

Redevelopment Agency of the City of Fresno



**Recommended
FY 08/09 Budget**

Redevelopment Agency of the City of Fresno

Recommended Budget
For the Fiscal Year
July 1, 2008 to June 30, 2009

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Redevelopment Agency of the City of Fresno

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Redevelopment Agency of the City of Fresno

INTRODUCTION

Mission Statement

To remove blight and encourage growth, vitality, renewal and rehabilitation of deteriorated areas beset by adverse social, physical, environmental and economic conditions.

Purpose of Redevelopment

Redevelopment was created by state law to revitalize communities, encourage new development, create jobs, increase housing stock, provide infrastructure and generate tax revenues in declining urbanized areas through partnerships developed between local governments and private entities.

Without the initial investment from redevelopment agencies, many important community projects simply would not happen, leaving communities to suffer from deterioration, crime, and poor economic and social conditions.

The Fresno Redevelopment Agency's work program focuses on bringing about major and targeted projects as well as neighborhood improvements that will have a positive effect on the shape and future of Fresno's downtown, inner city neighborhoods and industrial areas.

Redevelopment Agency Budget

The Redevelopment Agency is required by Section 33606 of the California Health and Safety Code to adopt an annual budget.

The Redevelopment Agency Budget is presented by redevelopment areas and prepared in accordance with the requirements of California Redevelopment Law. The format includes: Actual Sources and Uses of Funds for FY 06/07; the FY 07/08 Approved Budget; FY 07/08 Year-to-Date through March 31, 2008; the Total Estimated Amount of Sources and Uses of Funds for FY 07/08; and the FY 08/09 Budget request for each of the Agency's project areas. This budget includes: Highlights of FY 07/08 Accomplishments; Debt Service and Contributions; Administrative and Management Summary; Project Area and Housing Program Budgets proposed for FY 08/09; and a proposed Resolution for adoption of the FY 08/09 Budget.

Revenue Estimates

Incremental property taxes are the single largest revenue source of the Redevelopment Agency. On average, FY 08/09 incremental property tax revenue estimates are projected to be 9% above the FY 07/08 revenues received in February 2008. The increase is supported by historical trends and the type of properties in the redevelopment areas. The Agency's

redevelopment areas primarily consist of commercial and industrial properties and as such, have been less affected by the decline in the housing market. The Agency's policy and practice is to conservatively estimate tax increment revenues to ensure adequate financing sources for the budgeted uses.

The Sources section of the project area budgets reflects negative amounts for Pass-Through Payments, County Administration Fees, Housing Set-Aside and Education Revenue Augmentation Funds (ERAF). These amounts are shown as an offset to Sources of Funds since these costs are mandatory and not available for use at the Agency's discretion. No funds are budgeted for ERAF payments in FY 08/09 as the State does not currently require a mandatory ERAF contribution from redevelopment agencies. This could change at any time, however, as the Legislature looks for ways to reduce the State's budget deficit.

Redevelopment Agency of the City of Fresno

HIGHLIGHTS OF FY 07/08 ACCOMPLISHMENTS

General Administration

2nd Comprehensive Annual Financial Report (CAFR) for FY 05/06 - For the second year in a row, the Certificate of Achievement for Excellence in Financial Reporting was awarded to the Redevelopment Agency of the City of Fresno by the Government Finance Officers Association of the United States and Canada (GFOA) for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2006. A CAFR is an expansion of the Agency's annual audited basic financial statements required under California Community Redevelopment Law. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. In addition, an Award of Financial Reporting Achievement was awarded to the Financial Officer of the Redevelopment Agency, as the individual primarily responsible for preparing the award-winning CAFR.

Annual Report/3rd Comprehensive Annual Financial Report (CAFR) for FY 06/07 - The Council received the Annual Report of the Redevelopment Agency for FY 06/07, in which Brown Armstrong Paulden McCown Starbuck Thornburgh & Keeter, Certified Public Accountants (Brown Armstrong CPAs) stated in its Independent Auditors Report that the Agency's financial statements presented fairly, in all material respects, the financial position of the Agency as of June 30, 2007, and the results of its operations for the fiscal year then ended, in conformity with generally accepted accounting principles. The results of their tests of the Agency's compliance with certain provisions of laws, regulations, contracts and grants, disclosed no instances of non-compliance or other matters. In addition to the required basic financial statements, staff also worked with Brown Armstrong CPAs to prepare a 3rd Comprehensive Annual Financial Report for FY 06/07, which was submitted in January 2008 to the Government Finance Officers Association (GFOA) for consideration for the Certificate of Achievement in Financial Reporting Award.

Professional Training and Development/Employee Retention - The Agency encourages professional employee training and development. In FY 07/08, the Agency staff received further redevelopment and technical training through the California Redevelopment Association's Redevelopment Institute and other redevelopment related workshops.

Deferred Compensation Plan for Employees - The Agency Board approved a resolution allowing Redevelopment Agency Employees to participate in the California Public Employee's Deferred Compensation Plan. The Plan provides diversified investment options to Agency employees. This plan has been added at no cost to the Agency.

Public Information and Marketing - The Redevelopment Agency in cooperation with the City of Fresno jointly promoted Fresno for the fourth consecutive year at the Spring International Council of Shopping Centers (ICSC) Conference in Las Vegas. The conference, which

highlights retail real estate, registered over 49,000 attendees for the May 19 – 21, 2008 exhibition. The conference accommodates over 2 million square feet of exhibiting space, making this conference the largest Retail Conference in the United States. The Fresno Convention Bureau and Economic Development Corporation joined the City of Fresno Economic Development Department and Agency in highlighting Fresno from a 600' square foot exhibit area.

The Agency produced an updated flash drive featuring "Achieving the Vision" for distribution at the conference and at other events. In addition to the media presentation, updated newsletters and other informational items were prepared and distributed.

The Agency advanced outreach in a variety of ways: Co-Sponsored Billion Dollar Tour with major role in content preparation for brochure and tour narrative; initiated a major update of the web-site including improvements for ease of future additions; made available on the website the Annual Budget and CAFR and made Redevelopment Plans available electronically for user friendliness; co-sponsored "Celebrating Over 20 Years!" Downtown Business Appreciation Reception; co-sponsored and hosted booth at 2008 Real Estate Forecast; hosted exhibit booth at Kern Street VIBE; co-sponsored DTA Annual Event; co-sponsored the El Dorado Park Planning Charette and Plan Development; placement in Fresno Bee 2008 "Discover"; placement in the Fresno County 2008 Real Estate Forecast; placement in Fresno County 2008 Economic Profile and Annual Report; joined the DPC (Development Partnership Center); strengthened communication and inter-agency coordination through the new Cooperation Task Force; presented Vision 2010 and Industrial Strategy at the 2008 Annual Chamber Planning Conference and numerous other venues; sponsored International Downtown Association Community Discussion regarding PBID; and sponsored Homeowners Assistance Workshop.

SB 1045 and SB 1096 Plan Amendments - Pursuant to the provisions of SB 1045 and SB 1096, the Agency Board approved plan amendments extending certain time limits for twelve redevelopment plans on February 26, 2008. Under SB 1045, the Agency was permitted to extend by one year the effectiveness of the redevelopment plan and the time limit to repay indebtedness with tax increment for each project area that made the required payment to the Educational Revenue Augmentation Fund (ERAF) in FY 03/04. SB 1096 allowed redevelopment agencies to amend their redevelopment plans, extend the plan effectiveness date and the time limit to repay indebtedness by up to two additional years as a result of the required ERAF demands for FY 04/05 and FY 05/06 if certain criteria were met.

General Redevelopment Plan Implementation

Commercial Storefront Rehabilitation Loan Program - In FY07/08, the Agency provided financial assistance to twenty commercial storefronts in the amount of \$29,453 that generated \$85,542 in privately funded improvements. Ten commercial storefront applications were approved of the fifteen that were handed out in FY07/08. Beginning in June 2008, the Agency is offering informational workshops and architectural design assistance to property owners and/or tenants located in Chinatown, Central Business District and along the Ventura/Kings Canyon Road from First Street to Chestnut Avenue to increase participation in the Commercial Rehabilitation Loan Program. In addition, the Agency is working with Council District staff, Downtown Association and

Chinatown Revitalization Inc. in identifying properties to target for storefront rehabilitation.

The Agency developed a comprehensive set of Commercial Design Guidelines for the Ventura/Kings Canyon area and has partnered with the City of Fresno and Chamber of Commerce Downtown Task Force to develop design guidelines for the Fulton Mall. These guidelines will assist in carrying out the Commercial Storefront Rehabilitations.

Funding for the loan program is on a first come first serve basis and is available to commercial property owners and tenants in all redevelopment project areas. In FY 08/09, staff is targeting specific areas and requested additional funding as follows: \$110,000 to be allocated to Fulton Mall, \$50,000 for the Blackstone corridor, \$40,000 in Chinatown and another \$100,000 for the Ventura/Kings Canyon corridor.

The Commercial Storefront Rehabilitation Program continues to receive increasing receptiveness from small business owners seeking to improve their storefronts, thereby benefiting commercial neighborhoods.

Review of Development Entitlements within Redevelopment Project Areas - Between July 1, 2007 and May 23, 2008, staff reviewed and made recommendations on 25 Site Plan Review Applications, 32 Conditional Use Permit Applications, 5 Alcoholic Beverage Conditional Use Permit Applications, 3 Rezoning Applications, 3 Tentative Parcel Map Reviews, 3 Tentative Tract Map Reviews, 1 Amendment Review, 6 Variance Applications, 138 Plan Review and Sign Offs, 2 CEQA/NOP Reviews and 1 Street Vacation Application. The review of these 219 entitlements through the Agency ensures their consistency and development in accordance with all adopted plan goals and design guidelines of both the Redevelopment Agency and the City of Fresno. Also, in association with the entitlement review process, staff addressed over 769 public inquiries.

Business Retention and Attraction - The Agency is participating in partnership with the City of Fresno by providing a \$50,000 Competitive Grant to a new business which locates and becomes "Fresno Based". The Grant is contingent upon receipt of matching funds from the private sector and compliance with all redevelopment agency laws. Advertisement and competition is being facilitated through the California State University, Fresno Foundation. A Kick-Off reception was held on May 15, 2008 with the release of a website inviting entrepreneurs across the country to submit a business plan. The top 10 business plan finalists will be flown to Fresno for their presentations in the fall of 2008. The winner will receive \$100,000 in cash and \$150,000 of in-kind services provided they start and grow the business in Fresno. The FY 06/07 allocation of the \$50,000 has been carried over to the FY 08/09 Budget to be awarded to the winning business recipient.

Prospective Business and Industrial Development - The Agency worked with a number of developers, businesses and industries to attract new development to redevelopment areas and to foster retention and expansion of existing businesses through assistance with development needs such as site availability/selection/assembly, infrastructure and funding.

Industrial Redevelopment - In FY 07/08, to help address the need for shovel ready sites, the Agency identified its role as a catalyst to advance site availability through a multi-prong approach that includes; (1) selective strategic enhancement of critical infrastructure for

underserved sites and areas; (2) advancing site availability through Owner Participation Agreements, Memorandums of Understanding and selective site acquisition; and (3) assisting owners with professional and technical development assistance. Consistent with the Agency's role and jurisdiction, efforts are directed toward infill sites within urbanized designated redevelopment areas. Together, these efforts helped stimulate 715,000 square feet of development and advanced 500 acres toward industrial shovel readiness.

Property Maintenance and Weed Control for RDA Properties - The Agency awarded a contract to the Fresno County EOC for property maintenance and year-round weed control of RDA owned properties. The award to the EOC provides an additional benefit to the community by providing job skill training and environmental education to the young men and women of Fresno County.

Central Business District

Business Retention and Attraction - For several years, the Agency worked with the owners and provided commercial façade clean up funds to facilitate the sale of the long vacant hotel on Van Ness Avenue across from Courthouse Park. Renovation of the nine-story, 190 room downtown property, estimated at \$7 to \$10 million in value, is complete and was celebrated with a ribbon cutting on May 28, 2008. The renovation brings a new full-service Holiday Inn to downtown that provides jobs and additional room accommodations for visitors to Fresno.

Broadway-Tuolumne Parking Lot - Due to increasing activity in the Downtown area, the Agency has begun steps to expand and reconstruct the parking lot located at the southeast corner of Broadway and Tuolumne Streets. An engineer has been contracted to prepare site and grading plans for the project.

H Street Lot - To retain government offices downtown, an Agency owned property on "H" Street between Merced and Tuolumne was proposed for the County Public Works and Planning Building. The Agency, in conjunction with the City, prepared a conceptual plan and provided detailed information relative to the site and surrounding area along with a draft Memorandum of Understanding.

Chinatown

Chinatown Mixed-Use Development - On September 25, 2007, the Agency Board approved a one year extension for the Exclusive Negotiating Agreement (ENA) with Fresno Historic Chinatown, LLC (developer) for master planning of the Historic Chinatown Project Area.

In FY 07/08, both the Developer and Agency staff made progress in accordance with the adopted performance schedule. Based on market analysis, the Developer has reduced the initial study area from 165 acres to 125 acres and defined the initial phase of the project to include public use buildings and general office with associated retail uses.

The Agency promoted and provided professional assistance in the Chinatown area, along with other downtown sites, for business expansion and new development such as the Mexican Consulate, the public safety headquarter building, a business incubator and private

businesses.

The Agency has met with each Owner Participant in the Chinatown Project Area and continues to work with owners toward plan implementation and development. Three applications for Commercial Façade Rehabilitation funds have been received and processed. Two of the businesses have completed the improvements; Lanfranco \$18,000 in FY 06/07 and Stanfield \$7,691 in FY 07/08.

Chinatown Community Cleanup Day - The Agency, in partnership with Chinatown Revitalization and the Local Conservation Corp (LLC) held a "Chinatown Community Cleanup Day" on May 3, 2008. Public service announcements were released through electronic and print media. As part of the PSA effort, Channel 24 interviewed three of the Agency's interns live at their recording studio prior to the cleanup date.

Cleanup of the targeted area between Fresno, "G", Ventura and "E" Streets included graffiti removal, alley cleanup, steam cleaning sidewalks on Kern Street and an E-Waste collection site at "G" and Kern Streets. A second cleanup day is being planned for October in partnership with LLC and Americorp.

