IMPLEMENTATION PLAN

MARINA,
MARINA MUNICIPAL AIRPORT, AND
FORMER FORT ORD PROJECT AREAS

Prepared for:

REDEVELOPMENT AGENCY
OF THE CITY OF MARINA

Prepared by:

KEYSER MARSTON ASSOCIATES, INC.

NOVEMBER 2006

TABLE OF CONTENTS

I. INTRODUCTION 1

II. PROJECT AREA DESCRIPTIONS, HISTORIC BLIGHTING CONDITIONS, AND ACCOMPLISHMENTS 3

A. PROJECT AREAS 3
B. HISTORIC PROJECT AREA ACCOMPLISHMENTS 6

III. REMAINING BLIGHTING CONDITIONS AND AGENCY GOALS AND OBJECTIVES 8

A. EXISTING BLIGHTING CONDITIONS TARGETED FOR MITIGATION OVER THE NEXT FIVE YEARS 8
B. COMPREHENSIVE AGENCY GOALS AND OBJECTIVES 8
C. AGENCY GOALS AND OBJECTIVES FOR THE NEXT FIVE YEARS 10

IV. PROGRAMS, PROJECTS, EXPENDITURES AND BLIGHT ELIMINATION 12

V. REDEVELOPMENT COMPONENT EXPENDITURES SUMMARY 22

VI. HOUSING COMPONENT 24

A. INTRODUCTION 24
B. AFFORDABLE HOUSING PRODUCTION COMPLIANCE STATUS 25
1. Housing Production Requirement 25
2. Housing Counted Toward Meeting the Housing Production Requirement 26
3. Summary of Housing Activity – Adoption through 1999 and 2000 to 2005 27
4. Plan for Achieving Housing Production Requirements by 2015 29
5. Anticipated Ten-Year Affordable Housing Production Compliance Status 31
6. Affordable Housing Production Compliance over the Life of the Project Areas 33
C. REPLACEMENT UNIT COMPLIANCE STATUS 33
D. HOUSING FUND REVENUES AND EXPENDITURES 34
1. Revenues and Expenditures 34
2. Expenditures Relative to the Community’s Need 42
E. CONSISTENCY WITH HOUSING ELEMENT 46

TABLES

Table 1 - Time and Financial Limits 5

Table 2.1 - Relationship of 2006-07 through 2010-11 Implementation Plan Components 17

Table 2.2 - Relationship of 2006-07 through 2010-11 Implementation Plan Components 18

Table 2.3 - Relationship of 2006-07 through 2010-11 Implementation Plan Components 20

Table 3: Project Area 1 Current Housing Production Compliance Status, Non-Agency Built Housing...28

Table 4: Future Project Areas 1, 2, and 3 Housing Unit Production Compliance Status (2006-2015), Non-Agency Built Housing...32

Table 5.1: Project Area 1 Housing Set Aside Cash Flow Projections 2006/07-2010/11.............36

Table 5.2: Project Area 2 Housing Set Aside Cash Flow Projections 2006/07-2010/11.............39

Table 5.3: Project Area 3 Housing Set Aside Cash Flow Projections 2006/07-2010/11.............41

Table 6: Project Areas 1, 2, and 3 Low and Moderate Income Housing Fund Expenditure Plan (FY 2001/02- to FY 2015/16) 43

MAPS

Map 1: Redevelopment Project Areas 2

I. INTRODUCTION

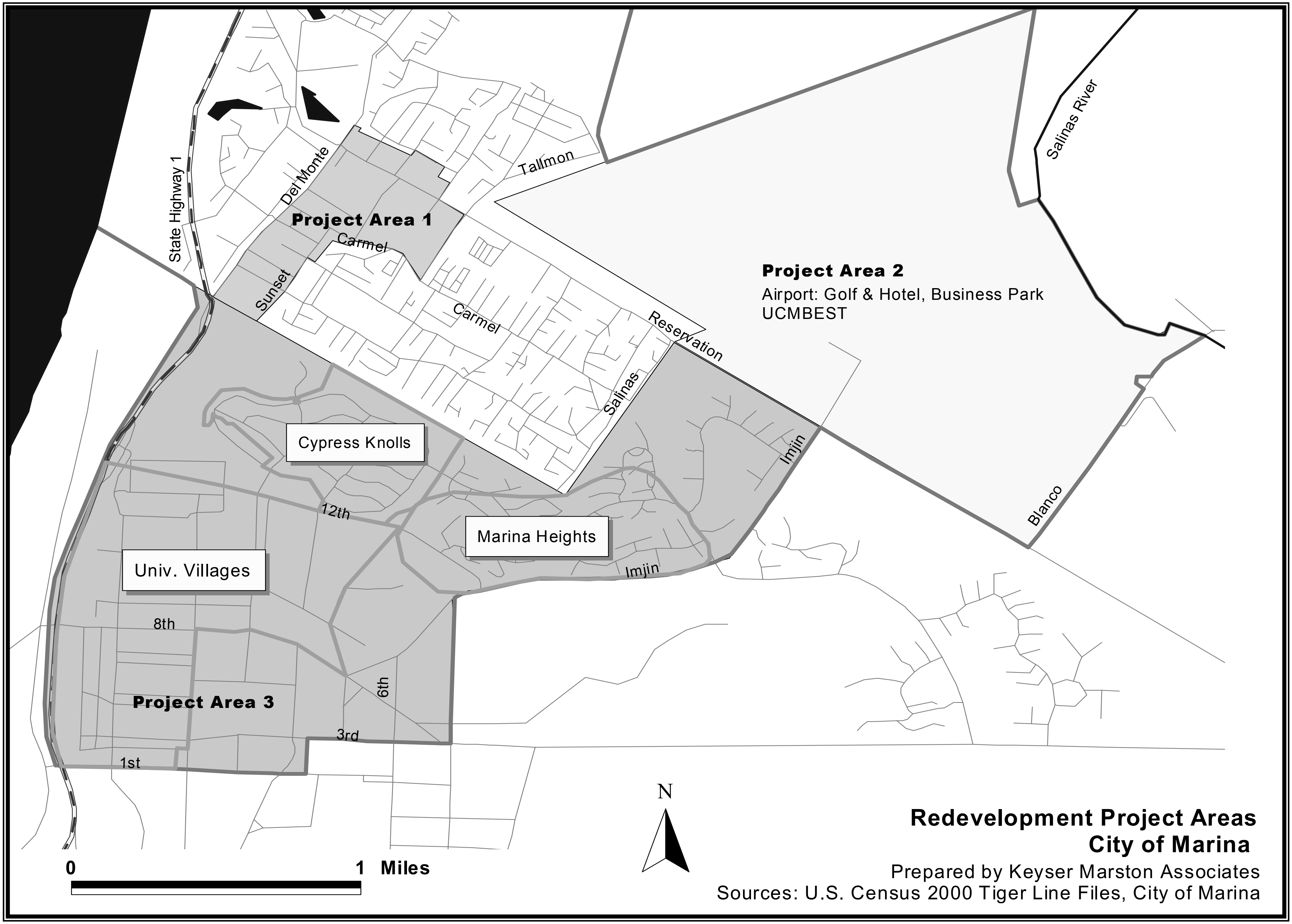
This document is the five-year Implementation Plan for the City of Marina's three redevelopment projects: the Marina Redevelopment Project (Project Area 1), the Marina Municipal Airport Project (Project Area 2) and the Former Fort Ord Redevelopment Project (Project Area 3). This Implementation Plan was prepared by the Redevelopment Agency of the City of Marina, a public body corporate and politic (the "Agency") in compliance with Article 16.5 of the California Community Redevelopment Law Part 1 of Division 24 of the California Health and Safety Code, the "CRL". This Implementation Plan will be in effect for fiscal years 2006-07 through 2010-11.

This Implementation Plan is composed of two separate components, a Redevelopment Component and a Housing Component. The Redevelopment Component addresses the following three issues:

- The Agency's near-term goals and objectives for blight elimination, programs to eliminate blight and specific projects proposed for implementation;
- The Agency's anticipated expenditures for the programs including the specifically identified projects; and
- The relationship between the goals and objectives, projects, programs and expenditures and blight elimination.

The Housing Component describes affordable housing activities, consistent with the requirements of Article 16.5 of the CRL. The Housing Component describes how the Agency will implement various CRL requirements related to low and moderate-income housing. The Housing Component describes the Agency compliance with, among other matters, the statutory requirements for depositing the required 20 percent of gross tax increment revenues into the housing set-aside (Set-Aside) fund and the expenditure of such funds for housing purposes.

This Implementation Plan is a policy statement rather than an unalterable course of action. It has been prepared to set priorities for redevelopment activities within the project areas for the five-year period covered by this Implementation Plan, and incorporates known financial constraints of the Agency in developing a program of activities to accomplish essential, short-term revitalization efforts. However, new issues and opportunities may be encountered during the course of administering redevelopment during the five-year period. Therefore, this Implementation Plan may be amended, if necessary, to effectuate its purposes.



Filename: 15927.008\Agency CF3.xls:MAP:2/24/2005:dd

II. PROJECT AREA DESCRIPTIONS, HISTORIC BLIGHTING CONDITIONS, AND ACCOMPLISHMENTS

A. PROJECT AREAS

Marina Redevelopment Project (Project Area 1)

The Marina Redevelopment Project Area was adopted on August 5th 1986, and is approximately 102 acres in size. The area is bounded by Del Monte Boulevard on the west, the former Fort Ord to the south, Sunset and Crescent Avenues on the east, and Reservation Road to the north. At the time of adoption, more than 50% of the area's housing stock was determined to be substandard due to age and condition. Many residential and commercial structures had been developed prior to Marina's incorporation in 1975, and did not meet city codes and land use regulations. The area was also lacking in public infrastructure, including inadequate curbs, gutters, and sidewalks; undersized and dilapidated streets and utilities; and inadequate traffic and flood control. Parcels of inadequate size, irregular shape, and lacking in proper access and infrastructure hindered development of vacant and underutilized areas. The goal of the redevelopment plan was to rehabilitate or demolish substandard structures, redevelop obsolete land uses, correct traffic circulation deficiencies, improve drainage and utilities, provide access to underdeveloped areas, provide public facilities, and add curbs, gutters, and sidewalks.

The following is the Plan adoption date and ordinance number and subsequent amendments:

1. Plan Adoption - August 5, 1986 by Ordinance No. 86-11
2. Amendment #1 - December 6, 1994, by Ordinance No. 94-15 (per AB1290 amended certain time limits)
3. Amendment #2 - September 3, 2002, by Ordinance No. 2002-10 (elimination of debt incurrence limit)

Neither amendment added territory to the project area.

Marina Municipal Airport Project (Project Area 2)

The Airport Project Area encompasses the former Fritzsche Army Airfield, which was a part of the former Fort Ord Army base. It encompasses 1,391 acres of land located north of Reservation Road and east of Tallman Street and extending to the City's limits. The project area was adopted on July 1, 1997 after the closure of Fort Ord under the special California Redevelopment Law (CRL) provisions pertaining to base conversion redevelopment agencies. The goal of the plan is to facilitate economic recovery and the conversion of the base to civilian uses through attraction of employment and private investment, infrastructure improvements, removal of deteriorated structures, modernization and expansion of the airport, and assistance to the University of California in development of the Monterey Bay Education Science and

Technology Center. None of the property within the Airport Project Area is zoned for residential development.

The Plan was adopted on June 17, 1997, by Ordinance No. 97-09.

Former Fort Ord Redevelopment Project (Project Area 3)

The Former Fort Ord Project Area encompasses the Main Garrison Area of the former Fort Ord. The Project Area is approximately 2,009 acres in size and includes the area of the former Fort Ord south of Reservation Road and within the City of Marina. The plan was adopted under the special California Redevelopment Law (CRL) provisions pertaining to base conversion redevelopment agencies. At the time the project was adopted, the area included housing, barracks, military service buildings and facilities. The area was found to include all of the physical and economic blight characteristics listed in CRL section 33492.11 of the California Redevelopment Law. Public infrastructure and utilities were determined to be inadequate or obsolete. Facilities and structures were vacant, physically deteriorated, obsolete, fire prone, and susceptible to earthquake damage. These conditions were found to contribute to impaired investments and physical and economic stagnation. It was envisioned that the base would be redeveloped for civilian uses including housing, commercial, office, and medical facilities to increase employment options. Blighting conditions, obsolete land uses and deteriorated structures were to be removed. Infrastructure and public facilities were to be improved and expanded.

The Plan was adopted November 2, 1999 by Ordinance No. 99-21.

Table 1 outlines in detail each project area's adoption date and subsequent time limits.

