	AGENCY/ PUBLIC ASSISTANCE (\$)	RATIO OF PRIVATE-PUBLIC INVESTMENT	ESTIMATED PERMANENT JOBS CREATED	ESTIMATED ANNUAL SALES TAX OR OTHER
<b>Tustin Plaza</b>	13681-91 Newport			\$439,000	18.5/1		
Commercial Office		85,500	\$4,859,002			244	\$93,000
Restaurant		46,500	\$2,965,383			186	
		5,000	\$324,175			20	
<b>Plaza La Fayette</b>	13011-051 Irvine			\$1,816,000	1.7/1		
Commercial Restaurant		44,000	\$2,459,928			125	\$61,000
		6,807	\$610,241			20	
<b>Larwin Square</b>	494 E. First						
Retail Addition Office	225 Centennial	5,000	\$80,000	\$0	1/0	14	\$26,000
Burger King	13421 Newport	15,000	\$341,700	\$0	1/0	60	
	Playground	3,030	\$130,000	\$0	1/0	9	
		N/A	\$25,000	\$0	1/0		
<b>Steven's Square</b>	210-50 Main			\$50,000	38/1		
Office Parking Struc.	445 "C"	6,038	\$1,900,400	\$600,000	1.46/1	24	N/A
		246 Spaces	\$880,000				
<b>Tustin Village Center</b>	1081- 91 Main						
Commercial Restaurant	13612 Newport	25,546	\$608,000	\$0	1/0	73	\$14,500
		3,994	\$109,400	\$0	1/0	12	
<b>Courtyard</b>	18182 Irvine						
Mervyns Sav-On Commercial	671 E. First	72,000	\$1,680,000	\$0	1/0	206	\$221,000
	Holt/First	25,000	\$600,000	\$0	1/0	72	
	14901-14945 Newport	30,000	\$694,500	\$0	1/0	86	
			\$995,000				
<b>Ralphs Center</b>	1096-1212 Irvine						
Remodel/ Hardscape	1114-1212	36,400	\$937,000	\$0	1/0	104	\$130,000
Chuy's Remodel	1222 Irvine Blvd.	N/A	\$249,200	\$0	1/0		
Tustin Tire	135 S. Prospect	N/A	\$600,000	\$0	1/0		
Lone Star Steak House	1222 Irvine Blvd.	N/A	\$91,407	\$0	1/0		
		N/A	\$333,800	\$0	1/0		Confidential
<b>SUBTOTAL</b>			\$21,140,336	\$2,905,000		1255	\$545,500

Tustin Community Redevelopment Agency  
Town Center and South Central Redevelopment Projects

Implementation Plan II  
Fiscal Year 2000-2001 through 2004-2005

PROJECT	PROJECT ADDRESS	UNITS OR BUILDING PERMIT APPROX	SQ. FT VALUATION (\$)	AGENCY/ PUBLIC ASSISTANCE (\$)	RATIO OF PRIVATE PUBLIC INVESTMENT	ESTIMATED PERMANENT JOBS CREATED	ESTIMATED ANNUAL SALES TAX OR OTHER
Home Savings	18356 Irvine Blvd	12,200	\$641,000	\$0	1/0	41	N/A
Tustin Plaza Auto Wash	22240 E. First St	4,866	\$325,240	\$0	1/0	17	Confidential
Marshall's Center	600-712 El Camino Real	31,141	\$285,000	\$0	1/0	89	\$93,000
Commercial	600 El Camino Real	4,000	\$120,000	\$0	1/0	12	N/A
Cerniche Office	730 El Camino Real	15,450	\$1,249,000	\$0	1/0	60	N/A
Tustin Motor Lodge	750 El Camino Real	4,000	\$281,350	\$0	1/0	5	Confidential
Retail Shops	220 El Camino Real	4,720	\$160,000	\$0	1/0	14	Confidential
Office	250 El Camino Real	23,376	\$393,820	\$0	1/0	94	N/A
Retail/Office	100 W. First St.	5,928	\$107,890	\$0	1/0	20	Confidential
Burnett-Ehline Office	18231 Irvine 18302 Irvine	18,600 47,244	\$558,000 \$1,750,000	\$0 \$0	1/0 1/0	75 189	N/A
Lewis Properties	14772 Plaza	10,500	\$493,000	\$0	1/0	42	\$600
Commercial Center	18331 Irvine	6,000	\$145,000	\$0	1/0	17	\$5,400
Craddock	18301 Irvine	6,605	\$275,000	\$0	1/0	26	N/A
Commercial/Office	14251-71 Plaza	32,879	\$768,500	\$0	1/0	109	N/A
Office	161 Fashion Lane	53,000	\$314,100	\$0	1/0	212	\$1,000
Clock Towers	14742 Plaza	11,000	\$489,810	\$0	1/0	44	N/A
Wellington Plaza	505-15 First St.	26,800	\$865,190	\$0	1/0	76	\$3,500
Hummel Bldg.	13732 Newport Ave.	4,286	\$131,150	\$0	1/0	17	N/A
Prime Construction	150 El Camino Real	43,056	\$1,300,000	\$0	1/0	123	N/A
<b>SUBTOTAL</b>			<b>\$10,653,050</b>	<b>0</b>		<b>1282</b>	<b>\$103,500</b>

PROJECT	PROJECT ADDRESS	UNITS OR BUILDING APPROX	SQ. FT	PERMIT VALUATION (\$)	AGENCY/ PUBLIC ASSISTANCE (\$)	RATIO OF PRIVATE PUBLIC	ESTIMATED PERMANENT JOBS CREATED	ESTIMATED ANNUAL SALES TAX OR OTHER	
Spirit Development	145 Main	5,035		\$205,000	\$0	1/0	20	\$1,500	
O'Connor	160-190 Prospect	15,000		\$600,000	\$0	1/0	60	N/A	
La Mancha	450 E. First	5,000		\$126,995	\$0	1/0	14	N/A	
Klages	181-85 El Camino Real	3,421		\$172,000	\$0	1/0	14	\$2,300	
Office	185-95 El Camino Real	9,000		\$425,000	\$0	1/0	36	N/A	
Office	175 "C"	8,400		\$341,360	\$0	1/0	34	N/A	
<b>Restaurant Remodels</b>									
China Palace	13444 Newport	7,000		\$150,000	\$0	1/0	20	\$23,000	
Paraday's	13102 Newport	5,400		\$198,180	\$0	1/0	15		
Don Jose's	14882 Holt	7,000		\$200,000	\$0	1/0	20		
Rafi's Cuban Cafe	425 El Camino	0		\$82,790	\$0	1/0			
<b>Packer's Square</b>									
FHP/Talbert Remodel	13112-32 Newport	23,662		\$1,305,300	\$0	1/0	94	\$14,000	
	13132-52 Newport	0		\$532,943	\$0	1/1			
<b>Townhouses</b>									
	1042 Walnut	13 Units		\$687,075	\$0	1/0		N/A	
<b>Apartments</b>									
	545 S. "B"	5 Units		\$188,600	\$0	1/0		N/A	
<b>Ambrose Lane</b>									
	Tract No. 15707	38 Units		\$5,860,149	\$1,665,500	3.5/1		N/A	
SUBTOTAL				\$11,075,392	\$1,665,500		327	\$40,800	
TOTAL				\$42,868,778	\$4,570,500		2864	\$710,500	

**FIGURE II-6  
SUMMARY OF MAJOR ACCOMPLISHMENTS SOUTH CENTRAL REDEVELOPMENT PROJECT AREA**

SOUTH CENTRAL PROJECT AREA									
PROJECT	PROJECT ADDRESS	UNITS OR BUILDING PERMIT SQ. FT. APPROX	VALUATION (\$)	AGENCY/ PUBLIC ASSISTANCE (\$)	RATIO OF PRIVATE-PUBLIC INVESTMENT	ESTIMATED PERMANENT JOBS CREATED	ESTIMATED ANNUAL SALES TAX OR OTHER		
Primrose	13882 Newport	8,000	\$193,000	\$0	1/0	27	\$1,500		
La Mancha	13842 Newport	9,750	\$275,000	\$0	1/0	33	\$8,800		
Colco	13812 Newport	9,600	\$456,000	\$0	1/0	27	\$5,900		
Tustin Royale	1262 Bryan	58,000	\$2,754,000	\$0	1/0	15	N/A		
Tustin Village	275 Sixth	14,000	\$232,000	\$0	1/0	N/A	N/A		
Pasadena Apts.	15642 Pasadena	11 Units	\$945,708	\$0	1/0	N/A	N/A		
Lincoln Property	14901 Newport	160 Units	\$5,699,000	\$0	1/0	N/A	N/A		
Condos	15582-92 "B"	6 Units	\$67,000	\$0	1/0	N/A	N/A		
Sand Dollar Apts	15712-22 "B"	24,000	\$915,000	\$0	1/0	N/A	N/A		
Norden	15222 Del Amo	61,190	\$2,710,000	\$0	1/0	204	\$10,600		
Scantron	1361 Valencia	75,900	\$1,760,000	\$0	1/0	253	\$18,500		
Resco R & D Restaurant	1421-81 Edinger	62,100 5,470	\$1,722,000 \$391,000	\$250,000	8.4/1	207 16	\$38,500		
Pacific Bell	1252-1472 Edinger	224,500	\$10,572,000	\$0	1/0	748	\$33,000		
Solmar	1302 Industrial	12,000	\$828,000	\$0	1/0	40	\$0		
Tustin Freeway Center Retail	14051-61 Newport 14041 Newport	31,947 3,156	\$1,309,632 \$235,009	\$0 \$0	1/0 1/0	106 11	\$6,400 \$11,000		
<b>SUBTOTAL</b>			<b>\$31,064,349</b>	<b>\$250,000</b>		<b>1687</b>	<b>\$134,200</b>		

