

**COMMUNITY DEVELOPMENT AGENCY
OF THE
CITY OF CORONADO**



**Five-Year
Implementation Plan
2010 - 2014**

ADOPTED DECEMBER 15, 2009

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ABOUT THE CORONADO COMMUNITY DEVELOPMENT AGENCY

On November 19, 1985, the City Council of the City of Coronado ("City Council") formed the Community Development Agency of the City of Coronado ("Agency). The creation of the Agency was a cooperative effort between the City of Coronado ("City") and the Coronado Unified School District. The two entities established a plan in order to eliminate blight caused by inadequate or nonexistent public infrastructure, and economic disuse in the City. The Community Development Plan was adopted by the City Council when the Agency was formed and details the authority of the Agency within the Coronado Community Development Project Area ("Project Area").

The Agency is a separate public body, which plans and implements projects in accordance with the requirements of the California Redevelopment Law ("CRL"). The Agency exercises governmental functions in carrying out projects and has sufficiently broad authority to acquire, develop, administer, and sell or lease property. The City Council serves as the Agency Board and is the legislative body for the Project Area. The Mayor acts as the Agency's Chair and the City Manger serves as the Agency's Executive Director.

The Project Area incorporates all municipal and privately owned properties within City limits, including the 1,563-acre Village, the Shores condominium development, and the 392-acre Coronado Cays residential and marina community. The Project Area also contains many visitor serving commercial uses; no industrial or manufacturing uses are located within the Project Area. Figures 1, 2, and 3 on the following pages illustrate the boundaries of the Project Area.

CORONADO COMMUNITY DEVELOPMENT PROJECT AREA



Figure 1 – Coronado Community Development Project Area Boundaries

**CORONADO COMMUNITY DEVELOPMENT PROJECT AREA
 NORTH SECTION DETAIL**



Figure 2 – Northern Portion of Project Area

**CORONADO COMMUNITY DEVELOPMENT PROJECT AREA
 SOUTHERN SECTION DETAIL**



Figure 3 – Southern Portion of Project Area

The Community Development Plan sets forth time limitations with regard to collecting tax increment revenue, incurring bonded debt, and plan effectiveness in the Project Area. The City Council adopted Ordinance No. 1974 on December 6, 2005, enabling the Agency to incur debt until the Plan effectiveness expires on November 19, 2026. No other amendments to the Community Development Plan have occurred since 2005. As amended in 2006, Table 1 presents the current time limits contained in the Community Development Plan per the CRL.

Community Development Plan Limits		Table 1	
Coronado Community Development Agency			
Time Limits		Financial Limits	
Adoption Date	November 19, 1985	Annual Tax Increment Revenue Limit	\$35,483,264
Incur Indebtedness	November 19, 2026	<i>(Initially \$21,000,000 adjusted annually by the CPI through 2008)</i>	
Plan Effectiveness	November 19, 2026		
Collect Tax Increment	November 19, 2036	Maximum Outstanding Bonded Indebtedness	\$200,000,000

Source: Coronado Community Development Agency

FOURTH IMPLEMENTATION PLAN

This document is the fourth Five-Year Implementation Plan ("Plan") for the Project Area and covers the 2010 through 2014 planning period. It has been prepared by the Agency to address the requirements of Section 33490 of the CRL. Pursuant to the CRL, this Plan presents:

- The goals and objectives that will guide redevelopment and affordable housing implementation activities in the Project Area;
- The specific programs, projects, and expenditures for the five-year term (2010 through 2014) of this Plan;
- An explanation of how the projects will eliminate blight in the Project Area;
- An explanation of how the Agency's affordable housing projects and expenditures will implement the low and moderate income housing requirements of the CRL through:
 1. An enumeration of the number of housing units to be rehabilitated, assisted, or destroyed during the term of the Community Development Plan;
 2. An outline of the Agency's plan for the utilization of the Low and Moderate Income Housing Set Aside Fund ("Housing Fund") including annual deposits, transfer of funds, or accruals for special projects;
 3. An identification of programs/projects that will result in the destruction of existing affordable housing (if any); and
- An update to the Agency's Affordable Housing Compliance Plan (2005 through 2014).

NOTABLE PROJECTS COMPLETED FROM 2005 THROUGH 2009

In the last five years, the Agency has financed a variety of projects and programs in the Project Area:

Coronado Hospital Capital Projects: In 2005 and 2006, the Agency entered into Owner Participation Agreements with Sharp Coronado Hospital and Healthcare Center and the Coronado Hospital Foundation to provide \$10,000,000 for renovation of hospital facilities. In 2008, the OPA was amended to provide an additional \$7,000,000 in funding for improvements to the hospital. Since 2005, the Agency has funded six projects; emergency department renovations, improvements to the hospital's first and second floors, upgraded oxygen plumbing at the Villa Coronado Skilled Nursing Facility, replaced the main air handler unit, and renovated the elevators.



Coronado Hospital Land Purchase Agreement: In 2008, the Agency entered into a purchase agreement with the Coronado Hospital Foundation to acquire 1/15 of the hospital property annually for 15 years.

Village Theater Agreement: In 2008, the Agency entered into a Participation Agreement with an operator, Five Star Theatres, Inc., for renovation and operation of the Village Theatre as a first run movie theater through at least 2026. The operator will be responsible for renovation of the theater with a grant from the Agency.