Hobbs-Parsons Project - In FY 07/08, the Agency implemented The Hobbs Parsons Building Project Disposition and Development Agreement (DDA). The rehabilitation of the historic building is complete. The City of Fresno Fire Department administrative and training center offices, along with a new Fire Museum moved into the building in April 2008.

Ventura Widening and Downtown Entryway Beautification Project - To facilitate the future widening of Ventura, demolition of a severely blighted property at 1438 Ventura, known as Angela's Liquor, was completed in November 2007.

To advance the Ventura Widening Beautification Project, the Agency completed appraisals and is currently negotiating for the purchase of two designated properties between the BNSF Railroad and Freeway 99.

Convention Center

Legacy - The Agency is providing approximately \$2.7 million to facilitate the Legacy project and secure 55 year affordability covenants for 24 rental residential units pursuant to a Disposition and Development Agreement (DDA) adopted in October 2007. The 171 unit mixed-use development located at Ventura and "O" Streets will include 60,000 square feet of commercial/retail space and features an ice skating rink.

Old Armenian Town - The Agency completed acquisition of Phase 1B properties for the Old Armenian Town Project. Properties in the Phase 1A area, bounded by "O" Street, Ventura Street, "N" Street and Freeway 41 were acquired and cleared for construction of 5th DCA Courthouse prior to FY 07/08.

The Agency completed substantial infrastructure to support the 5th DCA Courthouse and the overall project. These improvements included installing the surface parking lot on the south side of Santa Clara Street between "O" and "N" Streets, a water main along "O" Street south

of Ventura Street, curbs, gutters and sidewalk from "N" to "O" Streets, a storm drain, and communication lines and utilities.

The construction of the \$24 million, 60,000 square foot, three-story 5th District Court of Appeal building in Phase 1A was completed with a dedication on September 13, 2007. The courthouse and surrounding improvements have significantly advanced the goals of the project and enhanced a major entryway into downtown Fresno from Freeway 41.

During the year, the Agency worked with the City and outside counsel to address litigation relating to environmental reports and historic homes. The Agency's consultants prepared a Subsequent Environmental Impact Report (SEIR), Receiver Sites Assessment Study and Economic Feasibility Study. The identified "Final Receiver Site" selected was "L" Street, which is within the boundary of the Old Armenian Town Settlement Area.

Old Armenian Town Historic Properties - The Agency has maintained and followed the guidelines from the Secretary of the Interior for the maintenance of five historic homes identified through the CEQA process. Based on recommendations from the Historic Resources Assessment report prepared in FY 06/07, the Agency has continued the monitoring of the historic homes and has compiled a complete record of maintenance activities with supporting documentation which is continuously updated.

Parking Lot Improvements - To address parking issues and improve visual quality, the FY 07/08 Budget provided funding for improving the Agency-owned lot at the corner of Van Ness Avenue and Inyo Street for parking. Improvements are expected to be completed shortly.

South Stadium Project - On August 28, 2007, the Agency Board approved Amendment No. 3 to the Exclusive Negotiating Agreement (ENA) with Forest City Development extending the ENA to January 2009 to provide sufficient time for completion of the Environmental Impact Report (EIR) and Disposition and Development Agreement (DDA). The proposed project focuses on housing with associated retail uses and includes a "District of Fountains" plan that incorporates water features in the form of fountains at key locations.

Impact Sciences' contract to prepare an EIR was executed and has commenced. The Notice of Preparation (NOP) was sent out in early December with the scoping meeting held on December 20, 2007. Staff from the Agency, City Attorney's Office, Planning Department, Impact Sciences, Forest City and their CEQA counsel meet weekly regarding the EIR and the planning process for this project. Utilities studies and an historic resources inventory analysis have been completed.

Agency staff reviewed and analyzed Proposition 1-C funding programs including the Infill Incentive program and the Transit Oriented Development (TOD) Housing program for applicability to the South Stadium Project. A land acquisition loan application for \$3 million dollars was submitted to the Housing and Community Development Department on March 7, 2008. An application for a \$19 million Infill Infrastructure Grant was submitted to the State Housing and Community Development Department on April 4, 2008.

Jefferson

Community Medical Center Project (CMC) - In FY 06/07, transfer of title of property within Phase II of the 58 acre Community Medical Center was completed. Utilizing a portion of the land the Agency transferred to Community Medical Center, the hospital, along with the Penstar Development Group, is constructing an 88,000 square foot four-story office building that will house a Neuro-surgery Center, turning CMC into one of five "Level-One" Trauma Centers in California. A new 6-deck parking structure will service the trauma center. Construction began in mid-May and is expected to be completed by the summer of 2009.

Community Medical Center Project – Phase III - CMC is endeavoring to help attract the UC Medical School System to the Central Valley. If successful, CMC would be a main site for training and education, which will help realize the hospital's goal of becoming a Regional Academic Medical Center.

Mariposa Area

Downtown Hotel - On April 8, 2008, the Agency and City entered into an Exclusive Negotiating Agreement with Fresno Convention Center Properties, LLC to determine feasibility for development of a three to four star hotel at the northeast corner of "M" and Inyo Streets.

Ice House - Over the past several years, the Agency has worked with prospective buyers for reuse of the Ice House Building located at "P" and Mono Streets and successfully facilitated purchase of the property. The Agency is providing assistance in various ways to help the successful adaptive reuse of the building, including tenant referral and working with the developer to plan amenities such as proximate parking.

Tulare & "R" Streets/Old Fresno Hofbrau Site - An international retailer is pursuing development of a grocery store on the cleared Old Fresno Hofbrau site. Evergreen Development which represents the grocery store chain Fresh & Easy proposes to develop a 15,200 square foot grocery store with a landmark clock tower and incorporation of public art. The developer is currently seeking the appropriate entitlements to proceed with construction. The developer and the retailer are seeking Agency assistance through an Owner Participation Agreement that was reviewed by HCDC on March 12, 2008 and is planned for Council consideration in July.

South Van Ness

Business Retention and Attraction - Aquarius Brands is the leading manufacturer of micro irrigation systems. Through a negotiated Memorandum of Understanding (MOU) with the Redevelopment Agency, Aquarius Brands Inc. has chosen to move its operations from Southern California to its current site on Florence Avenue, resulting in a major consolidation and expansion benefiting Fresno. The plant has increased the number of employees from 39 to 200. To induce the retention and expansion of this important industry leader the Agency is building street improvements consisting of curb, gutter, sidewalks, paving, street lights and storm drains along Florence Avenue. The Fresno Metropolitan Flood Control District has agreed to reimburse the Agency for the cost of installing the storm drain.

Infill Development/Receiver Site - In FY 07/08, the Agency purchased blighted property at the northeast corner of Van Ness and Monterey Streets that is appropriate for infill redevelopment and could serve to temporarily receive relocated historic homes in conjunction with the Old Armenian Town project.

Valley Foundry Park - The Agency, through a community facilities district, facilitated Valley Foundry Industrial Development. The project continues to grow with the construction of 194,000 square feet to date.

Southwest Fresno

HOPE VI - Hope VI is a multi-phased, multi-housing type master planned community generally located between West, California, Walnut and Church Avenues. The master plan envisions approximately 267 housing units and commercial, retail and community service uses. The 3,500 square foot \$1.8 million Community Enrichment Center, which features a pre-school, community room and computer lab, opened in December 2007.

The Agency is supporting the \$20 million HOPE VI grant fund award through multi-year contributions that include: Agency owned land (14.16 acres); assembly of additional land (approximately 16 acres) for a mixed-use project between California, Church, Walnut and Plumas Avenues; assistance for development of a recreation center and parking facility; and various street improvements.

California Avenue Improvements and Land Acquisition - The Agency's commitment of \$600,000 for California Avenue widening enabled HOPE VI to proceed with site plan approvals for the Yosemite Village on the south side of California between West and Fruit Avenues.

California/Walnut Mixed Use - The Agency acquired 19 parcels (16 acres) for a planned mixed use development of approximately 60,000 square feet anchored by a County West Fresno One Stop Service Center and library along with medical professional offices and retail. In addition to assembling this major site, the Agency relocated a number of households into improved housing. Asbestos abatement, demolition of blighted buildings and site clearance is virtually completed.

The Agency completed a draft Disposition and Development Agreement (DDA) for the mixed-use development. The master developer anticipates an approved lease agreement with the County of Fresno for the County One Stop Service Center in the very near future.

Park Development/Improvements - In furtherance of the Hope VI Project, the Agency purchased .82 acres at 2304 S. Walnut located within the Hope VI project area. Acquisition of this parcel will help provide for the realignment of Walnut Avenue and recreation center planned for the area.

Sequoia Community Health Center (SCHC) - In 1993, the Agency entered into a Disposition and Development Agreement (DDA) with Sequoia Community Health Center (SCHC) to assemble and convey ten acres of land for expanded health care services to low and

moderate income persons. Due to changing medical service trends and funding, SCHC was unable to complete the required conditions. The Agency negotiated a development agreement in which the remaining 7.5 acres of undeveloped land was returned to the Agency in exchange for a one acre parcel to be developed as a dental center by SCHC through an approved state grant. The dental center is under construction and scheduled to be completed in fall 2008.

The Agency issued a Request for Proposals (RFP) for affordable housing on the 7.5 acres. The selection panel's recommendations regarding the proposals received are being processed through HCDC for Board consideration.

Streetscape and Street Improvements - Implementation of the West Fresno Community Vision Plan moved forward in FY 06/07 with the award of a bid for construction of two landscaped median islands for Tulare Street on "B" and "C" Streets. Construction was completed in October 2007. The West Fresno Community Vision Plan with over 300 community participants was prepared for the Council of Fresno County Governments (COG), Fresno West Coalition for Economic Development and Local Government Commission and adopted by the City Council.

In July 2007, the Agency approved an Owner Participation Agreement (OPA) to facilitate the development of 16 affordable homes in the area bounded by San Joaquin, "A", Trinity, "B" and Amador Streets. Through the OPA, the Agency contributed \$150,000 that included \$75,000 in street and alley improvements; and, a \$75,000 direct grant to the developer toward the construction of the homes. The developer has recorded covenants ensuring affordability of three homes for the term of 45 years.

Southwest Fresno Community Meetings - Agency staff has participated in Southwest Fresno Community Group meetings and presented an in-depth report of Redevelopment Plans and Implementation Activity in Southwest Fresno and responded to various issues. The committee is an out-growth from the Mayor's February 12th "Truth on the Table" meeting.

Whites Bridge Road Planning and Development - The reconstruction of Whites Bridge Road from Freeway 99 to West Avenue was funded through federal and state grants with the Agency providing the balance of funds needed for the project. The reconstruction began in June 2008 and is expected to be completed by early fall.

Airport Area Revitalization

Street and Infrastructure Improvements - Engineering plans for the reconstruction of Carmen Avenue between Maple and Chestnut Avenues were completed in late April 2008. Improvements to be constructed in FY 08/09 will consist of curb, gutter and new paving. This project helped to trigger 158,000 square feet of new industrial development and advances future industrial development of another 20 acres.

Streetscape - Airport Beautification Project - McKinley/Peach to Clovis - A press conference held on May 7, 2008 showcased the recently completed Airport Beautification Project. The project, designed to enhance Fresno's gateway between the Airport and Central Area, had

two components. The first component included new wrought iron fencing and landscaping near the intersection of McKinley and Clovis Avenue frontages. The project also included a new monument sign for Fresno Yosemite International Airport (FYI) at the corner of Clovis and McKinley Avenues and new landscaping in the median island in Clovis Avenue. In addition, the Agency constructed a right turn lane at the northwest corner of McKinley and Clovis Avenues. The turn lane was to be part of a future Clovis Avenue reconstruction project. The Agency bore the cost and advanced turn lane construction to avoid removal and replacement of landscaping and other improvements during the future Clovis reconstruction project.

The second component provides for an extensive greenbelt on the south side of McKinley Avenue along Mill Ditch between Peach and Clovis Avenues enhancing the gateway between the Airport and central Fresno.

Central City Commercial Revitalization

Street and Infrastructure Improvements - Belmont area businesses and residents, in a series of community meetings, identified street light improvements along Belmont as their number one priority. This project was set out in two phases based upon available funding. In March 2008, the first phase of the project to upgrade and add lighting along Belmont Avenue from Freeway 41 to Cedar Avenue was completed. The project consisted of removing intermittent, unsightly overhead feed and wood pole installations and installing new underground lines to City standards on both sides of Belmont Avenue. The second phase will extend the lighting project along Belmont from Cedar to Chestnut Avenues.

Hidalgo Safe Schools - The Agency provided sidewalks, curbs, gutters, driveway approaches, wheelchair ramps, paving and streetlights in the Hidalgo school area to improve pedestrian safety.

Streetscape - Design plans have been prepared for the landscaped median islands in both Blackstone and Belmont Avenues with construction anticipated to occur in phases as funding is available. In addition, the Agency engaged the Economic Opportunities Commission Local Conservation Corp (LLC) to perform work on Blackstone median islands between Princeton and Cornell Avenues. The work included upgrading the irrigation along the entire two-block target area, installing new shrubbery and cleaning out debris from the median islands. The LCC completed this work on February 20th, 2008.

Freeway 99/Golden State Boulevard Corridor

Real Property Acquisition and Blight Removal - In FY 07/08, the Agency completed the purchase and tenant relocation for the Bel Air Motel property on Olive and Weber adjacent to Agency owned property at the northeast corner of Olive and Weber Avenues. The Agency is working for the site's reuse as commercial development or as a Parks, Recreation and Community Service Department maintenance facility.

Golden State Boulevard Improvements - Engineering and design plans were completed for the reconstruction of Golden State Boulevard between Ashlan and Shaw Avenues and award for construction has been approved for the first phase between Ashlan and

Gettysburg Avenues. The proposed street improvements will consist of curbs, gutters, paving, street lights, street trees, bike lanes and traffic signals. Additional improvements will include the extension of water, sewer and storm drains. This is a multi-year project with a second phase from Gettysburg to Shaw Avenues anticipated next fiscal year. The Golden State Boulevard improvement will help advance approximately 90 acres for future industrial and commercial development and helps to serve a 6.59 acre, 78,530 square foot office/retail development.