Tustin Community Redevelopment Agency  
Town Center and South Central Redevelopment Projects

Implementation Plan II  
Fiscal Year 2000-2001 through 2004-2005

PROJECT	PROJECT ADDRESS	UNITS OR SQ. FT (APPROX)	BUILDING PERMIT VALUATION (\$)	AGENCY/ PUBLIC ASSISTANCE (\$)	RATIO OF PRIVATE PUBLIC INVESTMENT	ESTIMATED PERMANENT JOBS CREATED	ESTIMATED ANNUAL SALES TAX OR OTHER
Music Plus Plaza	13662 Newport	18,200	\$1,216,500	\$0	1/0	61	\$18,500
Pacific Center East MicroCenter	1100 Edinger	45,600	\$926,200	Approx. \$100,000 over 7 years	16/1	200	Confidential
Tustin Grove	Tract 14934	145 Units	\$17,154,603	\$1,041,337	16.5/1	N/A	N/A
El Camino/Newport Center Rally's Retail	13982 Newport 13942-62 Newport	1,294 17,479	\$67,590 \$786,455	\$6,277	11.2/1	20	\$15,732
Apartment Rehab Project Carports to garages	14831 Newport	116 Units	\$175,000	\$0	1/0	N/A	N/A
<b>SUBTOTAL</b>			\$18,183,648	\$1,747,614		20	\$15,732
<b>TOTAL</b>			\$49,247,997	\$1,997,614		1707	\$749,932

## FINANCIAL RESOURCES

The projects, programs and expenditures to be implemented over the next five years will depend on the level of financial resources available to the Agency. Available financial resources will include tax increment (directly or indirectly through bond proceeds), land sale proceeds, prior loan repayments, new loans to the Agency, and interest earnings.

Figure II-7 presents a summary of the estimated non-housing revenues that may be available to the Agency over the next five years. Funding will also be available for affordable housing projects, subsequently discussed in the housing compliance section of this Plan.

For the Town Center Project, as of June 30, 1999 there is an existing Capital Projects fund balance of approximately \$1.8 million. It is

anticipated that approximately \$8.9 million in tax increment will be generated over the next five years, of which \$ 8.3 million will need to be applied to pay debt service. It is anticipated that with interest earnings that approximately \$3.0 million will be available to fund non-housing projects, programs and expenditures over the Implementation Plan time frame.

For the South Central Project, it is estimated that as of June 30, 1999 there will be a starting Capital Projects fund balance of approximately \$10.3 million. It is anticipated that an additional \$6.7 million in non-housing tax increment will be generated over the next five years. Approximately \$2.0 million will need to be applied to pay for debt service (City loans).

**FIGURE II-7**

<i>Resources</i>	<b>ESTIMATED NON-HOUSING TAX INCREMENT REVENUE</b>						
	<u>Fund Balances</u>	<u>FY 00-01</u>	<u>FY 01-02</u>	<u>FY 02-03</u>	<u>FY 03-04</u>	<u>FY 04-05</u>	<u>TOTALS</u>
South Central Project Area	\$10,329,000	\$1,289,718	\$1,315,512	\$1,341,822	\$1,368,659	\$1,396,032	\$6,711,743
Town Center Project Area	\$ 1,778,490	\$1,707,500	\$1,741,450	\$1,776,482	\$1,812,012	\$1,848,252	\$8,885,596

The existing financial obligations for the Town Center and South Central Project Areas are described as follows:

#### **TOWN CENTER EXISTING OBLIGATIONS**

- **Bond Debt Service.**

On July 1, 1998, the Agency issued \$20,805,000 Tax Allocation Refunding Bonds to refund the Agency's Town Center Area Refunding Bonds, Series 1987 and the Agency's Town Center Subordinate Tax Allocation Bonds, Series 1991. Net proceeds were used to purchase Government Securities for the Series 1987 and Series 1991 Bonds which were deposited in an irrevocable trust to provide for all future payments when the Series 1987 and 1999 Bond are called for redemption. As of June 30, 1999, the long-term debt Balance on the 1998 Tax Allocation Refunding Bonds was \$20,030,000.

- **Set-Aside for Low and Moderate-Income Housing Purposes.**

The CRL requires that all redevelopment agencies set aside 20 percent of their tax increment revenues to facilitate the development of housing for persons with low and moderate incomes. Particulars regarding the estimated amount and planned usage of the set-aside funds are described in the Housing Section of this Implementation Plan.

- **Town Center Low and Moderate-Income Housing Set-Aside Deferral.**

Between fiscal years 1985-85 and 1991-92, the Agency deferred a total of \$2,776,042 from its Low and Moderate-Income Housing Set-Aside Fund in order to pay existing obligation including bond debt service

described above. Particulars regarding the amount of the deferral and plan to eliminate the Set-Aside Fund deficit are described in the Housing Section of this Implementation Plan.

#### **SOUTH CENTRAL EXISTING OBLIGATIONS**

- **Set-Aside for Low and Moderate-Income Housing Purposes.**

The CRL requires that all redevelopment agencies set aside 20 percent of their tax increment revenues to facilitate the development of housing for persons with low and moderate incomes. Particulars regarding the estimated amount and planned usage of the set-aside funds are described in the Housing Section of this Implementation Plan.



## AGENCY FIVE-YEAR IMPLEMENTATION ACTIVITIES

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Non-housing implementation activities for both Project Areas will be generally associated with the following major areas:

- Economic Development
- Community Facilities
- Public Infrastructure/Street Improvements

These programs must often coincide and be overlaid to produce a successful project. Infrastructure and community facility improvements may work in concert with a community enhancement project to achieved the desired outcome. Traffic flow improvements can be used to protect and enhance neighborhoods while at the same time providing incentives for investment and economic development. Projects may vary dramatically during the next five years in reaction to market conditions and development interest, but the four main programs will remain the focus of the Agency.

To support the major focus areas of the Implementation Plan, direct administration program support costs as well as indirect costs will also be incurred.

The Agency's five-year implementation activities are based on the availability of funding from existing fund balances, bond proceeds and estimated future tax increment revenues not previously committed to existing financial obligations. The proposed projects, programs and the corresponding expenditures over the five-year period are designed to achieve the Goals and Objectives of this Second Implementation Plan and the elimination of blighting conditions. They are identified by Project Area in priority order as determined by the Agency. **However, financial resources are expected to be insufficient to complete implementation activities within the five-year time period.**

The CPL requires a five-year implementation plan regardless of economic conditions during the future five-year period. It should, however, be understood that the funding of identified programs is greatly influenced by economic conditions and the ability of the

private sector to respond to Agency initiatives. Projects and expenditures rely on the private sector's ability to obtain funding, as well as the Agency's ability to maintain and increase tax increment revenues. If the Agency's revenues are depleted because of higher than projected expenditures or new requirements imposed by the State, it is unlikely that all of the projects and/or programs listed will be implemented.

Achievement of the Implementation Plan Goals and Objectives, and the implementation of the projects, programs and expenditures outlined in this Second Implementation Plan will assist in eliminating blight within the Town Center and South Central Redevelopment Project Areas. The relationship between the Goals and Objectives of the Implementation Plan, projects, programs and expenditures of the Implementation Plan, and the blight that will be eliminated is described in Figures II-10 and II-11. Private sector activities will additionally contribute to the removal of blight within the Project Areas and the revitalization of the Project Areas

See Section III for a detailed description of the Five Year Implementation Plan for Housing Activities for the Town Center and South Central Project Areas.

## **TOWN CENTER REDEVELOPMENT PROJECT AREA**

The Agency's focus during the next five-year period for the Town Center Redevelopment Project Area is to concentrate on economic development, community facilities, and public infrastructure/street improvement programs identified below.

