

Redevelopment 2.0

Cal-ALHFA
Symposium and Conference
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Growth of Redevelopment

- 1966 – 27 redevelopment projects
- 1975 – 156 RDAs, 195 project areas
\$50 million/year
- 1984 – 293 RDAs, 470 project areas
\$378 million/year
- 2011 – 400+ RDAs, 760 project areas,
\$5+ billion/year

Perceived Abuses

- Failure to comply with housing requirements
- Use of TI to fund general gov't purposes
- Use of TI for golf courses, etc.
- Opposition to eminent domain

Reforms

- Stricter blight findings
- Statutory passthrough payments
- Tax increment caps
- Time limits on plan
- Time limits on eminent domain
- Reporting requirements

Redevelopment Powers

- Land Assembly
- Land Write-downs
- Developer Selection
- Tax Increment Financing
- Tax Allocation Bonds

RDA Housing Requirements

- Replacement housing
- 20% set-aside
 - Proportional to RHNA need
 - Limits on senior housing
- Affordability covenants
- Inclusionary housing requirement

Housing Successors

- Low-Moderate Income Housing Fund
 - Monitoring/admin - \$200,000
 - Homeless Prevention/Rapid Rehousing - \$250,000
- Income targeting
 - At least 30% @ 30% AMI
 - Max. 20% @ 60-80% AMI
- Limits on senior housing

Considerations for RDA 2.0

- **Criteria for establishment**
 - Physical Blight
 - Economic Factors
 - Objective Measures
- **Geographic Scope**
- **Taxing entity consent?**
- **Voter approval / majority protest?**

Considerations for RDA 2.0

- **Funding Sources**
 - Property tax - taxing entity consent?
 - State backfill/cap
 - Sales tax
- **Time limits**
- **Reliability**
- **Ability to issue bonds**

Considerations for RDA 2.0

Authorized Activities

- **Housing**
 - Affordable
 - Workforce
 - Homeless/Shelter/Transitional
 - Services
- **Infrastructure / public improvements**
- **Economic development /Job creation**
- **Transit-oriented development**

Considerations for RDA 2.0

Governance

- Legislative body only?
- Participation by taxing entities?
- Proportional to share of contributed funds?
- Participation if projects have regional benefit

Considerations for RDA 2.0

Oversight

- Citizens advisory
- Workshops
- Hearings
- Reporting/review

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