

# **FIVE-YEAR IMPLEMENTATION PLAN**

## **[HEALTH & SAFETY CODE SECTION 33490]**

### **CITY OF SEBASTOPOL COMMUNITY DEVELOPMENT AGENCY COMMUNITY DEVELOPMENT PROJECT**

**Adopted September 18, 2007**

#### **I. INTRODUCTION**

On October 6, 1993 Governor Pete Wilson signed Assembly Bill 1290 which took effect January 1, 1994. Entitled the Community Redevelopment Law Reform Act of 1993, the bill includes a number of changes to the Community Redevelopment Law. One of the provisions of the bill was the requirement that each agency adopt a five-year implementation plan which provides documentation for the link between the elimination of blight and the proposed actions of the redevelopment agency. Each agency that has adopted a plan prior to December 31, 1993 must adopt, after a public hearing, an implementation plan on or before December 31, 1994. Thereafter, this implementation plan must be revised and adopted every five years. In addition, at least once during the five-year period, a public hearing on the implementation plan is required to be held. Amendments to the plan may be made at this time.

The implementation plan must describe goals and objectives of the agency, programs, including a program of actions and expenditures to be made within the five-year period, and a description of how these goals, objectives, programs and expenditures will assist in the alleviation of blight. The implementation plan must also describe how the agency will implement both the requirement to increase, improve and preserve low- and moderate-income housing and the inclusionary housing requirement. This section of the plan must contain an annual housing program and specific plans for the expenditures of monies from the Housing Fund. If the implementation plan contains a project that will result in the destruction of low- or moderate-income housing, the implementation plan must identify proposed locations suitable for the replacement dwelling units.

This implementation plan has been prepared to comply with the state redevelopment law.

#### **II. BACKGROUND AND INTRODUCTION**

The City of Sebastopol is located approximately 70 miles north of San Francisco on the western edge of the Santa Rosa Valley in Sonoma County. In 1981, the City of Sebastopol began the planning analysis required for the establishment of the Sebastopol Community Development Project Area. This work was completed with the adoption of the plan and project in the summer of 1983. The Project Area consisted of approximately 365 acres, of which 300 were developed.

The project was adopted to assist the City in eliminating certain blighting factors including inadequate infrastructure and parking.

According to the 2000 U. S. Census, the population of Sebastopol was 7,784 persons, with 6,505 under the age of 65.

The Project Area includes the Downtown Area as well as the eastern and northeastern parts of the City. The City limits boundary is coterminous with the Project Area boundary on the east and north. The Project Area includes all industrial areas of the City and much of the commercial development within the community. The main thoroughfares of the city, Main Street, Petaluma Avenue and Healdsburg Avenue (all parts of State Highway 116) and Sebastopol Avenue (State Highway 12) are all located within the Project Area. The Project Area is bounded on the south and west by the residential areas of the City, and by unincorporated areas not currently planned for development to the north and east.

With the advent of large shopping centers and ‘big-box’ stores located in other nearby larger communities, development of large car dealers in other nearby communities, and the growing use of the Internet for shopping, Sebastopol has faced increasing challenges in maintaining a local economy that provides a full range of goods and services, and that generates the revenues needed to provide municipal services that help maintain the local quality of life. In regards to housing, costs have skyrocketed since creation of the Agency, making buying or renting a home in Sebastopol very difficult for low- and moderate-income households. The Community Development Agency plays a vital role in both areas by assisting in provision of infrastructure, promoting economic activity and enhancing the City’s image, all of which support a sustainable local economy. The Agency also provides critical funding for affordable housing to address local housing needs, including workforce housing to support the local economy.

Since its establishment, the redevelopment process has fostered the revitalization of the Downtown Area, providing a new economic and employment base within the Sebastopol Community. Accomplishments to date include:

- **Public Improvements.** The Agency rehabilitated the Downtown Area with a new street (Laguna Park Way) that connects Petaluma Avenue with Morris Street. This formed a link with the Downtown Area and the newly-emerging industrial/commercial area on Morris Street to open previously underutilized parcels for industrial and commercial development. Private investments subsequently created a theater complex and added three retail spaces, and rehabilitated a vacant variety store into multi-use retail. Redevelopment has also added public parking and has created a Town Plaza at a site that had been used primarily for employee parking. The Town Plaza has created opportunities for retail and service industries to expand and enhance the downtown area. The Agency also funded construction of numerous curb ramps to facilitate access by disabled persons.