### **Implementation Plan Goals and Objectives**

- Provide business assistance for rehabilitation, expansion and retention of existing and new businesses in the Project Area.
- Rehabilitate substandard and deteriorating structures to improve building conditions, increase functionality and desirability, and to integrate design characteristics with the aim of creating a cohesive commercial district.
- Upgrade substandard public infrastructure systems and public facilities, and provide for the installation and construction of new public improvements to meet the needs of the Project Area.
- Provide direct assistance for the development of new commercial uses.
- Upgrade substandard public infrastructure systems and public facilities, and provide for the installation and construction of new public improvements to meet the requirements of existing and new development in the Project Area.

## **TOWN CENTER FIVE YEAR PROJECTS, PROGRAMS & EXPENDITURES**

### **Economic Development Programs (\$1,250,000)**

- Developer/Property Owner Assistance Program to support revitalization of the City's historic Old Town and adjacent areas within the Town Center Project Area. The type of assistance may include, but not be limited to land assembly and resale to private developers, land preparation, off-site improvements, fee payments, design and engineering assistance, development loans (as may be allowed under the law), development of parking facilities.
- Owner Assistance/Commercial Rehabilitation Program to provide financial assistance in the form of loans and grants for historic preservation, building and code compliance, building renovation and façade improvements.
- Business Assistance and Outreach Program to support the retention of existing businesses and attraction of new businesses. Expenditures would include, but not be limited to such items as brochures, marketing materials, and support for Economic Development Council activities.

### **Community Facilities Programs (\$800,000)**

- Pepper Tree Park Renovation Project - improvements to existing facilities and the construction of new restroom facilities.
- Tustin Senior Center - improvements to existing facilities.
- Stevens Square Parking Structure - provision of additional pedestrian access.
- Tustin Library - expansion and/or renovation of the facilities if supported by a ballot measure.

Public Infrastructure/Street Improvement Programs (\$210,000)

- El Camino Real Streetscape Enhancement Program - implementation of diagonal parking in the historic Old Town area including street planting and lighting improvements.
- Water Yard - installation of new reservoir and improvements to enhance the Project Area.
- Holt Avenue/State Route 55 Storm Drain - improvements between Prospect Avenue and Yorba Street.
- Lighting and Traffic Control Projects - general improvements as determined needed to upgrade existing street lighting, traffic signal synchronization or phasing and/or new traffic control installation, also includes lighting and pavement improvements to private and public alleys.
- Utilities Improvement Program - underground utilities in the City's historic area.

Agency Administrative Program Support and Indirect Costs Incurred by City (1,050,000)

Blight Definition

The definition of blight as contained in the CRL at the time of the Town Center Redevelopment Plan was adopted spoke to the health and safety conditions of buildings and the factors that characterized

economic dislocation, deterioration or disuse. Briefly, a blighted area is one that contains specific conditions and factors resulting in the lack of proper utilization of the area that constituted a serious burden on the community and that could not be alleviated by private enterprise acting alone.

Relationship to Blight

The Implementation Plan Goals and Objectives represent the Agency's near-term direction to continue the elimination of blight by providing assistance to strengthen the business environment of the Town Center Project Area. Specifically, the Implementation Plan Goals and Objectives will help the revitalize the building stock by improving deteriorated building conditions and correcting deficiencies among aged buildings. Goals and Objectives to upgrade and install public improvements and facilities, and to provide assistance to existing businesses, new businesses, and new development will help foster economic growth and correct conditions of depreciated values, impaired investments and economic maladjustment, while facilitating the construction of necessary public infrastructure.

Although both Agency assisted and private sector redevelopment activities have made major contributions to an improvement in the building stock in the project area and to an improvement to the prevalence of depreciated values, impaired investments and economic maladjustment in the Project Area, conditions still remain to be addressed under this Second Implementation Plan.

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The following is a list of major blighting characteristics found in the Town Center Project Area and how the proposed Agency activities during the next five-year period will reduce the prevalence of these blighting conditions:

- ***Deterioration, Age and Obsolescence.*** Several buildings and shopping centers in the Project Area remain characterized by deterioration, age and obsolescence. These properties do not appear to meet the changing needs of the commercial/retail sector and are no longer economically competitive in today's markets. The Economic Development program is proposed to correct these conditions and eliminate this blighting condition in the Project Area.

- ***The Existence of Inadequate Public Improvements and Utilities Which Cannot be Remedied by Private or Governmental Action Without Redevelopment.*** Targeted areas in need of public improvements upgrades or new construction remain in the Project Area. Public parks serving the surrounding community are in need of upgrades and renovation, while traffic control and circulation measures continue to be needed. The Agency wishes to maintain its level of commitment to improving the public infrastructure serving the Project Area by continuing a Community Facilities Program and Public Infrastructure and Street Improvement Programs.

- ***A Prevalence of Depreciated Values, Impaired Investments and Economic Maladjustment.*** Although conditions have slowly improved because of redevelopment activity in the Project Area, problems such as the lack of parking, deteriorating conditions, outdated building conditions, declining property values, and a lack of investment still remain. All of the Programs and Expenditures proposed under this Second Implementation Plan will address these blighting conditions.

**FIGURE II-10  
TOWN CENTER PROJECT AREA  
BLIGHT ELIMINATION RELATIONSHIP TABLE**

<b>GOALS &amp; OBJECTIVES</b>	Deterioration, Age & Obsolescence	Inadequate Public Improvements & Utilities	Depreciated Values, Impaired Investments & Economic Maladjustment
Provide business assistance for rehabilitation, expansion and retention of existing and new businesses.	<b>X</b>		<b>X</b>
Rehabilitate substandard and deteriorated structures to improve building conditions, increase functionality and desirability, and to integrate design characteristics.	<b>X</b>		
Upgrade substandard public infrastructure systems and public facilities, and provide for the installation and construction of new public improvements to meet the needs of the Project Area.		<b>X</b>	
Provide direct assistance for the development of new commercial uses.	<b>X</b>		<b>X</b>
<b>PROGRAMS &amp; EXPENDITURES</b>			
Economic Development Programs	<b>X</b>	<b>X</b>	<b>X</b>
Community Facilities Programs		<b>X</b>	
Public Infrastructure/Street Improvement Programs		<b>X</b>	<b>X</b>

Note: Administrative program support and indirect costs incurred by the City in administering Redevelopment Agency project areas support all programs and expenditures.

## **SOUTH CENTRAL REDEVELOPMENT PROJECT AREA**

The Agency intends to concentrate its redevelopment efforts in the South Central Project Area during the next five-year period on economic development, public infrastructure/street improvement and community facilities programs. These programs will allow funding for implementation of the Pacific Center East Specific Plan and to alleviate traffic congestion throughout the Project Area. The Specific Plan is the primary device for implementing the land use and infrastructure provisions of the Redevelopment Plan for the amended area of the South Central Project Area. While concentrating efforts within the Pacific Center East Specific Plan Area, the Agency also wishes to continue its public improvement program in the remainder of the Project Area.

### **Implementation Plan Goals and Objectives**

- Provide direct assistance to support and facilitate development, to preserve the City's employment base, and to provide for an integrated business park environment which capitalizes on market opportunities and which is compatible with adjacent land uses.
- Provide assistance to the private sector through the construction of circulation improvements designed to facilitate access to underutilized sites.
- Upgrade substandard public infrastructure systems and public facilities, and provide for the installation and construction of new public improvements to meet the requirements of existing and new development in the Project Area.

## **SOUTH CENTRAL FIVE YEAR PROJECTS, PROGRAMS & EXPENDITURES**

### **Economic Development Programs (\$1,125,000)**

- Developer/Property Owner Assistance Program to support development and revitalization within the South Central Project Area. The type of assistance may include, but not be limited to land assembly and resale to private developers, land preparation, off-site improvements, fee payments, design and engineering assistance, development loans (as may be allowed under the law), development of parking facilities.
- Business Assistance and Outreach Program to support the retention of existing businesses and attraction of new businesses.
- Expenditures would include, but not be limited to such items as brochures, marketing materials, and support for Economic Development Council activities.

### **Community Facilities Programs (\$100,000)**

- Recreational Facilities Program - improvements for existing facilities and the construction of recreational open space to serve the surrounding community.
- Tustin Family and Youth Center Expansion - additional land acquisition.
- Frontier Park (Phase II) - renovation of tot lot and installation of skate board area.

### **Public Infrastructure/Street Improvement Programs (\$11,625,000)**

- Newport Avenue/State Route 55 Northbound Ramp Reconfiguration - relocation of existing ramps including construction of new ramps, demolition of existing ramps, construction of Newport Avenue between Edinger and Valencia, and realignment and construction of Del Amo, between Edinger and the newly constructed ramp.