TABLE 1 - TIME AND FINANCIAL LIMITS		**MARINA REDEVELOPMENT PROJECTS**				**DATE: 7/30/05**
				COMMUNITY REDEVELOPMENT LAW REQUIREMENTS		
PROJECT ADOPTION DATE	**DEBT ESTABLISHMENT**	**PLAN EFFECTIVENESS**	**DEBT REPAYMENT (RECEIPT OF T.I.)**	**TAX INCREMENT**	**BOND DEBT**[1]	**EMINENT DOMAIN**
Pre -1994	**20 years from adoption or 1/1/04 whichever is later plus 10 years with amendment (may repeal limit by ordinance)**	**40 years from adoption or 1/1/09 whichever is later + 10 year with significant remaining blight (AB1290) + 1 year extension for ERAF in FY 2003-04 (SB1045) + two additional years extension for ERAF for FY 2004-06 (SB 1096)**[2]	**10 years after Plan effectiveness + 10 year with significant remaining blight (AB1290) + 1 year extension for ERAF (SB1045) + two additional years extension for ERAF for FY 2004-06 (SB1096)**[2]	**Limit required no maximum**	**Limit required no maximum**	**12 years maximum**
Post - 1994	**20 years plus 10 years with amendment**	**30 years**	**15 years after effectiveness**	**No limit required**	**Limit required – no maximum**	**12 years maximum**
Marina Redevelopment Project Area (Project Area #1) (Adopted 8/05/1986)	Repealed	8/05/2026 (Eligible for 1 year extension for ERAF payments)[3]	8/05/2036 (Eligible for 1 year extension for ERAF payments)[3]	$15 Million	$15 Million	8/05/1998 (Expired)
Marina Municipal Airport Project Area (Project Area #2) (Adopted 6/17/1997)	6/17/2017 (Cannot be repealed)	6/17/2027 (Eligible for 1 year extension for ERAF payments)[3]	6/17/42 (Eligible for 1 year extension for ERAF payments)[3]	No Limit	$65 Million	6/17/2009
Former Fort Ord Project Area (Project Area #3) (Adopted 11/02/1999)	11/02/2019 (Cannot be repealed)	11/02/2029 (Eligible for 1 year extension for ERAF payments)[3]	11/02/2044 (Eligible for 1 year extension for ERAF payments)[3]	No Limit	$115.8 Million	11/02/2011

[1] Not required for plans adopted before October 1, 1976.
[2] Redevelopment plans with 10 years or less of effectiveness remaining can be extended by one year for each year an ERAF payment is made; plans with 10 to 20 years remaining can be extended one year for each year an ERAF payment is made if the legislative body finds the Agency is compliance with major housing requirements; and, plans with more than 20 years remaining cannot be extended.
[3] Eligibility counted from duration of plan with additional years added when ERAF payments are made.

B. HISTORIC PROJECT AREA ACCOMPLISHMENTS

The Agency has completed numerous projects to eliminate blight in the Project Areas. A list of major accomplishments by Project Area is provided below:

Marina Redevelopment Project

- Completed infrastructure improvements including the addition of curbs, gutters, and sidewalks along Del Monte Avenue, signalization of two intersections, street improvements, and upgrades to utilities.

- Assisted in attracting the 36,000 square foot Cypress Plaza center to Marina. Cypress Plaza is located at 228 Reservation Road and is anchored by the Community Bank of Central California, Hollywood Video, Taco Bell, Walgreen's, and an office building.

- Assisted in the development of a new 16,000 square foot U.S. Post Office on Reservation Road.

- Assisted in development of a new service station/car wash on Reservation road. Assistance was provided through the Agency's small business loan program.

- As part of updating the City's Capital Improvement Program, the Agency identified a set of target projects and programs to undertake in the Project Area.

- Provided financial assistance for the development of 39 low income housing units built by CHISPA on Sunset Ave.

Marina Municipal Airport Project

- On-going planning activities related to two major future redevelopment projects: the Marina Airport Business Park; and a golf course and resort hotel.

- As part of updating the City's Capital Improvement Program, the Agency identified a set of target projects and programs to undertake in the Project Area.

- Completed infrastructure improvements to Neeson Road. The 2,800 foot long right-of-way provides access to the Marina Municipal Airport and related small businesses. Reconstruction involved widening the road six feet and installing new surface, sidewalks, curbs, gutters, drainage, and others.

Former Fort Ord Redevelopment Project

- Selected a developer and negotiated a Disposition and Development Agreement (DDA) for development of the University Villages Project *(project implemented during previous Implementation Plan cycle)*. The Project consists of 1,237 new residential units, a 661,000 Sq.Ft. business park, 666,000 Sq.Ft. of retail, and 500 hotel rooms. Development encompasses approximately 420 acres of land east of Highway 1 and south of Imjin Parkway transferred to the Agency by the U.S. Army. The Agency has agreed to sell the land to the developer, Marina Community Partners, in four phases for a total price of $48 million. Financial assistance will be provided with respect to the affordable housing component of the Project. Construction of infrastructure improvements and retail pads is currently underway.

- Selected a developer and negotiated a DDA for development of the Marina Heights Project *(project implemented during previous Implementation Plan cycle)*. The Project consists of 1,050 new residential units to be developed on approximately 250 acres of land north of Imjin Parkway and east of California Avenue transferred to the Agency by the U.S. Army. The Agency has agreed to sell the land to the developer for a total price of $10.6 million. Demolition of the dilapidated former Army housing that currently occupies the site began in July 2005. Construction is underway.

- Approved the DDA for the development of the Cypress Knolls Project. The Project consists of 712 new residential units to be age restricted for seniors. The 190-acre development site is located north of Imjin and east of Highway 1 and is currently improved with dilapidated former Army housing, which will be demolished and replaced with new housing development. The Cypress Knolls project will also include a 20,000 square foot community center to be owned by the homeowners. The DDA is anticipated to be executed by mid 2007 and construction is anticipated to commence shortly thereafter.

- As part of updating the City's Capital Improvement Program, the Agency identified a set of target projects and programs to undertake in the Project Area.

- Title to the 192 Abram's B Housing units transferred to the City of Marina, and the Agency has recorded 55-year covenants restricting the occupancy and rental rates of 136 of the units. Seventy-five (75) units are restricted as Very Low income units and 61 units are restricted as Low income units.

- Title to the 352 Preston Park Housing units transferred to the City. The Agency will be recording 55-year covenants restricting the occupancy and rental rates of 51 of the units. Nineteen units will be restricted as Very Low income units and 32 units will be restricted as Low Income units.

III. REMAINING BLIGHTING CONDITIONS AND AGENCY GOALS AND OBJECTIVES

A. EXISTING BLIGHTING CONDITIONS TARGETED FOR MITIGATION OVER THE NEXT FIVE YEARS

As stated in the Redevelopment Plans for each of the three project areas, the primary goal is to mitigate or eliminate blight through the efforts of the Agency, the Fort Ord Reuse Authority, the University of California, California State University, private property owners, and tenants. This is to be done in conjunction with the needs of the project areas and the availability of financial resources to fund them.

As described in relationship to the programs and projects proposed, the project areas continue to be impacted by significant remaining blighting conditions including:

- Lots of irregular form, shape and inadequate size for useful development, under multiple ownership (applies only to the Marina Redevelopment Project Area);
- Buildings in which it is unsafe or unhealthy for persons to live or work;
- Factors that hinder the economically viable use of buildings or lots including but not limited to inadequate size given present standards or market conditions and lack of parking;
- Land that contains materials that will have to be removed to allow development;
- Properties that contain hazardous wastes that may benefit from the use of Agency authority in order to be developed;
- Prevalence of depreciated values and impaired investments; and
- Abnormally high business vacancies, abnormally low lease rates, high turnover rates, abandoned buildings, or excessive vacant lots.

In addition, the inadequate public improvements that cannot be remedied by the private sector or governmental action without redevelopment contribute to blighting conditions.

B. COMPREHENSIVE AGENCY GOALS AND OBJECTIVES

The Agency identified the following goals and objectives for each of the project areas, as stated in their respective redevelopment plans:

Marina Redevelopment Project

- The development of vacant or underused properties to provide new economic values and employment opportunities;

- The renovation of blighted properties, obsolete land uses, and deteriorated structures;

- The correction of traffic circulation deficiencies, the provision of adequate public access to serve undeveloped areas and to meet future traffic demands;

- The provision of public works facilities to support the social and economic requirements of the community; and

- To undertake all such tasks and activities that will enhance the quality of life in the community by encouraging orderly growth, economic, and environmental awareness.

Marina Municipal Airport Project

- To improve the Project Area's overall economic and physical climate in order to provide increased private investment and employment;

- To provide for improved traffic circulation, modern roads and pedestrian walkways, and infrastructure (including sanitary sewer, storm drainage, water systems, electrical and street lighting) upgrades;

- To remove or renovate blighted properties, obsolete land uses and deteriorated structures;

- To modernize and expand the airport to the standards outlined in the Airport Master Plan;

- To assist the University of California in the development of the Monterey Bay Education, Science and Technology Center (MBEST Center);

- To implement a habitat management program intended to protect and preserve the areas set aside as habitat preserves;

- To undertake all such tasks and activities that will enhance the quality of life in the community by encouraging orderly growth, economic development, and environmental awareness; and

- To assist in the redevelopment of the main garrison area of Fort Ord by financing certain public improvements which serve the airport area and may serve the main garrison area.

Former Fort Ord Redevelopment Project

- To improve the Project Area's overall economic and physical climate in order to provide increased private investment and employment;

- To provide for improved traffic circulation, modern roads and pedestrian walkways, and infrastructure (including sanitary sewer, storm drainage, water systems, electrical and street lighting) upgrades;

- To remove or renovate blighted properties, obsolete land uses and deteriorated structures;

- To assist the local community in seeing that governmental, educational and performing art facilities are located in the project area;

- To assist in implementing a habitat management program intended to protect and preserve the areas set aside as habitat preserves;

- To undertake all such tasks and activities that will enhance the quality of life in the community by encouraging orderly growth, economic development, and environmental awareness;

- To assist in the redevelopment of Fort Ord by financing certain public improvements which serve the project area;

- To assure the preservation of the existing housing stock (those units which are economically feasible to rehabilitate), to provide new in-fill housing and to assure that housing is used to serve as an economic development tool to attract new business into the community; and

- To assure a housing stock that provides housing for all income ranges, emphasizing the development of programs that promote home ownership.

C. AGENCY GOALS AND OBJECTIVES FOR THE NEXT FIVE YEARS

Pursuant to meeting these Plan goals, the Agency has established the following operational goals and objectives to be addressed during the next five years by the Agency. The goals for each of the project areas are as follows:

Marina Redevelopment Project Area

- To continue promotional and planning activities related to Downtown Vitalization, including preparation of a Specific Plan and Economic Development Study.

Marina Municipal Airport Project

- To continue planning and marketing activities related to the airport business park, including developer selection and DDA negotiation; and

- To continue planning and marketing activities related to the airport golf course and resort hotel, including developer selection and DDA negotiation.

Former Fort Ord Redevelopment Project

- To develop the base reuse project areas with residential, retail, business-park, and visitor-serving uses, as outlined in their Specific Plans and DDAs; and

- To provide public amenities to serve new development in the base reuse projects, focusing on open space and community facility needs.

In addition, the Agency will support the expansion and revitalization of the affordable housing stock.

IV. PROGRAMS, PROJECTS, EXPENDITURES AND BLIGHT ELIMINATION

To achieve these goals and objectives, the Agency has identified a number of programs and possible projects to be implemented within the programs. These activities are proposed during the five-year period of the subject Implementation Plan and are designed to assist in blight elimination by attracting private development and through public improvements to address infrastructure requirements of new development, enhance the appearance of the three project areas, and reduce off-site development costs for prospective developers thereby making the area more attractive for development and reinvestment.

The Fort Ord Redevelopment Project Area is anticipated to generate the greatest amount of tax increment revenues over the next five years and therefore much of the Agency's expenditure program will focus on the Fort Ord Project Area. Although this Implementation Plan does not assume that the Agency's three project areas will be merged, the Agency plans to consider a merger to permit expenditure of additional funds in the Marina and Airport Project Areas.

Specific expenditures for these programs will, in part, depend on owner and developer interest. Implementation of the base reuse projects, for example, will be driven by developer interest and market demand. Aside from funding administrative costs, meeting its affordable housing obligations, and paying existing debt, it is anticipated that the Agency will spend $27.4 million on discretionary costs during the next 5-year implementation plan cycle for the programs and projects listed below. The ultimate allocation of discretionary money will depend upon developer interest and priorities of the Agency established during the annual budgeting process.

Tables 2.1, 2.2, and 2.3 detail the linkage between the Agency's goals and objectives for the next five years in each project area, the anticipated projects and programs, and the blighting conditions addressed.

Marina Redevelopment Project Area

Promotional Activities – The Agency will continue to promote economic development in Marina's downtown through visual improvements and meetings with stakeholders. Improvements signaling changes in the downtown area will include banner poles, street signage, and gateway signage. In addition, meetings with existing and potential property and business owners will be coordinated to further private investment and discuss opportunities for business expansion and/or development. Promotional activities are intended to address the overall investment climate of the area, bolstering the downtown vitalization efforts described below.

Total 5-Year Program Funding: $150,000

Downtown Vitalization – The Agency is currently in the process of planning sweeping revitalization efforts for the downtown area including significant streetscape upgrades and landscaping improvements, intensification via infill development and building rehabilitation, and new mixed use development projects. A series of capital improvement projects are under consideration for streets and intersections including Reservation Road, Del Monte Boulevard, Carmel Avenue, Marina Drive, and Palm Avenue. In addition to street and streetscape upgrades intended to attract pedestrian activity in the area, the Agency will promote projects including a medical facility, Cineplex, family entertainment district, culturally diverse districts, civic center, child care center, health club, senior center, redevelopment of the site at the corner of Reservation and Del Monte, and housing on sites identified in the Housing Element, such as MST and 273 Carmel.

Planning for the vitalization projects will include the preparation of a Downtown Specific Plan, and an Economic Development Study that identifies suitable downtown anchors. These documents are expected to be prepared during the next implementation plan period. Downtown vitalization plans will be designed to alleviate abnormally high business vacancies and vacant lots, depreciated values and impaired investments, factors that hinder the economically viable use of buildings or lots, and inadequate public improvements by rehabilitating existing structures, promoting infill development and redevelopment of under-utilized sites, and improving streetscapes and public amenities.

Total 5-Year Program Funding: $170,000

Marina Municipal Airport Project

Pending the completion of a market study, the Agency will continue planning and marketing activities related to two major anticipated development projects on former Fort Ord: the Airport Business Park and the Golf Course and Resort Hotel. Both projects are expected to progress through the RFP/RFQ stage. These projects are designed to address the blighting conditions of impaired investment and remove conditions that hinder the economically viable use of buildings.

RFQ/RFP for Airport Business Park - A market study is being conducted to evaluate the airport business park, which is planned to include an estimated 1.3 million square feet of office and approximately 750,000 square feet of industrial space. An RFQ / RFP soliciting developer interest was released in FY 2006/07. Depending on response from developers, developer selection could begin in 2007 and DDA negotiation in 2008. Construction is anticipated to begin during the next implementation plan cycle. The proposed project will alleviate factors that hinder the economically viable use of buildings by improving and leasing vacant buildings. In addition, the project will address conditions of impaired investments by facilitating development of a prime location adjacent to the Airport.