Coronado Library Expansion: The existing Coronado Library's last expansion was in 1972 and consolidated multiple buildings added to the original 1909 Spreckels building. However the number of patrons, volumes of books, new media, and computer and internet use created a need to expand the Library. The new expansion provides for those needs as well as spaces for a teen library, display space and quiet reading room. The project was completed in 2005.



Coronado Rotary Plaza: Rotary Park is a central feature of the Village business district. This project converted Rotary Park into Coronado Rotary Plaza by enlarging the pedestrian area and installing new decorative paving and landscaping surrounding the Star Pine tree. The enlarged site allows a place for community special events and celebrations. This project, completed in 2009, enhances Coronado's village atmosphere, promotes pedestrian activity and creates a safe environment for pedestrians by creating a plaza that defines traffic movements and reduces street crossing distances.



Central Beach Lifeguard Tower, Public Safety Building, and Beach Restroom Project: The former Central Beach Lifeguard Tower was unsafe and needed replacement. This project, completed in 2008, included a Lifeguard Service Building to house beach rescue equipment, provide new public restrooms at North Beach, and assist in meeting public safety needs of beach users.



Glorietta Bay Master Plan Developments: The Master Plan is a comprehensive land use plan for the Glorietta Bay area from the Naval



Amphibious Base to the Coronado Yacht Club. The project was designed to dramatically improve the appearance and quality of the waterfront environment. It reinforces the special characteristics of the location and adds to Coronado's one-of-a-kind village atmosphere. Projects completed as a part of the Master Plan implementation include the following:

Community Center: Coronado's Community Center serves as a gathering place for the entire community, as well as encourages and enhances public access along the shoreline property. This multipurpose facility filled a void of indoor meeting and recreational space in the City, and hosts both youth and adult activities. The Community Center consists of a gymnasium, fitness center, activity and banquet rooms, a community playhouse, and an aquatics center. The project commenced in September 2003 and was completed in the spring of 2005. This project was financed by Agency Tax Allocation Bonds issued in 2000 and 2003, as well as a loan from the City.



City Hall: The Agency financed the construction of a new City Hall pursuant to 1993 agreements with the City. The new City Hall replaced the existing overcrowded, outmoded and dilapidated facility. The previous City Hall contained lead-based paint, asbestos and lacked proper ventilation. Construction began in 2003 and was completed in 2005. This project was funded by a prior loan from the City.



Linear Park: This project provides a park and parking spaces, integrated with the City Hall, Community Center and a pedestrian promenade. The project cleaned up and improved an underutilized area, enhancing public use and recreational opportunities. The project was completed in 2005 with Agency and San Diego Unified Port District funding.



Replacement of Docks: The Agency acquired the Marina in 2000. The docks were reaching the end of their service life and had to be replaced. Two-thirds of the docks were removed and replaced with new docks designed to accommodate the larger boats in modern harbors. The new docks include new power, telephone and sewer pump out facilities. The project was completed in 2007. The final group of docks are scheduled for replacement in 2010-2011.



Yacht Club Promenade: This project extended the pedestrian promenade from the Boat House Restaurant 1887 to San Luis Rey Avenue, and provides a link from the residential area to the facilities at Glorietta Bay. Debris was removed along the shoreline and replaced with new rip rap for shore protection. The project included a new pocket park, landscaping, and narrowed Strand Way for traffic calming. It was completed in 2009 with Agency and San Diego Unified Port District Funding.



Glorietta Bay Marina Building: The previous Marina building was inadequate in size and did not conform to accessibility requirements. The Marina Support Building project, completed in 2009, addresses the



accessibility requirements, provides administrative offices for the marina manager/agent, public restrooms, shower/restroom/laundry facilities for slip occupants, and rental spaces for related marina operations.

High School Construction/Reconstruction: The improvements to Coronado High School consist of work that was completed in various phases between 2005 and 2007. This included demolition of buildings and reconstruction or new construction of classrooms, laboratory, auditorium, and administration buildings, parking, landscaping and aquatics. Additional work included improvements to the Practical Arts Building, Science Wing, and Fine Arts Building.



Coronado Unified School District Early Childhood Development Center: The School District's Early Childhood Development Center provides an "educational village" for children three to six years of age. The Center now has modernized facilities with improved classroom design and includes a Preschool, Kindergarten and Special Day classrooms.



Village Elementary School: The Village Elementary School Project constructed a visual arts room and several improvements to the playground, drainage system and parking lot.



Coronado Unified School District Education Center: The District Education Center project provides a new District office. It consists of a single-story building that houses office, support services and meeting spaces for administrative staff, the Coronado School Foundation, the print shop, and meeting room for School Board meetings. This project consolidated uses and provides for a more efficient utilization of the School District's resources.



Sports Complex Project: The Sports Complex Project installed field turf/grass, a track and fence at Neidermeyer Field, and relocated and reconstructed tennis facilities. This project improves inadequate school facilities.



Strand Elementary School Project: The Strand Elementary School Project consisted of replacing four modular classrooms with a permanent concrete building and replaced the day care building. Additional components of this project included replacement of the bell and public announcement system, installation of temperature control systems, replacement of door lock



hardware, installation of ceiling mounted data projectors, landscape improvements, replacement and expansion of campus lighting, new security gate, and improvements to the existing parking lot.