Public Infrastructure/Street Improvement Programs (continued)

- Newport Avenue Extension North of Edinger Avenue - extension from existing Newport Avenue terminus south to Edinger Avenue.
- Edinger Avenue Widening - widening to major arterial smart street standards between State Route 55 and 1,400 feet east of Red Hill Avenue with intersection enhancements and traffic control improvements.
- Valencia Avenue Widening - widening of right-of-way and intersection improvements per the Pacific Center East Specific Plan and traffic control improvements.
- Red Hill Avenue Widening - widening of right-of-way and intersection improvements between Edinger Avenue and Valencia Avenue per the Pacific Center East Specific Plan.
- Lighting and Traffic Control Projects - general improvements as determined needed to upgrade existing street lighting, traffic signal synchronization or phasing and/or new traffic control installation, also includes lighting and pavement improvements to private and public alleys.

Agency Administrative Program Support and Indirect Costs Incurred by City (\$2,650,000)

**Blight Definition**

The definition of blight as contained in the CRL at the time of the South Central Redevelopment Plan was adopted spoke to the health and safety conditions of buildings and the factors that characterized economic dislocation, deterioration or disuse. Briefly, a blighted area is one that contains specific conditions and factors resulting in the lack of proper utilization of the area that constituted a serious burden on the community and that could not be alleviated by private enterprise acting alone.

**Relationship to Blight**

The Implementation Plan Goals and Objectives represent the Agency's near-term direction to continue the elimination of blight by providing support to the industrial sector of the South Central Project Area, thus expanding the industrial base of the City and increasing employment opportunities. Specifically, these Implementation Plan Goals and Objectives will help to facilitate private sector development by assisting existing and new businesses. New development will also foster new economic growth and correct conditions of depreciated values, impaired investments and economic maladjustment by returning the land to proper utilization.

Although the Agency has undertaken an extensive public improvement program within the Project Area which has corrected several deficiencies, targeted areas in need of public improvement upgrades or new construction remain.

The following is a list of major blighting characteristics found in the South Central Project Area and how the proposed Agency activities during the next five-year period will reduce the prevalence of these blighting conditions.

- **The Existence of Inadequate Public Improvements and Utilities which cannot be Remedied by Private or Governmental Action Without Redevelopment.** Access between the northern portion and the southern portion of the Project Area is restricted because of the lack of through streets. While Red Hill provides the only north-south access route in the surrounding area, it does not provide direct access between the south (essentially the 1985 Amendment Area) and the central area of the Project Area. In addition, further development within the Pacific Center East Specific Plan area is restricted because of a lack of necessary public improvements, particularly circulation improvements to provide access to various sites. The Agency intends to facilitate development within this area and to eliminate the lack of proper utilization and prevalence of vacant sites within this area through the Public Infrastructure/Street Improvement Program.

- **A Prevalence of Depreciated Values, Impaired Investments and Economic Maladjustment.** The Amendment Area will continue to suffer from a lack of proper utilization because an inadequate infrastructure system. Extraordinary high costs are required to correct these deficiencies. The Agency is proposing to contribute to the construction of off-site circulation system improvements, freeway ramp improvements, and street improvements to provide better access to and within the Amended Area. The Agency is also proposing to continue the Economic Development Programs to foster economic vitality in the South Central Project Area.

- **The Existence of Inadequate Public Infrastructure/Facilities.** While the Agency has made contributions to constructing recreational facilities for elementary and middle school age children, young adults and families in the Project Area, target areas remain to be adequately served and in need of improvements or new construction. The Agency proposes to maintain its level of commitment to improving the public infrastructure and facilities in the Project Area by continuing the Community Facilities Program.

Figure II-11 illustrates the relationship between the Implementation Plan Goals and Objectives, and Programs and Projects and the blight which will be eliminated in the South Central Project Area.



**FIGURE II-11**  
**SOUTH CENTRAL PROJECT AREA**  
**BLIGHT ELIMINATION RELATIONSHIP TABLE**

<b>GOALS &amp; OBJECTIVES</b>	<b>Deterioration, Age &amp; Obsolescence</b>	<b>Inadequate Public Improvements &amp; Utilities</b>	<b>Depreciated Values, Impaired Investments &amp; Economic Maladjustment</b>
Provide direct assistance to support and facilitate development, to preserve the City's employment base, and to provide for an integrated business park environment which capitalizes on market opportunities and which is compatible with adjacent land uses.	<b>X</b>		<b>X</b>
Provide assistance to the private sector through the construction of circulation improvements designed to facilitate access to underutilized sites.		<b>X</b>	<b>X</b>
Upgrade substandard public infrastructure systems and public facilities, and provide for the installation and construction of new public improvements to meet the needs of the Project Area.	<b>X</b>	<b>X</b>	<b>X</b>
<b>PROGRAMS &amp; EXPENDITURES</b>			
Economic Development Programs	<b>X</b>	<b>X</b>	<b>X</b>
Community Facilities Programs		<b>X</b>	
Public Infrastructure/Street Improvement Programs		<b>X</b>	<b>X</b>

Note: Administrative program support and indirect costs incurred by the Redevelopment Agency project areas support all programs and expenditures.

**FIVE YEAR IMPLEMENTATION PLAN  
FOR  
HOUSING ACTIVITIES**

## HOUSING ACTIVITIES INTRODUCTION

The housing component of the Implementation Plan is a compliment to the Implementation Plan. The Plan presents the Agency's explanation of how specific goal, objectives, projects and expenditures will implement the low and moderate income housing requirements mandated by law, including the following:

1. An annual Housing Program for the five-year term that provides sufficient detail to measure performance of the Low and Moderate Income Housing Fund requirements.
2. An enumeration of the number of new, rehabilitated, assisted, price restricted, or destroyed housing units during the term of the respective redevelopment plans for the Town Center and South Central Redevelopment Project Areas.
2. An outline of the Agency's plan in using the Housing Trust Fund including annual deposits, transfer of funds, or accruals for special projects.
4. An identification of programs, and projects that will result in the destruction or removal of existing affordable housing (if any) and the proposed locations for replacement housing.
5. The Agency's Ten-Year Housing Affordability Compliance Plan as Required by California Community Redevelopment Law (CRL) Sections 33413 and 33490(a)(2).

Much of the information, including components of the Agency's housing implementation plan are based on the City and Agency's Comprehensive Affordability Strategy for fiscal years 2000-2001 through 2009-2010. Implementation of the Strategy and the Plan will also ensure consistency and achievement of the goals and objectives of the City's Housing Element and other housing related requirements contained in the CRL.

An agency's major housing responsibilities generally fall under four broad categories including: 1) the set-aside of 20 percent of tax increment revenue for low and moderate income housing (Sections 33334.2 and 33334.6); 2) the creation of housing affordable to low and moderate income persons and families based on the production of all new or substantially rehabilitated dwelling units (Section 33413); 3) the replacement of low and moderate income dwelling units removed as a result of Agency activity (Section 33413); and 4) the proportional expenditure from the 20 percent set-aside fund on housing for low and very low income persons based on community need (Section 33334.4). A discussion of each of the four categories is provided in this Housing Activities component of the Implementation Plan.

## HOUSING SET-ASIDE FUND

Section 33334.2 of the CRL requires, for every redevelopment plan adopted or amended to add territory on or after January 1, 1977, no less than 20 percent of the tax increment received by the agency from a redevelopment project (or area added by amendment) be set aside for increasing, improving and preserving the community's supply of low and moderate income housing. The revenues may be expended inside or outside of a project area. If expended outside the project area, a resolution must be adopted stating that outside expenditures are of benefit to the project area. The set-aside funds are to be held in a separate Low and Moderate Income Housing Fund until used. Any unexpended amount in the Low and Moderate Income Housing Fund that exceeds the greater of one million dollars or the aggregate amount deposited during the preceding four fiscal years (beginning in 1989-1990) becomes excess surplus.

For redevelopment plans adopted before January 1, 1988, the 20 percent set-aside was required beginning in the 1985-1986 fiscal year pursuant to Section 3334.6 of the CRL. However, an agency could reduce and defer its low and moderate income housing deposit requirement in any fiscal year if it found that the reduction was necessary to make payments on "existing obligations" (i.e., indebtedness incurred prior to January 1, 1986), and for fiscal years 1995-1996 only to fund "public and private projects, program or activities" approved by the agency prior to January 1, 1985 (Section 33334.6). If such a reduction was made, a statement of Existing Programs, or a Statement of Existing Obligations, or both had to be adopted by September 1, 1986 and filed with the Department of Housing and Community Development. The 20 percent set-aside or a portion of it could be only deferred until July 1, 1996, at which time full deposits had to be made. A deficit elimination plan was also required to be prepared to outline the agency intentions on expending the amount

equal to the difference between the required 20 percent tax increment set-aside and the actual amount deposited, if any, for each year a deposit was reduced.