Street & Infrastructure Improvements - Ashlan Avenue (Freeway 99 to Blythe) - The Agency and City partnered to improve Ashlan Avenue to four lanes from Freeway 99 to Blythe Avenue including landscape median, street trees, lights, curb, gutter and sidewalk. The bid process has been completed and construction for this \$650,000 project is expected to begin in June 2008 and be completed in the early fall. The conversion of this bottle neck to an attractive four lane thoroughfare improves traffic circulation and air quality, better serves area residents and existing businesses and will help to stimulate commercial and industrial development of about 13 acres at one of Fresno's major intersections at Freeway 99 and Ashlan Avenue.

Marks and Dakota Improvements - To stimulate commercial development the Agency is improving the southwest corner of Marks and Dakota Avenues with the installation of sidewalks, ADA ramps, street trees and irrigation, along the frontage of Marks and Dakota Avenues. The project will stimulate development of a 50,000 square foot manufacturing facility.

Marks and Dakota Signalization - The bid process has been completed and the contract is to be awarded in June 2008 for traffic signalization of the intersection at Marks and Dakota Avenues. The project consists of four way traffic signals including protected left turn phasing.

McKinley Avenue (Freeway 99 to Marks Avenue) - The Agency retained a consulting firm to prepare design and specification for the McKinley Avenue improvements between Freeway 99 and Marks Avenue that will improve traffic circulation and safety for the general area including Jane Addams School.

Polk and Shaw - To relieve congestion and improve circulation and safety, needed improvements to Shaw Avenue between Freeway 99 and Polk Avenue include: (1) widen Shaw and provide a second eastbound lane between Polk and 99, (2) reconstruct the traffic signals with protected left turns for north and southbound on Polk; and (3) widen the intersection for protected left turn lane and dedicated right turn pockets.

The City is receiving \$950,000 in Prop 1B Funds for the project. The Agency's participation will enable commencement of the project through funding for initial design work.

Herndon Townsite - To improve infrastructure in the Herndon Townsite area and secure affordable housing opportunities in Northwest Fresno, the Agency, through a developer reimbursement agreement, provided \$250,000 toward street improvements that combine with developer-provided underground water, sewer and storm drain improvements. The Agency obtained 45-year affordability covenants for low and moderate income families for

five homes within the nearby 230 unit development.

Fresno Air Terminal (FATRA)

Environmental Cleanup - Environmental clean-up activity for the airport area continues to be a priority and the majority of the project area resources are allocated to this purpose or debt service.

SB 211 Plan Amendment - In 2001, SB 211 was passed (codified in part at CRL Section 33333.6(e)(2)) which permits an amendment to delete the Debt Incurrence Time Limit for redevelopment plans adopted prior to 1993. On April 29, 2008, the Agency Board approved an amendment to delete the Debt Incurrence Time Limit for the Fresno Air Terminal Redevelopment Area (FATRA) redevelopment plan thereby enabling the Agency to incur debt to the Plan's expiration date of July 18, 2029. Without the removal of the Debt Incurrence Time Limit, tools to make further improvements and attract investments to the FATRA Plan Area would be severely limited. The adopted amendment enables the Agency to continue to support work leading to environmental cleanup and to attract new investment to the area.

Roeding Business Park

The Agency continues to work with the Economic Development Corporation (EDC) brokers and businesses to attract development. The Agency through the multi-agency Industrial Task Force is working to add approximately 750 acres for incorporation and industrial development in the area west of the Roeding Business Park to leverage recently constructed infrastructure and proximity to Freeways 180 and 99.

Infrastructure and Improvements - Whites Bridge Road Planning and Development - The reconstruction of Whites Bridge Road from Freeway 99 to West Avenue was funded through federal and state grants with the Agency providing the balance of funds needed for the project. The Agency worked to secure EDI funds of \$447,075 that are being used for the segment between Teilman and West Avenues. The reconstruction began in June 2008 and is expected to be completed by early fall.

Infrastructure improvements have helped stimulate and attract business development. New business development, expansion of existing businesses or relocations since formation of the project area through June 30, 2007 include:

- Right-Now-Couriers constructed a 20,000 square foot building at 188 West Avenue;
- Delta Rubber Products, a wholesale-distributor relocated into a 25,860 foot building within the West Commerce Center at the northwest corner of West Avenue and Dan Ronquillo Drive;
- Woodworking Specialties, a cabinet and millwork operation, moved into the existing 18,992 square foot building located at 411 S. West Avenue adjacent to Freeway 180 West;
- Specialty Branded Products, a premium meat processor, purchased a vacant 6-acre parcel for the construction of a 100,000 square foot concrete tilt-up building at the southwest corner of Nielsen and Hughes Avenues;
- Horizon Enterprises constructed two 25,860 square foot office-warehouse buildings at the northwest corner of West Avenue and Dan Ronquillo Drive with additional construction planned for future phases of development;

- Central Sanitary Supply Company constructed a 50,000 square foot building at 1149 Nielsen Avenue;
- Pleasant Mattress, Inc. completed construction of its new 102,000 square foot manufacturing plant consisting of a tilt-up masonry building with extensive landscaping on the east side of West Avenue at Dan Ronquillo Drive;
- Certified Ad Services added 30,000 square feet in warehouses to its existing plant located at 909 West Nielsen Avenue;
- The Central California SPCA constructed a new 10,676 square foot animal shelter, 2,400 square foot barn and free standing snack bar on the 11 acre site located at 103 South Hughes Avenue;
- MVP Hydratech, located at 1331 South West Avenue, added 10,700 square foot of floor area to the existing 34,498 square foot building for assembly operations and storage;
- Lorena Restaurant added a new kitchen and scullery to the existing restaurant and a 410 square foot patio cover to an existing outdoor dining area. The restaurant is located at 435 West Belmont Avenue;
- Cliff Hangers, Ltd, constructed an approximately \$2 million, 81,300 square foot aircraft hanger which accommodates 66 aircraft at the Fresno-Chandler Downtown Airport;
- The Whirlwind Car Wash, located at 225 North "H" Street, remodeled and expanded its facilities to include an office, staging area and mini-mart.
- Calaveras Materials Inc., located at 410 West Thorne Avenue, replaced an existing batch plant with a new 90-foot high batch plant;
- The Sprint Corporation added 3,000 square feet of floor area to its fiber optics transmission center at 233 West Voorman Avenue;
- Producers Dairy located at 144 West Belmont added a new office building at the southwest of Palm and Belmont. Producers also added a 925 square foot orange off loading station, a 2,000 square foot milk off loading station, a 10,960 square foot bottle warehouse and a 12,375 square foot cold storage building;
- La Tapatia Tortillera expanded into an existing building to the west of its existing plant located at 102 East Belmont Avenue. The site was expanded with the vacation of Harrison Avenue to consolidate the existing plant and the added building. La Tapatia has also made new facade improvements to integrate the design and enhance the appearance of the buildings;
- California State Department of Corrections built a 20,169 square foot office building at 405 East Divisadero;
- American Paper Conversions constructed a 19,960 square foot warehouse at 2290 "G" Street just north of Nielsen Avenue;
- U.S. Food Service Distribution Company (formerly Hestbecks), located in the old Rykoff warehouse added a 37,790 square foot cold storage unit to the existing facilities located at 302 North Thorne Avenue. Approximately 50 new jobs were created by this business;
- Mygrant Glass constructed a new warehouse-distribution center at 485 West Nielsen;
- Patton Air Conditioning expanded its facilities located at 272 Palm Avenue adding 2,557 square feet and a parking lot for employees and customers;
- Level (3) Communications, a Fiber Optics Internet Service Provider, renovated an existing 72,000 square foot building at 310 West Napa to house an unmanned switching station with an estimated cost of improvements and equipment between \$2 to \$3 million.

South Fresno Industrial Revitalization

Street and Infrastructure Improvements - Cedar Avenue Water Main Extension Project – The Agency has identified target areas for strategic infrastructure improvements to stimulate industrial infill development and advance planned industrial properties to shovel ready status. In FY 07/08, the Agency completed plans, specifications and bid process for the extension of the Cedar Avenue water main from Muscat to just south of Central Avenue. The project has stimulated the immediate development of 30 acres: a 36,000 square foot development on 15 acres by a major transportation company expected to generate 70 to 100 new jobs; and, 35,000 square feet on 15 adjacent acres. The project also advances development of about 128 acres to shovel ready status and of that acreage has specifically

led to an MOU for the eventual development of 100 acres.

Cedar/North Paving - To retain an existing business and spur additional development, the Agency paved the ramp on North Avenue between and Freeway 99 and Cedar Avenue. Valley Wide Beverage Company experienced extensive loss of product due to extremely rough roadway. The new paving reduces loss, improves traffic safety, enhances visual quality of the area, retains an existing company with 338 employees in a 92,340 square foot building and spurs development of approximately 80,000 square feet.

East Avenue Improvements - The Agency will provide for the reconstruction of East Avenue between Jensen and North Avenues consisting of curbs, gutters, paving, street lights, sidewalk and storm drain improvements. The East Avenue improvements, through a Memorandum of Understanding (MOU) adopted on April 15, 2008, triggered retention and expansion of Utility Trailer Sales resulting in the addition of \$8.5 million of new value including a new 45,000 square foot building and almost doubling the number of employees to 70. These improvements will also have a positive economic impact in the area and community helping to trigger a 100,000 square foot manufacturing development and advancing future development of 80 acres.

Southeast Fresno

Real Property Acquisition and Blight Removal - The Agency purchased two properties at the northeast corner of 10th Street and Ventura Boulevard. Consistent with Agency goals, this voluntary acquisition provides for blight removal along a highly visible corridor and the prospect of a higher density use of the land consistent with the Southeast Fresno Revitalization Plan.

Commercial Neighborhood Center Revitalization - In a joint effort to revitalize a blighted block on the south side of Ventura between Eighth and Seventh Streets, the Agency and the City of Fresno's Housing Department are proposing a new affordable housing project. The acquisition portion of the project included the City's purchase of the former FUSD site located at 717 S. Seventh Street and the Agency's acquisition of the adjoining blighted property at the corner of Seventh and Ventura Streets. The Agency demolished the buildings on March 12, 2008.

The City and Agency issued a joint Request for Qualifications (RFQ) for the project and approved the selection of Urban Pacific Group (UPG) on April 1, 2008. The Agency is moving forward with negotiations for an Exclusive Negotiating Agreement (ENA).

UPG will develop a mixed use project featuring 114 rental apartment units available to seniors earning less than 60% of the area median income and 6,200 square feet of commercial space. On April 4, 2008, the Agency and UPG submitted a \$1.6 million infill infrastructure grant application to the State of California Housing and Community Development Division.

Housing

Community Housing Partnership - Major and minor rehabilitation program - During FY 07/08, the Community Housing Partnership Program (CHPP) processed and completed

rehabilitation of 68 homes for low-income families. An additional 43 applications have been reviewed and approved and are in the process of bid development or construction. As of June 30, 2008, 1,515 homes will have been rehabilitated for low-income families since the inception of the program.

Housing Authorities - Boarded Up/Lot Purchase Program/Infill Housing - Through the CHPP, the Agency acquired the boarded up Southwest Fresno properties at 1235 E. Calwa and 347 W. Strother for rehabilitation. Rehabilitation of 1235 E. Calwa was completed and the home was sold for \$175,000 to a low income family. Deemed beyond repair, the house at 347 W. Strother was razed and the site prepared for the relocation of a house moved from 145 E. Geary. The Geary house was moved in mid-October and will be put on the market for sale to a low income family once rehabilitation of the home has been completed.

A large vacant lot in Southwest Fresno, purchased through the CHPP, was re-parceled into two lots and is now site ready to accommodate two new homes. Bids for the construction of the two homes have been received and are being evaluated by the CHPP.

In FY 06/07, the CHPP acquired a boarded up structure at 4629 E. Nevada Street and remodeling plans were approved by the City in October 2007. The CHPP also acquired the boarded up home at 3404 N Woodson and is working with local non-profit agencies to rehabilitate the two buildings.

California & Fruit Brownfield Cleanup Grant - The Agency has received a \$200,000 EPA Brownfield's Cleanup Grant for property at the southeast corner of California and Fruit Avenues. The clean-up grant requires a 20% matching contribution of \$40,000 from the Agency. Cleanup will enable the site to be developed for housing as part of the Hope VI Project. A representative from the EPA presented the award on June 3, 2008.

California Triangle - The Agency, through its Community Housing Partnership Program with the Housing Authority, has completed the acquisition of 11 of the 14 properties for the California Triangle project located along California Avenue between Kern Street and Waterman Avenue. Asbestos surveys of the acquired properties were completed and the contract for demolition has been awarded. Demolition of the apartment buildings and a single-family home was completed in February 2008. This project will provide approximately 15 new affordable single family homes.

Casa San Miguel - Forty-one new affordable homes have been completed. The Agency negotiated and amended its contract with the Farmworker's Service Center (FSC) for the construction of three homes on the remaining parcels originally planned for a community center. The financing plan provides for an Agency construction loan for the three remaining housing units to be repaid from the sale proceeds. The FSC has postponed construction, pending improvement in housing market conditions.

Downtown Housing and Mixed-Use Development - The Agency has directed substantial resources to further the goal of downtown housing development. Approximately 360 units have been recently completed, are underway or planned with the assistance of the Agency:

Fulton Park Plaza - Through a Disposition and Development Agreement (DDA), the Agency

is providing \$1.2 million in gap financing and will receive affordability covenants for 16 units in this 80-unit \$10 million mixed-use development. The developer has satisfied pre-conveyance conditions and the Agency is conveying the site for groundbreaking and construction to begin.

Next Generation Group/Fulton Village - The Agency, through an Exclusive Negotiating Agreement (ENA), and developer are working on land assembly and feasibility analysis for a 45-unit development near Fulton and Amador Streets.

H Street Lofts - The Agency, through an Owner Participation Agreement (OPA), is providing \$300,000 in gap financing and will receive six affordable covenants in this \$3.5 million 26-unit H Street Loft project. The H Street Lofts are adjacent to the recently completed 38-unit Vagabond Loft development which was assisted by \$400,000 in Agency funds.