Middle School Project: The Middle School Project upgraded science rooms, tackable walls, electrical enhancements, ceiling mounted data projectors, bike racks, and exterior safety improvements. This project improved inadequate school facilities.



Palm Academy: Palm Academy was relocated and reconstructed at the former site of the District Education Center. It is an alternative education facility for high school students.



Affordable Housing Programs:

Affordable Rental Housing Rehabilitation: In 2008, the Agency completed a rehabilitation project for the Agency-owned affordable housing complex at 840 G Avenue. The Agency utilized the City's Community Development Block Grant funds and available Affordable Housing Set-Aside funds for rehabilitation at 840 G Avenue. The rehabilitation project replaced individual water heating units with a central, energy efficient water heater for the entire building, replaced and upgraded wall furnaces in individual units, and installed new water saving plumbing fixtures throughout the building.



Senior Rental Housing: The Agency acquired sites located at 578 Orange Avenue and 550-552 Orange Avenue to construct 30 senior affordable rental housing units. The Agency entered into a Disposition and Development Agreement and leased the property to Coronado Interfaith Housing Corporation to construct the improvements and to operate the complex for 55 years. Construction was completed by Coronado Interfaith Housing Corporation in December 2007, which included the undergrounding of utilities in the alley behind the development.



Low/Moderate Income Rental Housing: In fall 2004, the Agency purchased two adjacent parcels located at 440-450 Orange Avenue to build new affordable rental apartments. In 2007, the Agency purchased a six-unit townhome style apartment building located at 225 Orange Avenue. The Agency worked with Coronado Interfaith Housing Corporation, the selected non-profit developer, to design 12 new multi-family affordable housing units for the 440-450 sites and to design a substantial rehabilitation of the six units at 225 Orange Avenue. Approvals were granted by the Design Review Commission and Planning Commission in 2008. A Disposition and Development Agreement was approved in 2008. The Developer is currently working to get tax credits or substitute financing.

Affordable Rental Housing Rehabilitation: In 2006, the Agency acquired a 16-unit apartment complex located at 525 Orange Avenue that was in need of substantial rehabilitation. The Agency entered into a Disposition and Development Agreement and leased the property to



Coronado Interfaith Housing Corporation to construct the improvements and to operate the complex for 99 years. Construction was completed in May 2008.

REDEVELOPMENT PLAN GOALS

The Community Development Plan defined the Agency's goals towards addressing infrastructure and public facility deficiencies in the Project Area. Consistent with the goals of this Implementation Plan, the goals are:



Affordable Housing: The provision of safe, adequate and sanitary housing through the development and rehabilitation of a mixture of housing types for lower- and moderate-income groups.



Preserve Community Character: The restoration of historically or architecturally significant structures to preserve the unique cultural, historical and aesthetic qualities of the Project Area.



Facilitate Economic Growth: The promotion of economic development of the Project Area by providing an attractive, well-serviced, well-protected environment for all residents and visitors.



Encourage Stakeholder Participation: Encourage the cooperation and participation of residents, business persons, community organizations and public agencies in the revitalization of the area.



Construct/Redesign School Facilities: Modernize and improve educational facilities in the Project Area.



Fund Infrastructure Improvements: Provide improvements to accommodate the permanent and visitor population.



Rehabilitate/Construct Public Facilities: Take positive measures to correct the deterioration of existing public facilities and, where feasible, rehabilitate such facilities to improve their efficiency and minimize future deterioration.

OUR COMMUNITY DEVELOPMENT STRATEGY

The Agency's community development strategy for the next five year planning horizon entails facilitating continued rehabilitation and enhancement of the Project Area's public improvements and facilities, schools, commercial uses and affordable housing.

This strategy principally focuses on:

- **Enhancing the Village:** Recognizing that Coronado's Village is one of the City's primary attractions and revenue resources, the Agency will continue to focus on enhancing this community asset. Improvement strategies include completing the downtown streetscape, and reviving the historic Village Theatre.
- **Rehabilitating Public Facilities:** The Agency will continue to fund public facility improvements for the City. Planning will be undertaken for renovation or replacement of public facilities identified in the Community Development Plan.
- **Enhancing Public School Facilities:** Another strong focus will be to improve the community's educational facilities. The Agency will continue to work with the Coronado Unified School District to fund additional school facility improvements as listed in the Community Development Plan and the Cooperation Agreement between the Agency and School District.
- **Improving Healthcare Facilities:** Recognizing the need to insure that the community's medical needs are served, a major effort will be continued to improve the community's hospital. To ensure the hospital remains financially viable and available to the community, the Agency will acquire 1/15 of the hospital property annually for fifteen years. In addition, the Agency will work with Coronado Hospital to identify their facility improvement needs and measures that the Agency can implement to facilitate those capital improvements to retain quality emergency and acute care in the community.
- **Expanding Affordable Housing Opportunities:** A strong focus will be to expand affordable housing opportunities. This will be accomplished by implementing a strategy that both preserves existing affordable housing by providing rehabilitation assistance and securing long-term covenants to maintain their affordability, and develops new affordable units through working with private and non-profit developers.