### REQUIREMENTS FOR TOWN CENTER PROJECT AREA

The Town Center Redevelopment Project Area is subject to Section 33334.6 of the CRL, which applied the low/moderate housing set-aside requirement to pre-1977 projects. Section 33334.2 of the CRL also enabled the elimination or reduction of the annual housing fund deposit if the agency made findings regarding the lack of need for low/moderate housing in Tustin or the sufficiency of less than 20% of the Project Area's tax increment to meet the need that does exist. In addition, if a project had obligations that were incurred prior to the set-aside requirement, the agency could also defer the annual set-aside deposit as necessary to meet its earlier obligations. The Agency adopted such a Statement of Obligations for the Town Center Project and in fiscal years 1985-1986 through 1991-92 deferred the deposit of approximately \$2.8 million into the Housing Fund. Per the CRL, the Agency has adopted a plan for elimination of the deficit caused by the deferral. The Agency is currently anticipating a review and update of the deficit plan shortly.

### REQUIREMENTS FOR THE SOUTH CENTRAL PROJECT AREA

Because the Redevelopment Plan for the South Central Redevelopment Project Area was adopted after January 1, 1977 the provisions of Section 33334.2 regarding the set-aside of 20% of tax increment for low/moderate housing purposes apply. The requirement for the South Central Project Area provide to same options for reducing

or eliminating the set-aside deposit in a given year as discussed above. The Agency has not deferred any deposits in the South Central Housing Fund.

**Housing Funds Available**

Figure III-1 summarizes the estimated amount of tax increment beginning balances in the Housing Fund and the projected deposits over a five and ten year period into the Housing Fund for the Town Center and South Central Project Areas, respectively. The amounts shown are estimates, actual tax increment revenues and resulting Housing Set-Aside deposits could be more or less than the amounts shown.

**FIGURE III-1  
SUMMARY OF HOUSING SET-ASIDE FUNDS**

	Town Center	South Central
Estimated Beginning Fund Balance (As of June 30, 1999)	\$ 1,955,932	\$ 3,150,732
Estimated Fund Deposits *	<u>\$ 2,810,181</u>	<u>\$ 2,768,341</u>
<b>Five-Year Totals:</b>	\$ 4,766,113	\$ 5,919,073
<b>Combined Fund Amount:</b>		<b>\$10,685,186</b>
<b>Interest Earnings ** :</b>		<b>\$ 444,829</b>
<b>Estimated Bond Finance :</b>		<b><u>\$ 7,424,590</u></b>
<b>TOTAL ESTIMATED AVAILABLE (Over Next Five-Year Period)</b>		<b>\$18,554,605</b>

\* Fund Deposits estimated to increase 2% per year.  
\*\* Interest Earning estimated at 7.5%.

During the five-year Implementation Plan time frame and to accomplish stated projects and programs, the Agency anticipates the need to issue bonds secured by projected housing set-aside funds. As needed, the Agency also will use Home Funds and federal CDBG funds to accomplish the goals and objectives of the Implementation Plan. The Agency anticipates funding available housing set-aside resources within the five-year Implementation Plan time frame.

**Housing Fund Programs, Projects and Expenditures**

A description of the projects and program expenditures comprising the Agency's housing activities during the next five and ten-year periods is provided in the following:

1. First-Time Homebuyers Program (\$1,200,000)  
The First-Time Homebuyers Program is comprised of three major components:
  - Low Interest Mortgage Loans consists of referring potential homebuyers to banks and other lenders that offer below market down payment requirements to qualified buyers.
  - Down Payment Assistance Second Mortgage Loans which consists of the provision of deferred or minimal payment second mortgages that reduce the overall mortgage cost of a home to levels supportable to low-mod buyers
  - Mortgage Credit Certificate Program (MCCP) administered by the County of Orange, the program provides federal income tax credits as a form of assistance to homebuyers. Each redevelopment project will be responsible for the provision of reserve accounts to assure that the MCCP will be utilized and for an allocation of the administrative costs of the program.

2. Preservation of Existing Housing (\$500,000)
  - Preservation of the Tustin Gardens Apartments, a 101-unit Section 221(d)(4) senior project with a Section 8 contract due to expire in September, 1995.
3. Rehabilitation of Existing Housing Stock (\$5,718,408)
  - Owner Occupied (1 to 2 units) Rehabilitation Loans and Grants to continue to provide rehabilitation loans and grants for owner-occupied single family properties within certain specified target areas for households at or below 120% of the median income, adjusted for family size.
  - Rental Rehabilitation Loans and Grants to owners rental properties in need of moderate rehabilitation where at least 51% of the tenants are at or below 120% of medium income and remain within the Fair Market Rent (FMR) levels for a period not less than the period of land use controls established in the respective Redevelopment Plan.
  - Multifamily Acquisition, Rehabilitation and Conversion to Ownership Housing for smaller apartment projects containing two to eight units each which could be acquired, rehabilitated, converted to condominiums and sold to qualified homebuyers with resale restrictions which limit the use of the property and limit the extent to which home prices may increase.
  - Multifamily Acquisition, Rehabilitation and Rental to facilitate the purchase from absentee landlords and substantial rehabilitation of apartments that could be retained in non-profit ownership and rented to qualifying low and moderate income tenants for the longest period feasible, but for not less than the period of land use controls as established in the respective Redevelopment Plans.
4. New Housing Construction (\$6,969,292)
  - New Owner Housing Construction would provide land acquisition assistance to private developers for construction of new owner housing to mitigate the amount of the affordability gap for qualified potential homebuyers.
  - New Senior Rental Construction to provide assistance for construction of new senior apartments for eligible tenants that at or below 80% of the median income and will remain rented to qualifying very low and low income tenant for the longest feasible period of time.
5. Support and Ancillary Services (\$1,900,625 (non-local resource))
  - Homeless Housing Partnership to provide assistance through federal programs to provided transitional housing for persons and families that are at or below 50% of the medium income level, adjusted for family size.
  - Existing Section 8 Rental Assistance for very low and low income persons and families through the Section 8 Rental Assistance certificate program of the Orange County Housing Authority.
6. Program Support Expenditures (\$2,463,688)
 

Program Support costs incurred and directly related to implementing the housing program including salaries, overhead, consultant and legal expenses, supplies, etc. Actual administrative program support expenditures must be determined each year and found to be necessary to implement the housing program.

Figure III-2 provides an illustrative example of how the housing program could be financed on an annual basis over a five-year period. Actual timing and specific amounts may be adjusted over time. Specific decisions are made as a part of the Agency's annual budget process.

<b>FIGURE III-2</b>						
<b>FIVE-YEAR HOUSING PROGRAM ILLUSTRATIVE CASH FLOW</b>						
	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	TOTALS
<i>Resources</i>						
Combined Fund Balance (1.)	\$5,106,664	\$ 4,499,935	\$ 1,103,486	\$ 558,811	\$ 180,989	\$ 340,000
CDBG Rehabilitation Funds	\$ 0	\$ 100,000	\$ 100,000	\$ 70,000	\$ 70,000	\$ 340,000
South Central Fund Deposits	\$ 530,000	\$ 540,600	\$ 551,412	\$ 562,440	\$ 573,689	\$ 2,758,141
Town Center Fund Deposits	\$ 540,000	\$ 550,800	\$ 561,816	\$ 573,052	\$ 584,513	\$ 2,810,181
Investment Interest	\$ 127,667	\$ 224,997	\$ 55,174	\$ 27,941	\$ 9,050	\$ 444,829
Bond Finance Proceeds (2.)	\$ 0	\$ 7,424,590	\$ 0	\$ 0	\$ 0	\$ 7,424,590
<b>Total Resources :</b>	<b>\$ 6,304,331</b>	<b>\$13,340,922</b>	<b>\$ 2,371,888</b>	<b>\$ 1,792,244</b>	<b>\$ 1,418,241</b>	<b>\$10,029,710</b>
<i>Expenditures (3.)</i>						
Debt Service on Bonds	\$ 0	\$ 465,120	\$ 465,120	\$ 465,120	\$ 465,120	\$ 1,860,480
First Time Homebuyer Program	\$ 240,000	\$ 240,000	\$ 240,000	\$ 240,000	\$ 240,000	\$ 1,200,000
Preservation of Existing Units	\$ 500,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 500,000
Rehabilitation of Existing Housing Stock	\$ 220,200	\$ 4,397,220	\$ 587,757	\$ 375,531	\$ 137,700	\$ 5,718,408
New Housing Construction	\$ 344,196	\$ 6,625,096	\$ 0	\$ 0	\$ 0	\$ 6,969,292
Administrative Expenses	\$ 500,000	\$ 510,000	\$ 520,200	\$ 530,604	\$ 402,894	\$ 2,463,698
<b>Total Expenditures :</b>	<b>\$ 1,804,396</b>	<b>\$12,237,436</b>	<b>\$ 1,813,077</b>	<b>\$ 1,611,255</b>	<b>\$ 1,245,704</b>	<b>\$18,711,868</b>
<b>Balance Available</b>	<b>\$ 4,499,935</b>	<b>\$ 1,103,486</b>	<b>\$ 558,811</b>	<b>\$ 180,989</b>	<b>\$ 172,537</b>	

1. As of June 30, 1999
2. Estimated for tax-exempt bond @ 1.25 DCR; 25-year amortization ; 6.25% interest.
3. As shown in the City of Tuslin Comprehensive Affordable Housing Strategy.