Total 5-Year Funding: $25,000

RFQ/RFP Airport Golf Course and Resort Hotel - This project is anticipated to include construction of an 18-hole golf course and a 350-room hotel on lands transferred from the Army.

A developer RFQ / RFP was released in FY 2006/07. Depending on response from developers, developer selection and DDA negotiation could begin in 2007. Construction of the golf course and hotel is not anticipated to begin during this Implementation Plan cycle. The project would address the prevalence of impaired investments and depreciated values by adding a valuable amenity that will assist in attracting additional economic development to the project area and the City of Marina.

Total 5-Year Funding: $25,000

Former Fort Ord Redevelopment Project

There will be a tremendous amount of activity at the Former Fort Ord Project Area over the next five years associated with the development of the Marina Heights, University Villages, and Cypress Knolls projects. Each of these projects will clear a large number of abandoned structures on the former base and redevelop the sites with a full-range of land uses, including an aggregated total of approximately 3,000 housing units, 660,000 square feet of office / business park, 670,000 square feet of retail space, and 500 hotel rooms. Marina Heights and University Villages are under construction and construction of Cypress Knolls is anticipated to start in FY 2007/08. The implementation of these developments and the construction of supporting infrastructure, parks, and community facilities will require a tremendous effort by Agency staff.

Each of these projects addresses blighting conditions on the former base including abandoned buildings and vacant lots, impaired investments, and hindered economically viable use of buildings.

a. Public Facilities and Infrastructure Improvement Program

An extensive capital improvement program list has been identified including improvements to parks and community facilities. These projects will eliminate inadequacies related to public improvements, public facilities, open spaces and utilities which cannot be remedied by private or governmental actions without assistance, to improve the safety and quality of life for the residents of Marina**.** Projects to be undertaken during the Implementation Plan period include:

- *Development of a new community park west of the high school*. It is contemplated that the park will include basketball, golf, baseball, and soccer facilities, and ancillary parking, and will be used jointly with the high school. Improvements would take place in FY 2009 through FY 2011, with $11,085,000 of the project's $18,475,000 total cost occurring during this Implementation Plan period.

- *Development of a new community senior center adjacent to the Cypress Knolls project to serve existing residents*. The Developer of Cypress Knolls is obligated to fund $2.8 million for the development of the senior center. It is anticipated that design of the center will commence in 2009 and construction in 2011. The net cost to the Agency is estimated to be $1 million.

- *University Village PBC Parcel Development* - Development of a community park and other community facilities on the University Villages public benefit conveyance (park) parcels. Recreation facility improvements are planned for the Public Benefit Conveyance (PBC) parcels included within the University Villages Specific Plan area. These include a new roof, entry enhancement, remodeling bathrooms for ADA compliance, electrical upgrades, drainage repairs, trellis repairs, stuccoing the building, painting and exterior lighting. Planned expenditures total $1,087,000 in FY 2008.

- *Preston Park Improvements* **-** Planned improvements to Preston Park include installation of lighting for the baseball and soccer fields, new tennis courts, planting, furniture, additional parking, and a dog run. The improvements would be made in FY 2008. Total Project Funding: $896,000

- *Abrams Park Improvements* - Planned improvements to Abrams Park include circulation; parking lots; baseball, soccer, and multi-use fields; stadium seating; planting and lighting for parking and sports fields areas. These are expected to take place in FY 2008 to FY 2010. Total Project Funding: $8,886,000

Total 5-Year Public Facilities Program Funding: $22.8 million

b. Cypress Knolls

The Agency negotiated and approved the DDA for the development of the project. Over the next five years, Agency staff will be engaged in monitoring the development process and undertaking implementation activities as required by the DDA.

Total 5-Year Project Funding: $4.2 million. It is anticipated that the non-housing set-aside fund will provide a short-term loan to the Cypress Knolls housing set-aside fund to help fund the construction of the Very Low, Low, and Moderate-income units at Cypress Knolls. It is anticipated that the Housing Set-aside fund will repay the non-housing fund in the following 5-year Implementation Plan cycle.

c. University Villages

Construction has begun on the project, which will include: 1,237 units of housing, 661,000 square feet of business park, 666,000 square feet of retail, and 500 hotel rooms. In accordance with the terms of the DDA, the City and Agency will be very involved with implementing the project. For example, the City will use its best efforts to sponsor the issuance of Mello-Roos bonds and the Agency will use its best efforts to issue a series of bonds secured by housing funds to assist in the development of the project's affordable housing component. By removing numerous abandoned structures and attracting private development, the project addresses blighting conditions including abandoned buildings, buildings in which it is unsafe or unhealthy to live or work, factors that hinder the economically viable use of buildings, and impaired investments. In addition, the project improves affordable housing opportunities.

Total 5-Year Project Funding: None at this time. Agency funding commitments to this project are from housing funds.

d. Marina Heights

Construction has commenced on this 1,050 project. Agency staff's involvement will relate primarily to implementing the Project's affordable housing program. The project will remove numerous abandoned and unsafe structures, facilitate private investment, and improve affordable housing opportunities.

Total Project Funding: None at this time.

TABLE 2.1
Relationship of 2005-06 through 2009-10 Implementation Plan Components
Marina Redevelopment Project Area

Redevelopment Goals and Objectives[1]	**Near Term Goals and Objectives**	**Proposed Projects and Programs**	**Proposed Expenditures**	**Blight to be Alleviate or Eliminated**
Overall Goal for the Project Area "The objectives of the Redevelopment Plan are to mitigate or eliminate blighting conditions within the Project Area through the efforts of the Redevelopment Agency in cooperation with the City of Marina, private property owners and private developers."	***Near term goals and objectives have been identified for the Marina Project Area.***	***Agency proposed programs and projects that will meet or exceed the identified near term goals and objectives.***	***Expenditures include known costs; additional expenditures may be required to implement programs and projects.***	***The following is a description of the primary blighting condition to be addressed by the implementation of the projects and programs. This description is not intended to be an exhaustive description of all of the blighting conditions that will be addressed.***
Long Term Goals and Objectives				
The development of vacant or underused properties to provide new economic value and employment opportunities.	To continue marketing and planning activities related to Downtown Vitalization, including preparation of a Specific Plan and Economic Development Study.	The Downtown Vitalization project is aimed at attracting a significant redevelopment project. Promotional activities address the overall investment climate of the area.	$320,000	Abnormally high business vacancies and excessive vacant lots; depreciated values and impaired investments; and factors that hinder the economically viable use of buildings or lots.
The renovation of blighted properties, obsolete land uses, and deteriorated structures.	see above	see above	previously identified	see above
The correction of traffic circulation deficiencies, the provision of adequate public access to serve undeveloped areas and to meet future traffic demands.	see above	Downtown Vitalization is expected to include street, streetscape, and intersection improvements.	previously identified	Inadequate public improvements.
The provision of public works facilities to support the social and economic requirements of the community.	see above	Downtown Vitalization is planned to incorporate public facilities such as a medical center and/or civic center.	previously identified	Inadequate public improvements.
To undertake all such tasks and activities that will enhance the quality of life in the community by encouraging orderly growth, economic, and environmental awareness.	see above	All proposed projects and programs apply.	previously identified	see above
TOTAL ESTIMATED PROGRAM AND PROJECT COST OVER FIVE YEAR PERIOD			**$320,000**	

[1] Redevelopment Plan for the Marina Redevelopment Project Area. August 2, 1986, page 2.

TABLE 2.2
Relationship of 2005-06 through 2009-10 Implementation Plan Components
Marina Municipal Airport Project Area

Redevelopment Goals and Objectives[1]	**Near Term Goals and Objectives**	**Proposed Projects and Programs**	**Proposed Expenditures**	**Blight to be Alleviate or Eliminated**
Overall Goal for the Project Area "The objectives of the Redevelopment Plan are to mitigate or eliminate blighting conditions within the Project Area through the efforts of the Marina Redevelopment Agency, the University of California, private developers, leasehold tenants and private property owners."	***Near term goals and objectives have been identified for the Airport Project Area.***	***Agency proposed programs and projects that will meet or exceed the identified near term goals and objectives.***	***Expenditures include known costs; additional expenditures may be required to implement programs and projects.***	***The following is a description of the primary blighting condition to be addressed by the implementation of the projects and programs. This description is not intended to be an exhaustive description of all of the blighting conditions that will be addressed.***
Long Term Goals and Objectives				
To improve the Project Area's overall economic and physical climate in order to provide increased private investment and employment.	All goals and objectives apply.	All proposed projects and programs apply.	NA	See descriptions below.
To provide for improved traffic circulation, modern roads and pedestrian walkways, infrastructure (including sanitary sewer, storm drainage, water systems, electrical and street lighting).	Not applicable to this five year period.	Not applicable to this five year period.	NA	NA
To remove or renovate blighted properties, obsolete land uses and deteriorated structures.	To continue planning and marketing activities related to the airport business park, including developer selection and DDA negotiation.	The Airport Business Park project is anticipated to include renovation of existing vacant buildings.	$25,000 for project planning.	Reduce conditions of impaired investments. Remove conditions that hinder the economically viable use of buildings.
To modernize and expand the airport to the standards outlined in the Airport Master Plan.	Not applicable to this five-year period.	Not applicable to this five-year period.	NA	NA
To assist the University of California in the development of the Monterey Bay Education, Science and Technology Center (MBEST Center).	Not applicable to this five-year period.	Not applicable to this five-year period.	NA	NA
To implement a habitat management program intended to protect and preserve the areas set aside as habitat preserves.	Not applicable to this five-year period.	Not applicable to this five-year period.	NA	NA

[1] Redevelopment Plan for the Marina Municipal Airport Project Area, May 1997, page 8.

TABLE 2.2
Relationship of 2005-06 through 2009-10 Implementation Plan Components
Marina Municipal Airport Project Area - continued

Redevelopment Goals and Objectives	Near Term Goals and Objectives	Proposed Projects and Programs	Proposed Expenditures	Blight to be Alleviate or Eliminated
To undertake all such tasks and activities that will enhance the quality of life in the community by encouraging orderly growth, economic development, and environmental awareness.	To continue planning and marketing activities related to the airport golf course and resort hotel, including developer selection and DDA negotiation.	The Golf Course and Resort Hotel project will promote economic development and enhance quality of life by providing a major amenity. The airport business park project also applies.	$25,000 for project planning.	Reduce conditions of impaired investments.
To assist in the redevelopment of the main garrison area of Fort Ord by financing certain public improvements which serve the airport area and may serve the main garrison area.	Not applicable to this five-year period.	Not applicable to this five-year period.	NA	NA
TOTAL ESTIMATED PROGRAM AND PROJECT COST OVER FIVE YEAR PERIOD			**$50,000**	

TABLE 2.3
Relationship of 2005-06 through 2009-10 Implementation Plan Components
Former Fort Ord Redevelopment Project Area

Redevelopment Goals and Objectives[1]	**Near Term Goals and Objectives**	**Proposed Projects and Programs**	**Proposed Expenditures**	**Blight to be Alleviate or Eliminated**
Overall Goal for the Project Area "The objectives of the Redevelopment Plan are to mitigate or eliminate blighting conditions within the Project Area through the efforts of the Marina Redevelopment Agency, the Fort Ord Reuse Authority, University of California, California State University at Monterey Bay, private developers, leasehold tenants and private property owners."	***Near term goals and objectives have been identified for the Fort Ord Project Area.***	***Agency proposed programs and projects that will meet or exceed the identified near term goals and objectives.***	***Expenditures include known costs; additional expenditures may be required to implement programs and projects.***	***The following is a description of the primary blighting condition to be addressed by the implementation of the projects and programs. This description is not intended to be an exhaustive description of all of the blighting conditions that will be addressed.***
Long Term Goals and Objectives				
To improve the Project Area's overall economic and physical climate in order to provide increased private investment and employment.	All goals and objectives apply.	All proposed projects and programs apply.	NA	See descriptions below.
To provide for improved traffic circulation, modern roads and pedestrian walkways, infrastructure (including sanitary sewer, storm drainage, water systems, electrical and street lighting).	To provide public amenities to serve new development in the base reuse projects, focusing on open space and community facility needs.	Public Facilities and Infrastructure Improvement Program. Specific projects under consideration include a new park site, improvements to Preston and Abrams Park, a new senior center, and park facility rehabilitation. Other improvements will be funded privately with the development of the base reuse projects.	$23.0 Million	Inadequate public improvements.
To remove or renovate blighted properties, obsolete land uses and deteriorated structures.	To develop the base reuse project areas with residential, retail, business-park, and visitor-serving uses, as outlined in their Specific Plans and DDAs.	Base Reuse projects: University Village, Marina Heights, and Cypress Knolls.	$4.2 Million loan to Cypress Knolls housing fund. Agency funding commitments to University Villages are from housing funds.	Abandoned buildings; buildings in which it is unsafe or unhealthy for persons to live or work; factors that hinder the economically viable use of buildings; properties that contain hazardous wastes. The base reuse projects will remove hundreds of blighted, abandoned, unsafe structures, many containing hazardous materials such as ACMs and LBP.[2]

[1] Redevelopment Plan for the Former Fort Ord Redevelopment Project, April 1999, pages 12-13.
[2] ACMs are asbestos-containing materials; LBP is lead based paint.