IMPLEMENTATION ACTIONS – 2010 THROUGH 2014

During the next five years the Agency will implement the aforementioned strategies by undertaking the following projects and programs:

Project/Description	Estimated Redevelopment Investment (2010-2014)	Goals Achieved
<p>Coronado Hospital Capital Projects</p> <p>The Agency entered into a Second Owner Participation Agreement with Sharp Coronado Hospital and Healthcare Center and the Coronado Hospital Foundation to provide a total of \$17,000,000 for renovation of hospital facilities over the life of the project. Beginning in 2010, the Agency will provide up to \$2,000,000 annually for capital projects at the hospital totaling \$10,000,000 million over the five year planning period.</p> <p>This project will preserve and improve health care facilities that serve Project Area residents, businesses, and visitors. The project will also provide needed public improvements at the hospital.</p> <p><i>Timeframe..... 2010-2014</i></p>	\$10,000,000	 HELP  INVEST  GROW
<p>Coronado Hospital Land Purchase</p> <p>The Agency entered into a purchase agreement with the Coronado Hospital Foundation to acquire 1/15 of the hospital annually for 15 years via annual payments of \$1,338,328. The hospital provides an important service and source of employment for the community.</p> <p>This project will preserve and improve health care facilities that serve Project Area residents, businesses and visitors.</p> <p><i>Timeframe..... 2010-2014</i></p>	\$6,700,000	 INVEST  GROW
<p>Village Theatre</p> <p>The Village Theatre is a historic landmark in Coronado. It originally opened in March of 1947 and operated as Coronado's only movie house until it was closed in 2000. Funding for this project, pursuant to the approved Participation Agreement, has been previously authorized. Construction is expected to be completed by late-2010.</p> <p>Completion of this project will restore historic vitality, encourage participation from business owners to revitalize the area and promote economic development by providing an attractive, well serviced environment.</p> <p><i>Timeframe..... 2010</i></p>	\$2,675,000	 PRESERVE  HELP  GROW

Project/Description	Estimated Redevelopment Investment (2010-2014)	Goals Achieved
<p>Downtown Terrazzo Repair</p> <p>This is part of the third phase of the Downtown Streetscape project that will repair the historic terrazzo walks adjacent to the Village Theater. Construction will be conducted in coordination with the Village Theater renovation.</p> <p>Completion of this project will provide needed public improvements in the Project Area.</p> <p><i>Timeframe.....2010-2011</i></p>	\$200,000	 INVEST  PRESERVE  GROW
<p>Tennis Center Building</p> <p>This project will replace the existing building at the Glorietta Bay Tennis Center with a reconstructed and modernized facility. The existing structure is inadequate for current uses and the new building will assist in further meeting the community's needs for recreational facilities and programs.</p> <p>Completion of this project will improve inadequate public facilities.</p> <p><i>Timeframe.....2010</i></p>	\$1,550,000	 HELP  INVEST
<p>Lawn Bowling Green</p> <p>This project will restore the former lawn bowling green located at Seventh Street and D Avenue to a "tournament-caliber" bowling green using an artificial surface. This project will assist in further meeting the community's needs for recreational facilities and programs.</p> <p>Completion of this project will improve inadequate public facilities.</p> <p><i>Timeframe.....2010</i></p>	\$475,000	 PRESERVE  INVEST
<p>Animal Care Facility</p> <p>The former Animal Services Facility was over 20 years old and located on the site that was demolished for the new Senior Affordable Rental Housing complex. A temporary Animal Services Facility is located in the basement of the Police Department. This project will construct a new facility to provide the current level of animal control and care services, and provides updated cages for animals, necessary care area, and a modernized, accessible customer service foyer. It is funded by both Agency funds and a substantial community donation.</p> <p>The new facility will protect the distinctive character of the community, improve infrastructure, and create more adequate public facilities.</p> <p><i>Timeframe.....2010</i></p>	\$1,753,000	 PRESERVE  INVEST  HELP

Project/Description	Estimated Redevelopment Investment (2010-2014)	Goals Achieved
<p>Downtown Enhancement Project Phase III</p> <p>This project is the third phase of the Downtown Streetscape project that will repair and replace the sidewalks along Orange Avenue between Eighth and Ninth streets in the business area. The various phases of the project will present a unified design including colored concrete, lighting, landscaping and street furniture.</p> <p>Completion of this project will improve inadequate public facilities.</p> <p><i>Timeframe..... 2010-2011</i></p>	\$1,110,000	 INVEST  ACCESS  GROW
<p>Boat House/Clubroom</p> <p>As part of the Glorietta Bay Civic Center and Promenade Project, this project will provide a Boat House and Club Activity Room in Glorietta Bay Park. The building will provide storage for many types of non-motorized boats, spaces for recreational programs, and administrative offices. The City does not have public facilities for these recreational activities desired within the community. Council accepted the design and program for the new building in 2008. Design was completed and the permits were acquired in 2009. Construction is scheduled to occur in 2013 but could begin earlier dependent on availability of funds from the Port District.</p> <p>Completion of this project will improve inadequate public facilities.</p> <p><i>Timeframe..... 2012-2013</i></p>	\$2,320,000	 INVEST  ACCESS  HELP
<p>Glorietta Bay Marina Dock Replacement</p> <p>This project will renovate the final group of docks (dock "C") of the existing Glorietta Bay Marina (GBM) Dock System. The docks are in disrepair and lacks ADA accessibility. Two other docks were previously completed; this project is the last phase of the GBM Dock System.</p> <p>Completion of this project will improve inadequate facilities and prevent dilapidation and deterioration.</p> <p><i>Timeframe..... 2011-2012</i></p>	\$1,250,000	 GROW  INVEST  ACCESS
<p>Strand Elementary School</p> <p>Construction and improvements continue at Strand Elementary, including replacing glazing on windows, photovoltaic ("PV") for the Heating Ventilation and Air Conditioning systems ("HVAC"), ADA improvements, installation of Smart Boards, and replacing library shelving. Improvements also include renovations to the baseball field/facility grass.</p> <p><i>Timeframe..... 2010-2014</i></p>	\$600,000	 LEARN