Given the successful implementation of the Housing Program, the annual distribution of the units for each major programcategory is provided in Figure III-3.

**FIGURE III-3  
ESTIMATE ANNUAL DISTRIBUTION OF ASSISTED UNITS**

	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	Totals
<u>1. First Time Homebuyer Program</u>						
a. Down Payment 2nd Mortgage Loans	8	8	8	8	8	40
<u>2. Preservation of Existing Units</u>						
a. Justin Gardens Senior	100	0	0	0	0	100
<u>3. Rehabilitation of Existing Housing Stock</u>						
a. Owner Occupied (1-2 units) Loans	8	8	8	8	8	40
b. Rental Rehabilitation Loans	30	30	30	15	15	120
c. Multifamily Acq/Rehab/Conversion Number of Units	0	45	0	0	0	45
d. Multifamily Acq/Rehab/Ren Number of Units	0	0	71	47	0	118
<u>4. New Housing Construction</u>						
a. New Owner Housing Number of Units	0	26	0	0	0	26
b. New Senior Rental Number of Units	60	0	0	0	0	60
Total Number of New, Rehabilitated or Price Restricted Units	206	117	117	78	31	549

**Proportional Expenditure for Low and Very Low Income Housing**

Section 33334.4 of the CRL provides some targeting of the expenditures of moneys in the Low and Moderate Income Housing Fund. It is the apparent intent of the Section that redevelopment agencies direct Housing Fund expenditures such that the moneys are distributed in measurable proportion between that spent on moderate income housing and that spent on low and very low income housing. The proportion is to be determined for each community on the basis of the unmet need for housing among the income categories.

Based on the City's Comprehensive Affordability Strategy, Figure III-4 describes the allocation goal for the City of Tustin for the categories of very low, low and moderate income.

**FIGURE III-4**

**City of Tustin Fair Share Affordable Housing Allocation Goal**

<u>Income</u>	<u>Units</u>	<u>Percent</u>
Very Low	505	35%
Low	<u>355</u>	<u>25%</u>
<b>Subtotal</b>	860	60%
Moderate	<u>566</u>	<u>40%</u>
<b>TOTAL</b>	<b>1,426</b>	<b>100%</b>

Source : City of Tustin Comprehensive Affordable Housing Strategy

Based on the SCAG RHNA, it will be the policy of the Agency to approximately spend 60% of the Housing Fund money on housing for persons and family of very low and low income, and 40% on moderate income housing. This target goal is intended over the life of the redevelopment projects and not strictly on an annual basis. The Agency will monitor its expenditures of Housing Fund money to comply with legal requirements over the life of the two projects.

## AFFORDABLE HOUSING COMPLIANCE PLAN

Both of the Agency's Project Areas were adopted after January 1, 1976. As a result, housing development in the Project Areas is subject to the housing requirements of Section 33413 of the CRL. These requirements mandate that certain percentages of all housing developed in the project area be affordable to low to moderate income persons and families as follows:

- At least 30% of the housing developed or substantially rehabilitated by an agency itself in a project area must be available at affordable housing cost to low to moderate income persons or households. Of those units, 50% must be affordable to very low income households. This translates to a very low income requirement of 15% of the total project area units developed or substantially rehabilitated by the agency. This requirement applies only to units developed directly by the agency and would not apply to units developed by housing developers pursuant to agreements with or assistance from and agency; and

- At least 15% of the units developed or substantially rehabilitated in a project area by public or private entities other than the agency (including such entities receiving agency assistance) must be available at affordable to low to moderate income persons or households. Of those units, 40% must be affordable to very low income households. This translates to a very low income requirement of 6% of the total project area units developed in the project area.

Per Section 33413(b)(2)(A)(iii) of the CRL, substantial rehabilitation is defined as "...substantially rehabilitated multifamily rented dwelling units with three or more units OR substantially rehabilitated with agency assistance, single-family dwelling units with one or two units." Per

Section 33413(b)(2)(A)(iv) of the CRL, "... rehabilitation, the value of which constitutes 25 percent of the after rehabilitation value of the dwelling, inclusive of the land value."

Unit produced pursuant to Section 33413 of the CRL must remain affordable to low and moderated income persons or households or very low income households for the longest feasible time, as determined by the agency, but not less than the period of the land use controls established in the redevelopment plan. The affordability controls on such units must be made enforceable by recorded covenants or restrictions in the same manner as required for units assisted by the Redevelopment 20% Housing Set-Aside Fund.

Section 33413 of the CRL also requires that the agency's housing production requirement be met every ten years. Until recent amendments, the Agency only had to meet this obligation over the life of the redevelopment plan. If more than the required percentage of low and moderate income units are developed in a ten-year period, the affordable units in excess of the required percentage may be counted towards the agency's requirements for the next ten year period. If fewer than the required percentage of units are developed at the end of the ten-year period, the agency must meet its production goals on an annual basis until the requirements for the ten-year period are met. The agency may cause the required inclusionary housing units to be produced inside or outside the redevelopment project area, but shall for units developed or substantially rehabilitated by the private sector, require two units outside a project area for each unit that otherwise would have had to be available inside a project area.

**Past Production of Affordable Units in Project Areas**

To date, the Tusin Community Redevelopment Agency has not itself developed or rehabilitated housing in either the Town Center or South Central Project Areas. However, new private housing construction and substantial rehabilitation of price-restricted units has occurred in both project areas and outside the project areas since the adoption of the redevelopment plans. None of these units were developed by the Agency.

A summary of the total number of units which have been developed pursuant to the CRL for the Town Center and South Central Project Areas are shown in Figure III-5 along with the affordable housing obligations as assigned to the very low, low and moderate income categories. Appendix Table A provides the information in more detail by project name, street address, number of units, year built and number of restricted unit made available by enforceable covenants or restrictions.

Based on the information shown in figure III-5, the Agency is meeting the housing production requirements of the CRL. To meet its potential housing production requirements over the next ten-year period and life of both Redevelopment Plans, the Agency will apply its surplus balance of affordable housing production units and has taken steps to price restrict units in new residential development projects that are within the boundaries of the Project Areas. In addition, the Agency will secure affordability covenants on substantially rehabilitated units located within and outside the boundaries of the Project Areas

**FIGURE III-5  
SUMMARY OF AFFORDABLE UNITS PRODUCED  
(Redevelopment Plan Approval to FY 1999-2000)**

	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Non-</u>	<u>TOTAL</u>
	<u>Income</u>	<u>Income</u>	<u>Income</u>	<u>Restricted</u>	
Total Units Produced :	108	415	15	590	1,128
Affordable Units Produced :	108	210 *	15	n.a.	333
Affordable Units Required :	32	>	49	n.a.	81
Affordable Units Balance :	76	>	176 **	n.a.	252

\* Reflects 204 units (50%) of 409 units substantially rehabilitated outside the project areas.

\*\* Reflects the combined low and moderate income category.

**Housing Units to be Developed (Future Production)**

Because the residential areas of both the Town Center and South Central Project Areas are essentially built-out, the majority of new construction in the Project Areas will be in-fill redevelopment by the private sector and necessitate Agency financial assistance.

The successful implementation of projects, programs and expenditures identified previously in the housing portion of the Implementation Plan, would be anticipated to create new and substantially rehabilitated price-restricted units over the next five-year period as shown in Figure III-6.

Based on projects, programs and expenditures, the Agency does not anticipate any problem in meeting its required housing affordability obligations under State law. It should be noted that for planning purposes the Agency used assumptions under existing provisions of Section 33413 which expire on January 1, 2001 but for which legislation has been introduced to repeal the sunset expiration date (AB1855 (Lowenthal)). At such time as the legislators take action on Section 33413 or its replacement, the Agency may amend its Implementation Plan to reflect such changes.

**FIGURE III-6**

**ESTIMATE OF RESTRICTED UNITS TO BE DEVELOPED  
(FY 2000/2001 - FY 2004/2005)**

	<i>Very Low Income</i>	<i>Low Income</i>	<i>Moderate Income</i>	<i>Non-Restricted</i>	<i>Total</i>
Total Units Produced:	284	159	248	156	847
Affordable Units Produced:	213 *	159	248	n.a.	620
Affordable Units Required:	25	>	36	n.a.	61
Affordable Unit Balance:	264		547 **	n.a.	811

\* Reflects 71 units (50%) units provided outside the project areas.