TABLE 2.3
Relationship of 2005-06 through 2009-10 Implementation Plan Components
Former Fort Ord Redevelopment Project Area - continued

Redevelopment Goals and Objectives	Near Term Goals and Objectives	Proposed Projects and Programs	Proposed Expenditures	Blight to be Alleviate or Eliminated
To assist the local community in seeing that governmental, educational and performing art facilities are located in the project area.	To provide public amenities to serve new development in the base reuse projects, focusing on open space and community facility needs.	Construction of a new senior center adjacent to Cypress Knolls and the development of an Arts District as part of the University Villages project.	Previously identified.	Inadequate public improvements.
To assist in implementing a habitat management program intended to protect and preserve the areas set aside as habitat preserves.	Not applicable to this five year period.	Not applicable to this five year period.	NA	NA
To undertake all such tasks and activities that will enhance the quality of life in the community by encouraging orderly growth, economic development, and environmental awareness.	All goals and objectives apply.	All proposed projects and programs apply.	NA	See descriptions above and below.
To assist in the redevelopment of Fort Ord by financing certain public improvements which serve the project area.	To provide public amenities to serve new development in the base reuse projects, focusing on open space and community facility needs.	Implement Public Facilities and Infrastructure Improvement Program.	Previously identified.	Inadequate public improvements.
To assure the preservation of the existing housing stock (those units which are economically feasible to rehabilitate), to provide new in-fill housing and to assure that housing is used to serve as an economic development tool to attract new business into the community.	To support the expansion and revitalization of the affordable housing stock.	Base Reuse projects. University Village, Marina Heights, and Cypress Knolls will add nearly three thousand units of housing. Preston Park and Abrams B provide 544 rehabilitated former military housing units.	Previously identified.	Prevalence of depreciated values and impaired investments. Improve affordable housing opportunities.
To assure a housing stock that provides housing for all income ranges, emphasizing the development of programs that promote home ownership.	To support the expansion and revitalization of the affordable housing stock.	Base Reuse projects: University Village - 30% of units will be below market rate (BMR), Marina Heights - 20% BMR, and Cypress Knolls - 30% BMR. A total of almost 800 BMR units, about three quarters of which are ownership units.	Previously identified.	Improve affordable housing opportunities.
TOTAL ESTIMATED PROGRAM AND PROJECT COST OVER FIVE YEAR PERIOD			**$27.2 MILLION**	

V. REDEVELOPMENT COMPONENT EXPENDITURES SUMMARY

The following section summarizes proposed expenditures on programs and projects and other spending including administration costs and debt payments for the three project areas.

Marina Redevelopment Project

It is expected that between $550,000 to $600,000 per year, or a total of $2.9 million, will be spent on administration expenses and public safety bond debt service in the Marina Redevelopment Project Area over the five-year implementation period. In addition, $150,000 in promotional activity expenditures and $170,000 in economic development/downtown vitalization expenditures (for the preparation of a Specific Plan and Economic Development Study) are anticipated, as described in the previous section.

Total spending over the five-year period including programs, projects, debt service on existing obligations, and administration is estimated at about $3.2 million, as summarized below.

	2006-07	2007-08	2008-09	2009-10	2010-11	5-Year Total
Administration	$412,000	$424,000	$437,000	$450,000	$463,000	$2,186,000
Public Safety Bond Debt Svc	$134,000	$134,000	$134,000	$134,000	$139,000	$675,000
Promotional Activities	$50,000	$25,000	$25,000	$25,000	$25,000	$150,000
Economic Development / Downtown Vitalization	$170,000	$0	$0	$0	$0	$170,000
Total Expenditures	$766,000	$583,000	$596,000	$609,000	$627,000	$3,181,000

As part of Project Area 1's planning process, a series of specific capital and rehabilitation projects for the Downtown are currently under consideration. These projects are described under Programs, Projects, Expenditures and Blight elimination, above. If additional funding becomes available for Project Area 1, the Agency intends to implement these projects following the preparation of the Specific Plan and Economic Development Study.

Marina Municipal Airport Project

As shown below, administration expenditures and bond debt service are expected to total $100,000 in the Airport Project Area. It is anticipated that an additional $50,000 will be spent on the economic development activities described in the previous section, for total expenditures of $150,000 over the five-year period.

	2006-07	2007-08	2008-09	2009-10	2010-11	5-Year Total
Administration	$3,000	$3,000	$3,000	$3,000	$3,000	$15,000
Neeson Road Bond Debt Service	$17,000	$17,000	$17,000	$17,000	$17,000	$85,000
Economic Development	$50,000	$0	$0	$0	$0	$50,000
Total Expenditures	$70,000	$20,000	$20,000	$20,000	$20,000	$150,000

Former Fort Ord Redevelopment Project

The principal spending in the Fort Ord Project Area over the five-year period is expected to be on the capital improvement program projects described in detail in the previous section, and on the short term loan to the housing fund for affordable housing in the Cypress Knolls project. Capital improvements include work on parks and park facilities as well as a senior center, with costs expected to total approximately $23 million. The loan to the housing fund is expected to be for $4.2 million. Other spending includes $2.7 million in administration expenses and $1.4 million in debt service and notes. Total expenditures including programs, projects, debt service on existing obligations, and administration are estimated at approximately $31.2 million.

	2006-07	2007-08	2008-09	2009-10	2010-11	5-Year Total
Administration	$20,000	$68,000	$391,000	$1,100,000	$1,100,000	$2,679,000
Preston Park Notes	$35,000	$47,000	$52,000	$64,000	$69,000	$267,000
Future Bond Debt Svc	$0	$0	$0	$0	$1,086,000	$1,086,000
Capital Improvement Program	$1,983,000	$0	$500,000	$6,095,000	$14,376,000	$22,954,000
Loan to Housing Fund (Cypress Knolls)	$0	$0	$0	$0	$4,175,000	$4,175,000
Total Expenditures	$2,038,000	$115,000	$943,000	$7,259,000	$20,806,000	$31,161,000

Other projects in addition to those listed may be pursued in the implementation of the specific programs identified. In all cases, the Agency will only undertake those projects that are feasible given the resources at the time. There is no commitment to undertake projects beyond the resources of the Agency. It is anticipated that the Agency will periodically review the above-proposed programs, projects and expenditures, and based upon its priorities and resources available at that time, amend the subject Implementation Plan, as necessary.

VI. HOUSING COMPONENT

A. INTRODUCTION

This section of the Implementation Plan addresses the Agency's affordable housing activities. It has been prepared to meet the requirements of California Community Redevelopment Law (CRL) and to guide the Agency in its housing related activities over the next 10 years. Specifically, this report addresses the following sections of the California Health and Safety Code:

- Low and moderate income housing production requirements (Section 33413)
- Replacement housing requirements (Section 33413)
- Twenty percent (20%) housing fund requirements (Section 33334.2)
- Housing fund expenditure targeting requirements (Section 33334.4)

In 1991, the California State Legislature adopted Assembly Bill 315 (AB 315), which added Subsection 33413(b)(4) to the State Health and Safety Code. AB 315 requires each redevelopment agency to adopt a plan demonstrating how the Agency will comply with the affordable housing production requirements of the Code (the "Housing Production Plan"). The Housing Production Plan is often referred to as an AB 315 Plan.

In 1993, the Legislature adopted Assembly Bill 1290 (AB 1290), a comprehensive redevelopment reform bill. One of the key provisions is the requirement that each agency prepare and adopt an overall Implementation Plan. The Implementation Plan incorporates the AB 315 requirements for the housing portion of redevelopment activities and establishes a time frame and process for the Plan as a whole. AB 1290 also specifies additional requirements with respect to housing production compliance and expenditures of the Agency's Low- and Moderate-Income Housing Fund monies. As with existing law, AB 1290 also requires that the Plan be consistent with the City's Housing Element, which has its own time line for adoption and amendment.

In 2002, two new pieces of legislation, Assembly Bill 637 (AB 637) and Senate Bill 211 (SB 211) were added to the Community Redevelopment Law. AB 637 changes, among other matters, the Agency's affordable housing production, replacement housing, and Low- and Moderate-Income Housing Fund requirements. SB 211 establishes a simplified procedure to eliminate debt incurrence time limits for pre-1994 plans, allows amendments to redevelopment plans to extend plan effectiveness/tax increment receipt deadlines for pre-1994 plans, and requires that certain affordable housing obligations be met by the end of the redevelopment plans. Due to several inconsistencies created by these two pieces of new legislation in the Community Redevelopment Law, a third piece, Senate Bill 701 (SB 701), was adopted in 2003 to "clean up" and clarify much of the confusion created by AB 637 and SB 211, and to make some additional changes to the Community Redevelopment Law.

This section, therefore, is the Agency's Housing Production Plan for Project Area 1: Marina, Project Area 2: Airport, and Project Area 3: Former Fort Ord; and the Affordable Housing Component of the Implementation Plan for the three project areas. Pursuant to AB 315 and as amended by SB 637, the Agency is required to meet it housing production requirements during each specific 10-year period (from January 1, 2006 to December 31, 2015). Housing Fund targeting requirements are effective as of January 1, 2002, and should be met by the end of the same 10-year period.

B. AFFORDABLE HOUSING PRODUCTION COMPLIANCE STATUS

1. Housing Production Requirement

The Housing Production requirements provided in Section 33413 of the California Health and Safety Code are only applicable to redevelopment project areas adopted or amended with added area after January 1, 1976, which is the case for each of Marina's redevelopment areas. The adoption dates of the three areas are as follows:

- Project Area 1: Marina – August 5, 1986;
- Project Area 2: Airport – June 17, 1997; and
- Project Area 3: Former Fort Ord – November 2, 1999.

CRL requires that defined percentages of newly constructed and significantly rehabilitated housing within each project area be restricted to Low- and Moderate-Income households at an affordable housing cost. At least 15 percent of all new or substantially rehabilitated units in the project areas that are not developed/significantly rehabilitated by the Agency must be affordable to and occupied by Low- and Moderate-Income households. Of the 15 percent requirement, 40 percent must be restricted to Very Low-Income households. These are the "Non-Agency Units Production Requirements."

Thirty percent of units that are either directly developed or significantly rehabilitated by the Agency must be restricted to Low- and Moderate-Income households, and not less than 50 percent of the requisite affordable units shall be available at affordable housing cost to and occupied by Very Low-Income households. This 30 percent affordability requirement applies to all units built or substantially rehabilitated by the Agency, regardless of the location of the units.

"Substantial rehabilitation" means rehabilitation in which the value of the rehabilitation constitutes 25 percent of the after-rehabilitation value of the dwelling unit(s). Originally, under AB 1290, the rehabilitated units to be included in this calculation consisted of all one- and two-unit complexes that have undergone substantial rehabilitation with Agency assistance, and all multi-family rented dwelling units with three or more units that are substantially rehabilitated, regardless of the funding source. As amended by SB 701 and AB 637, however, as of

January 1, 2002, an inclusionary obligation arises for all housing units that are substantially rehabilitated using Agency assistance.

The definitions of Very Low-Income, Low-Income, and Moderate-Income are provided in Sections 50105, 50079.5, and 50093, respectively, of the California Health and Safety Code. Generally, Very Low-Income and Low-Income means persons and families whose incomes do not exceed the respective qualifying limits established pursuant to Section 8 of the United States Housing Act of 1937 (in most instances 50% of the area median income or below for Very Low-Income and 80% of the area median income or below for Low-Income). Moderate-Income means persons and families whose income does not exceed 120 percent of the area median income. Income levels meeting these definitions vary by household size. ”Affordable housing cost” is defined in Sections 50052.5 and 50053 of the Health and Safety Code, and can vary depending on whether the housing is rental or owner-occupied.

In order for units to count toward meeting the Agency’s Housing Production Requirements, sale prices or rent for units must be restricted by Agency-imposed covenants or restrictions recorded against the units. These covenants and restrictions must remain in effect for the “longest feasible time,” but in any event not less than specified minimum time periods. AB 637 imposes new minimum duration periods of 55 years for rental units and 45 years for owner-occupied units. These minimum periods are required for affordable covenants recorded after January 1, 2002. For units constructed prior to January 1, 2002, affordability covenants must be recorded that extend for not less than the remaining life of the redevelopment plan in order for the units to be counted toward meeting the Agency Housing Production Requirements.

2. Housing Counted Toward Meeting the Housing Production Requirement

Pursuant to CRL, units to be counted towards meeting the Housing Production Requirement include the following:

a. New construction and substantially rehabilitated units located within each project area, with requisite recorded affordability covenants;

b. Existing multi-family units on which Very Low or Low-income affordability covenants have been purchased with Agency assistance so that the units will remain affordable for the requisite period. At least 50 percent or more of these purchased affordability covenants must be for Very Low-Income households. Units acquired through covenant purchase cannot constitute more than 50 percent of the units included to meet the Housing Production Requirement; and

c. Covenanted units located outside the project areas but within the City of Marina, provided that only one unit for every two produced outside the project areas may be counted towards the Housing Production Requirement.

Deed-restricted ownership units that have been sold and the affordability covenants released prior to the expiration of the requisite affordability period cannot be included in the Agency's compliant unit count, unless the housing funds are recaptured and used to assist another unit at the same income level within three years of sale and appropriate affordability covenants are placed on the new unit.

3. Summary of Housing Activity – Adoption through 1999 and 2000 to 2005

Table 3 summarizes the aggregated housing production activity within Project Area1 through the end of the prior implementation period. A detailed account of the annual amount of housing development is provided in Appendix A and Appendix B. None of the property in Project Area 2 (the Marina Airport) is zoned for residential use. As a consequence, no new residential units have been built, and it is not anticipated that any units will be built in Project Area 2 throughout the life of the redevelopment plan. Additionally, no new housing construction or significant rehabilitation activity occurred in Project Area 3 during this period.

Adoption through 1999

As shown in Table 3, a total of 367 units were built or significantly rehabilitated by private entities in Project Area 1 through 1999. Under the Housing Production Requirements, long-term affordability covenants must be recorded on at least 55 units (15% of the total), of which 22 (6%) units must be affordable to Very Low-Income households. Of the 367 new units produced through 1999, 39 have the requisite affordability covenants, and none are covenanted for Very Low-Income households. This results in a deficit of 16 Very Low- to Moderate-Income Units and 22 Very Low-Income units.

The Agency did not develop or rehabilitate any units during this period.