Legacy - Through a Disposition and Development Agreement (DDA), the Agency is providing approximately \$2.7 million and receiving 55-year affordability covenants for 24 units within the 171-unit \$43 million mixed-use project.

Elm Crossing Infill Housing - The Agency issued Request for Qualifications/Proposals (RFQ/RFP) for the development of an affordable housing project on this combined 2.72 acre, two-parcel site. The five RFQ/RFP's received on March 7, 2008 are being processed.

HOPE VI Infill Housing - The Agency purchased one parcel at 29 E. Florence for infill housing in the HOPE VI area between California, Church, West and Walnut Avenues.

Southwest Fresno Infill Housing - Through a negotiated agreement with Sequoia Health, the Agency received 7.5 acres of vacant land on Annadale Avenue just west of Elm Avenue. The Agency issued a request and subsequently received Proposals/Qualifications for a potential housing development on the 7.5 acre property reconveyed to the Agency. It is expected that the site will accommodate up to approximately 230 units. The selection panel's recommendation is being processed through the HCDC for Board consideration.

South Clara and West North Housing Project - Private developers sought assistance from the Agency for development of 11 affordable single-family homes at Santa Clara/North Avenue. The Agency, in exchange for development of a ponding basin and off-site infrastructure, required 45 year low-to-moderate income covenants on each of the 11 parcels. An Owner Participation Agreement (OPA) agreement was approved by the Agency Board in June 2007. The developer has finalized the tract map and is working to secure the necessary funding for the project.

Recommended

Budget

for

FY 08/09

Redevelopment Agency of the City of Fresno

DEBT SERVICE AND CONTRIBUTIONS

During FY 08/09, funds have been budgeted as follows:

Merger 1

Central Business District Payment to City on \$1,500,000 loan for stadium project	\$141,981
Central Business District Agency contribution to the City's Stadium Bond	\$200,000
Convention Center Project Area Contribution Reserve for Conference Center-Certificates of Participation	\$420,000
Fulton Payment to City on \$1,500,000 loan for streetscape project	\$141,981
Mariposa Project Area 2003 Tax Allocation Bonds, Series A (Civic Center Square/Kern Street Improvements)	\$426,754

Merger 2

Southwest Fresno \$10,000,000 2001 Tax Allocation Bond	\$886,728
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Roeding Business Park

\$2,118,000 loan from California Infrastructure & Economic Development Bank	\$117,020
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Redevelopment Agency of the City of Fresno

ADMINISTRATIVE AND MANAGEMENT SUMMARY

The administration and management costs identified in this budget section are allocated across all project areas.

Salary and Benefit Changes - The FY 07/08 Proposed Budget funds anticipated increases to pay rates and related benefits comparable to adopted City MOUs.

Intern Program - The Agency has an intern program intended to provide a professional training opportunity and experience for college students and recent graduates while meeting the Agency's staffing needs for short-term assignments in specialized areas. The intern program is limited to 900 hours per intern per fiscal year. The costs are allocated to specific project capital accounts.

Edison High School Intern Program - To increase opportunities for young students the Agency initiated a paid intern program with Edison High School and currently has three interns from the Edison High Area who work part time as their school schedule permits. The Agency is working with Edison High and FUSD toward a formal program in which the students will receive class credits with the program.

Capital Equipment - The Agency is implementing final phase of the document imaging and storage program in FY 08/09. When the program is completed the Agency will have more efficient access to redevelopment records and documents. A cost savings will be realized by reduction of physical storage area. The FY 08/09 Budget includes funds for annual upgrading of old and obsolete computer equipment.

Grant - The Agency is participating in partnership with the City to provide \$50,000 in matching funds towards a \$250,000 grant to a new business which will become "Fresno based". The grant is contingent upon receipt of matching funds from the private sector and compliance with all redevelopment agency laws. An allocation of \$50,000 from Agency funds was approved in the FY 06/07 Budget and will be carried over to the FY 08/09 Budget.

Public Information/Exhibits and Travel/Training - The FY 08/09 Budget continues to include funding for staff training at the California Redevelopment Association Institute and other workshops. The budget also includes funding for marketing, participation and promotional materials at various conferences and venues in furtherance of Agency goals to attract new investment.

Website - In FY 08/09 the Agency's website continues to provide visitors with highlights of current and future projects, publicly noticed environmental documents, job postings, new releases, links to collaborative partners, and maps of redevelopment boundaries. Updates to the site are made on an ongoing basis.

Redevelopment Agency of the City of Fresno

ADMINISTRATIVE and MANAGEMENT SUMMARY

	FY08	FY09
Program Appropriations		
Personnel Services		
Permanent Salaries	1,251,494	1,323,734
Fringe	358,920	409,019
Employee Leave Payoff	17,000	20,700
Non-Permanent Salaries	0	27,000
Gen Serv Pens Oblig Bnd Dbt Serv	10,600	5,200
Recurring Vehicle Allowance	<u>3,600</u>	<u>3,600</u>
Total	1,641,615	1,789,253
Financial/Accounting/General Consultants	40,000	40,000
Operations/Maintenance		
Rent	98,364	98,364
Capital Equipment	20,000	25,000
Copier Lease	25,500	28,000
Computer Services	35,100	42,700
Computer Software - Microsoft Migration	11,300	2,600
Dues/Subscriptions/Publications	15,000	20,000
Grant - Entrepreneur USA Business Plan	50,000	50,000
Office Supplies	20,000	22,000
Office Equipment	7,000	10,000
Postage	6,000	10,000
Public Information/Exhibits	20,000	30,000
Special Programs	0	3,000
Telephone - Service	18,600	13,600
Travel/Training	20,000	25,000
Interdepartmental Charges to City of Fresno	<u>34,400</u>	<u>34,400</u>
	<u>381,264</u>	<u>414,664</u>
	<u>2,062,879</u>	<u>2,243,917</u>

Redevelopment Agency of the City of Fresno

ADMINISTRATIVE and MANAGEMENT SUMMARY

	Budgeted Positions FY08	Budgeted Positions FY09
<u>Full Time Employee Positions</u>		
Engineer/Professional Engineer	1	1
Executive Director	1	1
Executive Secretary	1	1
File Clerk/Administrative Assistant	1	1
Financial Officer	1	1
Project Coordinator	3	4
Project Manager/MA	5	5
Receptionist/Senior Secretary	1	1
Redevelopment Administrator	1	1
Senior Project Coordinator	3	3
	18	19
Housing Consultant conversion to Project Coordinator	1	0
Total	19	19

Redevelopment Agency of the City of Fresno

MERGER 1—DOWNTOWN FRESNO

Plan Implementation/Merger and Plan Amendment - In order to further proceed with the revitalization of downtown Fresno, plan limits of the ten redevelopment project areas within Merger 1 need to be updated to address the financial strategies necessary to implement the Agency's work program.

Real Property Acquisition and Disposition/Blight Removal - In FY 08/09, the Agency has budgeted funds for the potential acquisition of land for blight removal and to encourage redevelopment.

Central Business District

The Agency continues to work with the existing and potential businesses, tenants and private developers to facilitate optimum use and occupancy of office, commercial and residential space including remodeling and new construction in the Central Business District. In addition, the Agency will continue to pursue options to improve the mall environment in conjunction with existing and major new development. Downtown housing and mixed use development continues to be a major priority in FY 08/09.

Commercial Rehabilitation - As part of its commitment to revitalize the Fulton Mall, the Agency's FY08/09 Budget includes a significant increase in funds allocated to the Commercial Rehabilitation Loan Program. The Agency is working with the City and Chambers' downtown task force to develop new design guidelines for Fulton Mall. To increase participation in the Agency's façade program, marketing materials are being revamped by a graphic designer and the Agency is working with several architects to produce examples that illustrate potential improvements to several buildings along the Fulton Mall. An informational workshop is planned to promote the program.

Streetscape/Street Improvements - Broadway-Tuolumne Parking Lot - The FY 08/09 Budget provides for the expansion and reconstruction of the existing parking lot located at the southeast corner of Broadway and Tuolumne Streets in the Central Business District. The expanded parking lot includes and integrates underutilized Agency property that was formerly a frontage road. The project will enhance visual quality and help address parking needs in the area.

"H" Street Realignment - The Agency is working to abandon the Broadway Diagonal and realign "H" Street between Fresno and Merced Streets to improve circulation and land use and revitalize the area around the IRS building, Agency owned "H" Street lot and former Hotel Fresno.

Chinatown

Plan Development/Amendments/Chinatown Mixed-Use - Under the terms of the extended

Exclusive Negotiation Agreement (ENA), the Developer, Historic Chinatown LLC, is expected to refine the master plan and prepare a related financial pro forma, market study, environmental reports, project description and conceptual deal points for the revised project study area that is now approximately 125 acres bounded generally by Fresno Street, 41, 99 Freeways and Union Pacific Railroad (UPRR). Included within the revised ENA boundaries, the area south of Ventura Street to San Benito Street between the Union Pacific Railroad and Freeway 99 has been identified as the preferred location for a public safety building and the Developer is working on related conceptual plans. In addition to the south side of Ventura, the Agency is working with the Developer for potential office development on the north side of Ventura Street generally between "F" Street and the Union Pacific Railroad.

Development by Historic Chinatown LLC and owner participants envisions a combination of new construction on infill sites and expansion and/or rehabilitation of existing buildings compatible with the historic and cultural aspects of the Chinatown area.

Agency staff will continue working with owner participation candidates selected by the Agency Board. The Agency will work with the developer and project area committee for potential plan amendments for land assembly authority in furtherance of the project area goals. The FY 08/09 budget provides for plan amendment studies and ENA project related costs.

Plan Implementation - The Agency will continue to support business retention and attraction through activities such as community clean up days, business education workshops, commercial façade programs, various community activities and festivals.

Real Property Acquisition and Disposition/Blight Removal - The Agency will continue to identify targets of opportunity for acquisition in the project area, including sites for office development along the north and south side of Ventura Street between "F" Street and the Union Pacific Railroad.

Streetscape/Street Improvements - For the Ventura Widening and Downtown Entryway Beautification Project located generally between Freeway 99 and "H" Street, the Agency will continue to identify targets of opportunity for acquisition. It is anticipated that Measure "C" funds will assist the project.

Convention Center

Real Property Acquisition and Disposition/Blight Removal - The budget provides funds for potential property acquisition consistent with Agency goals to remove blight and facilitate new investment.

Legacy - Agency staff will continue project management in connection with the Disposition and Development Agreement. Weekly project meetings are held with representatives from the Redevelopment Agency, City departments, project architect and developer.

Old Armenian Town - Ventura/41 - Street Improvements - The Agency continues its role in the coordination and development of the approximately ten-acre Old Armenian Town

Development Project pursuant to the Master Development Agreement (MDA). Agency is required under the MDA to identify available funds to cover various costs including land acquisition. The FY 08/09 Budget provides for phased acquisition and related land assembly costs.

The FY 08/09 Budget provides funding for the relocation of five historic homes including moving and reestablishment costs. Funds have also been budgeted for the maintenance of the historic homes at the temporary site.

"O/P" Street Diagonal - Staff has continued to work with property owners and developers on strategic land acquisition and conceptual plans to remove blight and redevelop the major downtown entryway at the "O/P" Street Diagonal with office, parking and other uses consistent with and in support of area redevelopment including the Old Armenian Town and Legacy Projects. The budget includes funding for Disposition and Development Agreement (DDA) preparation and environmental, traffic and related studies.

South Stadium Project - The mixed use South Stadium Project focuses on housing with supporting retail uses in a six-block area between "H" Street, Van Ness Avenue, Ventura Street and Inyo Street. The master developer is working to prepare deal points, financial pro-forma, revised project design and related studies, including environmental and traffic reports leading to an Environmental Impact Report (EIR) and negotiations for a Disposition and Development Agreement (DDA). Agency staff will continue with project coordination including identification of any additional plan amendments and related work as may be required. To address the projected funding gap, staff and the developer are working to identify various available funding sources. It is projected that expenses during the budget year will be generally relate to completion of the EIR and project coordination services for Phase 1 of the project.

The Convention Center and Central Business District project areas south of the stadium have long been identified as heavily blighted areas and the plans provide call for blight removal and mitigation of adverse conditions. The budget, under property acquisition and blight removal, provides for strategic acquisition in furtherance of adopted plan objectives.

Jefferson

Regional Medical Center - Nottoli - Pursuant to a settlement agreement, the Agency entered into a financing lease with Nottoli C.M.C. to purchase an office complex located at 2021-2045 Divisadero and a 6-unit apartment complex located at 161 N. Clark as part of land assembly for the Regional Medical Center project. The Agency makes monthly lease payments to Nottoli C.M.C. and receives offsetting income.

Mariposa

The Agency continues to work with existing and potential businesses to facilitate office/commercial leasing and development in the area. In addition, the Agency continues to monitor projects in the area for compliance with existing development agreements.

Ice House - The Agency is working with the owner and negotiating an owner participation

agreement for the successful adaptive reuse of the Ice House Building. The owner is preparing information related to cost analysis and construction scheduling. The Agency has budgeted funds in the FY 08/09 to potentially assist with funding gaps and market driven needs such as proximate parking.

Tulare and R Street Project - The Agency has been working with the developer and retailer, Fresh and Easy, for a 15,200 square foot grocery store at the southeast corner of Tulare and "R" Streets that includes a landmark clock tower and public art. The developer and the retailer are seeking Agency assistance through an Owner Participation agreement. The FY 08/09 Budget provides funding for potential assistance to address feasibility gaps relative to off-site improvements and building/public art enhancements.

South Van Ness

Streetscape/Street Improvements - The FY 08/09 budget provides for completion of the Florence Avenue improvements consisting of curbs, gutters, street paving, street lights, street trees and 18" to 36" storm drains. The improvement project will enhance the physical quality of the neighborhood, eliminate flooding that occurs along Florence Avenue and encourage business development and expansion.

Infill Development/Historic Structures Final Receiver Site - The Merger 1 budget includes funding for land acquisition, relocation and reestablishment of historic homes to the final receiver site. In the alternative, Agency owned lots on "L" and Monterey Streets in the South Van Ness area may be used for new infill development. The future sale of the property is expected to offset land assembly costs.

REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

	<i>FY 07</i>	<i>FY08</i>	<i>FY 08</i>	<i>FY 08</i>	<i>FY 09</i>
	<i>ACTUAL</i>	<i>APPROVED</i>	<i>YTD</i>	<i>ESTIMATE</i>	<i>REQUEST</i>
Merger 1 - Downtown Fresno *					
<i>Sources of Funds:</i>					
Caryover	1,611,363	(527,501)	(230,140)	(230,140)	(78,361)
Tax Increment - Gross	5,418,020	5,960,341	3,151,454	6,302,968	6,933,265
Pass-Through Payments	(133,885)	(179,649)	(84,346)	(168,692)	(236,919)
County Administration Fee	(78,879)	(158,384)	0	(126,059)	(182,706)
Housing Set-Aside	(1,083,604)	(1,192,068)	(630,291)	(1,260,594)	(1,386,653)
ERAF	0	0	0	0	0
Bond Proceeds	0	0	0	0	0
Loan Proceeds	0	0	0	0	0
Note Receivable Proceeds	10,195	0	5,216	10,432	10,932
Sale of Land and Buildings	(1,871,662)	0	0	0	0
Sale of Land and Buildings - 41/Ventura	0	0	407,000	407,000	0
Leases and Rentals	314,700	290,000	225,077	300,103	290,000
Interest	39,178	92,458	107,170	106,801	103,267
Other - Due from City of Fresno for Ground Lease Pmts	0	245,837	0	0	245,837
Total Sources of Funds	4,225,426	4,531,033	2,951,140	5,341,818	5,698,661
<i>Uses of Funds:</i>					
Debt					
1993 Tax Allocation Bonds - Mariposa	424,811	426,798	426,798	426,798	426,754
Stadium Bond	200,000	200,000	200,000	200,000	200,000
Stadium / Uptown Loan	282,262	280,762	0	280,762	283,962
Convention Center Certificates of Participation	0	250,000	0	250,000	420,000
Administration (Planning, Legal, O & M, Etc.)	265,775	260,000	230,387	259,785	262,000
FRC	750	750	563	750	750
Commercial Rehabilitation	6,750	16,000	17,000	17,000	16,000
Plan Implementation / Merger	14,011	130,000	106,747	225,593	70,000
Real Property Acquisition and Disposition/Blight Removal	43,590	2,000	5,674	5,674	50,000
Contingency	0	13,223	0	0	1,995

	FY 07 ACTUAL	FY08 APPROVED	FY 08 YTD	FY 08 ESTIMATE	FY 09 REQUEST
Uses of Funds (con't):					
Central Business District					
Commercial Rehabilitation	12,500	9,000	1,500	2,500	110,000
Mall Planning/Engineering/Revitalization	1,986	1,500	875	1,250	1,500
Street Improvements/Streetscape/Parking	5,858	1,000	24,679	87,179	410,000
Chinatown					
Chinatown Association	37,500	37,500	28,125	37,500	37,500
Commercial Rehabilitation/Rehab Standards	21,250	40,000	9,941	10,941	40,000
Plan Development/Amendments/Chinatown Mixed-Use	125,206	50,000	37,145	37,145	80,000
Plan Implementation	0	0	0	0	32,500
Real Property Acquisition and Disposition/Blight Removal	8,412	150,000	22,805	28,280	135,000
Streetscape/Street Improvements	258,862	100,000	3,549	3,549	5,000
Convention Center					
Real Property Acquisition and Disposition/Blight Removal	0	50,000	0	365,000	600,000
Haron Motors	7,325	50,000	625	625	5,000
Legacy Project	0	0	8,595	14,095	10,000
Parking Lot Improvements (Van Ness and Inyo)	3,869	60,000	12,401	68,701	5,000
Old Armenian Town - Ventura/41 - Street Improvements	2,295,110	854,000	749,198	1,035,869	1,242,500
"O/P" Street Diagonal Project	8,400	50,000	5,853	13,353	50,000
South Stadium Project	124,425	150,000	207,477	576,798	200,000
Streetscape/Street Improvements	0	2,500	0	0	0
Fulton/Uptown					
Land Acquisition	3,453	5,000	7,070	7,645	5,000
Streetscape/Parking/Implementation Activities	2,000	5,000	3,250	3,250	5,000
Jefferson					
Real Property Acquisition and Disposition/Blight Removal	0	5,000	2,500	2,500	5,000
Streetscape/Street Improvements	275	3,000	275	275	3,000
Community Medical Center - Annual Agreement	0	0	0	0	26,000
Community Medical Center - Nottoli	59,357	13,205	8,903	13,825	8,200
Community Medical Center - Phase 2	121,346	5,000	0	0	0
Mariposa					
Civic Center Square	1,022	0	737	737	0
Downtown Hotel	0	0	1,308	1,308	1,000
Ice House Improvements	0	0	1,750	2,050	50,000
Tulare & R Street Project	0	0	2,000	2,250	100,000
South Van Ness					
Streetscape/Street Improvements	350	700,000	186,330	1,332,430	630,000
Infill Development/Historic Structures Receiver Site	75,788	593,000	86,762	87,262	150,000
Valley Foundry Infrastructure	40,440	30,000	2,500	17,500	20,000
Total Uses of Funds	4,452,683	4,544,238	2,403,322	5,420,179	5,698,661
Balance of Fund	(227,257)	(13,205)	547,818	(78,361)	0

* Consists of: Mariposa, Jefferson, Central Business District, West Fresno One, West Fresno Two and Three, Convention Center, Chinatown, Fulton/Uptown, and South Van Ness Project Areas.

Redevelopment Agency of the City of Fresno

MERGER 2—SOUTHWEST FRESNO/FRUIT CHURCH

Business Retention and Attraction - The Agency continues to work to retain and attract both new and expanding businesses. The Agency has begun discussions with a retailer for development of a 15,000 square foot project in the area of California and Walnut Avenues.

Plan Implementation/Merger and Plan Amendment - In order to further proceed with the revitalization of Southwest Fresno, plan limits of the two redevelopment project areas within Merger 2 need to be updated to address the financial strategies necessary to implement the Agency's work program.

Real Property Acquisition and Disposition/Blight Removal - The budget provides funds for potential property acquisition consistent with the Agency goals to remove blight, stimulate new development and leverage investment in various industrial and commercial neighborhoods including the area around Kearney Palms Shopping Center. This budget category also includes general blight removal, clean up and weed abatement on Agency owned properties.

California Avenue Improvements and Land Acquisition - In March 2003, to encourage infill development along California Avenue, the Agency presented a "California Avenue Revitalization" (CAR) plan to the Agency Board. The plan recognized ten significant projects along the California Corridor from Freeway 99 to West Avenue. Since adoption of the CAR plan, three major projects have been added. To date all thirteen projects are either completed or underway with the assistance of the Agency. These thirteen projects are: EOC Neighborhood Youth Center, Casa San Miguel, Lincoln School, Pocket Parks, CA Triangle, CA/Walnut, Edison Track & Fields, Yosemite Village Rehabilitation & Expansion, Walnut Avenue Street improvements, Fresno/California Street alignment, Fresno/California development, Walnut/Plumas realignment and Elm Crossing.

In addition, the California Avenue Revitalization Plan identified the need to improve California Avenue to its full planned build-out to accommodate the new growth. In 2007, the Agency and City of Fresno listed California Avenue as a priority for funding through Measure "C". California Avenue successfully received Tier 1 allocation in the Measure "C" Bond. The improvements include land acquisition, installation of median islands with planters and streetscape in keeping with an overall design theme for California Avenue.

California Avenue between West and Fruit - The Agency has committed \$600,000 that has enabled the Housing Authority to move forward with: Yosemite Village rehabilitation/development of 69 units; Community Enrichment Center; and 53 new homes planned for the Sierra Point project.

California Avenue between MLK and Walnut - In addition, the Agency has budgeted funds for California Avenue improvements from MLK to Walnut Avenue in connection with the California Triangle Project.

California Avenue Realignments - California/Walnut Street Improvements - The mixed-use project at the southeast corner of California and Walnut will trigger frontage improvements on California Avenue and realignment of Walnut Avenue south of California.

California/Fresno Street Improvements - Development at the northeast corner of Fresno Street and California Avenue will trigger a requirement to realign Fresno Street on the north side of California Avenue.

HOPE VI Project - The Agency continues its assistance in implementing the adopted \$20 million Federal Grant HOPE VI Master Revitalization Plan. Hope VI is a master planned multi-phase community generally located between California, Walnut, West and Church Avenues. The project envisions the phased development and rehabilitation of approximately 312 single- and multi-family residential units. In addition, within the HOPE VI area, a mixed-use project is underway between Walnut, Plumas, California and Church Avenues.

California/Walnut Mixed Use (Edison Plaza) - A Developer was selected through the RFP/RFQ process and awarded an Exclusive Negotiating Agreement to develop the mixed-use project which anticipates the realignment of Walnut Avenue and the development of approximately 60,000 square feet to include a County of Fresno One-Stop West Fresno Regional Center, County Library, general and medical offices, retail and residential units on 16 acres.

The Agency has completed acquisition of 16 acres; 7 acres in Phase 1 bounded by California, Walnut, Lorena and Plumas Avenues and 9 acres for Phase 2 bounded by Lorena, Walnut, Florence and Plumas Avenues. After abatement of lead and asbestos, ten buildings were demolished and the land cleared. The Agency has performed relocation, asbestos removal and demolition of approximately 11 buildings.

The developer has negotiated a lease along with a conceptual plan for the 44,507 square foot West Fresno One-Stop Service Center with the County of Fresno. It anticipates Board of Supervisors approval of the lease agreement by the end of summer.

The Agency completed the draft Disposition and Development Agreement for the proposed mixed-use project and is negotiating with the developer to finalize the agreement. Construction on the project is anticipated to begin by the end of the year.

Park Development/Improvements - The Agency is setting aside funds annually to provide assistance for land, street improvements and development of a recreation center and parking lot as part of the Agency's multi-year commitment to the HOPE VI project.

Streetscape/Street Improvements - Consistent with Agency goals, funds have been budgeted in FY 08/09 for potential streetscape or infrastructure improvements to stimulate business and industrial development and enhance the visual quality of the project area.

REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

	#REF! ACTUAL	FY08 APPROVED	#REF! YTD	#REF! ESTIMATE	#REF! REQUEST
Merger 2 - Southwest Fresno/Fruit Church					
<i>Sources of Funds:</i>					
Carryover	3,833,460	3,846,169	3,946,515	3,946,515	5,122,076
Tax Increment	3,342,140	3,497,263	1,985,223	3,970,446	4,153,742
Pass-Through Payments	(46,734)	(48,299)	(27,606)	(55,212)	(57,372)
County Administration Fee	(48,689)	(94,426)	0	(79,409)	(112,151)
Housing Set-Aside	(668,428)	(699,453)	(397,045)	(794,089)	(830,748)
ERAF	0	0	0	0	0
Loan Proceeds	282,262	280,762	0	280,762	283,962
EDI Grant Proceeds	0	72,168	0	0	72,168
UGM Fee Refund	0	0	0	180,395	0
Sale of Land and Buildings	0	0	0	0	0
Leases and Rentals - Police Substation	105,989	122,000	55,449	107,449	105,000
Interest	181,331	148,643	126,616	168,821	175,050
Total Sources of Funds	6,981,331	7,124,827	5,689,152	7,725,678	8,911,727
<i>Uses of Funds:</i>					
Debt Service					
2001 Tax Allocation Bonds - Southwest Fresno	884,228	883,428	883,428	883,428	886,728
Administration (Planning, Legal, O & M, Etc.)	326,167	350,000	303,753	349,053	375,000
FRC	750	750	563	750	750
Business Attraction and Retention	0	0	0	2,000	47,500
Commercial Rehabilitation	1,500	5,000	1,000	1,000	45,000
Plan Implementation/Amendments	34,650	40,000	91,564	134,243	270,000
Real Property Acquisition and Disposition/Blight Removal	164,326	150,000	79,298	113,326	525,000
California and "C" Streets Area Improvements	0	10,000	0	0	0
California Ave Improvements and Land Acquisition	47,167	1,900,000	17,750	20,750	2,425,000
California Avenue Realignments	0	0	0	0	1,600,000
California & Walnut Mixed-Use	0	0	0	5,000	35,000
Elm/North/Jensen/Anadale Ave Improvements	162,015	25,000	90,295	90,295	40,000
Hope VI Project	485,041	320,000	126,540	185,629	40,000
Park Development/Improvements	785,154	2,815,000	122,500	123,000	2,000,000
Professional Office Center	15,575	0	14,278	16,778	47,500
Sequoia Health	20,290	10,000	11,040	11,040	2,500
Shopping Center Neighborhood Improvements	18,750	10,000	18,000	20,750	45,000
Streetscape/Street Improvements	104,943	150,000	181,560	194,060	525,000
Whites Bridge Road Planning and Development	4,550	455,000	451,750	452,500	0
Contingency	0	649	0	0	1,749
Total Uses of Funds	3,055,106	7,124,827	2,393,319	2,603,602	8,911,727
Balance of Fund	3,926,225	0	3,295,834	5,122,076	(0)

* Consists of: Southwest Fresno GNRA and Fruit/Church Project Areas

Redevelopment Agency of the City of Fresno

AIRPORT AREA REVITALIZATION

Plan Implementation/Merger and Plan Amendment - Work continues on the Agency Board directed plan amendments to merge multiple project areas for optimal use of Agency resources. The FY 08/09 Budget also provides funding to analyze potential benefits of expanding the project area.

Real Property Acquisition and Disposition/Blight Removal - The Agency has budgeted funds in FY 08/09 for the potential acquisition of land and street right-of-ways for blight removal and to encourage economic development.

Industrial/Business Park Development - The Agency expects to continue its planning for business and industrial development opportunities at suitable sites within the project area. The FY 08/09 Budget allows for potential infrastructure improvements to encourage and stimulate business and industrial growth in areas near the airport.

Street and Infrastructure Improvements - The Agency will reconstruct Carmen Avenue between Maple and Backer and Sierra Vista and Chestnut Avenues. Improvements will include curbs, gutters and street paving. To stimulate infill industrial development, the FY 08/09 Budget also includes funding for potential public improvements in key areas such as Maple and McKinley Avenues.