\*\* Reflects the combined low and moderate income category.

## REPLACEMENT HOUSING

Section 33413(a) of the CRL requires, for the Town Center and South Central Redevelopment Plans, that for all dwelling units housing persons and families of low and moderate income which are destroyed or removed from the low and moderate income housing market as part of a redevelopment project (involving agency participation), the Agency shall rehabilitate, develop or construct an equal number of replacement units with an equal number of bedrooms. The replacement units shall be constructed or rehabilitated within four years after their removal and can be replaced anywhere within the territorial jurisdiction of the Agency. In addition, 75 percent of the replacement units must be affordable to the same income level (very low, low or moderate) as the persons displaced from the destroyed or removed units. The Agency has no replacement housing obligations for units removed by the private sector acting alone. Units can also not be removed from the low and moderate income housing market until the Agency has prepared a replacement housing plan which includes, among other requirements, the general location for replacement housing and an explanation of adequate means of financing the replacement units.

The Agency has assisted in only one redevelopment project that resulted in the destruction by the private sector of 56 existing affordable housing units. The units removed were located in the Town Center Project area and consisted of 34 two bedroom units occupied by very low, 11 by low, 10 by moderate and one by above-moderate income households. Applying the 75% requirement discussed above, this resulted in the need to produce a minimum of 25 units (51 bedrooms) of very low income, 8 units (16 bedrooms) of low income, 8 units (15 bedrooms) of moderate income and 15 units (30 bedrooms) of very low, low or moderate income housing.

The Agency's replacement housing obligation was satisfied by construction of new units on the same site as those units removed, and its inventory of housing units produced in the Project Areas. As shown in Figure III-7, it is projected that in fiscal year 2000-2001 there is a replacement housing unit excess or "surplus" balance, which can be applied to potential obligations over the next ten years in accordance with Section 33413 of the CRL. Appendix B provides more detail regarding the bedrooms of the units destroyed or removed and the bedrooms provided in the replacement units.

New construction, demolition, and/or rehabilitation are anticipated to continue at the same pace over the life of both Redevelopment Projects. To meet its potential future replacement housing requirements, the Agency will apply its excess affordable unit production balance. In addition, the Agency has taken steps to restrict units in the new residential development projects that are within the boundaries of the Project Area and will secure affordability covenants on units substantially rehabilitated located within and outside of the Project Areas.

**FIGURE III-7**  
**SUMMARY OF REPLACEMENT HOUSING OBLIGATIONS**

(Plan Adoption - FY 99/00)

	Very Low Income	Low Income	Moderate Income	Non- Restricted	Total
Units Removed	34	11	10	1	56
Replacement Units Required	25	8	8	15	56
Replacement Units Available	108	415	15	590	1,128
Replacement Units Balance / (Deficit)	83	407	7	575	989

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# APPENDIX

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Tustin Community Redevelopment Agency  
Town Center and South Central Redevelopment Projects

Implementation Plan II  
Fiscal Year 2000-2001 through 2004-2005

# APPENDIX A - AFFORDABLE HOUSING PRODUCTION

SUMMARY AFFORDABLE HOUSING UNIT PRODUCTION		Units Produced/Restricted Units Required				TOTAL
		very low	low & moderate	no restrict		
<b>Pre - FY 94/95</b>						
Total Units Produced		100	0	0	264	364
Restricted Units Required		22		32	n.a.	54
Production Surplus/(Deficit)		78		(32)	n.a.	46
<b>FY 95/96 - 99/00</b>						
Total Units Produced		8	415**	15	327	765
Restricted Units Required		10		17	n.a.	27
Production Surplus/(Deficit)		(2)		208	n.a.	206
<b>Estimated FY 00/01 - 04/05</b>		** (210 Restricted Units with 2 for 1 Produced Outside Project)				
Estimated Total Units Produced		284**	159	248	156	847
Restricted Units Required		25		36	n.a.	61
Production Surplus/(Deficit)		188		371	n.a.	559
		** (213 Restricted Units with 2 for 1 Produced Outside Project)				
<b>CUMULATIVE AFFORDABLE HOUSING UNITS PRODUCED</b>						
<b>FY 95/96 - 99/00</b>						
Cum. Restricted Units Provided		108	210	15	n.a.	333
Cum. Restricted Units Required		32		49	n.a.	81
<b>Cum. Restricted Units Balance/(Deficit)</b>		<b>76</b>		<b>176</b>	<b>n.a.</b>	<b>252</b>
(Balance may be applied to next 10-year production requirements)						
<b>Estimated FY 00/01 - 04/05</b>						
Cum. Restricted Units Produced		321	369	263	n.a.	953
Cum. Restricted Units Required		57		85	n.a.	142
<b>Cum. Restricted Units Balance/(Deficit)</b>		<b>264</b>		<b>547</b>	<b>n.a.</b>	<b>811</b>
		* (Units)				

# APPENDIX A (Continued)

## Pre 1995 Affordable Housing Unit Production

Project	Units Constructed/Restricted Required				TOTAL
	Very low	low	moderate	no restrict	
<b>Newpointe Apts (South Central)</b>					
1 Bedroom Units					
2 Bedroom Units					
3 Bedroom Units					
Total Units Produced	0	0	0	160	160
Total Bedrooms					
Restricted Units Required	10		14		24
<b>Tustin Gardens (Town Center)</b>					
1 Bedroom Units					
2 Bedroom Units					
3 Bedroom Units					
Total Units Produced	100	0	0	1	101
Total Bedrooms	100	0	0	1	101
Restricted Units Required	6		9		15
<b>Others</b>					
1 Bedroom Units					
2 Bedroom Units					
3 Bedroom Units					
Total Units Produced	0	0	0	103	103
Total Bedrooms					
Restricted Units Required	6		9		15
<b>Total Constructed Units</b>					
	100	0	0	264	364
<b>Total Restricted Provided</b>					
	100	0	0	n.a.	100
<b>Total Restricted Required</b>					
	22		32	n.a.	54
<b>Production Surplus/(Deficit)</b>					
	78		(32)	n.a.	46

Project	Units Rehabilitated and/or Covenant Restricted *				TOTAL
	Very low	low	moderate	no restrict	
<b>1 Bedroom Units</b>					
<b>2 Bedroom Units</b>					
<b>3 Bedroom Units</b>					
Total Units Produced	0	0	0	0	0
Total Bedrooms					
Restricted Units Provided (@2:1 Requirement)	0		0		0
<b>1 Bedroom Units</b>					
<b>2 Bedroom Units</b>					
<b>3 Bedroom Units</b>					
Total Units Produced	0	0	0	0	0
Total Bedrooms					
Restricted Units Provided (@2:1 Requirement)	0		0		0
<b>Total Rehabilitated Units</b>					
	0	0	0	0	0
<b>Total Restricted Provided</b>					
	0	0	0	n.a.	0
<b>Total Restricted Required</b>					
	0		0	n.a.	0
<b>Production Surplus/(Deficit)</b>					
	0		0	n.a.	0

\* Affordability Covenant Restricted per CRL Section 33334.4(b)(2)(B)(i)

# APPENDIX A (Continued)

## 95/96-99/00 Affordable Housing Unit Production

PROJECT	Units Constructed/Restricted Required			
	very low	low	moderate / no restrict	TOTAL
<b>Tustin Grove (South Central)</b>				
1 Bedroom Units				
2 Bedroom Units	8	6	7	124
3 Bedroom Units				145
Total Units Produced	8	6	7	124
Total Bedrooms				145
Restricted Units Required	8		13	21
<b>Ambrose Lane (Town Center)</b>				
1 Bedroom Units				
2 Bedroom Units				
3 Bedroom Units	0	0	8	30
Total Units Produced				30
Total Bedrooms				38
Restricted Units Required	2		4	6
<b>Others</b>				
1 Bedroom Units				
2 Bedroom Units				
3 Bedroom Units	0	0	0	0
Total Units Produced				0
Total Bedrooms				0
Restricted Units Required	0		0	0
<b>Total Constructed Units</b>				
	8	6	15	154
				183
<b>Total Restricted Provided</b>				
	8	6	15	n.a.
				29
<b>Total Restricted Required</b>				
	10	0	17	n.a.
				27
<b>Production Surplus/(Deficit)</b>				
	(2)		4	n.a.
				2