Project/Description	Estimated Redevelopment Investment (2010-2014)	Goals Achieved
<p>Village Elementary School</p> <p>Construction and improvements continue at Village Elementary, including remodeling of the front office, tackable walls, a new sound system, installation of a temperature control system, PV for the HVAC system, replacement of door locking hardware, ADA improvements, rubber surface around play structure, fencing, sound panel in the theater, ceiling mounted data projectors, expansion of special education facilities, and installation of Smart Boards.</p> <p><i>Timeframe.....2010-2014</i></p>	\$1,500,000	
<p>Coronado Middle School</p> <p>Construction and improvements at the middle school continue, including a new phone, PA and microphone system at Granzer Hall, new window shades, installation of Smart Boards, temperature control system and PV for the HVAC, and installation of projectors and screens.</p> <p><i>Timeframe.....2010-2014</i></p>	\$1,225,000	
<p>Coronado High School</p> <p>Construction and improvements at the high school continue, including secure front entry gates and a hydraulic lift for the pit orchestra, ADA improvements at the auditorium, replacement of windows, installation of Smart Boards, and installation of temperature control system, and PV for the HVAC.</p> <p><i>Timeframe.....2010-2014</i></p>	\$3,000,000	
<p>Sports Complex</p> <p>Construction and improvements continue at the Sports Complex, including a High School gym, a new scoreboard at Green Field, installation of a temperature control system, and replacing decomposed granite with concrete and turf.</p> <p><i>Timeframe.....2010-2012</i></p>	\$400,000	
<p>Palm Academy</p> <p>Planned improvements at Palm Academy include installation of a PV system for the HVAC.</p> <p><i>Timeframe.....2011-2014</i></p>	\$150,000	
<p>Early Childhood Development Center</p> <p>Construction and improvements continue at the Center, including a shade structure, soft turf on the playground and installation of a PV system for the HVAC.</p> <p><i>Timeframe.....2010-2014</i></p>	\$425,000	
<p>Total Estimated Non-Housing Investment</p>	\$35,333,000	

AFFORDABLE HOUSING PROGRAM –2010 THROUGH 2014

Over the next five years, the Agency will implement the affordable housing component by undertaking the following projects and programs:

Project/Description	Estimated Redevelopment Investment	Goals Achieved
<p>Affordable Rental Housing Rehabilitation at 840 G Avenue</p> <p>In 2010, the Agency will complete a rehabilitation project for the Agency-owned affordable housing complex at 840 G Avenue. The Agency utilized the City’s Community Development Block Grant funds and available Housing Fund revenue for rehabilitation at 840 G Avenue.</p> <p>The property at 840 G Avenue is in need of some immediate exterior safety and deferred maintenance improvements. The rehabilitation project will focus primarily on addressing identified deficiencies including deteriorating stairs, balconies, handrails, and roofing; inefficient and failing windows, electrical fixtures, appliances, cabinetry, counters, and floor coverings. Landscape improvements will improve site accessibility, reduce existing paved surface area, provide bike storage, and enhance outdoor community space.</p> <p><i>Timeframe..... 2010</i></p>	\$360,000	
<p>Affordable Rental Housing at 440-450 and 225 Orange Avenue</p> <p>Following design approvals granted by the Design Review Commission and Planning Commission, staff continued to work with the developer, Coronado Interfaith Housing Corporation (CIHC), on obtaining financing and a Disposition and Development Agreement during 2007-08. The Agency approved a Disposition and Development Agreement with CIHC in 2008 for this project. Construction is expected to begin in 2010, pending approval of financing. Agency funding will be provided from the housing portion of the 2005 Tax Allocation Bond proceeds.</p> <p><i>Timeframe..... 2010-2011</i></p>	\$2,870,000	
<p>Low/Moderate Income Rental Housing</p> <p>The Agency will continue to fulfill affordable housing goals as opportunities for new construction or acquisition/rehabilitation of existing units arise. The Agency will create units in proportion to community’s need for affordable housing and inclusionary housing requirements. Specific projects have not been identified but the Agency will seek opportunities that meet both housing needs and financial constraints.</p> <p><i>Timeframe.....2010-2014</i></p>	\$3,389,906	
<p>Total Estimated Housing Investment</p>	\$6,619,906	

HOUSING PROGRAM COMPLIANCE - 2005 THROUGH 2014

The CRL requires all redevelopment agencies to prepare and adopt affordable housing compliance plans on a ten year cycle, with updates corresponding with adoption of their five year implementation plans. The housing compliance plan must identify how a redevelopment agency will achieve the affordable housing production requirements for each of its redevelopment project areas. The compliance plan must be consistent with the jurisdiction's Housing Element and must also be reviewed and, if necessary, amended at least every five years in conjunction with the cyclical preparation of the Housing Element or the agency's five year implementation plan. This section of the Plan addresses specific requirements in the CRL with respect to prior affordable housing activities and the anticipated housing program for the current ten-year planning period (2005 to 2014) ("Compliance Period"). This Plan amends the Housing Program Compliance Objectives adopted on September 17, 2007 and presents an updated affordable housing plan through the duration of the Compliance Period.