TABLE 3
PROJECT AREA 1 CURRENT HOUSING PRODUCTION COMPLIANCE STATUS, NON-AGENCY-BUILT HOUSING
NEW CONSTRUCTION IN PROJECT AREA #1 - NON-AGENCY BUILT
MARINA REDEVELOPMENT AGENCY
MARINA, CA

		Units w/Covenants	
	Total Built	***Very Low to Mod. Income***	***Very Low Income***
			(Incl. in Very Low to Mod.)
New Construction & Substantial Rehab Units, Adoption - 1999			
New Units Built *(from Appendix Table A.)*	363		
Units Substantially Rehabilitated *(from Appendix Table B.)*	4		
Total Units, Built or Substantially Rehabilitated (1976 - 1999)	367		
Inclusionary Requirements (Adoption - 1999)			(40% of 15%)
Percent Requirements		15%	6%
Inclusionary Units Requirement (Adoption - 1999)		55	22
Covenanted Units Built or Substantially Rehab. (Adoption - 1999)			
New Units Built *(from Appendix Table A.)*		39	0
Units Substantially Rehabilitated *(from Appendix Table B.)*		0	0
Total Covenanted Units Built or Substantially Rehab. (Adoption - 1999)		***39***	***0***
Subtotal Excess (Shortage) of Covenanted Units (Adoption - 1999)		**(16)**	**(22)**
Plus: Multi-Family Covenants Purchased		0	0
<Less> Covenanted Units Sold/Restrictions Lifted		0	0
Plus: Affordable Units Built Outside Project Area		0	0
Total Excess (Shortage) of Covenanted Units (Adoption - 1999)		**(16)**	**(22)**

New Construction & Substantial Rehab Units, 2000 - 2005			
New Units Built *(from Appendix Table A.)*	2		
Units Substantially Rehabilitated *(from Appendix Table B.)*	0		
Total Units, Built or Substantially Rehabilitated (2000 - 2005)	2		
Total Inclusionary Units Requirement (2000 - 2005)			(40% of 15%)
Percent Requirements		15%	6%
Inclusionary Units Requirement (2000 - 2005)		***0***	***0***
Covenanted Units Built or Substantially Rehab. (2000 - 2005)			
New Units Built *(from Appendix Table A.)*		0	0
Units Substantially Rehabilitated *(from Appendix Table B.)*		0	0
Total Covenanted Units Built or Substantially Rehab. (2000 - 2005)		***0***	***0***
Subtotal Excess (Shortage) of Covenanted Units (2000 - 2005)		**0**	**0**
Plus: Multi-Family Covenants Purchased		0	0
<Less> Covenanted Units Sold/Restrictions Lifted		0	0
Plus: Affordable Units Built Outside Project Area		0	0
Total Excess (Shortage) of Covenanted Units (2000-2005)		**0**	**0**
Plus: Excess (Shortage) of Covenanted Units from Prior Period		(16)	(22)
Cumulative Excess (Shortage) of Covenanted Units (Adoption - 2005) [1]		**(16)**	**(22)**

Source: City of Marina 2000 - 2005 Implementation Plan; City of Marina Redevelopment Agency.

[1] The shortage of 22 Very Low income units is not in addition to the shortage of 16 Very Low to Moderate income units. The addition of 22 Very Low income units would meet the Project Area's need for Very Low income units and result in an excess of 6 Very Low to Moderate income units relative to the minimum requirement.

Prepared by: Keyser Marston Associates, Inc.
Filename: 15927.008/Marina IP_11.27.06.xls; All Table3; 11/29/2006; jj

2000 through 2005 (Prior Implementation Plan)

As shown on Table 3, two units were privately built over the last five years in Project Area 1. This minor amount of construction activity did not generate a requirement for affordable units.

There were no agency-built or significantly rehabilitated units during this time.

Cumulative Period – Adoption through 2005

As described above, Project Area 1 has a deficit of affordable housing units needed to fulfill the applicable Housing Production Requirements. As of 2005, the number of deed restricted Very Low- to Moderate-Income units was 16 less than the requirement. The number of deed restricted Very Low-Income units was 22 less than the requirement. It is important to note that the shortage of 22 Very Low income units is not in addition to the shortage of 16 Very Low to Moderate income units. The addition of 22 deed restricted Very Low income units would meet the Project Area's production requirement for both Very Low income units and Very Low to Moderate income units.

4. Plan for Achieving Housing Production Requirements by 2015

The CRL, as clarified in AB 1290, requires agencies to meet their affordability production requirements every 10 years. If the agency does not meet its Housing Production Requirements by the end of each 10-year period, it must meet the requirement each year until the requirement for the 10-year period is met.

An agency may aggregate the number of deed-restricted new or substantially rehabilitated units in multiple project areas in order to meet the Agency's aggregated Housing Production Requirements if the agency finds, after a public hearing, that the aggregation will not cause or exacerbate racial, ethnic, or economic segregation. Because there is no residentially zoned property in Project Area 2 and since the vast majority of new housing development will occur in Project Area 3, the Agency has elected to aggregate the production requirements of the three project areas.

The Housing Production Plan and the AB 1290 Implementation Plan require agencies to delineate what they intend to do over each of the next five-year periods and generally over the 10-year period. The steps that the Agency will take to meet its Housing Production Requirements are described below.

One component of the Housing Production Plan is documentation of the specific projects and actions that will be undertaken to generate the required number of affordable units over the next 10-year period, described below and in "Section D. Housing Fund Revenues and Expenditures." A second component of the Housing Production Plan is the general policies and procedures that the City and Agency plan to pursue to increase and encourage the production of affordable housing in the project area over the next 10 years. This is addressed in "Section E. Consistency with Housing Element."

To estimate the number of affordable units that will likely be produced in each project area over the next 10 years and through the life of their redevelopment plans, the Agency has evaluated the status of sites that:

- Are under construction;
- Have submitted development proposals;
- Are identified in the City of Marina Housing Element as potential housing sites within the project areas; and
- Are anticipated to develop in Project Area 3 as part of the University Villages, Marina Heights, and Cypress Knolls projects.

In Project Area 1, three privately-built housing projects are anticipated to break ground during the next implementation plan period, producing 30 market rate units. In addition, a 4-unit property at 231-233 Palm Avenue is currently under construction by Habitat for Humanity. The City's 2004 Housing Element estimates that there are approximately 23 acres of vacant or underutilized land that, under proposed amended zoning, could support up to 553 new residential units within the Marina Project Area. This includes land that currently houses low-intensity shopping center, retail, and office uses that could change to higher intensity mixed-use with a residential component, as well as parcels owned by institutions that could be developed to include residential use. The Housing Element expects that these sites could reasonably redevelop with new units in the near- to mid-term. Given its non-residential zoning, no new residential activity is expected for Project Area 2.

Project Area 3 will be the most active of the redevelopment areas, and an important source of new units for the City of Marina as a whole. The University Villages, Marina Heights, and Cypress Knolls developments will provide approximately 3,000 units. In addition, the conveyance of Preston and Abrams housing to the City will add 544 units before 2015.

It is expected that the conveyance and deed restriction of Abrams units in Project Area 3 during the first year of this implementation plan will meet the Agency's deficit in Project Area 1 for the past 10-year period, and the requirement that it meet its current housing production goals each year until completing past requirements.

Through City and Agency requirements in the Marina Project Area, and plans for affordable units in Former Fort Ord, it is anticipated that the number of deed-restricted units produced from 2006 to 2015 will exceed CRL affordable housing production requirements and bring Project Area 1 and Project Area 3 into a surplus position by 2015. The programs that will ensure future compliance are as follows:

- The City has adopted a City-wide affordable housing inclusionary ordinance which will require new projects with over 20 units to include 20% deed restricted affordable units, with 6% affordable to Very Low-Income households, 7% for Low-Income households, and 7% for Moderate-Income households. The ordinance will require existing housing at the Former Fort Ord to include 40% deed restricted affordable units, with 15% of the units to be for Very Low-Income, 15% for Low-Income, and 10% for Moderate Income households.
- For projects with less than 20 units that are built on Project Area 1 opportunity sites, the Agency will require that 15% of any units built be restricted to Very Low- to Moderate-Income households, with 6% restricted to Very Low-Income households.
- The Agency intends to assist at least one complex that will be dedicated entirely to deed-restricted affordable housing.

5. Anticipated Ten-Year Affordable Housing Production Compliance Status

a. Annual Compliance Until Past 10-Year Deficit is Met

As shown on Table 4 and Appendix A, in 2006 the 192-unit Abrams B housing development became part of the permanent housing stock. Of the Abrams B units, 136 have been deed-restricted to Very Low- to Moderate-Income households, with 75 deed-restricted to Very Low-Income households, resulting in a surplus of 107 Very Low- to Moderate-Income units, and 63 Very Low-Income units. Added to the shortage of 16 Very Low- to Moderate- and 22 Very Low-Income units accumulated through 2005, this results in a total aggregated surplus of 91 Very Low- to Moderate-Income units, and 41 Very Low-Income units. Housing production in 2006 thus exceeds CRL requirements for the deficit of the past 10-year period and results in the Agency's deed-restricted affordable housing stock exceeding the minimum requirements.

No agency built or significantly rehabilitated units are anticipated in 2006.

TABLE 4
FUTURE HOUSING UNIT PRODUCTION COMPLIANCE STATUS (2006 - 2015
NEW CONSTRUCTION IN PROJECT AREAS #1, 2, AND 3 - NON-AGENCY BUIL
MARINA REDEVELOPMENT AGENCY
MARINA, CA

		Units w/Covenants	
	Total Built	***Very Low to Mod. Income***	***Very Low Income*** *(Incl. in Very Low to Mod.)*
New Construction & Substantial Rehab Units Anticipated (2006 - 2007			
New Units Built *(from Appendix Table A.)*	192		
Units Substantially Rehabilitated *(from Appendix Table B.)*	0		
Total Units, to be Built or Substantially Rehabilitated, (2006 - 2007)	192		
New Construction Inclusionary Requirements			(40% of 15%)
Percent Requirements		15%	6%
Inclusionary Unit Requirement (2006 - 2007)		***29***	***12***
Covenanted Units Built or Substantially Rehab. (2006 - 2007			
New Units Built *(from Appendix Table A.)*		136	75
Units Substantially Rehabilitated *(from Appendix Table B.)*		0	0
Total Covenanted Units Built or Substantially Rehab. (2006 - 2007)		136	75
Subtotal Excess (Shortage) of Covenanted Units		**107**	**63**
Plus: Multi-Family Covenants Purchased		0	0
<Less> Covenanted Units Sold/Restrictions Lifted		0	0
Plus: Affordable Units to be Built Outside Project Area		0	0
Total Excess (Shortage) of Covenanted Units (2006 - 2007		**107**	**63**
Plus: Excess (Shortage) of Covenanted Units from Prior Perio		(16)	(22)
Cumulative Excess (Shortage) of Covenanted Units (Adoption - 2007		**91**	**41**

New Construction & Substantial Rehab Units Anticipated (2006 - 2015			
New Units Built *(from Appendix Table A.)*	4,130		
Units Substantially Rehabilitated *(from Appendix Table B.)*	0		
Total Units, to be Built or Substantially Rehabilitated, (2006 - 2015)	4,130		
New Construction Inclusionary Requirements			(40% of 15%)
Percent Requirements		15%	6%
Inclusionary Unit Requirement (2006 - 2015)		***620***	***248***
Covenanted Units Built or Substantially Rehab. (2006 - 2015			
New Units Built *(from Appendix Table A.)*		762	312
Units Substantially Rehabilitated *(from Appendix Table B.)*		0	0
Total Covenanted Units Built or Substantially Rehab. (2006 - 2015)		762	312
Subtotal Excess (Shortage) of Covenanted Units		**142**	**64**
Plus: Multi-Family Covenants Purchased		0	0
<Less> Covenanted Units Sold/Restrictions Lifted		0	0
Plus: Affordable Units to be Built Outside Project Area		0	0
Total Excess (Shortage) of Covenanted Units (2006 - 2015		**142**	**64**
Plus: Excess (Shortage) of Covenanted Units from Prior Perio		(16)	(22)
Cumulative Excess (Shortage) of Covenanted Units (Adoption - 2015		**126**	**42**

Sources: City of Marina 2002 Housing Element; City of Marina Redevelopment Agency; Keyser Marston Associates.

Prepared by: Keyser Marston Associates, Inc.
Filename: \\Sf-fs1\wp\15\15927\15927.008\Marina IP_11.27.06.xls; All Table4; 11/27/2006; 5:19 PM; jj

b. Total 10-Year Affordable Housing Compliance

The 4,130 units planned over the entire 10-year period from 2006 to 2015 create a production requirement of 620 Very Low- to Moderate- and 248 Very Low-Income units. As shown in Table 4, of the units to be developed, 762 will be affordable to Very Low-, Low-, and Moderate-Income households. Of these, 312 will be affordable to Very Low-Income households. This results in a surplus of 142 Very Low- to Moderate-Income units, and 64 Very Low-Income units compared to CRL requirements. Added to the previous period's deficit, a total aggregated surplus of 126 Very Low- to Moderate-Income units and 42 Very Low-Income units beyond the requirements of the CRL is expected by 2015.

No agency built or significantly rehabilitated units are anticipated from 2006 to 2015.

6. Affordable Housing Production Compliance over the Life of the Project Areas

The 1994 amendment to AB 1290 (Bergeson, SB 732) requires that the Housing Production Plan address affordable housing compliance over the life of the redevelopment plan. Project Area 1: Marina is effective through 2026, Project Area 2: Airport through 2027, and Project Area 3: Former Fort Ord through 2029. While some potential infill sites will remain in Project Area 1 after the 10-year horizon, unit production is likely to be significantly lower in the final thirteen years of the plan. As mentioned above, due to its non-residential zoning, no new housing through the end of its effective life is expected in the Airport project area (Project Area 2). Residential development at Project Area 3 (Former Fort Ord) beyond what is anticipated to occur by 2015 would require an additional allocation of water to serve new development. Given that the expansion of the water supply is uncertain, no new units are anticipated to be built in Project Area 3 beyond 2015.