In partnership with the City, the Agency's Budget provides for new paving for Clovis Avenue between Garland and Shields Avenues. Public Works is recapping Clovis Avenue between Shields and McKinley Avenues. The two projects will provide a finished product up to the Clovis city limits, adjoining street improvements completed by the City of Clovis.

The FY 08/09 Budget also provides for the improvement of Floradora, Whitney and Dearing Avenues. This project is intended to help eliminate blight and encourage the expansion of new development in the area.

The \$3 million Clovis Avenue project between McKinley and Kings Canyon includes curb, gutter, sidewalk, paving, striping, street lights, median island curb and landscaping, widening of the Mill Ditch Canal Bridge and modification of traffic signals. The project, funded by a Federal Grant and matching city funds, does not cover the cost of the railroad crossing improvements. The Agency's FY 08/09 Budget provides gap-funding for the railroad crossing improvements on Clovis Avenue just south of McKinley Avenue to be constructed in conjunction with the Clovis Avenue project. The reconstruction of the crossing with concrete planks, new rails and wooden ties will help complete the planned reconstruction of Clovis Avenue. The improvements will also remove dangerous conditions and provide a smooth safe crossing thereby improving traffic flow and circulation. Future planning for railroad planking may also include the area near Clinton and Larkin Avenues.

Streetscape - Airport Beautification Project - McKinley/Peach to Clovis - Work on the Airport Beautification Project commenced in July 2007. The project includes new wrought iron fencing and landscaping consisting of trees, shrubs and ground cover along McKinley and Clovis Avenue frontages and a greenbelt on the south side of McKinley Avenue along Mill Ditch between Peach and Clovis Avenues. The beautification project extends the wrought iron fence approximately 600 feet from the point of the existing wrought iron fence along McKinley and along Clovis Avenue north of McKinley approximately 1350 feet. The project also includes a new monument sign for FYI at the corner of Clovis and McKinley and landscaping in the median island along Clovis Avenue frontage to match the new landscape proposed for the east side of Clovis Avenue. The FY 08/09 Budget provides funding to complete the landscaping and irrigation system along the south side of McKinley Avenue between Peach and Clovis Avenues.

REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

	<i>FY 07</i>	<i>FY08</i>	<i>FY 08</i>	<i>FY 08</i>	<i>FY 09</i>
	<i>ACTUAL</i>	<i>APPROVED</i>	<i>YTD</i>	<i>ESTIMATE</i>	<i>REQUEST</i>
Airport Area Revitalization					
<i>Sources of Funds</i>					
Carryover	1,358,930	1,995,711	2,242,624	2,242,624	2,197,351
Tax Increment	2,229,561	2,274,157	1,171,497	2,342,994	2,389,854
Pass-Through Payments	(414,945)	(434,137)	(234,230)	(468,460)	(456,223)
County Administration Fee	(32,547)	(68,225)	0	(46,860)	(71,696)
Housing Set-Aside	(445,912)	(454,831)	(234,299)	(468,599)	(477,971)
ERAF	0	0	0	0	0
Loan Proceeds	0	0	0	0	0
Intergovernmental Revenue	100,000	0	0	0	0
Interest	62,200	49,690	43,491	57,987	53,720
Other	0	0	0	0	0
Total Sources of Funds	2,857,287	3,362,365	2,989,082	3,659,686	3,635,036
<i>Uses of Funds</i>					
Debt Service	0	0	0	0	0
Administration (Planning, Legal, O & M, Etc.)	94,184	75,000	60,725	73,770	85,000
FRC	3,000	3,000	2,250	3,000	3,000
Commercial Rehabilitation	1,500	30,000	1,500	1,500	15,000
Plan Implementation/Merger and Plan Amendment	30,068	275,000	60,185	67,810	225,000
Real Property Acquisition and Disposition/Blight Removal	15,472	350,000	12,750	15,250	350,000
Industrial/Business Park Development	23,360	225,000	22,225	24,975	300,000
Street and Infrastructure Improvements	299,304	1,100,000	90,083	156,093	2,155,000
Streetscape	147,775	1,300,000	804,437	1,119,937	500,000
Contingency	0	4,365	0	0	2,036
Total Uses of Funds	614,663	3,362,365	1,054,155	1,462,335	3,635,036
Balance of Fund	2,242,624	0	1,934,927	2,197,351	0

Redevelopment Agency of the City of Fresno

CENTRAL CITY COMMERCIAL REVITALIZATION

Commercial Rehabilitation - In its efforts to revitalize the project area, Agency staff will proactively market the Commercial Rehabilitation Loan Program to property owners along Blackstone Avenue.

Real Property Acquisition and Disposition/Blight Removal - The Agency has budgeted funds in FY 08/09 for the potential acquisition of land and street right-of-ways for blight removal and to encourage economic development.

The Agency is working with the private sector to attract redevelopment activity along Blackstone Avenue and other major corridors. In addition, the Agency is working with the Fresno-Madera Area Agency on Aging to explore ways in which to address blight in the Dakota/Freeway 41 area.

Street and Infrastructure Improvements - Funds have been budgeted for the installation of upgraded and additional street lights to city standards for Phase 2 lighting improvements on Belmont Avenue from Cedar to Chestnut Avenues. Phase 1 improvements on Belmont Avenue from Freeway 41 to Cedar Avenue were completed in FY 07/08. This multi-year project responds to the needs expressed by Belmont businesses and property owners and facilitates the planned undergrounding of utilities.

The Central City Commercial Revitalization area contains major routes that are blighted and in need of improvement. The Agency will continue to pursue opportunities for improvements and cleanup to major corridors such as Belmont, Tulare, and Blackstone Avenues.

Streetscape - Funds have been budgeted for potential streetscape activities to enhance the visual quality of the project area and attract business and development. In follow up to planning activities for Blackstone and Belmont Avenues, the budget provides for landscape improvements in a multi-year project. It is anticipated that the projects will go out for bid in late 2008.

REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

	FY 07 ACTUAL	FY08 APPROVED	FY 08 YTD	FY 08 ESTIMATE	FY 09 REQUEST
Central City Commercial Revitalization					
<i>Sources of Funds</i>					
Caryover	353,392	673,912	621,657	621,657	557,616
Tax Increment	692,743	727,396	453,496	906,992	952,342
Pass-Through Payments	(98,647)	(145,479)	(61,938)	(123,876)	(190,468)
County Administration Fee	(10,096)	(19,640)	0	(18,140)	(25,713)
Housing Set-Aside	(138,549)	(145,479)	(90,699)	(181,398)	(190,468)
ERAF	0	0	0	0	0
Loan Proceeds	0	0	0	0	0
City Proceeds	0	0	0	0	0
Interest	16,839	16,361	14,553	19,404	16,550
Other	0	0	0	0	0
Total Sources of Funds	815,682	1,107,071	937,069	1,224,639	1,119,858
<i>Uses of Funds</i>					
Debt Service	0	0	0	0	0
Administration (Planning, Legal, O & M, Etc.)	24,613	25,000	21,825	24,730	25,000
FRC	0	0	0	0	0
Commercial Rehabilitation	1,500	25,000	2,500	8,262	50,000
Plan Implementation	4,100	10,000	2,800	3,450	4,500
Real Property Acquisition and Disposition/Blight Removal	6,450	100,000	3,500	4,475	50,000
Street and Infrastructure Improvements	126,657	850,000	600,615	605,115	940,000
Streetscape	30,705	95,000	17,966	20,991	50,000
Contingency	0	2,071	0	0	358
Total Uses of Funds	194,025	1,107,071	649,206	667,023	1,119,858
Balance of Fund	621,657	0	287,863	557,616	0

Redevelopment Agency of the City of Fresno

FREEWAY 99 / GOLDEN STATE BOULEVARD CORRIDOR

Commercial/Industrial Retention and Attraction - The Agency continues its efforts to retain and attract commercial and industrial development at suitable sites within the project area. During FY 08/09, the Agency will continue to explore targets of opportunity for infrastructure improvements or other forms of assistance to stimulate business and industrial growth in appropriate areas such as Brawley and Weber Avenues and Freeway 99 and Olive Avenue.

Real Property Acquisition and Disposition/Blight Removal - The Agency is working for the Bel Air Motel site's reuse as commercial development or as a Parks, Recreation and Community Service Department maintenance facility. In the event of private sector development, the FY 08/09 Budget provides for site clearance. The budget also provides funds for potential property acquisition to remove blight, facilitate new investment and enhance neighborhood well-being consistent with Agency goals.

Street and Infrastructure Improvements - The FY08/09 Budget provides for street and infrastructure improvements described as follows:

McKinley Avenue Widening/Improvements - McKinley Avenue from Freeway 99 west to Marks Avenue is a gateway to the rapid housing growth in the Fresno West area. Development on McKinley Avenue in this corridor is a mixture of residential housing and commercial businesses.

Through private development, the south side of McKinley Avenue has been improved with sidewalks, curbs and gutters while the north side remains unimproved. Due to the lack of completed infrastructure the area floods severely causing traffic hazards, property and street damage. In addition to drainage issues, sidewalk improvements are needed to provide school children with safe and clean pathways to Jane Addams School.

The Agency and City are working to identify funding sources for right of way acquisition, curb, gutter, median island and road construction for the north side of McKinley from Freeway 99 to Marks Avenue. The budget provides for engineering estimates and design for the needed improvements.

As part of this larger project and to stimulate industrial development of a 12,400 square foot facility, funds are budgeted for street improvements at the northeast corner of McKinley and Woodson Avenues consisting of curbs, gutters, sidewalks and paving.

Herndon Townsite Area - The Herndon Townsite area lacks sufficient infrastructure. In FY 07/08, working with developers in connection with new housing development, Agency assistance maximized the effect of new infrastructure to the benefit of Herndon Townsite. Additional opportunities to leverage resources for infrastructure improvements may be considered based upon the Agency's funding ability.

Northwest Circulation - To reduce blight, improve traffic safety and encourage new investment, the Agency has budgeted funds for improvements at the Marks/Dakota intersection and will continue to pursue opportunities to stimulate and encourage development through infrastructure improvements in and around major intersections.

Golden State Boulevard Improvements - The reconstruction of Golden State Boulevard between Ashlan and Shaw Avenues was established in FY05/06 as a multi-year project. Engineering and design plans have been completed for the entire project between Ashlan and Shaw Avenues. The FY 08/09 Budget provides funding for construction of Phase 1 improvements between Ashlan and Gettysburg Avenues. The street improvements will consist of curbs, gutters, paving, streetlights, street trees, bike lanes and traffic signals. Additional improvements will include the extension of water, sewer and storm drains. Remaining work will be phased.

The project is intended to further the plan goals for the elimination of blight and economic stagnation in the project area, address traffic and safety issues and create an attractive environment for potential business expansions and new businesses.

REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

	<i>FY 07</i> <i>ACTUAL</i>	<i>FY08</i> <i>APPROVED</i>	<i>FY 08</i> <i>YTD</i>	<i>FY 08</i> <i>ESTIMATE</i>	<i>FY 09</i> <i>REQUEST</i>
Freeway 99/Golden State Boulevard Corridor					
<i>Sources of Funds</i>					
Carryover	833,069	1,080,886	1,485,507	1,485,507	2,558,177
Tax Increment	1,893,498	2,272,205	1,248,398	2,496,796	2,996,155
Pass-Through Payments	(275,218)	(454,441)	(176,399)	(352,798)	(599,231)
County Administration Fee	(27,639)	(61,350)	0	(49,936)	(80,896)
Housing Set-Aside	(378,700)	(454,441)	(249,680)	(499,359)	(599,231)
ERAF	0	0	0	0	0
Loan Proceeds	0	0	0	0	0
Sale of Land	0	0	0	0	0
Interest	40,042	35,743	37,194	49,591	64,125
Other	0	0	0	0	0
Total Sources of Funds	2,085,052	2,418,612	2,345,020	3,129,802	4,339,098
<i>Uses of Funds</i>					
Debt Service	0	0	0	0	0
Administration (Planning, Legal, O & M, Etc.)	25,032	30,000	25,700	29,575	50,000
FRC	0	0	0	0	0
Commercial Rehabilitation	1,500	0	0	0	0
Plan Adoption / Implementation	6,000	5,000	4,750	4,750	3,500
Real Property Acquisition and Disposition/Blight Removal	391,898	56,000	82,646	87,121	600,000
Street and Infrastructure Improvements	7,000	1,055,500	287,879	298,503	795,000
Golden State Blvd Improvements	160,890	1,220,000	93,176	151,676	2,990,000
Infrastructure/Bankside Trail	7,125	50,000	0	0	0
Contingency	0	2,112	0	0	598
Total Uses of Funds	599,545	2,418,612	494,151	671,625	4,339,098
Balance of Fund	1,485,507	0	1,850,869	2,558,177	0

Redevelopment Agency of the City of Fresno

FRESNO AIR TERMINAL (FATRA)

Environmental Cleanup Project - Ongoing environmental clean up continues in the Fresno Air Terminal Redevelopment Project Area. Based on an agreement between the City of Fresno and the Agency, the Airport Department is responsible for the administration of the environmental program. Reimbursements for eligible environmental cleanup expenses or debt service payments are provided by the Agency from available funds.

REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

	<i>FY 07</i> <i>ACTUAL</i>	<i>FY08</i> <i>APPROVED</i>	<i>FY 08</i> <i>YTD</i>	<i>FY 08</i> <i>ESTIMATE</i>	<i>FY 09</i> <i>REQUEST</i>
Fresno Air Terminal (FATRA)					
<i>Sources of Funds</i>					
Carryover	(64,584)	(13,634)	(91,727)	(91,727)	(1,982)
Tax Increment	138,888	139,640	108,178	216,356	220,683
Pass-Through Payments	(50,256)	(46,388)	(37,887)	(75,774)	(73,311)
County Administration Fee	(1,998)	(3,770)	0	(4,327)	(5,958)
Housing Set-Aside	(27,378)	(27,928)	(21,636)	(43,271)	(44,137)
ERAF	0	0	0	0	0
Loan Proceeds	0	0	0	0	0
Interest	(348)	719	15	20	1,429
Other					
Total Sources of Funds	(7,676)	48,638	(43,056)	1,277	96,725
<i>Uses of Funds</i>					
Debt Service/Environmental Cleanup Project	0	43,638	0	0	91,725
Administration (Planning, Legal, O & M, Etc.)	4,005	5,000	1,125	3,259	5,000
FRC	0	0	0	0	0
Real Property Acquisition and Disposition/Blight Removal	0	0	0	0	0
Environmental Cleanup Project	80,046	0	0	0	0
Environmental Program - Staff	0	0	0	0	0
Contingency	0	0	0	0	0
Total Uses of Funds	84,051	48,638	1,125	3,259	96,725
Balance of Fund	(91,727)	0	(44,181)	(1,982)	0

Redevelopment Agency of the City of Fresno

ROEDING BUSINESS PARK

Real Property Acquisition and Disposition/Blight Removal - To remove blight and stimulate industrial and commercial development, the Agency has budgeted funds in FY 08/09 for potential infrastructure improvements, acquisition of land and street right-of-ways.

Infrastructure and Improvements - Whites Bridge Road Planning and Development - Staff continues to work with City of Fresno Public Works Department on the reconstruction of Whites Bridge Road from Freeway 99 to West Avenue funded through federal and state grants with the Agency providing the balance of funds needed for the project. The Agency worked to secure EDI funds of \$447,075 that are being used for the segment between Teilman and West Avenues. The reconstruction began in June 2008 and is expected to be completed by early fall.

Utility Conduit Design /180 West Frontage - Agency staff obtained a \$497,050 HUD-EDI Grant for the extension of conduit for telecommunications, power and gas facilities along Dan Ronquillo Drive between West and Hughes Avenues. This project will provide for the subsequent extension of electricity, gas, telephone and telecommunication lines to the area as development takes place. The project will help to stimulate further development of the property in the immediate area. Staff is working with utility companies for the preparation of design plans for the project.

The Grant also provides for the cost of preparing the design plans for the realignment of a portion of Dan Ronquillo Drive—the connector road—which will tie into the new 180 West Frontage Road to be constructed between Hughes and Marks Avenues. The design plans will establish the alignment for the installation of the conduit prior to the construction of the connector. The connector road will be constructed with the 180 West Frontage Road.

Measure "C" funds will provide for the realigned connector road; the creation of four-way traffic signalization at the new intersection Dan Ronquillo Drive and Hughes; and the extension of 180 Frontage Road/Dan Ronquillo Drive from the new intersection westerly to Marks Avenue. The new connector will eliminate two "T" intersections which would occur without the realignment. The realignment will provide a continuous route to the 180 West/Marks interchange thereby enhancing the transportation operations of existing and future businesses in the area between West and Hughes Avenues.

REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

	FY 07 ACTUAL	FY08 APPROVED	FY 08 YTD	FY 08 ESTIMATE	FY 09 REQUEST
Roeding Business Park					
<i>Sources of Funds</i>					
Carryover	(1,308,385)	(551,567)	(1,085,264)	(1,085,264)	(263,486)
Tax Increment	724,726	797,201	525,408	1,050,816	1,155,898
Pass-Through Payments	(105,388)	(101,165)	(75,689)	(151,378)	(146,683)
Pass-Through Payments - Second Tier AB 1290		(12,175)	0	0	(17,654)
County Administration Fee	(10,578)	(21,524)	0	(21,016)	(31,209)
Housing Set-Aside	(144,945)	(159,440)	(105,082)	(210,163)	(231,180)
ERAF	0	0	0	0	0
Loan Proceeds - City of Fresno	0	0	0	416,145	0
Loan Proceeds - California Infrastructure Bank	0	0	0	0	0
Intergovernmental Revenue	0	0	0	0	0
EDI Grant	0	944,125	0	0	944,125
Interest	(41,339)	13,432	(10)	(14)	21,147
Other	0	0	0	0	0
Total Sources of Funds	(865,909)	908,887	(740,637)	(875)	1,430,958
<i>Uses of Funds</i>					
Debt Service	117,076	117,048	117,048	117,048	117,020
Administration (Planning, Legal, O & M, Etc.)	32,926	35,000	31,050	34,750	50,000
FRC	0	0	0	0	0
Commercial Rehabilitation	500	500	500	500	500
Plan Implementation / Amendments	17,150	4,500	92,538	100,313	17,500
Real Property Acquisition and Disposition/Blight Removal	4,050	1,500	1,500	1,500	300,000
Infrastructure and Improvements	27,653	750,000	7,500	8,500	944,125
EDA Grant Implementation - Phase III	0	0	0	0	0
Contingency	0	339	0	0	1,813
Total Uses of Funds	199,355	908,887	250,136	262,611	1,430,958
Balance of Fund	(1,085,264)	0	(990,773)	(263,486)	0

Redevelopment Agency of the City of Fresno

SOUTH FRESNO INDUSTRIAL REVITALIZATION

Real Property Acquisition and Disposition/Blight Removal - The FY 08/09 Budget includes acquisition and assembly of land to provide market ready sites for new industrial development. This activity addresses goals for business attraction of new industry and retention of expanding industry seeking immediate availability of sites.

Orange/99 Improvements - Construction of sidewalks in conjunction with this project was deferred pending PG&E undergrounding public utilities. It is anticipated that PG&E will perform the work in mid 2009, however, efforts are being made to move the schedule forward. The FY 08/09 Budget provides for the installation of a 10-foot wide sidewalk along approximately 1,260 lineal feet of street frontage on the east side of Orange Avenue between North Avenue and Freeway 99 following PG&E's undergrounding of utilities. The other components of the project have been completed and include construction of curb, gutter, new paving and the extension of water and sewer lines.

Street and Infrastructure Improvements - To facilitate ongoing expansion of existing businesses and eliminate a major flooding problem in the area generally bound by Freeway 41, Cherry, Annadale and Date Avenues, the FY 07/08 Budget provided for design of a storm drain line along the east side of Freeway 41 and the FY 08/09 Budget provides for the construction. Fresno Metropolitan Flood Control District (FMFCD) has agreed to reimburse the Agency for the improvement and acquisition project costs.

In addition, funds were budgeted in FY 07/08 for engineering and design plans for proposed improvements of East Avenue from Jensen to North Avenues. In FY 08/09, funds are budgeted for the reconstruction of 1,650 feet of East Avenue between Dorothy and Annadale Avenues. The proposed improvements include curbs and gutters, paving, street trees, street lights and extending water, sewer and storm drain lines.

REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

	FY 07 ACTUAL	FY08 APPROVED	FY 08 YTD	FY 08 ESTIMATE	FY 09 REQUEST
South Fresno Industrial Revitalization					
<i>Sources of Funds</i>					
Carryover	426,618	439,884	498,515	498,515	756,306
Tax Increment	1,107,266	1,162,631	694,495	1,388,990	1,458,440
Pass-Through Payments	(224,291)	(232,526)	(138,866)	(277,732)	(291,688)
County Administration Fee	(16,164)	(31,391)	0	(27,780)	(39,378)
Housing Set-Aside	(221,453)	(232,526)	(138,899)	(277,798)	(291,688)
ERAF	0	0	0	0	0
Intergovernmental Revenue - Elm Avenue	66,765	0	0	0	0
Loan Proceeds - Street Improvements	0	0	0	0	0
EDI Grant Proceeds	0	0	0	0	0
Interest	15,977	16,591	15,748	20,998	23,880
Other	0	0	0	0	0
Total Sources of Funds	1,154,718	1,122,663	930,993	1,325,193	1,615,871
<i>Uses of Funds</i>					
Debt Service	0	0	0	0	0
Administration (Planning, Legal, O & M, Etc.)	14,693	35,000	32,102	34,882	40,000
FRC	0	0	0	0	0
Plan Implementation	1,575	25,000	9,595	10,965	3,000
Real Property Acquisition and Disposition/Blight Removal	10,713	135,000	5,500	5,500	25,000
Elm Avenue Infrastructure Improvements	9,529	2,500	12,298	12,298	500
Orange/99 Improvements	619,693	45,000	87,736	90,486	57,000
Street and Infrastructure Improvements	0	880,000	69,756	414,756	1,480,000
Contingency	0	163	0	0	371
Total Uses of Funds	656,203	1,122,663	216,987	568,887	1,615,871
Balance of Fund	498,515	0	714,006	756,306	0

Redevelopment Agency of the City of Fresno

SOUTHEAST FRESNO COMMERCIAL AND INDUSTRIAL REVITALIZATION

Commercial Rehabilitation - In FY 08/09, the Agency will step-up efforts to market the Commercial Rehabilitation Loan Program along the Ventura/Kings Canyon corridor. Currently, 12 properties have been targeted for façade assistance. Funds are provided for conceptual renderings, façade work and related implementation costs.

Real Property Acquisition and Disposition/Blight Removal - The FY 08/09 Budget provides for potential land acquisition to help eliminate physical and visual blight, reverse economic stagnation and facilitate new investment along the Ventura and Kings Canyon Corridor and other areas within the project boundaries. In furtherance of this goal, property for sale at 10th and Ventura was acquired and will be cleared in FY 08/09 to facilitate redevelopment.

Street and Infrastructure Improvements - Funds are budgeted for the installation of traffic signals at the southeast corner of Jensen and Willow. The proposed public improvement project is part of the Agency's ongoing efforts to provide and upgrade the public infrastructure within the redevelopment area. These improvements are anticipated to serve as an incentive for business retention and expansion and to encourage new business development on existing vacant property. The Agency will work with businesses and developers for opportunities to stimulate commercial and industrial development at various sites.

Streetscape - The budget provides for potential streetscape enhancements, and traffic and pedestrian safety measures along major corridors such as Kings Canyon, First and Tulare Streets. Funds are also provided to address traffic and pedestrian safety near First and Tulare Streets.

Commercial Neighborhood Center Revitalization - In partnership with the City, the Agency acquired a blighted parcel at the southwest corner of Ventura and 7th Streets while the City purchased the adjacent parcel from Fresno Unified School District. A developer has been selected and negotiations are underway for an affordable senior residential mixed-use project. The FY 08/09 Budget provides for potential assistance to the project that may include off-site improvements.

REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

	<i>FY 07</i> <i>ACTUAL</i>	<i>FY08</i> <i>APPROVED</i>	<i>FY08</i> <i>YTD</i>	<i>FY 08</i> <i>ESTIMATE</i>	<i>FY 09</i> <i>REQUEST</i>
Southeast Fresno Commercial and Industrial Revitalization					
<i>Sources of Funds</i>					
Carryover	(554,965)	10,089	119,043	119,043	410,185
Tax Increment	2,002,295	2,202,477	1,213,890	2,427,788	2,670,565
Pass-Through Payments	(412,347)	(440,495)	(261,781)	(523,562)	(534,113)
County Administration Fee	(29,224)	(58,467)	0	(48,556)	(72,105)
Housing Set-Aside	(400,458)	(440,495)	(242,778)	(485,557)	(534,113)
ERAF	0	0	0	0	0
Intergovernmental Revenue - Kings Canyon	0	0	214,085	214,085	0
UGM Fee Refund	354,945	0	0	0	0
Sale of Property	0	550,000	0	0	0
Rent Income	525	0	0	0	0
Interest	(7,529)	19,062	20,567	27,422	29,106
Other	0	0	0	0	0
Total Sources of Funds	953,241	1,841,190	1,063,026	1,730,682	1,969,524
<i>Uses of Funds</i>					
Debt Service	0	0	0	0	0
Administration (Planning, Legal, O & M, Etc.)	23,057	49,950	37,267	43,617	50,000
FRC	0	0	0	0	0
Commercial Rehabilitation	1,000	10,000	6,000	6,000	120,000
Plan Implementation	7,824	120,000	10,739	24,489	22,500
Real Property Acquisition and Disposition/Blight Removal	9,255	560,000	11,500	430,650	585,000
Street and Infrastructure Improvements	409,514	100,000	3,500	58,000	480,000
Streetscape	3,000	325,000	129,378	128,378	175,000
Commercial Neighborhood Center Revitalization	213,150	675,000	591,378	628,343	535,000
Kings Canyon Street Improvements	167,398	0	0	0	0
Contingency	0	1,240	0	0	2,024
Total Uses of Funds	834,198	1,841,190	789,762	1,320,477	1,969,524
Balance of Fund	119,043	0	273,264	410,185	0

REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

	FY 07 ACTUAL	FY08 APPROVED	FY 08 YTD	FY 08 ESTIMATE	FY 09 REQUEST
Litigation Reserve					
<i>Sources of Funds</i>					
Carryover	44,075	45,397	45,624	45,624	46,703
Revenue Transfer	0	0	0	0	0
Interest	1,549	1,362	1,102	1,469	1,401
Other	0	0	0	0	0
Total Sources of Funds	45,624	46,759	46,726	47,093	48,104
<i>Uses of Funds</i>					
Administration (Planning, Legal, O & M, Etc.)	0	0	0	0	0
Plan Implementation	0	0	0	0	0
Real Estate Acquisition / Disposition / Blight Removal	0	0	0	0	0
Legal Proceedings & Consultation	0	46,759	390	390	48,104
Contingency	0	0	0	0	0
Total Uses of Funds	0	46,759	390	390	48,104
Balance of Fund	45,624	0	46,336	46,703	0

Redevelopment Agency of the City of Fresno

HOUSING SET-ASIDE FUNDS

Background

Redevelopment Law requires that at least 20% of the annual tax increments from a project area be "set-aside" into a Low and Moderate Income Housing Fund, for the purpose of increasing, improving, and preserving the community's supply of low and moderate income housing. These funds may only be used outside of a Project Area if the City Council and Redevelopment Agency Board have made the necessary findings that to do so would benefit the project area.

The Fresno RDA has 19 project areas. For 16 of the project areas, the agency has adopted findings that:

- Allow the use of set-aside outside the project area;
- Restrict set-aside to certain CDBG areas;
- Place a priority on the use of set-aside from certain project areas to be used either within or adjacent to the central area or certain project areas.