- Commercial Development. Eleven businesses took advantage of a low interest loan program to bring their buildings up to current earthquake standards. This resulted in the commercial use of an abandoned bank building that had been vacant for 10 years. The building directly south of the bank building had been vacant for three years and was rehabilitated, and is occupied by a successful commercial business. More recently, the Agency funded a half-time Economic Development Specialist position located in the Sebastopol Area Chamber of Commerce to assist in sustainable economic development. The Specialist has counseled small businesses, coordinated several community Economic Summits, staffed the Business Outreach Committee, served as a liaison between the business community and the City, and assisted in implementation of the Façade Improvement program, The Agency also created a Façade Improvement program, whereby the Agency loaned funds to assist commercial building owners with façade and frontage improvements. Nine businesses have been assisted, with a total of \$23,000 committed to date.

- Affordable Housing. The Agency has funded a variety of housing projects, including new construction and rehabilitation. The City's Housing Element has a comprehensive list of affordable housing projects that have been developed in Sebastopol, most with the Agency's assistance.

- In recent years, the Agency has taken aggressive action to develop affordable housing. Notable projects have included the Agency's purchase of two sites for innovative affordable housing projects, Sequoia Village on Covert Lane, which will be a 20-unit affordable co-housing ownership development; and Petaluma Avenue Homes, which will be a 45-unit affordable co-housing rental development. The two projects are believed to be the first affordable co-housing developments in the United States. Both projects incorporate extensive 'green building' features, and are being developed by experienced non-profit affordable housing developers. They are expected to start construction in summer 2007, and be completed in 2008. In addition, the Agency is providing funding to two Habitat for Humanity projects with a total of four units, both expected to be completed in 2008, and has loaned funds to an area non-profit to help purchase a site for a 34-unit affordable self-help ownership project on Gravenstein Highway South. If approved, this project is projected to be completed in 2009. Other opportunities to develop affordable housing projects are expected to occur with implementation of the Northeast Area Specific Plan, if it is approved by the City Council.

### III. GOALS AND OBJECTIVES FOR THE PROJECT AREA

#### A. Redevelopment Plan Goals

The goals and objectives for the Sebastopol Community Development Project as stated in the Community Development Project Plan:

- To eliminate and reduce many aspects of visual, economic, physical and social blight presently existing within the City of Sebastopol and more specifically within the boundaries of the Project Area, as set forth in the Community Development Plan.
- To provide a stable, diversified and stronger economic base for the Project Area and community.
- To provide safer, more efficient and economical movement of persons and goods within the Project Area and community.
- To conserve and improve existing public facilities and to provide such new facilities as needed for the improvement of the Project Area.
- To provide additional housing opportunities in the Project Area and community.
- To provide additional employment opportunities for residents of the community.
- To enhance the physical environment of the Project Area and to emphasize its favorable environmental characteristics.

#### IV. PROJECTS AND EXPENDITURES PROPOSED FOR THE NEXT FIVE YEARS

Provided below is an outline of planned Agency projects. Timing and amounts of expenditures are approximate, and subject to revision as project specifics are developed. In addition, there is potential for the Agency or City to obtain grant funding for some projects, which would reduce projected Agency expenditures.

The Agency would be required to approve the specific scope and funding for projects as implementation progresses. In addition, it is not possible to foresee all possible future projects. Opportunities or challenges may arise in the future that could not be identified in this Plan, but that are consistent with Agency goals and objectives. The fact that such projects are not identified would not preclude Agency funding, provided the projects are consistent with Agency goals and objectives.

##### A. Project Administration, Permit and Processing, Debt Service and Inter-Agency Cooperation (\$4,475,000)

The operation of a redevelopment project entails expenditures not linked to specific, anticipated projects. Budgeted at a total of \$115,000 per year for five years (for general redevelopment and housing), administration, permit processing, community meetings and general legal costs are

statutory or otherwise required expenditures. Debt service on previously issued tax allocation bonds and Certificates of Participation amounts to \$3,900,000 over the five-year period for general redevelopment and housing.