As described previously, in order to meet Housing Production Requirements in Project Area 1, the Agency intends to require projects with less than 20 units to include 15% deed restricted units affordable to Very Low- to Moderate-Income households, with 6% restricted to Very Low-Income households. For projects with more than 20 units, it will apply the City's more stringent inclusionary housing ordinance requirements. If necessary to meet Housing Production Requirements, some complexes will be dedicated entirely to deed-restricted affordable housing. The Agency will also continue to provide assistance for the development of new affordable housing complexes. Through these efforts, the Agency intends to be in full compliance through the life of the project area.

C. REPLACEMENT UNIT COMPLIANCE STATUS

CRL requires that dwelling units housing persons and families of Low or Moderate income that have been removed as a result of redevelopment action must be replaced by an equal number of units that have an equal or greater number of bedrooms as those removed. Prior to January 1, 2002, 75 percent of the replacement units were required to be affordable to households at the same or lower income levels as the households displaced. Post January 1, 2002, 100 percent of the replacement units must be affordable to households at the same or lower income levels as those displaced. Demolished units must be replaced within four years of being removed.

No affordable units in any of the project areas have been removed as a result of redevelopment activity since their respective adoptions. The housing located at Fort Ord, prior to closure of the base, was restricted in occupancy to members of the military stationed at Ford Ord. The Redevelopment Law replacement housing obligation arises whenever dwelling units housing low and moderate income households are removed from the low and moderate income housing market. The former military housing was not available to the public and thus was not part of the housing market. Additionally, Health and Safety Code Section 33492.76 specifically exempts the removal of barracks at Fort Ord from the replacement housing obligation.

The Agency does not have any plans to remove units during the 2006 - 2010 implementation plan period, but if any such plans develop, it intends to follow CRL requirements for replacement.

D. HOUSING FUND REVENUES AND EXPENDITURES

The CRL requires a redevelopment agency to direct at least 20 percent of all gross tax increment revenues generated in its project area to a separate and Low- and Moderate-Income Housing Fund. These funds must be used for the purpose of increasing, improving or preserving the supply of Low- and Moderate-Income units within the community. To meet these objectives, agencies may expend funds on land acquisition, building acquisition, construction of new units, on- and off-site improvements (subject to certain conditions and findings), rehabilitation of existing units, a portion of principal and interest payments on bonds, loans and subsidies to buyers or renters, and other programs that preserve or construct affordable housing.

Additionally, Section 33334.4 of the Health and Safety Code states that each agency shall expend the moneys in its Housing Fund to assist housing for persons of Low- and Very Low-Income in at least the same proportion as the total number of housing units needed for those income groups within the community. Proportionality requirements by age apply as well.

This section summarizes the Housing Fund resources in each of the project areas now available and expected to be available over the next 10 years, and how those resources will be utilized to meet the purposes summarized above.

1. Revenues and Expenditures

a. Project Area 1: Marina

1. Housing Fund Expenditures, 2000/01 - 2005/06

The Agency's annual Housing Fund expenditures in Project Area 1 during the past Implementation Plan period and forward through 2005/06 were as follows:

FY Year	Project Area 1 Total Expenditures
2000/01	$ 34,000
2001/02	$ 21,000
2002/03	$ 32,000
2003/04	$ 141,000
2004/05	$ 70,000
2005/06	$ 72,000

The agency provided $13,000 in housing loans and $11,000 in housing grants. In addition, $153,000 was spent on administration and $194,000 on professional services.

2. Housing Fund Revenues, 2006/07 - 2010/11

The Marina Project Area's revenues consist primarily of property tax increment. The "tax increment" earned by the Agency from Project Area 1 is the property tax on the difference between the assessed value of properties within the project area at the time it was adopted and the current tax year assessed value. Pursuant to the CRL, the Marina Redevelopment Agency deposits 20 percent of its Project Area 1 annual gross tax increment into the project area's Housing Fund.

As shown on Table 5.1, it is estimated that approximately $216,000 of property tax increment will be deposited into the Project Area 1 Housing Set Aside fund in 2006/07. Annual Housing Fund increment is anticipated to increase to $296,000 in FY 2010/11. Total tax increment over the next implementation period is expected to be $1,297,000. In addition to property tax increment, the Marina Project Area Housing Fund is expected to receive approximately $71,000 of interest income on its cash assets between FY 2006/07 and FY 2010/11.

The Project Area 1 Housing Set Aside fund will make a loan of $600,000 in FY 2006/07 to fund construction of affordable units in Cypress Knolls, in Project Area 3. The loan is expected to be paid back from the Project Area 3 Housing Fund in FY 2010/11.

TABLE 5.1
PROJECT AREA #1 HOUSING SET ASIDE CASH FLOW PROJECTIONS 2006/07 - 2010/11
MARINA REDEVELOPMENT AGENCY
MARINA, CA

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	5 Years
Beginning Balance	$1,393,727	$977,923	$0	$0	$0	$1,393,727
Agency Revenues						
Set-Aside Revenues	$215,684	$223,768	$275,743	$285,631	$295,816	$1,296,642
Transfer from Non-Housing Fund	$0	$0	$0	$0	$0	$0
Net Future Bond Proceeds	$0	$0	$0	$0	$0	$0
Investment Earnings	$41,812	$29,338	$0	$0	$0	$71,149
Subtotal Revenues	$257,496	$253,106	$275,743	$285,631	$295,816	$1,367,791
Future Bond Debt Service	$0	$0	$0	$0	$0	$0
Charges from Other Funds	$0	$0	$0	$0	$0	$0
Memberships - FORA	$0	$0	$0	$0	$0	$0
Memberships - Other	$0	$0	$0	$0	$0	$0
<Less> Existing Agency Obligations	$0	$0	$0	$0	$0	$0
Loan Advance	($600,000)	$0	$0	$0	$0	($600,000)
Loan Repaymen	$0	$0	$0	$0	$600,000	$600,000
<Plus> Loan Activity[1]	($600,000)	$0	$0	$0	$600,000	$0
Net Revenues Available for New Expenditures	**$1,051,223**	**$1,231,028**	**$275,743**	**$285,631**	**$895,816**	**$2,761,518**
Agency Expenditures						
Housing Loans	$10,000	$10,300	$10,609	$10,927	$11,255	$53,091
Housing Grants	$4,000	$4,120	$4,244	$4,371	$4,502	$21,237
Other Projects	$0	$1,155,529	$197,979	$205,534	$813,316	$2,372,359
Subtotal Agency Expenditures	$14,000	$1,169,949	$212,832	$220,832	$829,073	$2,446,687
Professional Services	$0	$0	$0	$0	$0	$0
Administration	$59,300	$61,079	$62,911	$64,799	$66,743	$314,832
Total Agency Expenditures, Including Admin.	**$73,300**	**$1,231,028**	**$275,743**	**$285,631**	**$895,816**	**$2,761,518**
Ending Balance	**$977,923**	**$0**	**$0**	**$0**	**$0**	**$0**

Sources: Keyser Marston November 2006 Housing Fund Cash Flow Projection; Marina Redevelopment Agency Project #1 Low/Mod Housing Budget, FY 2006/2007; KMA assumptions regarding future spending on loan and grant programs (based on 2006/07 budget levels), spending to assist affordable units in FY 2007/08 to 10/11, administrative expenditures (based on 2006/07 levels), and a yearly cost increase for spending of 3%.

[1] Anticipated loan to Project Area #3 to fund affordable housing costs for Cypress Knolls.

Prepared by: Keyser Marston Associates, Inc.
Filename: \\Sf-fs1\wp\15\15927\15927.008\Marina IP_11.27.06.xls; PA1 Table5; 11/27/2006; 5:19 PM; jj

3. Housing Fund Programs, Projects, and Expenditures 2006/07 - 2010/11

The Agency's anticipated annual Project Area 1 Housing Fund expenditures for the next five years are presented in Table 5.1. During the period, the Agency anticipates spending $2,762,000 on projects and programs. The majority of this amount will be used to assist the construction of affordable housing units in the downtown area. Other project and program expenditures will include $74,000 for housing loan and grant programs. In addition, it is expected that $315,000 will be spent on administration costs. The number of units that the Agency's funds are estimated to annually assist is as follows:

Project Area 1	Housing Loans	Housing Grants	Newly Built Units	Total Units
2006/07	1	1	0	2
2007/08	1	1	23	25
2008/09	1	1	4	6
2009/10	1	1	4	6
2010/11	1	1	16	18

b. Project Area 2: Airport

1. Housing Fund Expenditures, 2000/01 - 2005/06

In Project Area 2, annual Housing Fund expenditures from FY 2000/01 to FY 2005/06 were as follows:

FY Year	Project Area 2 Total Expenditures
2000/01	$ 0
2001/02	$ 0
2002/03	$ 0
2003/04	$ 10,000
2004/05	$ 1,000
2005/06	$ 0

Expenditures were primarily for administration costs from FY 2000/01 to FY 2005/06. Since there was no housing production in Project Area 2, this administration spending was to assist housing projects in the other project areas. There was no money spent on programs, and no units or rehabilitations were assisted during the six-year period.

2. Housing Fund Revenues, 2006/07 - 2010/11

Revenues for Project Area 2 over the next five years are expected to consist primarily of tax increment, described under Project Area 1 revenues above, and a small amount of interest income from the Housing Fund's cash assets. Tax increment revenues, shown on Table 5.2, are estimated to be approximately $10,000 each year from FY 2006/07 to FY 2010/11, totaling $51,000 over the implementation plan period.

3. Housing Fund Programs, Projects, and Expenditures 2006/07 - 2010/11

As in the previous five years, expenditures in the Airport Project Area will cover costs related to housing projects in the other project areas. Spending on administration is expected to total $42,000 from FY 2006/07 to FY 2010/11. In addition, $97,000 will be spent to assist affordable units in the Marina project area. A summary of the units the Project Area 2 Housing Fund is anticipated to assist follows below.

Project Area 2	Newly Built Units	Total Units
2006/07	0	0
2007/08	2	2
2008/09	0	0
2009/10	0	0
2010/11	0	0

c. Project Area 3: Former Fort Ord

1. Housing Fund Expenditures, 2000/01 - 2005/06

Former Fort Ord annual Housing Fund expenditures during the past five-year Implementation Plan period were as follows:

FY Year	Project Area 3 Total Expenditures
2000/01	$ 0
2001/02	$ 0
2002/03	$ 96,000
2003/04	$ 4,000
2004/05	$ 9,000
2005/06	$ 27,000

During this period, the agency provided $75,000 in housing grants. Administration costs were $48,000, and $13,000 were spent on professional services.

TABLE 5.2
PROJECT AREA #2 HOUSING SET ASIDE CASH FLOW PROJECTIONS 2006/07 - 2010/11
MARINA REDEVELOPMENT AGENCY
MARINA, CA

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	5 Years
Beginning Balance	$83,390	$87,919	$0	$0	$0	$83,390
Agency Revenues						
Set-Aside Revenues	$10,027	$10,149	$10,274	$10,403	$10,536	$51,389
Transfer from Non-Housing Fund	$0	$0	$0	$0	$0	$0
Net Future Bond Proceeds	$0	$0	$0	$0	$0	$0
Investment Earnings	$2,502	$2,638	$0	$0	$0	$5,139
Subtotal Revenues	$12,529	$12,787	$10,274	$10,403	$10,536	$56,528
Future Bond Debt Service	$0	$0	$0	$0	$0	$0
Charges from Other Funds	$0	$0	$0	$0	$0	$0
Memberships - FORA	$0	$0	$0	$0	$0	$0
Memberships - Other	$0	$0	$0	$0	$0	$0
<Less> Existing Agency Obligations	$0	$0	$0	$0	$0	$0
Loan Advance	$0	$0	$0	$0	$0	$0
Loan Repayment	$0	$0	$0	$0	$0	$0
<Plus> Loan Activity	$0	$0	$0	$0	$0	$0
Net Revenues Available for New Expenditures	**$95,919**	**$100,705**	**$10,274**	**$10,403**	**$10,536**	**$139,918**
Agency Expenditures						
Housing Loans	$0	$0	$0	$0	$0	$0
Housing Grants	$0	$0	$0	$0	$0	$0
Other Projects	$0	$92,465	$1,787	$1,661	$1,532	$97,445
Subtotal Agency Expenditures	$0	$92,465	$1,787	$1,661	$1,532	$97,445
Professional Services	$0	$0	$0	$0	$0	$0
Administration	$8,000	$8,240	$8,487	$8,742	$9,004	$42,473
Total Agency Expenditures, Including Admin.	**$8,000**	**$100,705**	**$10,274**	**$10,403**	**$10,536**	**$139,918**
Ending Balance	**$87,919**	**$0**	**$0**	**$0**	**$0**	**$0**

Sources: Keyser Marston November 2006 Housing Fund Cash Flow Projection; Marina Redevelopment Agency Project #2 - Airport Housing Budget, FY 2006/2007.

2. Housing Fund Revenues, 2006/07 - 2010/11

Project Area 3 revenues over the next five years are anticipated to consist primarily of property tax increment, a loan of non-housing fund revenues generated by Cypress Knolls to fund affordable housing costs, and proceeds from bonds backed by future tax increment. There will be a loan from the Project Area 1 housing fund in FY 2006/07 (to be paid back in FY 20010/11) to fund Cypress Knolls affordable housing, and, as in the other project areas, there will be some investment earnings, or interest on cash assets, as well. As shown on Table 5.3, tax increment revenues of $46,000 in FY 2006/07 are anticipated to sharply increase to $2.4 million by FY 2010/11. A non-housing fund loan of $4.2 million is expected in FY 2010/11 for affordable housing costs in Cypress Knolls, and it is anticipated that bonds will be issued yielding net proceeds of $11.4 million in FY 2009/10 and $11.6 million in FY 2010/11.