Redevelopment agencies use implementation plans to establish ten-year objectives to achieve compliance with the CRL in its affordable housing programs. These generally fall into three categories:

- Housing Production – Based on the number of housing units constructed or substantially rehabilitated over a ten-year period and the effectiveness (term) of a redevelopment project. A redevelopment agency is required to ensure that a percentage of these units are made available and affordable to low and moderate income households. These required affordable units are typically referred to as "inclusionary units."
- Replacement Housing –Legal obligation for redevelopment agencies to ensure that any housing units occupied by low or moderate income persons destroyed or removed as a result of an agency redevelopment project are replaced within four years.
- Expenditures by Household Types – Specific requirements on the amount of housing set-aside funds an agency must spend over a ten-year period on housing affordable to very low income households, low income households, and housing for low income households under the age of 65.

Housing Production

The CRL requires that for all units developed by entities other than a redevelopment agency, at least 15% of all new or substantially rehabilitated dwelling units within the project area must be made available at affordable costs to low or moderate income households. Of these, not less than 40% of the dwelling units are required to be available at affordable costs to very low income households.

To estimate the number of housing units that need to be affordable to households earning less than 120% of the County median income, the Agency estimated the total number units to be constructed or substantially rehabilitated in the Project Area and applied the previously stated formulas. The number of affordable units required is based on statutory thresholds, and the Agency is responsible for ensuring that the appropriate number of affordable units is created during the Compliance Period.

Table 2 on the following page presents the affordable housing production needs from the inception of the Project Area to 2004, from 2005 through 2014, and for the remaining life of the Project Area. Thus far in the ten year planning period, the Agency has incurred an inclusionary housing need of 21 affordable units of which 9 units must be affordable to very low income households. The Agency is anticipated to incur an additional need of 6 affordable units of which 3 units are affordable to very low income households. The total inclusionary housing need during the Compliance Period totals 27 affordable units with 12 units affordable to very low income households. The Agency is projected to need 15 additional affordable units

of which 7 units must be affordable to very low income households by the end of the effectiveness period of the Community Development Plan. Over the life of the Community Development Plan, the Agency is anticipated to incur a total inclusionary housing need of 175 affordable units of which 73 units must be affordable to very low income households.

Affordable Housing Needs Production					Table 2
Community Development Agency of the City of Coronado					
Timeframe	Privately Developed	Agency Developed	Inclusionary Requirement	Very Low Unit Requirement	Low / Mod Unit Requirement
Inception - 2003/04	884	0	133	54	79
2004/05 - 2008/09	135	0	21	9	12
2009/10 - 2013/14 ¹	40	0	6	3	3
Compliance Period 2004/05 - 2013/14	175	0	27	12	15
2014/15 - 2018/19 ¹	40	0	6	3	3
2019/20 - 2026 ¹	56	0	9	4	5
Life of the Community Development Plan¹	1,155	0	175	73	102
¹ The Agency has used conservative projections to estimate the total number of units created and required to be affordable in the Project Area. These values are estimated and actual future units may vary. Source: Metroscan 7.27.2009; Five-Year Implementation Plan 2005-2010 as amended on September 18, 2007					

Table 3 presents the fulfillment of affordable housing production needs from the inception of the Project Area to 2004, from 2005 through 2014, and for the remaining life of the Community Development Plan.

- From inception to 2004, the Agency was required to generate 133 affordable units of which 79 needed to be affordable to low and moderate income households and 54 to very low income households. During this time, 65 low and moderate income units and 43 very low income units were produced in the Project Area, resulting in a deficit of 14 low and moderate income units and 11 very low income units. This deficit is a result of affordable production needs generated prior to 1994, before the requirement to meet inclusionary housing production needs within each 10 year housing compliance period. Affordable housing production needs generated in the 1995 through 2004 were satisfied within the compliance period. The pre-1994 housing need must be satisfied before the Community Development Plan expires in 2026.
- During the first five years of the Compliance Period (2005 through 2009), the Agency was required to generate 21 affordable units of which 12 needed to be affordable to low and moderate income households and 9 to very low income households. During this time 17 low and moderate units and 35 very low income units were created leaving a 9 unit deficit of low and moderate income units and a 15 unit surplus of very low income restricted units. During the remainder of

the Compliance Period (2010 through 2014), the Agency is anticipated to incur a 6 unit inclusionary need of which 3 need to be low and moderate units and 3 very low units. It is anticipated that 12 inclusionary units will be produced in the Project Area of which 3 will be low and moderate units and 9 will be very low units. At the end of the Compliance Period the Agency is anticipated to have a deficit of 9 low and moderate income units and a surplus of 12 very low income units for a total surplus of 12 affordable housing units.

- From 2015 to the remaining life of the Community Development Plan the Agency is projected to generate the need for 15 affordable units of which 7 need to be affordable to low and moderate income households and 8 need to be affordable to very low income households. The Agency generated a 12 unit surplus at the end of the prior compliance period that will partially satisfy the inclusionary requirements through the end of the life of the Community Development Plan. The Agency will need to generate an additional 3 units of low and moderate income units by the end of the Community Development Plan in order to comply with inclusionary requirements.