## B. Housing

Substantial affordable housing development is underway. During the five-year period, the Agency plans to participate in the development of approximately 150 units of affordable housing for very low-, low- and moderate-income households (see table). Since most of the City's residentially-zoned properties are not in the Project Area, some of the housing sites may be located outside the Project Area. However, all housing sites within the City limits or the City's sphere of influence are of benefit to the Project Area.

Agency expenditures will provide for land acquisition, pre-development, construction and other financial assistance to achieve project feasibility. Three major projects, Petaluma Avenue Homes (45 rental units); Sequoia Village (20 units); and 961 Gravenstein Highway South (34 units) are known at this time and are being assisted by the Agency. In addition, the Agency will provide approximately \$230,000 in subsidies to four Habitat for Humanity units in Sebastopol, and will consider similar subsidies to three other planned Habitat units. Other expenditures may include repair and improvement costs for two homes on the Petaluma and Covert sites that the Agency plans to sell to finance the two projects, as well as other unit subsidies, affordable housing studies, or other expenses. None of the currently-identified projects are age-restricted. The timing and amounts of expenditures listed is subject to change as more specifics are developed in the future.

Affordable housing development is a high priority for the Agency. The Community Development Agency has committed all available affordable housing funds, and in addition borrowed monies from the general redevelopment fund to finance planned affordable housing developments. Presently there is a negative balance of approximately \$2.5 million in the fund.

This will be reduced over the five-year planning period as the two homes on the Petaluma and Covert sites are sold, and as additional tax increment funds accumulate, however additional borrowing or bonding appears likely to be required. Annual tax increment income to the affordable housing fund of the Agency is estimated at approximately \$450,000 per year. Over the next five years, an additional \$2.25 million in tax increment income will be accumulated in the affordable housing fund. This Implementation Plan calls for the funds to be expended as shown in Table 1.

**5-Year Affordable Housing Project List 2007**

<b>Project Name</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Total</b>
6855 Petaluma Avenue	\$1,300,000	-	-	-	-	\$1,300,000
7991 Covert Lane	\$575,000	-	-	-	-	\$575,000
961 Gravenstein Highway South	\$20,000	-	-	-	-	\$20,000
Other projects	\$230,000*	\$50,000	\$100,000	\$350,000	\$350,000	\$1,080,000
<b>TOTALS</b>	<b>\$2,125,000</b>	<b>\$50,000</b>	<b>\$100,000</b>	<b>\$350,000</b>	<b>\$350,000</b>	<b>\$2,975,000</b>

\*Four Habitat for Humanity units

C. Economic Development

These improvements address the blighting influence of inconsistent land use, fragmented ownership and deteriorated structures that have discouraged new investment. In addition, planned activities provide funding for infrastructure to support existing and planned development to enhance the local economy, projects to enhance the image and quality of life in Sebastopol, activities that will assist in resource conservation to facilitate work towards provision of sustainable energy, water, and other resources to support the local economy, and providing strategic funding for marketing and general economic development.

A major focus of the expenditure plan is revitalization of the Northeast Area, which is the subject of a pending Specific Plan. The area presently includes a number of dilapidated buildings, many of which are subject to flooding, as well as vacant and underutilized land. A substantial portion of the area has poor access. Much of the curb, gutters and sidewalks are in poor repair, or are non-existing. Street trees are lacking throughout the area. Streetscape, storm drain, and recycled water improvements would be implemented by the Agency to support the Specific Plan. Plan implementation will produce a return on investment, in that anticipated development within the project area will create a substantial increase in Agency tax increment revenues as a result of increased property values associated with new development.

Another significant project that the Agency would participate in funding is Gravenstein Highway South streetscape improvements. This area of Sebastopol also presents a poor appearance, and has poor access particularly for pedestrians, with some areas lacking curb, gutter, sidewalks and street trees, and with poles for overhead utilities impeding access for some persons in wheelchairs, as well as creating an unsightly visual character. The Agency would provide part of

the funding needed for design, permitting, and construction.