3. Housing Fund Programs, Projects, and Expenditures 2006/07 - 2010/11

Table 5.3 also shows expected annual expenditures from the Fort Ord Housing Fund. A payment of $65,000 will be made in FY 2009/10 to repay an internal loan made to eliminate the fund's deficit at the end of FY 2005/06 and a payment of $600,000 in FY 2010/11 to repay a loan for Cypress Knolls affordable housing from the Project Area 1 Housing Fund. Bond debt service starting in FY 2010/11 will total $945,000. Aside from loan and bond repayment activity, the categories of anticipated expenditures include:

- The University Villages Very Low- to Moderate-Income program ($14.5 million);
- The Cypress Knolls Very Low- to Moderate-Income program ($8.1 million);
- Other projects ($4.1 million); and
- Administration expenses ($2.6 million).

Over the five-year period, the Agency anticipates spending a total of $26.7 million on projects and programs. This results in the following number of annually assisted units:

Project Area 3	New University Villages Units	New Cypress Knolls Units	New Units - Other Projects	Total Units
2006/07	0	5	0	5
2007/08	108	0	0	108
2008/09	45	0	0	45
2009/10	87	0	0	87
2010/11	0	59	81	140

TABLE 5.3
PROJECT AREA #3 HOUSING SET ASIDE CASH FLOW PROJECTIONS 2006/07 - 2010/11
MARINA REDEVELOPMENT AGENCY
MARINA, CA

	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	5 Years
Beginning Balance	$0	$0	$0	$0	$4,177,798	$0
Agency Revenues						
Set-Aside Revenues	$46,260	$58,956	$340,108	$1,180,935	$2,378,261	$4,004,520
Transfer from Non-Housing Fund	$0	$0	$0	$0	$0	$0
Net Future Bond Proceeds	$0	$0	$0	$11,443,520	$11,602,800	$23,046,320
Investment Earnings	$0	$0	$0	$0	$153,676	$153,676
Subtotal Revenues	$46,260	$58,956	$340,108	$12,624,455	$14,134,737	$27,204,516
Future Bond Debt Service	$0	$0	$0	$0	$944,748	$944,748
Charges from Other Funds	$0	$0	$0	$0	$0	$0
Memberships - FORA	$0	$0	$0	$0	$0	$0
Memberships - Other	$0	$0	$0	$0	$0	$0
<Less> Existing Agency Obligations	$0	$0	$0	$0	$944,748	$944,748
Loan Advance (1)	$600,000	$0	$0	$0	$4,175,187	$4,775,187
Loan Repayment (2)	$0	$0	$0	($64,924)	($600,000)	($664,924)
<Plus> Loan Activity	$600,000	$0	$0	($64,924)	$3,575,187	$4,110,263
Net Revenues Available for New Expenditures	**$646,260**	**$58,956**	**$340,108**	**$12,559,531**	**$20,942,974**	**$30,370,031**
Agency Expenditures						
University Villages	$0	$0	$0	$7,316,519	$7,231,521	$14,548,040
Cypress Knolls	$600,000	$0	$0	$0	$7,467,348	$8,067,348
Housing Loans	$0	$0	$0	$0	$0	$0
Housing Grants	$0	$0	$0	$0	$0	$0
Other Projects	$0	$0	$0	$0	$4,052,729	$4,052,729
Subtotal Agency Expenditures	$600,000	$0	$0	$7,316,519	$18,751,598	$26,668,117
Professional Services	$0	$0	$0	$0	$0	$0
Administration	$46,260	$58,956	$340,108	$1,065,214	$1,065,214	$2,575,752
Total Agency Expenditures, Including Admin.	**$646,260**	**$58,956**	**$340,108**	**$8,381,733**	**$19,816,812**	**$29,243,869**
Ending Balance	**$0**	**$0**	**$0**	**$4,177,798**	**$1,126,162**	**$1,126,162**

Sources: Keyser Marston November 2006 Housing Fund Cash Flow Projection; Marina Redevelopment Agency Project #3 Low/Mod Housing Budget, FY 2006/2007.

(1) Anticipated loan of $600,000 Project Area #1 housing funds in FY05/06 to fund Cypress Knolls affordable housing costs.
Anticipated loan of $4,175,187 site-based non-housing revenues generated by Cypress Knolls in FY10/11 to fund affordable housing costs.

(2) Repayment in FY09/10 at 4% annually of internal "loan" from future revenues to eliminate $55,497 deficit in the beginning of FY06/07.
Repayment in FY10/11 of Project Area #1 housing funds loan.

2. Expenditures Relative to the Community's Need

Under California Health and Safety Code Section 33334.4, the Agency must target its Housing Fund expenditures in each project area to assist: (1) Low- and Very Low-Income households in proportion to the units needed to assist such households as determined by the regional fair share allocation; and (2) all persons regardless of age in at least the same proportion as the number of low income households with a member under age 65 to the community's total low income households, according to the most recent census. These "Housing Fund Targeting Requirements" must be satisfied for 10-year periods throughout the life of the Plan, with the initial period extending from the targeting requirement's effectiveness date on January 1, 2002 to the end of the next implementation period, or 2015.

a. Proportionality by Income Levels

The income proportionality test requires that the Agency target set-aside expenditures to the relative percentage of unmet need for Very Low-, Low- and Moderate-Income units. According to the Housing Element, the City's share of the regional housing need is as follows:

- 424 Very Low-Income units;
- 374 Low-Income units; and
- 494 Moderate-Income units.

Consistent with this distribution of needed units, the Agency's minimum required allocation for Very Low- and Low-Income expenditures, and maximum Moderate-Income housing expenditures are as follows:

Very Low-Income	At least 33%
Low-Income	At least 29%
Moderate-Income	No more than 38%

The Agency is entitled to expend a disproportionate amount of funds for Very Low-Income households, and to subtract a commensurate amount from the Low- and/or Moderate-Income thresholds. Similarly, the Agency can provide a disproportionate amount of funding for Low-Income housing by reducing the amount of funds allocated to Moderate-Income households. In no event can the expenditures targeted to Moderate-Income households exceed the established threshold amount.

The Agency's spending plans allocate at least 33 percent of project and program expenditures in the project areas for Very Low-Income households, 29 percent for Low-Income households, and not more than 38 percent for Moderate-Income households. These percentages apply to a total target appropriation of approximately $70.5 million between FY2001/02 and 2015/16, allocated by need as follows and as shown on Table 6.

TABLE 6
PROJECT AREAS 1, 2, and 3 LOW AND MODERATE INCOME HOUSING FUND EXPENDITURE PLAN (FY2001/02 to FY2015/16)
MARINA REDEVELOPMENT AGENCY
MARINA, CA

Revenues (1)	**FY2001/02 to 15/16**
Beginning Balance	$877,524
Set-Aside Revenues	$31,118,410
Transfer from Non-Housing Fund	$0
Net Future Bond Proceeds	$50,115,120
Investment Earnings	$962,094
Subtotal 2001/02-2015/16 Revenues	$82,195,624
Gross Revenues Available to Agency	$83,073,148
Future Bond Debt Service	$16,814,545
Charges from Other Funds	$9,257
Memberships - FORA	$10,000
Memberships - Other	$2,500
<Less> Existing Agency Obligations	$16,836,302
Loan Advance	$5,521,889
Loan Repayment	($64,924)
<Plus> Loan Activity	$5,456,965
Net Revenues Available for New Expenditures *(rounded)*	**$71,694,000**

Target Housing Needs Appropriations (2)(3)		By Need (2)			By Age (3)	
	TOTAL	***Very Low***	***Low***	***Moderate***	***Non-Senior***	***Senior***
		At Least 33%	*At Least 29%*	*No More Than 38%*	*At Least 76%*	*No More Than 24%*
	$71,694,000	**$23,528,000**	**$20,754,000**	**$27,412,000**	**$54,285,000**	**$17,409,000**
Discretionary Costs (1)						
University Villages (4)(5)	$26,032,411	$6,580,817	$8,979,582	$10,472,013	$26,032,411	$0
Cypress Knolls (6)(7)	$11,600,000	$4,257,077	$2,163,432	$5,179,491	$0	$11,600,000
Housing Loans	$89,325	$29,314	$25,857	$34,154	$67,634	$21,690
Housing Grants	$116,914	$38,368	$33,843	$44,702	$88,524	$28,389
Other Projects (8)	$23,788,100	$9,749,151	$7,675,873	$6,363,076	$23,788,100	$0
Subtotal Agency Expenditures	$61,626,750	$20,654,726	$18,878,588	$22,093,436	$49,976,670	$11,650,080
Professional Services	$204,409	$67,082	$59,171	$78,156	$154,774	$49,635
Administration	$8,674,775	$2,785,119	$2,651,799	$3,237,857	$7,892,516	$782,259
Total Agency Expenditures, Including Admin. *(rounded)*	**$70,507,000**	**$23,506,924**	**$21,589,554**	**$25,409,447**	**$58,023,956**	**$12,481,971**
Percent of Total Expenditures		33%	31%	36%	82%	18%
ENDING BALANCE *(rounded)*	**$1,187,000**					

TABLE 6
PROJECT AREAS 1, 2, and 3 LOW AND MODERATE INCOME HOUSING FUND EXPENDITURE PLAN (FY2001/02 to FY2015/16)
MARINA REDEVELOPMENT AGENCY
MARINA, CA

Notes:

(1) Source: Marina Redevelopment Agency Resolution No. 2003-09 MRA, Approving Amendments to FY 2003-04 Budget for FY01/02; Marina Redevelopment Agency Budget Summary Housing Areas #1, 2, 3 2004/2005 for FY02/03 and 03/04; Marina Redevelopment Agency Project #1, 2, and 3 Housing Budgets for FY 04/05 and 05/06; Keyser Marston November 2006 Housing Fund Cash Flow Projection for FY06/07 to 15/16.

(2) Based on % of Fair Share Housing Needs for Housing Element 2004:

Very Low Income Units	424	32.8%
Low- Income Units	374	28.9%
Moderate-Income Units	494	38.2%
Total	1,292	100.0%

(3) Based on % of low-income population in non-elderly and elderly households (per 2000 Census - SOCDS CHAS Data: Housing Problems Output):

Population Under 65-Yr. Old	1,952	75.7%
Population 65 and Over	626	24.3%
Total	2,578	100.0%

(4) Need distribution based on % of total spending by income level in UV, per KMA Pro Forma, May 2005:

	(For Sale Units)	*(Apartments)*	*Total*	
Very Low Income Units	$0	$6,192,037	$6,192,037	25.3%
Low- Income Units	$7,739,584	$709,504	$8,449,088	34.5%
Moderate-Income Units	$9,853,350	$0	$9,853,350	40.2%
Total	$17,592,934	$6,901,541	$24,494,475	100.0%

Apartments	VL (35% of AMI)	10	9.3%
	VL (35% of AMI)	10	9.3%
	VL (40% of AMI)	12	11.2%
	VL (40% of AMI)	12	11.2%
	VL (50% of AMI)	5	4.7%
	VL (50% of AMI)	30	28.0%
	VL (50% of AMI)	17	15.9%
	L (60% of AMI)	11	10.3%
		107	100.0%
	Total Apt Spending	$6,901,541	
	VL Spending	$6,192,037	
	L Spending	$709,504	

(5) Age distribution based on % of total spending by age-restriction in UV, per KMA, May 2005:

Population Under 65-Yr. Old	$24,494,474	100.0%
Population 65 and Over	$0	0.0%
Total	$24,494,474	100.0%

TABLE 6
PROJECT AREAS 1, 2, and 3 LOW AND MODERATE INCOME HOUSING FUND EXPENDITURE PLAN (FY2001/02 to FY2015/16)
MARINA REDEVELOPMENT AGENCY
MARINA, CA

(6) Based on % of total spending by income level in Cypress Knolls, per KMA Pro Forma, September 2006:

Spending by subsidy	$4,636,738	40.0%
Spending by no. of units	$6,963,262	60.0%
Total spending	$11,600,000	100.0%

Allocation of spending by subsidy ($4,636,738)

	(For Sale Units)	*(Apartments)*	*Total*	
Very Low Income Units	$0	$1,265,816	$1,265,816	27.3%
Low- Income Units	$0	$643,284	$643,284	13.9%
Moderate-Income Units	$2,727,638	$0	$2,727,638	58.8%
Total	$2,727,638	$1,909,100	$4,636,738	100.0%

	number	*% of total*	*$ of total*
Apartments VL	61	66.3%	$1,265,816
L	31	33.7%	$643,284
	92	100.0%	$1,909,100

Allocation of spending by units ($6,963,262)

VL	61	43.0%
L	31	21.8%
Moderate	50	35.2%
	142	100.0%

(7) Based on % of total spending by age-restriction in Cypress Knolls, per KMA, September 2006:

Population Under 65-Yr. Old	$0	0.0%
Population 65 and Over	$4,636,768	100.0%
Total	$4,636,768	100.0%

(8) There are no senior projects anticipated in other future projects.

Agency Housing Fund Expenditure Targets by Income Level				
2001/02-2015/16	Very Low Income	Low Income	Moderate Income	Total
Proportionate Target	*At least 33%*	*At least 29%*	*No more than 38%*	
Appropriation for the Three Project Areas (% of Spending)	$23.5 million (33%)	$21.6 million (31%)	$25.4 million (36%)	$70.5 million

b. Proportionality by Age

The age restriction proportionally test requires that the maximum percentage of set-aside funds that an agency can allocate to senior housing is limited to the percentage of Very Low- to Low-Income households within the community that have a member 65 years of age or older, as reported by the most recent U.S. Census. According to Census 2000 SOCDS CHAS Data, the County's Very Low-Income and Low-Income household composition is as follows:

Very Low- to Low-Income Non-Elderly Households	76%
Very Low- to Low-Income Elderly Households	24%

The application of this requirement to the Agency's budget estimates for the project areas translates into a targeted expenditure of $53.6 million on non-age restricted housing for the period of FY 2001/02-2015/16. The Agency intends to expend at least this much on non-age restricted housing, as shown on Table 6 and summarized below.