The 16 project areas are combined in the "general" housing budget category that consists of their respective 20% Housing Set-Aside deposits:

Airport Area Revitalization, Central Business District, Central City Commercial, Chinatown, Convention Center, Freeway 99/Golden State Boulevard Corridor, Fruit/Church, Fulton, Mariposa, Roeding Business Park, South Fresno Industrial, South Van Ness Industrial, Southeast Fresno, West Fresno I, West Fresno II and West Fresno III.

The Housing Set-Aside generated by Southwest Fresno (GNRA) and Jefferson must be utilized in their respective areas. The FATRA Housing Set-Aside funds have been applied to the FATRA - adjacent area. Hence, the budget shows a separate category for Southwest Fresno (GNRA), Jefferson and FATRA respectively.

Housing Authority Contract and Administration/Community Housing Partnership Program (CHPP)

In July 2000, the Agency entered into a multi-year Community Housing Partnership Program (CHPP) agreement with the Housing Authorities of the City and County of Fresno to administer the majority of the Agency's 20% Housing Set-Aside funds. The CHPP provides for minor, major and infill housing in designated target areas of the City. Several contract amendments have expanded target areas and increased the funding for aggressive programs to attack blight caused by boarded-up houses and neglected vacant land.

The Agency has budgeted \$2.3 million in FY 08/09 for the CHPP including planning and administrative expenses that are necessary for the production, improvement, or

preservation of low- and moderate-income housing. Since July 2000, 1,515 homes have been rehabilitated and approximately 21 homes have been built or reconstructed to provide infill housing. In FY 07/08, it is expected that approximately 68 homes will be rehabilitated.

In addition to the Housing Authority contract work, the Agency has a number of other housing projects that are planned, underway or have been completed. These projects are individually identified in the budget and described below:

Real Property Acquisition/Blight Removal - The Agency continues to work with property owners and developers to identify opportunities to increase the number of housing units along with supporting retail, office, entertainment and other mixed uses. The Agency has budgeted funds for potential acquisitions, Owner Participation Agreements (OPAs) and Disposition and Development Agreements (DDAs) to facilitate this goal.

Real Property Acquisition/Blight Removal - Berkeley Block - The Berkeley Block on the westside of the Fulton Mall between Kern and Inyo Streets is a key crossroad location connecting the Mall, Chukchansi Park, proposed Sportstown and South Stadium Project. The Agency owns approximately 60% of the half block and proposes to acquire the remaining half block area for a predominately residential mixed-use development. The budget continues to provide for acquisition opportunities as well as asbestos abatement and mold remediation in the basement of the Berkeley Building.

California & Fruit Brownfield Cleanup Grant - The Agency has received a \$200,000 EPA Brownfield's cleanup grant for a portion of property generally located at the southeast corner of California and Fruit Avenues. The grant will be used for the physical cleanup and remediation of the property, monitoring of the work, community outreach and public involvement activities. The Agency will develop a work plan for the cleanup, which will be paid for by an EPA Assessment Grant to the Housing Authority. The grant requires a 20% matching contribution from the Agency. The cleanup will enable housing development in connection with the Hope VI project.

California Triangle - The Agency, through the CHPP, will continue to assemble the three acre site located along California Avenue between Kern Street and Waterman Avenue for development of 15 single family affordable homes. The budget provides for completion of land assembly and site clearance.

Casa San Miguel - The Agency amended its contract with the National Farm Workers Service Center to construct three new affordable homes on the remaining vacant parcels to complete this 44 unit single family home development located on California west of "B" Street. Included in the final phase is a sound wall along Ventura Street. The Agency will monitor the progress of the construction of the new homes. Financing coordinated by the Agency provides for construction loan funds through the CHPP to be repaid upon sale of the homes.

HOPE VI/California and Walnut Mixed-Use - The Agency is completing land assembly and site clearance to facilitate a mixed-use residential/commercial project and realignment of Walnut Avenue south of California Avenue between Walnut and Plumas Avenues in

support of the HOPE VI project. The Agency will continue to work with the selected developer to plan, design and implement the project. The first phase of this project is anchored by the proposed County of Fresno One-Stop Service Center.

Infill Housing - Downtown - The Agency has budgeted funds to support the development of mixed-use residential infill in the Downtown Merger 1 area:

Fulton Park Plaza - The approved agreement with Fulton Park Plaza, LLC provides for land assembly and financial support of the project located in the Uptown Arts District near Broadway, Fulton and Divisadero Streets. The residential/commercial mixed-use project consists of 16 town houses, 16 flats and 48 live/work loft units for a total of 80 rental residential units and 16,000 square feet of commercial/professional office space along with open space amenities and on and off site parking. Sixteen of the 80 housing units will have affordable housing covenants.

Fulton Village - The Agency continues to work with Next Generation Group, LLC for an additional mixed-use commercial/residential project along Broadway under an Exclusive Negotiation Agreement (ENA) to plan, design and develop new residential and commercial uses within the Cultural Arts District. Fulton Village is a proposed mixed-use development featuring 40 to 45 mixed income rental residential units and a commercial component located at the northwest corner of Amador and Fulton Streets. The budget provides for land assembly activities.

H Street Lofts Project - The \$3.5 million H Street Lofts Project consists of 26 live/work lofts adjacent to the new 38 unit \$10 million Vagabond Loft Project. Six of the H Street Lofts units are designated as affordable to low income families through covenants. The budget provides funding assistance in the form of a loan to help finance construction of the H Street Lofts Project.

General - The Agency is continuously working to advance downtown infill housing at various locations that include Hotel Fresno and J.C. Penney Building. These and/or other projects may be considered for gap financing assistance dependent upon future Agency funding availability and public benefit as demonstrated by pro-forma feasibility, leverage of public and private investment, affordability for extremely low, very low and low income levels and other appropriate criteria.

Infill Housing Southwest Fresno/Elm - Santa Clara Estates - In FY 07/08, the Agency, through an Owner Participation Agreement (OPA), agreed to provide funding for a ponding basin and public improvements enabling development of 11-unit single family home project at Clara Street and North Avenue. The 11 homes will carry 45-year affordability covenants. The owner has completed the necessary entitlements and is working to secure financing.

Annadale/Elm (formerly Sequoia Community Health Center) - Through a negotiated agreement with Sequoia Health, the Agency received 7.5 acres of vacant land on Annadale Avenue just west of Elm Avenue. The Agency issued a request and subsequently received Proposals/Qualifications for a potential housing development on the 7.5 acre property reconveyed to the Agency. It is expected that the site will accommodate

up to approximately 230 units. The budget provides for potential assistance through a Disposition and Development Agreement (DDA).

San Benito Elm Crossing - The Agency is in the Request for Qualifications/Request for Proposals process. The Agency will work with the selected developer to build the "San Benito Elm Crossing". The proposed project anticipates a development of approximately 39 to 60 housing units along Elm and Geneva Avenues and the northeast corner of "B" Street and San Benito Street. The project will serve low-income families with an income of 80% or less of the area median income. The FY 08/09 Budget provides for potential project assistance through a Disposition and Development Agreement (DDA).

Infill Housing/Rehabilitation - General - The Agency is exploring opportunities to assist low-income housing neighborhoods and provide infill or rehabilitated housing in targeted areas such as Hughes/Weber, Shields/Dakota and Ashlan/Cornelia.

Oak Park Senior Villas - The Agency committed \$700,000 in gap funding for the Oak Park Senior Villas, a 65 unit low income senior housing project developed near northwest corner of Willow and Jensen Avenues in southeast Fresno. The Agency's funding commitment provides for \$350,000 to be paid in FY 08/09 and the remaining \$350,000 to be paid in FY 09/10. The project, developed by Ashwood Construction, was completed in April 2008.

REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

	FY 07 ACTUAL	FY08 APPROVED	FY 08 YTD	FY 08 ESTIMATE	FY 09 REQUEST
Housing Set Aside					
<i>Sources of Funds</i>					
Carryover	6,366,850	2,599,829	3,397,404	3,397,404	5,407,142
Tax Increment	0	0	0	0	0
Pass-Through Payments	0	0	0	0	0
County Administration Fee	0	0	0	0	0
Housing Set-Aside	3,509,427	3,806,662	2,110,409	4,220,817	4,586,189
ERAF	0	0	0	0	0
Loan Proceeds	0	0	0	0	0
Sale of Land	0	500,000	0	0	500,000
Sale of Boarded Up/Infill Properties	(52,364)	725,000	175,000	175,000	450,000
Loan Repayments - Housing Authorities	211,766	225,000	149,716	199,621	200,000
Loan Repayments	360,560	250,000	118,601	175,074	175,000
Rent / Lease Income	7,531		8,100	10,800	10,800
Interest	185,138	81,065	100,003	133,337	113,183
Other	0	0	0	0	0
Total Sources of Funds	10,568,908	8,187,556	6,059,233	8,312,054	11,442,314
<i>Uses of Funds</i>					
Debt Service	0	0	0	0	0
Administration (Planning, Legal, O & M, Etc.)	81,708	95,000	79,365	89,865	115,000
Plan Adoption / Implementation	0	0	0	0	0
Real Property Acquisition / Blight Removal / Berkeley Block	1,455,578	2,000,000	6,609	57,609	3,900,000
Housing Authority Contract and Administration	3,377,145	2,700,000	1,039,227	1,534,627	2,300,000
Boarded Up Home Rehab / Lot Purchase Program	0	0	60,000	60,000	45,000
California & Fruit Brownfield Cleanup	0	0	0	0	50,000
California Triangle	1,435,792	500,000	130,369	193,586	550,000
Casa San Miguel	0	500,000	0	0	525,000
Herndon Townsite	0	0	0	250,000	0
Hope VI Project / Other California / Walnut	466,756	265,000	102,653	102,653	60,000
Infill Housing - Downtown	346,940	1,750,000	183,935	585,561	1,750,000
Infill Housing Southwest Fresno / Elm	7,585	375,000	31,011	31,011	1,750,000
Infill Housing/Rehabilitation - General	0	0	0	0	45,000
Oak Park Senior Villas	0	0	0	0	350,000
Contingency	0	2,556	0	0	2,314
Total Uses of Funds	7,171,504	8,187,556	1,633,169	2,904,912	11,442,314
Balance of Fund	3,397,404	0	4,426,064	5,407,142	0

RESOLUTION No. _____

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF FRESNO APPROPRIATING THE FY 08/09 BUDGET, TO THE REDEVELOPMENT AGENCY OF THE CITY OF FRESNO IN THE AMOUNTS SET FORTH HEREIN FOR APPROVED PROJECTS, ACTIVITIES, AND OTHER SUCH PURPOSES AND EXPENDITURES AS MAY BE BUDGETED BY THE REDEVELOPMENT AGENCY OF THE CITY OF FRESNO

Part I. General Provisions

Section 1. APPROPRIATIONS FOR FY 08/09. In accordance with approved budgets as adopted, there are appropriated for FY 08/09 certain redevelopment projects of the Redevelopment Agency of the City of Fresno the amounts set forth in Exhibit "A" for such other purposes and expenditures as may be budgeted by the Redevelopment Agency of the City of Fresno.

Section 2. CONTRADICTORY PROVISIONS OF PREVIOUS RESOLUTIONS. Any other Resolution or provision thereof, of the Redevelopment Agency of the City of Fresno respecting the appropriation and administration of redevelopment projects contained in the Resolution which is in contradiction with this Resolution is hereby superseded.

Part II. Administration

The Executive Director or designee, shall maintain and administer all changes to this Resolution and shall cause to be filed with the Ex-Officio Clerk a copy of, and subsequent amendments to, this Resolution following adoption of the Redevelopment Agency of the City of Fresno. The Executive Director may establish guidelines for the proper accounting and expenditure of these appropriations.

Part III. Appropriations

That the sums listed in Exhibit "A" are appropriated as separate appropriations for approved redevelopment projects and such other purposes and expenditures as may be budgeted by the Redevelopment Agency of the City of Fresno.

CLERK'S CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, REBECCA E. KLISCH, Clerk Ex-Officio of the Redevelopment Agency of the City of Fresno, certify that the foregoing Resolution was adopted by the Redevelopment Agency of the City of Fresno, California, at a regular meeting thereof, held on the _____ day of _____, 2008.

AYES:
NOES:
ABSENT:
ABSTAIN:

REBECCA E. KLISCH
Clerk Ex-Officio

EXHIBIT A

	<u>DEPARTMENT APPROPRIATION</u>
MERGER ONE PROJECT DEBT SERVICE FUND	1,330,716
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO DEBT SERVICE	
MERGER ONE PROJECT CAPITAL FUND	4,367,945
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO CAPITAL IMPROVEMENTS	
MERGER TWO DEBT SERVICE FUND	886,728
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO DEBT SERVICE	
MERGER TWO PROJECT CAPITAL FUND	8,024,999
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO CAPITAL IMPROVEMENTS	
AIRPORT AREA REVITALIZATION CAPITAL FUND	3,635,036
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO CAPITAL IMPROVEMENTS	
CENTRAL CITY COMMERCIAL REVITALIZATION CAPITAL FUND	1,119,858
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO CAPITAL IMPROVEMENTS	
FREEWAY 99/ GOLDEN STATE BOULEVARD CORRIDOR CAPITAL FUND	4,339,098
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO CAPITAL IMPROVEMENTS	
FRESNO AIRPORT TERMINAL PROJECT CAPITAL FUND	96,725
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO CAPITAL IMPROVEMENTS	
ROEDING BUSINESS PARK DEBT SERVICE FUND	117,020
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO DEBT SERVICE	
ROEDING BUSINESS PARK CAPITAL FUND	1,313,938
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO CAPITAL IMPROVEMENTS	

	<u>DEPARTMENT APPROPRIATION</u>
SOUTH FRESNO INDUSTRIAL REVITALIZATION CAPITAL FUND	1,615,871
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO CAPITAL IMPROVEMENTS	
SOUTHEAST FRESNO COMMERCIAL & INDUSTRIAL REVITALIZATION CAPITAL FUND	1,969,524
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO CAPITAL IMPROVEMENTS	
LITIGATION RESERVE CAPITAL FUND	48,104
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO CAPITAL IMPROVEMENTS	
HOUSING SET ASIDE FUND	11,442,314
TO: REDEVELOPMENT AGENCY OF THE CITY OF FRESNO	
REDEVELOPMENT AGENCY TOTAL	<u><u>40,307,876</u></u>