The Five Year Plan calls for a multi-faceted set of projects to be funded during the five-year period. It is anticipated that some of the capital improvement projects may be combined to achieve management and cost efficiencies. The objective of these projects is to enhance the local economy by improving the physical character and functionality of the City, and by providing economic development services that assist the private sector in establishing, maintaining, and enhancing sustainable businesses in Sebastopol. The project activities will result in the physical removal of blight and will serve to attract new business and investment.

Planned projects include:

#### Economic Development

- Continued funding of the Economic Development Specialist position at the Sebastopol Area Chamber of Commerce, at \$27,500 per year.
- Continued funding of façade loan program at \$7,000 per year, with an additional allocation of \$5,000 in the current year to accommodate pending requests.

#### Marketing

- Downtown banners, holiday decorations, murals for marketing and image enhancement. \$15,000 in Year 1; \$30,000 in Year 2; \$10,000 in Year 3.
- Other marketing, including web site, web portal, selected events subsidies, and other publicity, marketing and outreach efforts. \$15,000.

#### Infrastructure Improvements

- Town Plaza, Ives Park and bicycle improvements. Development of a downtown public bathroom, replacement of Plaza hedge landscaping, installation of hedges in Ives Park, installation of bike racks. The Plaza and downtown area lack a public bathroom. Plaza hedges are in poor condition and present an undesirable appearance in this prominent facility. Parts of the perimeter hedges of Ives Park are in poor condition and would be replaced by new hedges, which will also help control and improve access during events such as the Apple Blossom Festival. Bike racks would be installed at several downtown locations and public buildings. Funding of \$135,000.

- Northeast Area park improvements. Provide funding to enhance connections with the Laguna Preserve (entry arbor and landscaping at Lift Station, pedestrian bridge at Zimpher Creek), contribution to new Northeast plaza area, and public art in the Northeast Area. \$250,000 in Year 3.
- Sebastopol Avenue streetscape enhancement. This is a high-priority project. This street is the major gateway to Sebastopol and the downtown and presents a poor image, with cracked curbs and sidewalks, no street trees, no special lighting, no benches, no bike racks, no trash or recycling receptacles. The project would include design and installation of new curb, gutter and sidewalk in selected areas, street trees, decorative light fixtures, benches, bike racks, and waste and recycling receptacles. The project is also intended to facilitate bicycle travel in town. The project would also include undergrounding of overhead utilities on Sebastopol Avenue from approximately Morris Street to the Highway 12 bridge, which is expected to be substantially funded by a separate source (Rule 20A). In addition, the project would be intended to create a ‘gateway’ entry treatment along this major entry to Sebastopol. \$450,000 for design and permit processing in Years 2 and 3; \$2,550,000 for construction in Years 4 and 5.
- Storm drain infrastructure improvements in project area. Funding for improvements identified by the Storm Drain Master Plan. \$150,000 for design and permitting in Years 2 and 3, \$1,000,000 to contribute to construction in Years 4 and 5.
- Gravenstein Highway South streetscape enhancement. This is a high-priority project. Areas of Gravenstein Highway South have overhead utilities detracting from visual quality and impeding access, particularly for persons in wheelchairs. Areas also lack curb, gutter, sidewalk, street trees, benches, and decorative lighting, detracting from this key commercial roadway. The project is also intended to facilitate bicycle travel in town. As with the Sebastopol Avenue project, this project is also intended to create a ‘gateway’ entry treatment along this major entry to Sebastopol. \$300,000 in Agency funding in Years 2 and 3 for design and permitting; \$500,000 in Years 4 and 5 for construction. Other construction funding to be provided by the Traffic Impact Fee Fund and potential grants.

### Quality of Life

- Library replacement. The library is a vital educational and informational resource for the community. The library operates in a City-owned building which is substantially undersized for current and projected needs. It is a priority for replacement by the library district. The district does not have funds for development of a new facility. Funding for preliminary planning, and some capital costs for replacement of the Sebastopol branch library would be provided by the CDA. Agency funding totaling \$100,000 in Years 2 and 3 for programmatic planning, and \$500,000 for construction would be provided. This funding is contingent upon cooperative affirmative efforts by the library system towards a



replacement project and identification of other funding sources or mechanisms to finance construction.