Agency Housing Fund Expenditure Targets Age Needs			
2001/02-2015/16	Non-Senior Housing	Senior Housing	Total
Proportionate Target	*At least 76%*	*No more than 24%*	
Appropriation for the Three Project Areas (% of Spending)	$58.0 million (82%)	$12.5 million (18%)	$70.5 million

As shown, the Agency will meet the proportionality test requirements by need both for income level and age.

E. CONSISTENCY WITH HOUSING ELEMENT

AB 1290 and AB 315 require that the Agency's affordable housing activities be consistent with the City's Housing Element. The following section describes some of the commitments set forth in the City of Marina 2004 Housing Element that will enhance both the City's and the Agency's ability to increase the supply of affordable housing in Marina and insure that the Agency is in compliance with the Housing Production Requirements. The Housing Element identifies Agency housing set-aside funds as a source of funding for a number of these programs.

As detailed below, the Housing Element's objectives include:

- Preparing a Specific Plan and/or development application for University Villages to allow for a mix of residential uses including multi-family housing and higher-density development;
- Monitoring development of mixed-use units in relation to the RHNA;
- Encouraging distribution of Marina's share of the RHNA among all income groups by assisting improvements or new housing construction and requiring a mix of housing types and sizes in larger new subdivisions and planned unit developments;
- Continuing to upgrade housing units via various rehabilitation programs;
- Using Redevelopment Agency Housing Set-Aside funds, and, as feasible, non-housing set-aside funds, to support housing conservation, rehabilitation, and development in Marina's Redevelopment Areas; and
- Providing opportunity for and encouraging the development of adequate housing for the City's special needs groups.

The Agency's programs and expenditures are entirely consistent with and supportive of the Housing Element's affordable housing objectives. As discussed in Sections B and D, above, the Agency:

- Expended approximately $100,000 in the three project areas during the past implementation plan period to fund loan and grant programs serving Very Low-, Low-, and Moderate-Income households;
- Spent almost $420,000 in the three project areas during the past implementation plan period to fund professional services and administration expenses for the production of Very Low-, Low-, and Moderate-Income households;
- Intends to require that future housing projects in Project Area 1 meet the more stringent of CRL or City requirements for providing affordable housing units at a variety of income levels;
- Has plans to assist the production of 48 affordable units in Project Area 1 over the next ten years;
- Plans to provide 251 Very Low-Income, 189 Low-Income, and 188 Moderate-Income units in Project Area 3's University Villages, Marina Heights, Cypress Knolls, Abrams, and Preston projects over the next ten years;
- Intends to spend $107,000 on housing grants and loans for affordable units in the next two implementation periods;
- Intends to spend $61.4 million on projects and programs assisting the production of Very Low-, Low-, and Moderate-Income households in the next two implementation periods; and

- Intends to spend $8.5 million to fund administration expenses for the production of affordable units in the three project areas from 2006/07 to 2015/16.

A detailed description of the Housing Element's objectives and policies follows below.

- Ensure adequate developable or re-developable land is available for construction of housing units to meet the Association of Monterey Bay Area Governments Regional Housing Needs Allocation (RHNA) for the City of Marina. This involves:
  - University Villages and Armstrong Ranch. Designate and re-zone land in the University Villages planning area, re-designate land in Armstrong Ranch, and prepare Specific Plans and/or development applications in both areas to allow for a mix of residential uses including multi-family housing and higher-density development.
  - Higher-Density Mixed-Use. Increase allowed mixed-use intensities in retail commercial areas, ensure attractiveness and compatibility of mixed-use projects, increase the proportion of residential use allowed in certain mixed-use projects, provide incentives and flexibility in development standards for mixed-use projects, complete the mixed-use component of the Monterey-Salinas Transit project, and monitor development of mixed-use units in relation to the RHNA.
  - Secondary Dwelling Units. Allow secondary dwellings by right and duplexes as a conditional use in single-family neighborhoods.
  - R-4 District Zoning. Allow multi-family housing by right in the R-4 District, and remove single-family residential as a permitted use. Investigate re-designating and re-zoning additional sites in Central Marina for multi-family residential use.
- Encourage distribution of Marina's share of the RHNA among all income groups by providing density bonuses for projects with affordable units pursuant to State law, assisting non-profits and the County Housing Authority in improving or providing new housing, increasing General Plan inclusionary housing requirements, requiring a mix of housing types and sizes in larger new subdivisions and planned unit developments, considering re-zoning land for a new mobile home park, considering allowing small lot residential in new subdivisions, and – if legally feasible – giving Marina workers and residents preference for affordable housing assignment.
- Ensure City processes do not impose undue constraints on the development, conservation, and preservation of housing by modifying growth management provisions in the General Plan; reviewing current site improvement standards and development procedures; giving "Primary Consideration" to lower income and special needs housing projects in the development review process; and removing restrictions on the use of alternative building methods and "green" building materials.

- Seek resources to financially assist the private sector in providing low and moderate-income housing, such as tax-exempt low-cost financing, first-time homebuyer programs including mortgage-credit certificates, and a Housing Trust Fund and/or non-profit Community Land Trust if feasible.
- Continue to upgrade housing units via various rehabilitation programs, including a Housing Rehabilitation Program funded by Community Development Block Grants, the Property Inspection Program and Building Department code enforcement activities, and monitoring projects “at-risk” for maintenance and management issues.
- Continue to encourage the conservation of existing units by considering re-zoning certain areas with mobile homes as the only allowed use, identifying funding to conserve low-income units soon eligible for conversion to market rate, monitoring owners who might be interested in market rate conversions and preparing strategies for preserving affordability controls, notifying relevant public agencies of Notices of Intent or Plans of Action from owners interested in converting, ensuring displaced tenants in projects approved to convert receive required assistance, assisting in the non-profit acquisition of at-risk projects to maintain affordability, and obtaining Section 8 certificates or vouchers for displaced tenants.
- Support and initiate energy conservation programs to reduce the cost of housing, such as assisting homeowners and renters in securing energy audits from local utility companies and providing informational flyers advertising funding sources for energy conservation measures.
- Pursue and monitor federal, state, or local funding sources for affordable housing preservation and construction assistance.
- Use Redevelopment Agency Housing Set-Aside funds, and, as feasible, non-housing set-aside funds, to support housing conservation, rehabilitation, and development in Marina’s Redevelopment Areas.
- Continue to encourage the efforts of the Mediation Center of Monterey County and Monterey County Housing Authority to minimize and prevent housing discrimination.
- Provide opportunity for and encourage the development of adequate housing for the City’s special needs groups by modifying zoning to include the specifics of allowed special needs housing; supporting efforts of non-profit groups to provide housing for the elderly and disabled; requiring and incentivizing the provision of units for large families in multi-family projects; encouraging childcare facilities in the Multi-family Residential, industrial, and commercial districts; supporting non-profit groups and agencies providing transitional housing programs; allowing new transitional shelters and other large group homes in multi-family residential and mixed-use districts on a conditional basis; requiring new multi-family development comply with Title 24 of the California Code of Regulations; allowing reduced parking standards for special needs housing; and removing any constraints and providing reasonable accommodations in the design of housing for persons with disabilities.

- Ensure the availability of continued adequate water supply to serve the long-term housing needs of the City, working with the Marina Coast Water District, Fort Ord Reuse Authority, and other appropriate agencies.
- Depending on available funding, retain a Housing Coordinator or Housing Program Consultant/Service Provider to oversee implementation of the Housing Element, monitor compliance with affordable housing programs, apply for grant funds, and coordinate other related matters.

APPENDIX TABLE A
NEW CONSTRUCTION IN PROJECT AREAS #1, 2, AND 3 - NON-AGENCY BUILT
MARINA REDEVELOPMENT AGENCY
MARINA, CA

						Number of New Units Built				
							Units With Covenants (6)(7)			
Completion Date	**Project**		**Affordable/ Mkt. Rate**	**Rental/ Ownership**	**Senior/ Non-Senior**	***Total All Units***	***Very Low***	***Low***	***Mod.***	***Above Mod.***
	Project Area 1									
1986						193				
1987						43				
1988						28				
1989						20				
1990						0				
1991						1				
1992						0				
1993						0				
1994						40				
1995						25				
1996						3				
1997						0				
1998						5				
1999						5				
	Subtotal Adoption - 1999 (1)					***363***	***0***	***39***	***0***	***324***
	Project Area 1									
						2	0	0	0	2
	Subtotal 2000 - 2005 (2)					***2***	***0***	***0***	***0***	***2***
	Project Area 1									
	Marina Vista Plaza	(2)	Market Rate			14	0	0	0	14
	Alteri Project	(2)	Market Rate			6	0	0	0	6
	249 Carmel	(2)	Market Rate			10	0	0	0	10
	Potential Development Site 1	(3)	Mixed			10	1	0	1	8
	Potential Development Site 2	(3)	Mixed			42	3	3	3	33
	Potential Development Site 3	(3)	Mixed			11	1	0	1	9
	Potential Development Site 4	(3)	Affordable			28	28	0	0	0
	Potential Development Site 5	(3)	Mixed			5	0	0	1	4
	Potential Development Site 6	(3)	Mixed			55	3	4	4	44
	Potential Development Site 7	(3)	Mixed			50	3	4	4	39
	Potential Development Site 8	(3)	Mixed			4	0	0	1	3
	Potential Development Site 9	(3)	Mixed			13	1	0	1	11
	Potential Development Site 10	(3)	Mixed			125	8	9	9	99
	Potential Development Site 11	(3)	Mixed			100	6	7	7	80
	Potential Development Site 12	(3)	Mixed			75	5	5	5	60
	Potential Development Site 13	(3)	Mixed			35	2	2	2	29
	231-233 Palm	(2)	Market Rate			4	0	0	0	4
	Project Area 3									
2006	Abrams	(4)	Mix	Rental	Non-Senior	192	75	61	0	56
2008	University Villages	(5)	Mix	Mix	Non-Senior	256	96	12	0	148
2008	Marina Heights	(5)	Mix	Ownership	Non-Senior	172	0	0	12	160
2009	University Villages	(5)	Mix	Mix	Non-Senior	388	0	0	45	343
2009	Marina Heights	(5)	Mix	Ownership	Non-Senior	215	0	0	18	197
2009	Cypress Knolls	(5)	Market Rate	Ownership	Senior	129	0	0	0	129
2010	University Villages	(5)	Mix	Mix	Non-Senior	423	0	45	42	336
2010	Marina Heights	(5)	Mix	Ownership	Non-Senior	241	0	0	18	223
2010	Cypress Knolls	(5)	Market Rate	Ownership	Senior	152	0	0	0	152
2010	Preston Park	(4)	Mix	Rental	Non-Senior	352	19	32	0	301
2011	University Villages	(5)	Mix	Mix	Non-Senior	170	0	8	0	162
2011	Marina Heights	(5)	Market Rate	Ownership	Non-Senior	244	0	0	3	241
2011	Cypress Knolls	(5)	Mix	Mix	Senior	274	61	31	36	146
2012	Marina Heights	(5)	Market Rate	Ownership	Non-Senior	178	0	0	0	178
2012	Cypress Knolls	(5)	Mix	Mix	Senior	125	0	0	14	111
2013	Cypress Knolls	(5)	Market Rate	Mix	Senior	32	0	0	0	32
	Subtotal 2006 - 2015					***4,130***	***312***	***223***	***227***	***3,368***
	TOTAL Adoption - 2015					***4,495***	***312***	***262***	***227***	***3,694***

APPENDIX TABLE A
NEW CONSTRUCTION IN PROJECT AREAS #1, 2, AND 3 - NON-AGENCY BUILT
MARINA REDEVELOPMENT AGENCY
MARINA, CA

Notes:
(1) Adoption - 1999 units from City of Marina 2000 - 2005 Implementation Plan, Exhibit C.

(2) Units planned or under construction per City staff, fall 2005.

(3) Potential Development Sites from City of Marina 2002 Housing Element Table 4-1: Inventory of Vacant or Under-Utilized Land in Central Marina with Residential Development Potential, August 2004; sent by Susan Hilinski on May 20, 2005.

(4) Per Keyser Marston and City staff information.

(5) Per Keyser Marston September 2006 unit counts.

(6) Project Area 1 2006 to 2015 affordable units are expected to be produced according to the more stringent of the following:
2004 Housing Element proposed incl. housing requirements - all new development or redevelopment of 20 or more residential units outside Fort Ord RA to provide:

6%	Very Low
7%	Low
7%	Moderate
20%	Very Low to Mod

RDA requirements - all new privately-constructed housing in redevelopment areas to meet Housing Production Requirements:

6%	Very Low
0.0%	Low
9.0%	Mod
15%	Very Low to Mod

(7) Project Area 1 affordable units from 2006 to 2015 reflect rounded numbers based on City and Agency requirements in (6).

APPENDIX B
SIGNIFICANTLY REHABILITATED UNITS IN PROJECT AREAS #1, 2, AND 3
MARINA REDEVELOPMENT AGENCY
MARINA, CA

Completion Date	Project	Affordable/ Mkt. Rate	Rental/ Ownership	Senior/ Non-Senior	Number of Units Rehabilitated: *Total All Units*	With Covenants: *Very Low*	*Low*	*Mod.*	*Above Mod.*
	Project Area 1								
	223-225 Palm Avenue				4	0	0	0	4
	Subtotal Adoption - 1999				***4***	***0***	***0***	***0***	***4***
	Subtotal 2000 - 2005				***0***	***0***	***0***	***0***	***0***
	Subtotal 2006 - 2015				***0***	***0***	***0***	***0***	***0***
	TOTAL Adoption to 2015				**4**	**0**	**0**	**0**	**4**

Source: City of Marina 2000 - 2005 Implementation Plan; City staff.