Community Development Agency of the City of Coronado									
Timeframe	Requirements			Units Produced			Surplus (Deficit)		
	Inclusionary	Very Low Unit	Low / Mod Unit	Inclusionary	Very Low Unit	Low / Mod Unit	Inclusionary	Very Low Unit	Low / Mod Unit
Inception - 2003/04¹	133	54	79	108	43	65	(25)	(11)	(14)
2004/05 - 2008/09	21	9	12	52	35	17	6	15	(9)
2009/10 - 2013/14 ²	6	3	3	12	9	3	12	21	(9)
Ten Year Period 2004/05 - 2013/14	27	12	15	64	44	20	12	21	(9)
2014/15 - 2018/19²	6	3	3	0	0	0	6	18	(12)
2019/20 - 2026²	9	4	5	3	0	3	0	14	(14)
Life of the Community Development Plan²	175	73	102	175	87	88	0	14	(14)

¹ The deficit in affordable units was incurred prior to the 1994 requirement to meet inclusionary housing production within each ten-year compliance period. These units have to be fulfilled by the end of the Community Development Plan effectiveness. All units required in the 1994-95 to 2003-04 ten-year compliance period were satisfied within the allotted time.

² The Agency has used conservative projections to estimate the total number of units created and required to be affordable in the Project Area. These values are estimated and actual future units may vary.

Source: MetrosScan 7.27.2009; Five-Year Implementation Plan 2005-2010 as amended on September 18, 2007

Replacement Housing

The CRL requires that whenever housing occupied by low and moderate income persons or households are destroyed as part of an Agency project, the Agency is responsible for ensuring that an equivalent number of replacement units are constructed or substantially rehabilitated within a four-year period. These units must provide at least the same number of bedrooms destroyed, and 100% of the replacement units must be affordable to the same income categories (i.e. very low, low, and moderate) as those removed.

Thus far in the Compliance Period 2005 through 2009 Implementation Plan planning period, the Agency participated in two redevelopment projects that displaced or removed affordable housing units. Table 4 shows the projects that triggered replacement housing requirements and the number of units and bedrooms that were displaced. It also shows the projects that satisfy the replacement housing unit obligations. The Agency has met all of their replacement housing obligations to date and do not anticipate displacing any additional units during the remaining Compliance Period.

Replacement Housing Obligation (FY2004/05 through FY2008/09)									Table 4
Community Development Agency of the City of Coronado									
Project	Units Displaced				Bedrooms Displaced				
	Total	Very Low	Low	Moderate	Total	Very Low	Low	Moderate	
440-448 & 450 Orange Ave.	7	2	3	2	8	2	4	2	
550-552 Orange Ave.	4	0	4	0	4	0	4	0	
Total Displacement	11	2	7	2	12	2	8	2	
Project	Units Replaced				Bedrooms Replaced				
	Total	Very Low	Low	Moderate	Total	Very Low	Low	Moderate	
550 Orange Ave.	10	2	7	1	10	2	7	1	
525 Orange Ave.	1	1	0	0	2	2	0	0	
Total Replaced	11	3	7	1	12	4	7	1	
Surplus/(Deficit)¹	0	1	0	(1)	0	2	(1)	(1)	

¹ The surplus of very low income units and bedrooms is sufficient to satisfy the deficits for moderate income units and the low and moderate income bedrooms displaced.

Source: Replacement Housing Plans

Housing Fund

The Agency is required to set aside 20% of the tax increment revenue it receives from the Project Area into the Housing Fund to increase and improve the community's supply of affordable housing in proportion to targeted income groups pursuant to the CRL. The Agency has the authority to expend the Housing Fund dollars either inside or outside the Project Area.¹ The Agency anticipates collecting \$16.0 million of housing set aside revenue and \$2.6 million of other housing revenue totaling \$18.6 million during the remaining Compliance Period. Annual Housing Fund deposits are depicted in Table 5. The Agency has existing debt service obligations, administrative costs, and mortgage payments totaling \$12.0 million that must be paid prior to expenditures on housing projects and programs. During the remaining Compliance Period the Agency is anticipating it will have approximately \$6.6 million to invest into affordable housing projects and programs.

Community Development Agency of the City of Coronado						
	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	5-Year Total
Tax Increment	\$3,091,458	\$3,112,243	\$3,153,298	\$3,256,546	\$3,363,092	\$15,976,636
Other Revenue	\$512,575	\$520,264	\$528,068	\$535,989	\$544,028	\$2,640,923
Total Revenue	\$3,604,033	\$3,632,506	\$3,681,365	\$3,792,534	\$3,907,121	\$18,617,560
Expenditures	(2,379,198)	(2,396,748)	(2,413,692)	(2,432,038)	(2,375,977)	(\$11,997,653)
Available for Projects	\$1,224,835	\$1,235,758	\$1,267,673	\$1,360,496	\$1,531,144	\$6,619,906

Due to the State's effort to take redevelopment funds to balance the State Budget, the Agency may be required to make Educational Revenue Augmentation Fund ("ERAF") payments during the remaining Compliance Period. In FY2008-2009 the State of California approved the budget contingent upon a \$350 million shift of tax increment monies from redevelopment agencies to be applied to ERAF. The California Redevelopment Association filed a lawsuit on behalf of all redevelopment agencies asserting that the take from redevelopment was unconstitutional based on the Law. On April 30, 2009 a judgment in favor of redevelopment agencies was rendered, affirming that the take was unconstitutional and therefore illegal.