- Loan to assist City in purchase, improvement and management of Village Park Mobile Home Park. To enhance park resources and improve one of the major entrances to Sebastopol, the City has pursued purchase of this property, located at the gateway to Sebastopol on Highway 12, adjacent to the bridge over the Laguna channel. The mobile homes and RV's on the site are subject to flood damage, and the frontage of the property presents a poor appearance at this key entry area to Sebastopol. Purchase represents an opportunity for near-term conversion of a portion of the property to a park for incorporation into the Laguna Preserve, improvement of the frontage, and in the long-term, conversion of the trailer and RV areas to parkland. A loan to the City for approximately \$1.5 million may be needed for purchase of the property, conversion of the campground area to a park, and installation of fencing and frontage improvements. Existing tenants would not be subject to required displacement.

### Sustainability

- Energy efficiency and conservation projects. Funding for photovoltaic systems and other energy and water conservation projects at public facilities to enhance local sustainability. This may include projects at City and other facilities. Participation may take the form of loans. Funding of \$50,000 in Year 1, \$100,000 in Year 2, \$50,000 in Year 3.
- Extension of recycled water piping to Northeast Area to minimize potable water use. The Subregional wastewater system has piping in the Laguna Preserve behind the Youth Annex. The project would involve extension of piping to serve the redeveloped Northeast Area and the new skatepark/garden park, so as to minimize potable water use for landscaping and possibly other uses. This project would be contingent upon a guaranteed supply of recycled water. Some cost recovery anticipated via user charges. \$500,000 for design, permitting, and construction.

### Neighborhood Revitalization

- Northeast Area Specific Plan. Continuing funding for creation of this Plan, a major portion of which consists of outmoded, deteriorating, and underdeveloped properties with a poor circulation network. \$105,000 in Year 1. Other funding may be needed for for implementation of the Plan after it is adopted.
- Other neighborhood revitalization projects in the project area. Within the designated redevelopment area, neighborhoods are in need of revitalization and improvement through targeted infrastructure, streetscape, housing and other projects. This would allow for street tree installation where trees are lacking; curb and sidewalk installation or repair; pedestrian and street safety projects; minor drainage improvement projects, and the like.

These improvements may occur within the scope of other proposed projects, or may include separate projects to assist in neighborhood revitalization. \$250,000.

- Potential site purchase and development of a park in south Sebastopol, provided it is located in the project area. This is a high-priority project. Development of a neighborhood park in south Sebastopol is an objective of the General Plan that would enhance the quality of life for visitors and residents. If a suitable site is identified in the future, the Agency may assist in purchase and development, supplemented by other funding sources such as the Parks Impact Fee Fund, and potential grants. Alternatively, the Agency may loan the City funds for purchase if the site is located outside of the project area. Estimated Agency participation of \$1 million.

### Visitor Services

- Guide sign project implementation. To enhance shopper and visitor navigation and establishment of a distinct identity, street guide signs to key facilities such as the Chamber's Visitor Center, the downtown area, public parking lots, parks, the Community Center, the Center for the Arts, the West County Museum, schools, etc. will be replaced with new signs utilizing a consistent size, color and font. Funding of \$10,000 for two years.
- Hostel. This is a high-priority project. Agency staff have had contact with Hostelling International regarding potential establishment of a hostel in Sebastopol which would provide another dimension of visitor-serving lodging and enhance the local economy. There are no hostels presently located in this area of the 'wine country' and a Sebastopol location would enhance the Northern California hostel network. Development of a hostel would add another dimension to visitor accommodations in Sebastopol, and would generate direct transient occupancy taxes as well as indirect sales tax revenues. Critical to the establishment of a hostel is an appropriate site. Should an opportunity develop within the Five-Year Plan period, the Agency will consider funding assistance, which may take the form of a loan, with an estimated amount of \$1.25 million.
- Fire station addition. There is a need for an expansion of the Fire Station to provide space for storage of vehicles and equipment. The 1,300 sq. ft. addition is estimated to cost \$400,000. It is proposed that the Agency contribute up to \$100,000 to this project in Year 5 if other funding sources are not identified.