Project	Units Rehabilitated and/or Covenant Restricted *			
	very low	low	moderate / no restrict	TOTAL
<b>Orange Gardens (Outside)</b>				
1 Bedroom Units				
2 Bedroom Units	17	93	40	17
3 Bedroom Units				93
Total Units Produced	0	150	0	40
Total Bedrooms				150
Restricted Units Provided	0		75	75
(@2:1 Requirement)				
<b>Hampton Court (Outside)</b>				
1 Bedroom Units				
2 Bedroom Units	124	86	7	82
3 Bedroom Units				58
Total Units Produced	0	210	0	140
Total Bedrooms				350
Restricted Units Provided	0		105	105
(@2:1 Requirement)				
<b>Flanders Pointe (Outside)</b>				
1 Bedroom Units				
2 Bedroom Units		42		27
3 Bedroom Units		7		6
Total Units Produced	0	49	0	33
Total Bedrooms				82
Restricted Units Provided	0		24	24
(@2:1 Requirement)				
<b>Total Units</b>				
	0	409	0	173
				582
<b>Total Restricted Provided</b>				
	0	0	204	n.a.
				204
<b>Total Restricted Required</b>				
	0	0	0	n.a.
				0
<b>Production Surplus/(Deficit)</b>				
	0		205	n.a.
				205

\* Affordability Covenant Restriction per CRL Section 33334.6(b)(2)(B)(i)

# APPENDIX A (Continued)

## FY 00/01 - 04/05 Estimated Housing Units Removed/Replacement Units Required

Project / Program	Replacement Units in Project Areas				TOTAL
	Very low	low	moderate	no restrict	
<b>Other</b>					
1 Bedroom Units					
No. Bedrooms					
2 Bedroom Units					
No. Bedrooms					
3 Bedroom Units					
No. Bedrooms					
Total Units					
Total Bedrooms					
<b>Multi Family Rehab Program</b>					
1 Bedroom Units	15	5	5	5	25
No. Bedrooms	15	5	5	5	25
2 Bedroom Units	45	14	14	1	74
No. Bedrooms	90	28	28	1	146
3 Bedroom Units	15	5	5	1	26
No. Bedrooms	45	15	15	3	78
Estimated Units Removed	75	24	24	2	125
Total Bedrooms	150	48	48	3	249
Replacement Required	56	18	18	33	125
Total Bedrooms	112	36	36	59	243
<b>Small Lot SFD Program</b>					
1 Bedroom Units	4	1	1	1	6
No. Bedrooms	4	1	1	1	6
2 Bedroom Units	40	12	12	2	66
No. Bedrooms	80	24	24	4	132
3 Bedroom Units	14	5	5	1	24
No. Bedrooms	42	15	15	1	72
Estimated Units Removed	58	18	18	2	96
Total Bedrooms	126	40	40	4	210
Replacement Required	43	13	13	27	96
Total Bedrooms	94	30	30	56	210
Est. Total Units Removed	133	42	42	4	221
Est. Total Bedrooms Removed	276	88	88	7	459
<b>Replacement Required @75%</b>					
Total Bedrooms Required	99	31	31	60	221
Total Bedrooms Required	206	66	66	115	453
<b>FY 00/01 - 04/05 Summary of Replacement Units Provided</b>					
<b>Est. Replacement Units Provided</b>					
Est. Bedrooms	192	159	248	156	755
Est. Bedrooms	198	211	354	332	1,187
<b>Est. Replacement Balance/Deficit</b>					
Est. Bedrooms	93	128	217	96	534
Est. Bedrooms	(8)	145	288	217	734

## FY 00/01 - 04/05 Estimated Replacement & Affordable Housing Units Produced

Project / Program	Affordable Units Production Requirement				TOTAL
	Very low	low	moderate	no restrict	
<b>Senior Multifamily Const.</b>					
1 Bedroom Units	12	47			59
No. Bedrooms	12	47			59
2 Bedroom Units		1			1
No. Bedrooms		2			2
3 Bedroom Units					
No. Bedrooms					
Estimated Total Units	12	48			60
Total Bedrooms	12	49			61
Restricted Required	4		5		9
<b>Multifamily Rehab/Conversion</b>					
1 Bedroom Units	1	1	6	11	20
No. Bedrooms	1	1	6	11	19
2 Bedroom Units	4	6	18	33	60
No. Bedrooms	8	12	36	66	122
3 Bedroom Units	1	2	6	11	20
No. Bedrooms	3	6	18	33	60
Estimated Total Units	6	9	30	55	100
Total Bedrooms	12	19	60	110	201
Restricted Required	6		9		15
<b>Small Lot SFD Program</b>					
1 Bedroom Units					
No. Bedrooms					
2 Bedroom Units					
No. Bedrooms					
3 Bedroom Units					
No. Bedrooms					
Estimated Total Units	0	6	20	19	45
Total Bedrooms	0	18	60	57	135
Restricted Required	3		4		7
<b>Multifamily Rehab/ Rental</b>					
1 Bedroom Units		5	18	16	39
No. Bedrooms		5	18	16	39
2 Bedroom Units		17	54	49	120
No. Bedrooms		34	108	98	240
3 Bedroom Units		6	18	17	41
No. Bedrooms		18	54	51	123
Estimated Total Units	0	28	90	82	200
Total Bedrooms	0	57	126	165	348
Restricted Required	12		18		30
<b>Units Preserved/Restricted</b>					
1 Bedroom Units	266	68	108		442
Restricted Required	0		0		0
<b>Affordable Units Produced</b>					
Affordable Units Produced	294	159	248	156	847
Affordable Units Required	25		36	n.a.	61

# APPENDIX B - REPLACEMENT HOUSING CALCULATIONS

	Units Removed/Replacement Required					TOTAL
	Very low	low	moderate	no restrict		
<b>Actual Plan Adoption - FY99/00</b>						
Units Removed	34	11	10	1	56	
No. Bedrooms	68	22	20	2	112	
<b>Replacement Required @ 75%</b>						
Replacement Units	25	8	8	15	56	
Replacement Bedrooms	51	16	15	30	112	
<b>Estimated FY 00/01 - 04/05</b>						
Units Removed	133	42	42	4	221	
No. Bedrooms	276	88	88	7	459	
<b>Replacement Required @ 75%</b>						
Replacement Units	99	31	31	60	221	
Replacement Bedrooms	206	66	66	115	453	
<b>Est. Cum. Replacement Required</b>						
Replacement Bedrooms	124	39	39	75	277	
	257	82	81	145	565	

## SUMMARY OF REPLACEMENT HOUSING UNITS & BEDROOMS

<b>Est. Cum. Replacement Required</b>						
No. Bedrooms	124	39	39	75	277	
	257	82	81	145	565	
<b>Estimated Replacement Units</b>						
Replacement Bedrooms	300	574	263	746	1,883	
	322	904	399	1,557	3,182	
<b>Replacement Balance/(Deficit)</b>						
No. Bedrooms	176	535	224	671	1,606	
	65	822	318	1,412	2,617	

\* (Balance may be applied to next 10-year period.)

	Replacement Units & Bedrooms Provided					TOTAL
	Very low	low	moderate	no restrict		
<b>Pri 1995 Units Created</b>						
Total Replacement Units	100			263	363	
Total Replacement Bedrooms	100			526	626	
<b>Actual FY 95/00</b>						
<b>Justin Grove (South Central)</b>						
Total Units	8	6	7	124	145	
Total Bedrooms	24	18	21	372	435	
<b>Ambrose Lane (Town Center)</b>						
Total Units			8	30	38	
Total Bedrooms			24	90	114	
<b>Orange Gardens (Outside)</b>						
1 Bedroom Units	17				17	
No. Bedrooms	17				17	
2 Bedroom Units	93				93	
No. Bedrooms	186				186	
3 Bedroom Units	40				40	
No. Bedrooms	120				120	
Total Units	150				150	
Total Bedrooms	323				323	
<b>Hampton Square (Outside)</b>						
1 Bedroom Units	124			82	206	
No. Bedrooms	124			82	206	
2 Bedroom Units	86			58	144	
No. Bedrooms	172			116	288	
Total Units	210			140	350	
Total Bedrooms	296			198	494	
<b>Flanders Pointe (Outside)</b>						
1 Bedroom Units	42			27	69	
No. Bedrooms	42			27	69	
2 Bedroom Units	7			6	13	
No. Bedrooms	14			12	26	
Total Units	49			33	82	
Total Bedrooms	56			39	95	
<b>Total Replacement Units</b>						
Total Replacement Bedrooms	8	415	15	327	765	
	24	693	45	699	1,461	
<b>Estimated FY00/01 - 04/05</b>						
Total Replacement Units	192	159	248	156	755	
Total Replacement Bedrooms	198	211	354	332	1,095	
<b>Cum. Total Replacement Units</b>						
Cum. Total Replacement Bedrooms	300	574	263	746	1,883	
	322	904	399	1,557	3,182	

Justin Community Redevelopment Agency  
Town Center and South Central Redevelopment Projects

Implementation Plan II  
Fiscal Year 2000-2001 through 2004-2005