Following this judgment the State of California approved a FY2009-2010 budget relying on a \$2.05 billion ERAF shift from redevelopment agencies over the next two years. The additional shift to ERAF (now called SERAF) is estimated to result in a payment from the Agency. Within the budget, there is a provision by which the Agency has the option to suspend the FY2009-2010 20% housing set-aside contribution in order to assist the ERAF shift in that year; however the loan will need to be repaid by June 30, 2015. The loan could potentially delay many of the housing programs and projects anticipated over the next five year period. The Agency may consider using the Housing Fund to pay for any ERAF or SERAF payments.

Household Types

The Agency's Housing Fund revenue is to be expended in proportion to the community's population of very low and low income households, as well as the proportion of the population under the age of 65.

1 Section 33413(b)(2)(A)(ii) of the Redevelopment Law provides that the Agency's obligations under Section 33413 may be met by providing affordable housing outside the project areas on a two-for-one basis. During the adoption process for each of the Project Areas, the Agency adopted appropriate resolutions that allow the Agency to expend its twenty percent (20%) housing set-aside money outside of each respective Project Area.

The community's proportionate need is based on statistics from SANDAG for the Regional Housing Needs Assessment, used by local government to meet the State requirement for affordable housing by category, and the U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Strategy allocation numbers. The following chart represents the minimum Housing Fund expenditure thresholds for very low and low income, and households under 65 over the remaining Compliance Period. It also illustrates the maximum Housing Fund expenditure thresholds for moderate income and households over 65 housing program expenditures permitted over the term of the Compliance Period. Table 6 specifically details the Agency's Housing Fund expenditure during the first five years of the planning period and the annual projected expenditures during the remainder of the Compliance Period. The Agency anticipates meeting their Housing Fund targeting requirements by the end of the Compliance Period.

2004/05 through 2013/14 Proportional Expenditure								Table 6	
Community Development Agency of the City of Coronado									
2007-2014									
Income Category	RHNA Allocation	Targeting Requirement	2004/05-2008/09		2009/10-2013/14		2004/05-2013/14		
			Actual Expenditure	%	Estimated Expenditure	%	Expenditure	%	
Very Low	14	38%	\$11,873,711	56%	\$2,504,829	38%	\$14,378,541	51%	
Low	11	30%	\$9,047,485	42%	\$1,968,080	30%	\$11,015,566	39%	
Moderate	12	32%	\$400,409	2%	\$2,146,997	32%	\$2,547,405	9%	
Total	37	100%	\$21,321,605	100%	\$6,619,906	100%	\$27,941,511	100%	
2007-2014									
Age Category	CHAS Allocation ¹	Targeting Requirement	2004/05-2008/09		2009/10-2013/14		2004/05-2013/14		
			Actual Expenditure	%	Estimated Expenditure	%	Expenditure	%	
Non-Senior	1,100	62%	\$10,299,304	48%	\$6,619,906	100%	\$16,919,210	61%	
Senior	677	38%	\$11,022,301	52%	\$0	0%	\$11,022,301	39%	
Total	1,777	100%	\$21,321,605	100%	\$6,619,906	100%	\$27,941,511	100%	
¹ Data of low income households under the age of 65 is not readily available from the Census. The nearest metric for such Census data represents households under the age of 62 (available via the Comprehensive Housing Affordability Strategy at http://socds.huduser.org/chas/index.htm)									
Source: City of Coronado, HUD									

Units Assisted by Housing Set Aside Fund. State law also requires a recap of the number of affordable housing projects assisted by the Housing Fund over the past Implementation Plan period (2005 through 2009) that resulted in the production of extremely low, very low, and low income units. Table 7 below summarizes these statistics by project.

FY2004/05 - FY2008/09 Affordable Housing Units Assisted by the Housing Fund							Table 7	
Community Development Agency of the City of Coronado								
Project	Housing Fund Expenditures	Extremely Low Units	Extremely Low Units		Very Low Units		Low Units	
			Expenditures	Units	Expenditures	Units	Expenditures	Units
735 F Street	\$214,600	0	\$0	3	\$106,338	3	\$108,262	
560 - 566 G Avenue	\$174,929	0	\$0	2	\$87,465	2	\$87,465	
445-451 Orange Ave.	\$162,396	0	\$0	1	\$53,952	2	\$108,444	
406-430 Orange Ave.	\$527,976	0	\$0	9	\$296,986	7	\$230,989	
840 G Ave.	\$3,951,860	0	\$0	6	\$2,155,560	5	\$1,796,300	
225 Orange Ave.	\$940,110	0	\$0	3	\$470,055	3	\$470,055	
550-578 Orange Ave.	\$10,654,891	0	\$0	12	\$4,408,920	17	\$6,245,971	
525 Orange Ave.	\$4,294,435	0	\$0	16	\$4,294,435	0	\$0	
Total 2004/05 - 2008/09	\$20,921,196	0	\$0	52	\$11,873,711	39	\$9,047,485	

Source: HCD website; Community Development Agency of the City of Coronado

Housing Units Constructed During Prior Implementation Plan Without Housing Set Aside Funds. Since the last Implementation Plan was adopted, no other funding source was solely used by the Agency to construct affordable units featuring long term covenant restricted units (affordable units with covenants of at least 45 years for ownership housing or 55 years for rental housing).