The table below lists planned project expenditures by year. There is currently a positive balance of approximately \$3.9 million in the general redevelopment fund. Annual debt service, administration, and other expenses are estimated at approximately \$895,000. Annual tax increment income is currently approximately \$1.4 million, which equates to income of \$7 million over a five-year period. Income will increase as properties within the project area are sold and reassessed or redeveloped. Administration costs will likely also increase.

Redevelopment of the Northeast Area has considerable potential for generating additional income to the Agency. Such redevelopment may generate in excess of \$1 million in additional annual Agency income, although the growth in revenues is expected to occur over 15-20 years. Assuming revenues and expenditures occur approximately as projected, the Agency will need to consider borrowing or bonding to finance planned expenditures for cash flow purposes.

### 5-Year Economic Development Project List 2007

Project Name	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Economic Specialist	\$27,500	\$27,500	\$27,500	\$27,500	\$27,500	\$137,500
Façade Loans	\$12,000	\$7,000	\$7,000	\$7,000	\$7,000	\$40,000
Guide Signs	\$10,000	\$10,000	-	-	-	\$20,000
Banners, Holiday Decorations, Murals	\$15,000	\$30,000	\$10,000	-	-	\$55,000
Marketing*						\$15,000
Plaza Bathroom, Landscaping, Ives Park Landscaping, street trees, bike racks	15,000	120,000	-	-	-	\$135,000
Northeast Area Park Improvements			\$250,000			\$250,000
Energy Sustainability Projects	\$50,000	\$100,000	\$50,000	-	-	\$200,000
Library Replacement	-	\$50,000	\$50,000	\$500,000	-	\$600,000
Sebastopol Avenue Streetscape		\$250,000	\$200,000	\$2,000,000	\$550,000	\$3,000,000
Northeast Area Specific Plan**	\$105,000	-	-	-	-	\$105,000
Storm Drain Improvements	-	\$100,000	\$50,000	\$750,000	\$100,000	\$1,000,000
Northeast Area Recycled Water Infrastructure**	-	-	-	-	-	\$500,000
Gravenstein Highway South Streetscape	-	-	\$200,000	\$100,000	\$500,000	\$800,000
Village Park**						\$1,500,000
Neighborhood Revitalization*						\$250,000
Hostel*						\$1,250,000
South Sebastopol Park*						\$1,000,000
Fire Station Addition					\$100,000	\$100,000

<b>TOTALS</b>	\$219,500	\$694,500	\$844,500	\$3,384,500	\$1,184,500	\$10,957,500
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\*Timing, Form and Extent of Financial Participation to be determine  
 \*\*Some cost recovery anticipated

V. HOW GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL IMPLEMENT THE REQUIREMENTS OF HEALTH & SAFETY CODE SECTIONS 33334.2, 33334.4, 33334.6 AND 33413. [Section 33490 (a) (1)]<sup>1</sup>

- A. Among the goals and objectives of the Agency, the provision of housing for households with low to moderate incomes will implement the affordable housing requirements.
- B. The following are projects and expenditures planned by the Agency for the Sebastopol Community Development Project Area in the five-year period covered by this plan that will implement the affordable housing requirements:

**X Development of Very Low-, Low-, and Moderate-Income Housing in Locations Near and of Benefit to the Project Area.** The Agency plans to expend approximately \$3.045 million to assist in construction and/or rehabilitation of approximately 150 affordable housing units in locations that are in or near and of benefit to the Project Area, which will be restricted to very low-, low- or moderate-income tenants. In addition to ongoing projects, this will involve response and review of proposals from private for-profit and non-profit developers to develop one or more residential projects on appropriate sites. Criteria for site selection will include access to jobs and transit and site conditions and effective use of Agency funds. See table for specific project objectives.

The housing developments cited above will be located within the City of Sebastopol and will be of benefit to the Project Area.

- C. The following goals, objectives, projects and expenditures will implement the affordable housing requirements of Sections 33334.2, 33334.4, 33334.6 and 33413 as follows:

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<sup>1</sup>Unless otherwise specified, all code/section references are to the California Health & Safety Code

X **Increase, Improve and Expand the Supply of Low- and Moderate-Income Housing [Sections 33334.2 and 33334.6].** The Housing to be developed as described above will utilize approximately \$3.045 million in funds from the Sebastopol Community Development Project Low- and Moderate-Income Fund to increase, improve and expand the community's supply of very low-, low- and moderate-income housing. New dwellings constructed with the assistance of Agency funds will be subject to covenants or other restrictions ensuring affordability for at least the duration of the Community Development Plan. The current City inclusionary ordinance requires a 59-year deed restriction for affordable inclusionary housing units.

- **Proportion of Very Low-, Low- and Moderate-Income Housing [Section 33334.4].** The Agency plans to assist development of housing units that will be affordable to very low-, low- or moderate-income households in the proportions shown in the following table:

Year	Total*	Moderate	Very low/low
1	69	9	60
2	37	x	37
3	4	x	4
4	20	10	10
5	20	10	10
	150	29	121

\*The very low, low and moderate income units enumerated are made up of the following projects: Assistance to Burbank Housing Corporation's 20 unit Sequoia Village development; Affordable Housing Associates' 45-unit Petaluma Avenue Homes development; Burbank Housing's 34-unit 961 Gravenstein Highway South Self-Help project, an estimated 7 Habitat for Humanity units on sites on Johnson Street, Litchfield Avenue, and Pleasant Hill Avenue, and an additional 44 units at other locations to be determined. In addition, the City expects to see inclusionary housing units developed in various market-rate projects through the City's mandatory 20% inclusionary housing ordinance.

X **Estimate of Housing Production Figures and Use of Low- and Moderate-Income Housing Fund [Section 33490(a) (2)].** The current estimated housing production figures and proposed uses of the Sebastopol Community Development Project Area Low- and Moderate-Income Housing Fund are provided in tables herein. See Section IV for a summary of fund financial information, as well as the June 2007 memorandum providing detailed fund status

information.

X **Replacement Housing [Section 33413(a)].** Any land acquisition and site assembly activities associated with programs listed in Section IV C will not result in the removal of any units of housing.

X **Inclusionary Housing [Section 33413(b) (4)].** Section 33413 (b) (4) requires the Agency to adopt a plan to comply with the inclusionary housing requirements of Section 33413 (b) (1) and (2).

(33413(b) (1): At least 30% of all new and substantially rehabilitated dwelling units developed by the Community Development Agency shall be available at affordable housing costs to persons and families of low or moderate income. Not less than 50% of these dwelling units shall be available at affordable housing costs to, and occupied by, very low income families. The Sebastopol Community Development Agency does not intend to construct or rehabilitate any units which would be under the ownership of the Agency. Therefore, the requirements under this section do not apply to Sebastopol.

(33413(b)(2): At least 15% of all new and substantially rehabilitated dwelling units developed within the project area under the Community Development Agency's jurisdiction by public or private entities other than the Agency shall be available at affordable housing costs to persons and families of low or moderate income. Not less than 40% of these dwelling units shall be available at affordable housing costs to, and occupied by, very low income families. This requirement will be met through a new housing rehabilitation program, the City's inclusionary policy of the General Plan (20% overall) and Agency assistance to non-profit sponsored projects.

**ESTIMATED ANNUAL HOUSING UNIT PRODUCTION (AGENCY-ASSISTED)**

	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>Total '08-'12</b>	<b>2013- 2017</b>
<b>Substantial Rehab.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>New very-low or low income</b>	<b>69</b>	<b>37</b>	<b>4</b>	<b>20</b>	<b>20</b>	<b>150</b>	<b>150</b>
<b>Destroyed by Agency</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>69</b>	<b>37</b>	<b>4</b>	<b>20</b>	<b>20</b>	<b>150</b>	<b>150</b>

## VI. CONCLUSION

In addition to satisfying legal requirements, this Five-Year Plan will substantially assist Sebastopol's economic development through a multi-faceted set of projects. In addition, the Plan will provide continued funding for substantial affordable housing development.